Annual report 2022

Your partner for
sustainable growth

Ackermans & van Haaren

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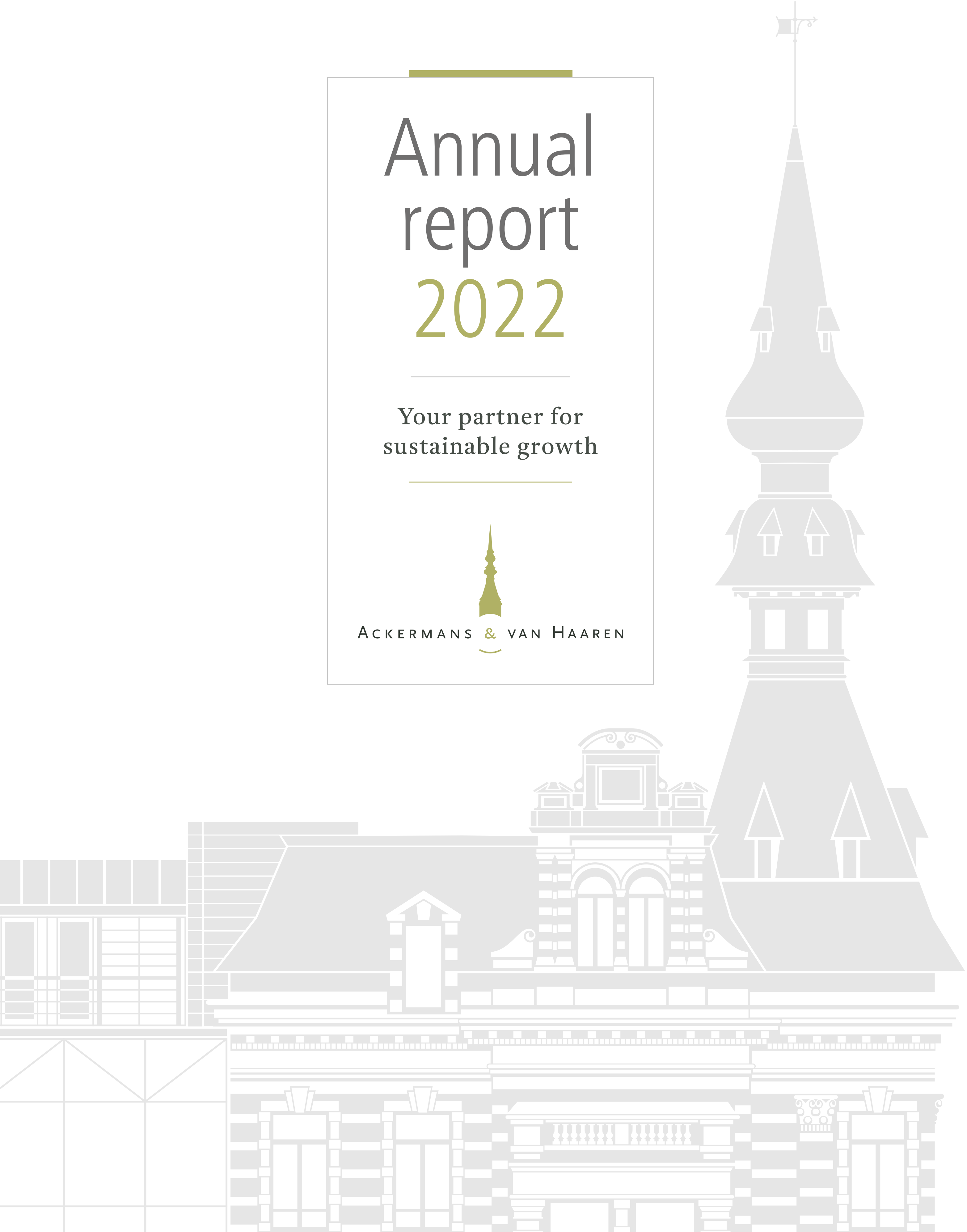

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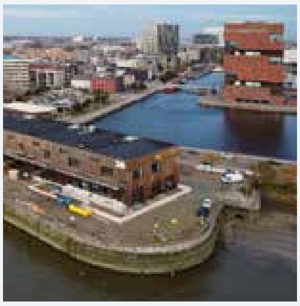


Nextensa

Mediahuis

SIPEF

Pursuant to the Royal Decree of November 14, 2007 on the obligations of issuers of financial instruments admitted to trading on a Belgian regulated market, Ackermans & van Haaren is required to publish its annual financial report.

This report contains:

- the combined statutory and consolidated annual report of the board of directors prepared in accordance with Article 3:32§1 last paragraph CCA,
- a condensed version of the statutory annual accounts prepared in accordance with Article 3:17 CCA,
- and the full version of the consolidated annual accounts.

The full version of the statutory annual accounts has been deposited with the National Bank of Belgium, pursuant to Articles 3:10 and 3:12 CCA, together with the annual report of the board of directors and the audit report. The auditor has approved the statutory and consolidated annual accounts without qualification.

In accordance with Article 12, §2, 3° of the Royal Decree of November 14, 2007, the members of the executive committee (i.e. Tom Bamelis, John-Eric Bertrand, Piet Bevernage, André-Xavier Cooreman, Piet Dejonghe, An Herremans and Koen Janssen) declare that, to their knowledge:

a) the annual accounts contained in this report, which have been prepared in accordance with the applicable standards for annual accounts, give a true view of the assets, financial situation and the results of Ackermans & van Haaren and the companies included in the consolidation;

b) the annual accounts give a true overview of the development and the results of the company and of the position of Ackermans & van Haaren and the companies included in the consolidation, as well as a description of the main risks and uncertainties with which they are confronted.

The annual report, the full versions of the statutory and consolidated annual accounts, as well as the audit reports regarding said annual accounts are available on the website (www.avh.be) and may be obtained upon simple request, without charge, at the following address:

Begijnenvest 113 - 2000 Antwerp - Belgium - Tel. +32 3 231 87 70 - info@avh.be

Mission

Ackermans & van Haaren positions itself as the long-term partner of choice of family businesses and management teams to help build high-performing market leaders and contribute to a more sustainable world.

Inspired by 150 years of entrepreneurship and strong people-oriented family values.

Ackermans & van Haaren

- is an independent, diversified group established in 1876,
- listed on Euronext Brussels since 1984 (BEL20 and BEL ESG) and with solid family ties,
- led by an experienced, multidisciplinary team,
- using its own resources to invest,
- in a balanced combination of a limited number of strategic long-term participations and a diversified portfolio of growth capital investments.

Long-term perspective

- We make clear agreements with our participations regarding strategic, operational and financial goals;
- guided by our long-term strategy, we are prepared to help finance strategic projects of our participations through capital increases;
- our participations remain responsible for their own financial position;
- we strive for annual recurring growth of the results of each participation and of the group as a whole.

Growth

- We are a group of entrepreneurs with the ambition to build leading companies through internationalisation, innovation and diversification in the long term;
- we create long-term shareholder value thanks to a recurring increase of the consolidated shareholders' equity, supported by a steady long-term dividend growth;
- we focus on recurring growth of the activities, long-term growth of the operating cash flow and shareholders' equity of the participations, rather than on absolute profitability targets or short-term dividend maximisation.

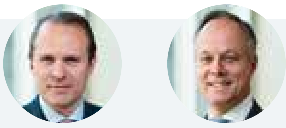
Active ownership

- We are proud of a successful track record of partnerships with families, co-shareholders and management teams;
- we invest in both majority and minority interests on the basis of balanced shareholder agreements;
- our experienced investment managers are actively involved in the governing bodies of the participations, assisted where necessary by external consultants and/or independent directors;
- we are a networked organisation, based on a diversity of personalities and backgrounds and on a permanent exchange of best practices between the group companies;
- we are in constant dialogue with the management teams of the participations and are involved in:
    - selecting the senior management,
    - defining the long-term strategy,
    - actively supporting strategic projects (M&A, internationalisation, innovation and operational improvements).

Sustainable

- We pay particular attention to sustainable development and growth of the activities of our participations, with respect for people, environment and society;
- we have developed an ESG policy based on UN Sustainable Development Goals and UN PRI guidelines, and we apply this policy within the group and to our own investment decisions;
- our investment philosophy is based on transparent reporting and communication, clear agreements in terms of corporate governance and business ethics, and strict financial discipline and healthy balance sheets;
- we want to help build a more sustainable world by investing in line with societal trends such as climate change, reduction of greenhouse gases (e.g. through renewable energy projects), sustainable food chain, population growth and ageing and digitalisation.

2022 at a glance



John-Eric Bertrand
co-CEO

Piet Dejonghe
co-CEO

In a challenging environment with steep cost increases, deteriorating consumer confidence and decreasing stock markets, the companies of the group have shown high resilience with a result of the core participations in line with the record result achieved in 2021. The diversified portfolio has also once again proven its pertinence, amongst others through the positive impact of the increasing raw material prices on the results of SIPEF.

Our participations can be 'part of the solution' in these challenging markets, amongst others because they offer innovative and cost-efficient solutions to their customers or they contribute to the energy transition, for example through the installation of offshore wind parks and biodigesters, the construction of smart buildings and the development of green hydrogen.

Our selection as one of the 20 companies forming the new BEL® ESG Index, launched by Euronext constitutes a recognition of our group's efforts to position itself as 'your partner for sustainable growth' with respect for people, the society and the environment.

The more than 330 million euros capital gain that has been realised over 2022 on the divestment of Manuchar and Anima again confirms the significant upside in our portfolio and strengthens our balance sheet. We are proud of what we have built together with the employees and management teams of both companies over the past 15 years and wish them every success in their further development. We look forward to opportunities to put the more than 460 million euros cash from these exits to work, building other companies over the long term together with their family shareholders and management teams.

(The full video message can be viewed at www.avh.be/en/investors/results-centre/year/2023)

- Ackermans & van Haaren realised a net profit of 708.7 million euros over the year 2022.
- The separate listing on Euronext Brussels since June 30, 2022, has given DEME the visibility that befits its position as world leader in the installation of offshore wind farms. It has also permitted CFE to fine-tune its own strategy and to communicate with its stakeholders on this matter in a more targeted way. Thanks to their solid order books, DEME and CFE were able to slightly increase their turnover in 2022. Despite significant cost increases and the (direct and indirect) impact of the consequences of the war in Ukraine, the contribution of '**Marine Engineering & Contracting**' to the results held up very well.
- Delen Private Bank and Bank Van Breda were able - even in the negative financial markets of 2022 - to realise a remarkable net inflow of assets under management. This made it possible to offset virtually entirely the negative market impact on the results of '**Private Banking**'.
- Since the sale of Anima in mid-2022, the contribution of '**Real Estate & Senior Care**' is generated exclusively by Nextensa. The sale of a number of less strategic buildings made it possible to realise capital gains and strengthen the balance sheet of Nextensa.
- The good production volumes of sustainable palm oil, in combination with strong market prices, earned SIPEF a record result in 2022. This also explains the further increase of the contribution from '**Energy & Resources**'.
- '**Growth Capital**' also made a substantial profit contribution in 2022. The consolidated participations recorded a strong performance, while the growing group of fair value investments also showed a generally positive evolution.
- The evolution of the result of AvH & subholdings is partly explained by a negative value development of AvH's own investment portfolio and by inflation. AvH also invested further in the strengthening of its teams in Antwerp and Singapore.
- The sale of the 30% participation in Manuchar and of the 91.8% participation in Anima yielded capital gains of 97.2 million euros and 236.9 million euros respectively.

Breakdown of the consolidated net result
(part of the group)

(€ million)	2022	2021	2020
● Marine Engineering & Contracting	94.6	99.0	46.7
● Private Banking	180.1	183.1	141.3
● Real Estate & Senior Care	45.3	42.7	32.7
● Energy & Resources	34.3	30.0	6.8
Contribution from core segments	354.4	354.8	227.5
Growth Capital	52.1	71.3	12.7
AvH & subholdings	-24.2	-18.1	-13.5
Net capital gains(losses)	326.4	-1.2	3.1
Consolidated net result	708.7	406.8	229.8

Key figures - consolidated balance sheet

(€ million)	2022	2021	2020
Shareholders' equity (part of the group - before allocation of profit)	4,633.6	3,957.2	3,562.0
Net cash position	498.7	77.7	68.0

Net result

709
(million euros)

21.39
(euros per share)

Net equity
(part of the group - before allocation of profit)

4,634
(million euros)

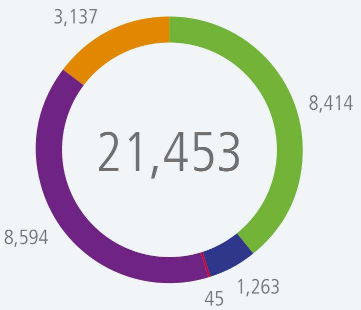
139.96
(euros per share)

Market capitalization
(31/12/2022)

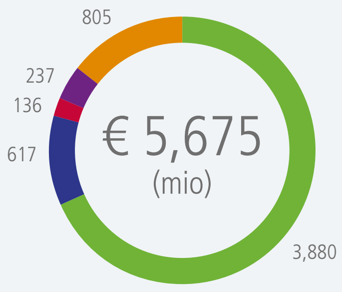
5,366
(million euros)

160.20
(euros per share)

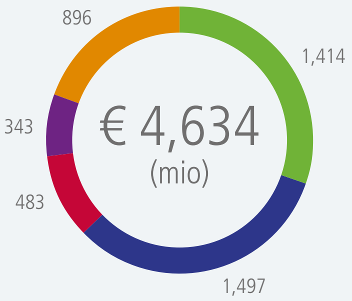
Economic footprint of the AvH group



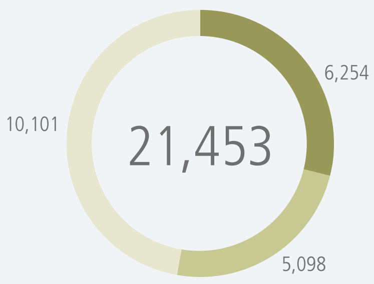
Pro forma[1] personnel per segment



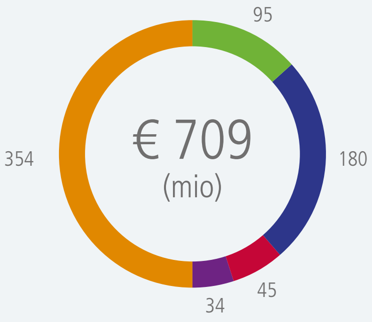
Pro forma[1] turnover



Shareholders' equity (part of the group)



Pro forma[1] personnel per region



Contribution to AvH group result

- ● Marine Engineering & Contracting
- ● Private Banking
- ● Real Estate & Senior Care
- ● Energy & Resources
- ● AvH & Growth Capital

- ● Belgium
- ● Europe
- ● Rest of the world

[1] Based on consolidated figures 2022, pro forma: all exclusive control interests incorporated in full, the other interests proportionally.

Key events 2022

January

- **DEME:** options on 2 GW in ScotWind offshore wind lease round (via Thistle Wind Partners)
- **Delen Private Bank:** Antwerp head office reopened after renovation
- **Mediahuis:** acquisition of Aachener Verlagsgesellschaft


Delen Private Bank

Mediahuis

February


CFE I VMA


Nextensa I Monnet 4

- **CFE:** acquisition of Rolling Robotics by VMA
- **Nextensa:** sale of The Crescent and Monnet 4

March

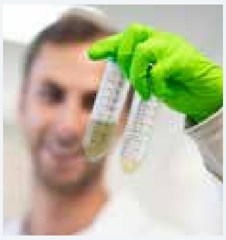
- **Bank Van Breda:** first place in 'Great Place to Work' for companies with more than 500 employees
- **Rent-A-Port:** increase participation in Infra Asia Investment (IAI) to 94%

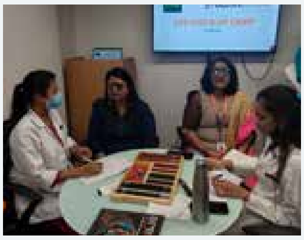
Best Workplaces™
Great Place To Work.
BELGIUM
2022

Bank Van Breda

April

- **Bank Van Breda:** opening of new branch in Braine-l'Alleud
- **Medikabazaar:** new financing round of 65 million USD


Biotalys


Medikabazaar

May

- **AvH:** succession of Jan Suykens as CEO by Piet Dejonghe and John-Eric Bertrand as co-CEOs
- **DEME:** revolutionary offshore installation vessel Orion added to fleet
- **Biotalys:** World BioProtection Award 2022 for Evoca as best biofungicide
- **OMP:** Leader in the Gartner Magic Quadrant for Supply Chain Planning Solutions
- **Van Moer Logistics:** acquisition of Group Van Loon (followed later in the year by Rhenus Terminal Brussels and Broekman Logistics)

DEME I Orion

June

- **AvH:** sale of Manuchar (capital gain of 97 million euros)
- **DEME - CFE:** partial demerger of CFE with separate listing of DEME

Anima

Manuchar

July

- **AvH:** closing of sale of Anima (capital gain of 237 million euros)
- **AvH:** improvement of Sustainalytics score to 9.0 (negligible risk)
- **DEME:** dredging contract for container terminal in port of Gdansk

AstriVax

SIPEF

August

- **AvH:** new participation in AstriVax (AvH 5.8%)
- **Delen Private Bank:** announcement of acquisition of Groenstate Vermogensbeheer
- **SIPEF:** RSPO recertification of 3,600 smallholders of Hargy Oil Palms

September

- **Delen Private Bank:** opening of new branch in Zellik

October

- **AvH:** partnership with Convergent Finance (AvH 3.06%)

DEME

Convergent Finance

November

- **DEME:** contract for Hai Long wind farms in Taiwan (1GW)

December

- **CFE:** completion and sale of Wooden
- **Nextensa:** sale of Titanium in Luxembourg (110 million euros)
- **SIPEF:** increase of annual production of palm oil with 5% to 403,927 tonnes
- **Delen Private Bank:** succession René Havaux as CEO by Michel Buysschaert

Key events 2023

February

- **AvH:** sale of Telemond (capital gain of 19 million euros)
- **AvH:** inclusion in new BEL ESG index of Euronext

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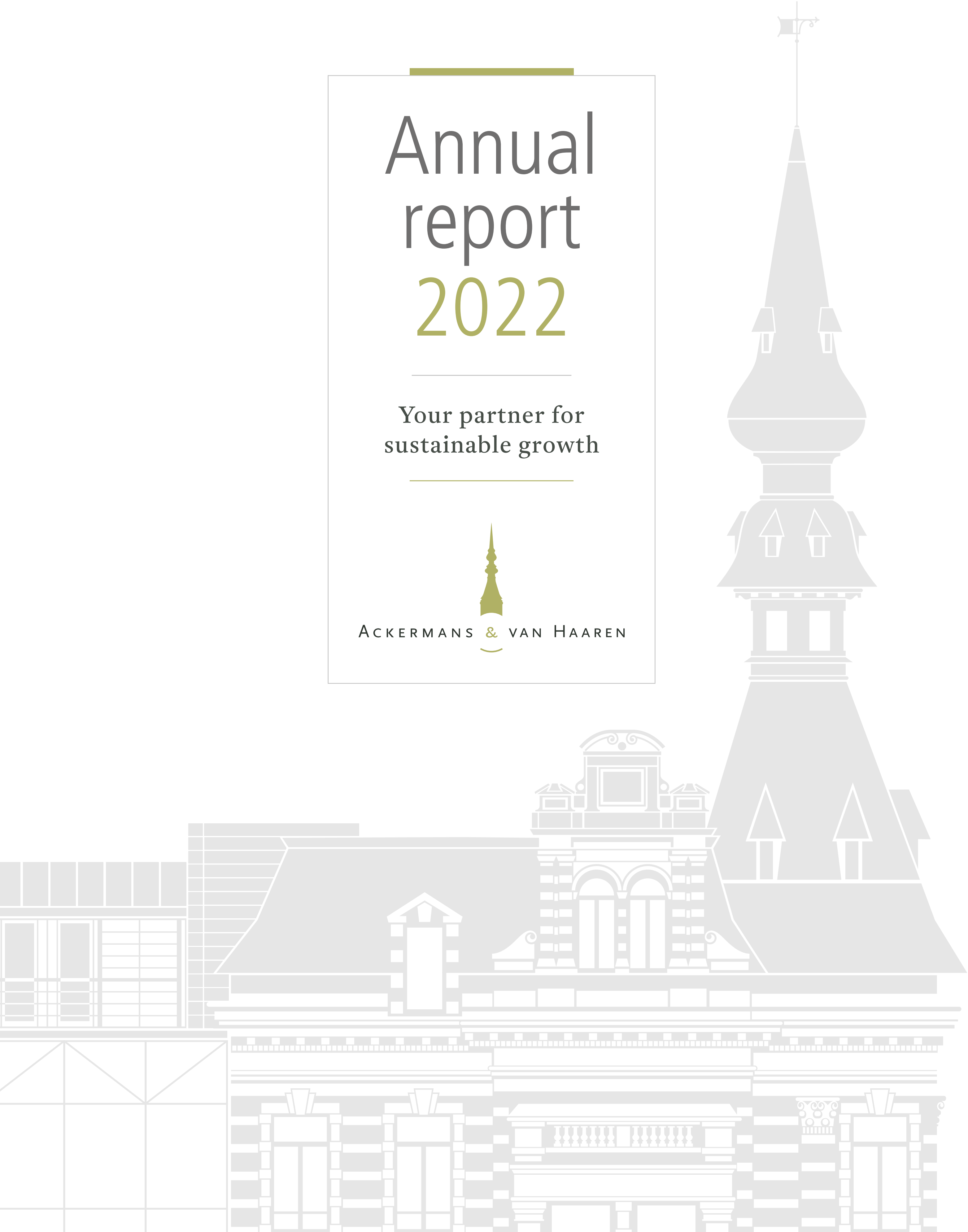
ACKERMANS & VAN HAAREN



Message from the chairmen

Dear shareholders,

The past 12 months have been very challenging due to the convergence of interrelated crises. The tight supply and associated commodity price increases at the end of the COVID-19 pandemic were exponentially amplified as a result of the outbreak of the conflict in Ukraine. This war is not only causing untold human suffering, but also drove up the price of energy in Europe to unprecedented levels. Inflation is eroding consumers' purchasing power and confidence, and the high cost of energy is testing the competitiveness of many energy-intensive sectors in Europe. To prevent inflation spiralling out of control, central banks were forced to put an end to a decade of cheap money. The very rapid rise in interest rates created a unique combination of sharply falling prices of both shares and bonds in the financial markets.

Since its foundation as a dredging firm in 1876, Ackermans & van Haaren has weathered many economic and geopolitical crises. Our company's history teaches us the importance of always questioning so-called certainties, identifying and mitigating risks, ensuring a strong balance sheet with limited debt, and working with a long-term view while constantly adapting to change.

Although the challenging environment did not spare our participations in 2022 either, AvH can present a record result of 708.7 million euros for the past year. At 354.4 million euros, our core sectors contributed as much as they did in record year 2021. In addition, we realised 334 million euros of capital gains on the sale of Anima and Manuchar. At the end of 2022, our consolidated shareholders' equity amounted to 4.6 billion euros or 139.96 euros per share. Including the dividend paid over 2021, shareholder value over the last 12 months increased by 19.6% versus an average of 13.0% since the IPO in 1984. We thank these strong results to the resilience of our participations and the pertinence of our diversified portfolio.

Our banks remain the group's main profit driver. Even in difficult financial markets, the account managers of **Delen Private Bank** and **Bank Van Breda** remained close to their clients' world and needs. The great transparency offered by innovative digital tools, together with this client focus, allowed us to maintain our clients' trust and welcome many new clients. The impact of the downward trend in the financial markets was thus partially offset by a strong gross inflow of 4.6 billion euros, so that the combined total client assets amounted to 57.7 billion euros at the end of 2022. Thanks to these strong commercial results, combined with high operational efficiency (combined cost-income ratio of 53%), the high inflation could be cushioned. Together, the banks virtually matched the 2021 record with a net result of 229 million euros. The combined shareholders' equity of 1.7 billion euros resulted in a very solid CET1 ratio of 23%. Furthermore, both banks remain very attentive to the continued strong liquidity which can be seen in the combined LCR of 212%. Delen Private Bank and Bank Van Breda remain among the best performing and best capitalised private banks on the continent.

> “We thank our strong results to the resilience of our participations and the pertinence of our diversified portfolio.”

Van links naar rechts: John-Eric Bertrand. Luc Bertrand. Piet Dejonghe

DEME realised a 6% increase of its turnover in 2022 to 2,655 million euros, an EBITDA of 474 million euros (17.9% margin), and a net result of 113 million euros. The net financial debt amounted to 521 million euros (1.1 x EBITDA) versus 1,754 million euros of shareholders' equity. The stock market listing in June 2022 was an opportunity to turn the spotlight on DEME's leading market positions and technological expertise. With a record order backlog of 6.2 billion euros, the company is experiencing a strong upward momentum in both dredging and offshore installations. DEME offers concrete solutions to challenges such as world population growth (leading to a need for larger and deeper seaports and land reclamation in densely populated coastal areas), rising sea levels as a result of climate change, energy transition with a view to reducing CO_2 emissions and dependence on fossil fuels of less reliable origin. To respond to all these opportunities, DEME continues to invest in the most modern and versatile fleet. The 'Orion' was launched in April. The unmatched lifting capacity of this vessel allows the offshore wind industry to push the envelope and build ever more powerful and therefore larger wind turbines in deeper waters. Offshore wind, meanwhile, is outgrowing Europe and is becoming a global activity. As a pioneer and market leader, DEME is determined to remain a leading player, and has won the first major contracts in the US and Taiwan. A sister ship of the 'Orion', the 'Green Jade', is now under construction in Taiwan. A second cable-laying vessel, the 'Viking Neptune', has since joined the fleet, and an additional fall pipe vessel has been commissioned. In addition to its dredging and offshore activities, DEME continues to innovate in burgeoning fields such as the production of green hydrogen and the mining of minerals on the ocean floor to contribute to a low-carbon society.

* * *

The demerger of **CFE** has made it possible to crystallise a great deal of shareholder value that investors were previously unaware of. This leading multidisciplinary group is active in real estate development, multitechnics and construction & renovation, focusing more than ever on operational excellence and sustainability. Sustainalytics has in fact just named CFE a Top Rated ESG Company 2023. In the context of the demerger, we ensured that CFE has a strong balance sheet to enable its ambitious growth plans. At the end of 2022, the shareholders' equity amounted to 225 million euros. Although CFE was confronted with strong price increases for just about all building materials, its net result of 38.4 million euros virtually matched the record of 2021.

* * *

With a shareholders' equity of 839 million euros, **Nextensa** is one of the biggest listed real estate players in Belgium. In the first year after the merger between Leasinvest Real Estate and Extensa, active use was made of the greater agility resulting from the relinquishment of the REIT status. Less sustainable buildings or assets with limited upward potential were sold in Belgium and Luxembourg. Not only was 28.3 million euros of capital gains realised on those sales. It also allowed the net debt position to be strongly reduced from 896 million euros at the time of the merger to 722 million euros at the end of 2022. The quality of the 1.3 billion euro property portfolio is further illustrated by the very limited reduction of the fair value by 11.6 million euros due to the increased market yields.

* * *

While increasing commodity prices are a scourge for many sectors, the high palm oil price gave **SIPEF** a strong boost. As a result, this company not only realised a record result of 108 million USD but was also able to completely reduce its net debt position, which was still 49 million USD at the end of 2021, to a net cash position of 0.1 million USD. However, also in 2022, SIPEF invested heavily in the expansion of its young plantations in South Sumatra, which are not yet mature and therefore not yet contributing to profit. This expansion is proceeding in full compliance with the stringent RSPO standards and without deforestation.

* * *

Our growth capital portfolio also performed strongly in 2022. While the contribution of 52.1 million euros is lower than in 2021, the difference is entirely explained by the sale of the stake in Manuchar. Inflation and the deteriorating economic situation obviously had an impact on the various companies, yet they are generally holding up well. We firmly believe that in these challenging times, our participations can also provide part of the answer with innovative and cost-effective solutions. These include **Agidens** (automation of processes), **Van Moer Logistics** (sustainable logistics), **OMP** (optimisation of complex supply chains) or **Turbos Hoet Group** (sale and financing of fuel-efficient trucks). The channels of **Mediahuis** ensure that people are correctly informed in these turbulent times.

* * *

AvH, which has already been present in India since 2008 through its investment in **Sagar Cements**, continues to strengthen its exposure in the region. India is expected to become the world's third largest economy by 2030 and its GNP would again increase by more than 6% this year. In line with our strategy to work together with local parties with deep market knowledge, we have entered into a partnership with Mumbai-based **Convergent Finance**, which invests in more mature, generally listed companies in India. As with our investments in **HealthQuad** (focus on health care) and **Venturi** (focus on B2C), we have the ambition to make co-investments with these funds and our own team in Singapore as we did earlier in **Medikabazaar**, market leader in the supply of medical equipment and consumables.

* * *

Still within the growth capital segment, we further strengthened our life sciences team with a view to investing in young, promising biotech and agtech platform companies with the potential to grow into significant players. During 2022, for example, investments were made in **AstriVax** which, starting from technology of the world-renowned Rega Institute (KU Leuven), is developing innovative vaccines that are easy to produce and store and offer long-term protection.

* * *

In 2022, after 15 years, we sold our participations in Manuchar and Anima. We are proud of what we have accomplished with the employees and management of both companies. From a trading and logistics company with 25 million euros EBITDA in 2007, **Manuchar** has grown into a leading distributor of chemical products with 2,250 employees and 162 million euros EBITDA over 2021. **Anima** began as a one-person business on Begijnenvest and became a highly respected operator of high-quality residential care centres for 2,700 residents in Belgium. We are confident that under their management and with the new shareholders, the two companies will continue their success story.

These divestments together generated more than 330 million euros in capital gains and illustrate once again that our portfolio holds a lot of latent upside that is not expressed in our shareholders' equity and certainly not in our share price. These sales also increased our net cash position to 499 million euros at the end of 2022. We look forward to putting these substantial resources to work and building other fine companies together with their (family) shareholders and boards into long-term market leaders.

When looking for investments, as we do when supporting our existing participations, we also pay particular attention to the sustainable nature of the opportunities. After all, ESG is central to our DNA. In addition to our diversification, ESG (sustainability combined with our long-term focus) provides resilience. We want to score not only in the next financial year but also for future generations. We are pleased that this is recognised by the outside world as well. We were selected by Euronext in February as one of the 20 companies that make up the new BEL ESG index. Sustainalytics recently upgraded our rating to 9.0 (negligible risk), ranking AvH 8th out of 63 multisector holdings. CFE also improved its rating to 26 (medium risk), putting it among the 10% best performing companies in the sector. Bank Van Breda, for its part, was elected 'Great Place to Work in Belgium' thanks to its relentless efforts in talent management, diversity and inclusion. Biotalys received a World BioProtection Award 2022 for its first biofungicide Evoca.

More than ever, given the numerous global challenges, AvH wants to contribute to a better world. We believe that all of our companies are well positioned to provide answers and be a part of the solution. This is only possible thanks to the commitment, energy and creativity of all the colleagues in the group who ensure that we adapt every time. We wish to sincerely thank each and every one for that. In this regard, we also wish to pay very explicit tribute to our previous CEO, Mr Jan Suykens, for the important role he has played in the successful development of AvH over the past 32 years.

March 22, 2023

Luc Bertrand	John-Eric Bertrand	Piet Dejonghe
Chairman of the board of directors	*co-CEO*	*co-CEO*

Annual report of the board of directors

Dear shareholder,

It is our privilege to report to you on the activities of our company during the past financial year and to submit to you for approval both the statutory and consolidated annual accounts closed on December 31, 2022. In accordance with Article 3:32 §1 last paragraph of the Code of Companies and Associations, the annual reports on the statutory and consolidated annual accounts have been combined.

I. Statutory annual accounts

1. Share capital and shareholding structure

No changes were made to the company's share capital during the last financial year. The share capital amounts to 2,295,278 euros, and is represented by 33,496,904 shares with no nominal value. All shares have been paid up in full. In 2022, 59,350 options were granted within the framework of the stock option plan. As at December 31, 2022, the options not yet exercised entitled their holders to acquire an aggregate of 317,100 Ackermans & van Haaren shares (0.95%). The company received a transparency notice on October 31, 2008 under the transitional regulations of the Act of May 2, 2007, whereby Scaldis Invest NV - together with Stichting Administratiekantoor 'Het Torentje' - communicated its holding percentage. The relevant details of this transparency notice can be found on the company's website (www.avh.be).

2. Activities

For an overview of the group's main activities during the 2022 financial year, we refer to the Message from the chairmen (p. 14) and to the Key events (p. 10).

3. Comments on the statutory annual accounts

3.1 Financial situation as at December 31, 2022

The statutory annual accounts have been prepared in accordance with Belgian accounting principles.

The balance sheet total at year-end 2022 amounted to 2,568 million euros, which is an increase with 354 million euros compared with the previous year (2021: 2,214 million euros). The assets consist of 9 million euros in tangible fixed assets (primarily the office building located at Begijnenvest and Schermersstraat in Antwerp), 421 million euros in short-term investments, 38 million euros in cash, and 2,082 million euros in financial fixed assets. On the liabilities side of the balance sheet, the profit for the financial year of 371 million euros and the proposed dividend of maximum 104 million euros for the 2022 financial year resulted in a shareholders' equity of 2,329 million euros (2021: 2,063 million euros). At year-end 2022, Ackermans & van Haaren owned 391,239 treasury shares.

3.2 Appropriation of the result

The board of directors proposes to appropriate the result (in euros) as follows:

Profit carried forward from the previous financial year	1,825,447,138
Profit for the financial year	370,748,227
Total for appropriation	2,196,195,365
Allocation to the legal reserve	0
Allocation to the non-distributable reserves	13,080,157
Allocation to the distributable reserves	0
Dividends(1)	103,840,402
Directors' fees	836,250
Profit premium for employees(2)	357,976
Profit to be carried forward	**2,078,080,579**

(1) It will be proposed to the ordinary general meeting of shareholders of May 22, 2023 to approve a dividend of 3.10 euros per share. This corresponds to a maximum dividend payment of 103,840,402 euros.

(2 Profit participation in favour of Ackermans & van Haaren employees in accordance with the provisions of the profit sharing bonus plan approved by the board of directors on February 23, 2023.

The board of directors proposes to pay a gross dividend of 3.10 euros per share. After deduction of the withholding tax (30%), the net dividend will amount to 2.17 euros per share. Since the treasury shares are not entitled to a dividend in accordance with Article 7:217 §3 of the Code of Companies and Associations, the total dividend amount depends on the number of treasury shares for account of Ackermans & van Haaren, on May 28, 2023 at 11.59 pm CET (i.e. the day before the ex-date). The board of directors proposes to be authorised accordingly to enter the final total dividend amount (and the resulting change) in the statutory financial statements. The maximum proposed total amount is 103,840,402 euros. If the annual general meeting approves this dividend proposal, the dividend will be payable from May 31, 2023. Following this appropriation, taking into account the maximum proposed total dividend amount, the shareholders' equity will stand at 2,328,643,707 euros, and will be composed as follows:

Capital	
Subscribed	2,295,278
Issue premiums	111,612,041
Reserves	
Legal reserve	248,081
Non-distributable reserves	47,765,985
Distributable reserves	88,641,744
Profit carried forward	2,078,080,579
Total	**2,328,643,707**

3.3 Outlook

As in previous years, the results for the current financial year will to a large extent depend on the dividends paid by the companies within the group and on the realisation of any capital gains or losses.

4. Major events after the closing of the financial year

We refer for this to II.4 and II.7 on page 23.

5. Research and development

The company regularly organises knowledge exchange related to innovation and to research and development between the participations.

6. Financial instruments

Companies within the group may use financial instruments for risk management purposes. Specifically, these are financial instruments principally intended to hedge the risks associated with fluctuating interest and exchange rates. The counterparties in the related transactions are exclusively first-ranked banks. At the end of 2022, Ackermans & van Haaren didn't have any such instruments outstanding.

7. Notices

7.1 Application of Article 7:96 of the Code of Companies and Associations

The regulations of Article 7:96 of the Code of Companies and Associations regarding conflicts of interest did not have to be applied in 2022.

7.2 Additional remuneration for the auditor

Pursuant to Article 3:65, §3 of the Code of Companies and Associations, we inform you that a fee was paid to EY Bedrijfsrevisoren of 9,300 euros (excluding VAT) for a review of the implementation of ESEF and of 5,950 euros (excluding VAT) to EY Tax Consultants for tax advice.

7.3 Acquisition or disposal of treasury shares

On November 9, 2020, the extraordinary general meeting authorised the board of directors of Ackermans & van Haaren to acquire treasury shares within a well-defined price range during a period of five years. In 2022, AvH has purchased 20,350 treasury shares in order to hedge options for the benefit of staff. Over the same period, beneficiaries of the share option plan exercised options on 48,500 AvH shares. In addition, 347,174 AvH shares were purchased and 345,510 shares were sold in 2022 in the context of the contract that AvH entered into with Kepler Cheuvreux in order to support the liquidity of the AvH share. Additionally, in October 2022, AvH announced the start of a share buyback programme of up to 70.0 million euros. The programme started on October 5, 2022 and will in principle run until the annual meeting of May 22, 2023, unless the maximum amount has been invested prior to that date. In pursuance of this plan, 70,633 shares have been purchased for a total amount of 9.6 million euros as at December 31, 2022. More details about this can be found in the financial statements (note 22).

The situation as at December 31, 2022 was as follows:

Number of treasury shares	391,239 (1.17%)
Par value per share	0.07 euros
Average price per share	122.00 euros
Total investment value	47,731,232 euros

7.4 Notice pursuant to the law on takeover bids

By letter dated February 18, 2008, Scaldis Invest sent a notice to the company in accordance with Article 74, §7 of the Act of April 1, 2007 on public takeover bids. From this notice, it appears that Scaldis Invest owns 33% of the securities with voting rights in Ackermans & van Haaren, and that Stichting Administratiekantoor 'Het Torentje' exercises ultimate control over Scaldis Invest.

7.5 Protection schemes

On November 9, 2020, the extraordinary general meeting renewed the authorisation of the board of directors, in the case of a public takeover bid for the securities of Ackermans & van Haaren, to proceed with a capital increase in accordance with the provisions and within the limits of Article 7:202 of the Code of Companies and Associations. The board of directors is allowed to use these powers if the notice of a takeover bid is given to the company by the Financial Services and Markets Authority (FSMA) not later than three years after the date of the aforementioned extraordinary general meeting (i.e. November 9, 2023).

The board of directors is also authorised, for a period of three years from the date of publication in the Annexes to the Belgian Official Gazette (i.e. until November 25, 2023), to acquire or dispose of treasury shares in the event that such action is required in order to safeguard the company from serious and imminent harm.

II. Consolidated annual accounts

1. Risks and uncertainties

This section describes, in general terms, the risks facing Ackermans & van Haaren as an international investment company on the one hand, and the operational and financial risks associated with the various segments in which it is active (either directly or indirectly through its subsidiaries) on the other. With regard to non-financial risks, reference is also made to the Sustainability report chapter (p. 48).

The executive committee of Ackermans & van Haaren is responsible for the preparation of a framework for internal control and risk management, which is submitted to the board of directors for approval. The board of directors is responsible for assessing the implementation of this framework, taking the recommendations of the audit committee into account. At least once a year, the audit committee evaluates the internal control systems that the executive committee has set up, in order to ascertain that the main risks have been properly identified, reported and managed. The subsidiaries of Ackermans & van Haaren are responsible for the management of their own operational and financial risks.

These risks, which vary according to the sector, are not centrally managed by Ackermans & van Haaren. The management teams of the subsidiaries in question report to their board of directors or the audit committee on their risk management.

• Risks at the level of Ackermans & van Haaren

Strategic risk

The objective of Ackermans & van Haaren is to create shareholder value by long-term investment in a limited number of strategic participations. The availability of opportunities for investment and divestment is, however, subject to geopolitical and macroeconomic conditions, and is impacted by the increasing competition, a.o. due to the private equity market that is becoming more and more international.

The definition and implementation of the strategy of the group companies is also dependent on the aforementioned conditions, for example in the case of geopolitical tensions (such as the military conflict between Russia and Ukraine) or a pandemic (such as COVID-19).

By focusing on long-term value creation and the maintenance of operational and financial discipline, Ackermans & van Haaren, as a proactive shareholder, endeavours to limit those risks as far as possible.

Ackermans & van Haaren believes that a well-considered and strategically oriented ESG policy contributes to a sustainable growth of the group. ESG risks and opportunities are monitored at portfolio level. A sustainable mix of activities is pursued. More information can be found in the chapter Sustainability report (ESG), 3. ESG approach (p. 48).

The representatives of Ackermans & van Haaren on the boards of directors of the participations also see to it that the participations organise themselves in such a way that applicable laws and regulations are complied with, including all kinds of international and compliance rules.

Ackermans & van Haaren works together with partners in several group companies. At Delen Private Bank, for example, control is shared with the Jacques Delen family. Strategic decisions require the prior consent of both partners.

Ackermans & van Haaren has a minority stake in certain group companies. The diminished control that can result from this situation could lead to relatively greater risks; this is offset as far as possible, however, by a close cooperation with, and an active representation on the board of directors of the group companies concerned.

Risk related to the stock market listing

As a result of its listing on Euronext Brussels, Ackermans & van Haaren is subject to regulations regarding information requirements, transparency reporting, takeover bids, corporate governance and insider trading. Ackermans & van Haaren pays the necessary attention to keeping up and complying with the constantly changing laws and regulations in this area.

The volatility of the financial markets has an impact on the value of the share of Ackermans & van Haaren and of some of its listed group companies. As mentioned above, Ackermans & van Haaren seeks to systematically create long-term shareholder value. Short-term share price fluctuations can produce a momentarily different risk profile for the shareholder.

Liquidity risk

Ackermans & van Haaren has sufficient resources at its disposal to implement its strategy, and seeks to achieve a positive net cash position. The subsidiaries are responsible for their own financing, it being understood that, in principle, Ackermans & van Haaren does not provide credit lines or guarantees to or for the benefit of its participations. There were no external financial debts of 'AvH & subholdings' on December 31, 2022.

Ackermans & van Haaren has confirmed credit lines (280 million euros) available from various banks with whom it has a long-term relationship. The board of directors believes that the liquidity risk is fairly limited.

Several fully consolidated companies have agreed on certain ratios (covenants) in their credit agreements and these were respected as at December 31, 2022.

Risk related to technology and cybersecurity

With the increasing reliance on technology in every aspect of life, the risk of that technology failing increases as well. Moreover, cyber attacks are a major operational risk for businesses. To mitigate these risks, it is crucial to have an adequate digital strategy. This determines how Ackermans & van Haaren handles technology and digital resources and how they are used to achieve its business objectives. The digital strategy ensures that Ackermans & van Haaren is not only ready for the present technologies but is also prepared for future developments.

Ackermans & van Haaren's IT architecture is designed to create a reliable, secure, functional yet flexible work environment. To ensure the continuity of that environment, Ackermans & van Haaren has implemented appropriate solutions and procedures to ensure information recovery and data security. Risks of hacking or cyber attacks are continuously analysed and evaluated to take appropriate action if necessary.

• Risks at the level of the participations

Marine Engineering & Contracting

The **operational risks** of this segment are essentially associated with the execution of often complex land-based and marine contracting projects and, among other things, are related to: (i) the technical design of the projects and the integration of new technologies; (ii) the setting of prices for tenders and, in case of deviation, the possibility or impossibility of hedging against extra costs and price increases; (iii) performance obligations (in terms of cost, conformity, quality, turnaround time) with the direct and indirect consequences associated with these; (iv) the time difference between the quotation and the actual execution; (v) the evolution of the regulatory framework; and (vi) the relationships with subcontractors, suppliers and partners. DEME Group is involved, both as claimant and as defendant, in discussions with customers about the financial consequences of deviations in the execution of contracting projects. In a small number of cases they may result in lawsuits. In so far as the consequences of such lawsuits can be reliably estimated, provisions are made for this in the accounts. In new markets, such as the development of concessions, the companies are confronted with a changing regulatory framework, technological developments, and the financing of large-scale projects. In order to cope with these risks, the various group companies work with qualified and experienced staff. By taking part in risk and audit committees at DEME Group and CFE, Ackermans & van Haaren monitors the operational risks of the main projects from the tendering stage.

The construction and dredging sector is subject to economic fluctuations on both the domestic and international markets. This has an impact on the investment policy of private sector customers (e.g. oil companies or mining groups) and of local and national authorities. DEME Group, CFE and Rent-A-Port, which are or were active in countries such as Oman, Qatar, Vietnam and Nigeria, are exposed to political risks. Credit insurance and a strong local network are the primary risk management instruments in that respect.

DEME Group is to a significant degree active outside the euro zone, and accordingly runs an **exchange rate risk**. As a rule, DEME hedges against exchange rate fluctuations or enters into foreign currency futures. Certain materials or commodities, such as fuel, can also be hedged. Most of CFE's activities are within the euro zone, and, where relevant, exposure to foreign exchange fluctuations is limited as much as possible. Rent-A-Port primarily operates in Vietnam and is essentially exposed to an exchange rate risk relating to the USD and the Vietnamese dong. Since the subsidiaries of Rent-A-Port mainly effect purchases and sales in local currencies, the group's exposure to exchange rate fluctuations in commercial transactions is limited in a natural way.

Given the size of the contracts in this segment, the **credit risk** is also closely monitored. Both DEME Group and CFE have procedures to limit the risk to their trade receivables. To contain the risk, the group companies concerned constantly monitor their outstanding trade receivables and adjust their position where necessary. For the purposes of major foreign contracts, for instance, DEME Group regularly uses the services of the Credendo Group, insofar as the country concerned qualifies for this service and the risk can be covered by credit insurance. Furthermore, a large part of the consolidated turnover is realised through the public sector or public sector-related customers. The level of counterparty risk is limited by the large number of customers. For large-scale infrastructural dredging contracts, DEME Group is dependent on the ability of customers to obtain financing and can, if necessary, help to organise the project financing.

The credit risk of Rent-A-Port, primarily active in Vietnam, is limited by advances received on the sale of acquired rights over developed sites (industrial zones) and by the monthly invoicing and the wide spread of customers when providing utilities, maintenance and management services in those industrial zones.

The **liquidity risk** is limited by spreading the credit and guarantee lines over several banks, and preferably over the long term. DEME Group permanently monitors its balance sheet structure and pursues a balance between a consolidated shareholders' equity position and consolidated net debts. DEME Group predominantly invests in equipment with a long life, which is written off over several years. For that reason, DEME Group seeks to structure a substantial part of its debts as long-term debt. DEME Group has worked out a new bank financing structure since 2015, based on bilateral unsecured long-term financing with several banks. Some loan agreements include ratios (covenants), which DEME must adhere to. This was also the case at year-end 2022.

DEME Group monitors its procedures for the avoidance of **fraud and integrity risks** and adjusts them if necessary. DEME Group applies a 'Code of ethics and business integrity' and various specific policy documents ('Compliance policy & practices', 'Human Rights Policy' & 'Whistle-blower policy & procedures'). An annual mandatory training is linked to this 'Code of ethics and business integrity'. The procedures for cooperation with third parties have also in 2022 been strictly applied.
In December 2022, the Chamber of Indictment at the Court of Appeal of Ghent decided to refer certain companies of the DEME-group to court. The decision follows a judicial investigation carried out in respect of the circumstances in which a contract was awarded in the framework of a negotiated procedure to Mordraga, a Russian former joint venture company of the DEME-group, for the execution of dredging works in the port of Sabetta (Russia) in April 2014. The works were carried out during the summer months of 2014 and 2015. The judicial investigation was initiated after a complaint filed by a competitor, to whom the aforementioned contract was not awarded. DEME emphasizes that the Chamber of Indictment has only decided on the referral to court. This means that none of the parties involved have yet had the opportunity to submit substantive arguments regarding the charges brought by the Public Prosecutor. In the current circumstances, it is therefore premature to speculate on the outcome of these proceedings.

Private Banking

As Delen Private Bank and Bank Van Breda are both specialist niche players with a culture of prudence, the **operational risk** has a limited impact on both banks. Operational departments and control functions work together closely in a 'three lines of defence' model to monitor the quality of operations. They are backed up by an efficient IT system that automates the main processes and provides built-in controls. To ensure the continuity of operations in the event of contingencies, both organisations have detailed continuity and recovery plans.

The **credit risk** and risk profile of the investment portfolio have been deliberately kept very low for many years now by Delen Private Bank and Bank Van Breda. The banks invest in a conservative manner. The volume of lending at Delen Private Bank is very limited, as this is merely a supporting product in the context of asset management. The loans that are extended are usually temporary bridge loans that are amply guaranteed by pledges on securities. The credit risk at JM Finn is very limited. The credit portfolio of Bank Van Breda is very widely spread among a client base of local entrepreneurs and liberal professionals. The bank applies concentration limits per sector and maximum credit amounts per client.

The **fraud and compliance risk** has always been a priority concern of Delen Private Bank and Bank Van Breda. The banks invest in further digitalisation of their client acceptance policy, such as through the development of Delen Family Services.

Bank Van Breda adopts a cautious policy with regard to the **interest rate risk**, well within the standards set by the NBB. Where the terms of assets and liabilities do not match sufficiently, the bank deploys hedging instruments (a combination of interest rate swaps and options) to correct the balance. The interest rate risk at Delen Private Bank is limited, due to the fact that it primarily focuses on asset management.

Delen Private Bank aims to limit the **exchange rate risk**, and the foreign currency positions are systematically monitored and hedged. The net exposure to the pound sterling is partly limited by the impact of an exchange rate fluctuation on the equity of JM Finn being offset by an opposite impact on the liquidity obligation with regard to the 7% minority shareholders of JM Finn.

The **liquidity and solvency risk** is continuously monitored by a proactive risk management. The banks want to be sure at all times that they satisfy the regulatory requirements and maintain a capitalisation level that amply covers the level of activity and risk that is taken. Furthermore, the two groups have more than sufficient liquid assets to meet their commitments, even in unforeseen market conditions, as well as sound CET1 ratios.

Both banks are adequately protected against **income volatility risk**. The operating costs of Delen Private Bank are amply covered by the regular income, while, in the case of Bank Van Breda, the income from relationship banking is diversified in terms of clients as well as products, and is supplemented by the specialist vendor activity for car dealers (Van Breda Car Finance).

The **market risk** may arise from the limited short-term investments for the account of Delen Private Bank and Bank Van Breda, or may manifest itself on outstanding positions on suspense accounts over which securities for client portfolios are traded. The intention is that the positions on those suspense accounts should be liquidated systematically so that the bank is not exposed to a market risk. The fair value of the assets under management for clients is partly determined by the developments on the financial markets. Although this has no direct impact on the equity position of the two banks, the total volume of assets under management is a determining factor for their revenues.

Real Estate

A first crucial element related to the **operational risks** in the real estate sector is the quality of the offering of buildings and services offered. In addition, long-term lease contracts with solvent tenants are expected to guarantee the highest possible occupancy rate and a recurrent flow of income, and should limit the risk of non-payment. Finally, the renovation and maintenance risk is also continuously monitored.

The real estate development activity is subject to cyclical fluctuations (**cyclical risk**). The income of Nextensa and the value of its portfolio are to a very large extent related to the type of real estate that makes up its portfolio (offices, retail and other) and the location (Luxembourg, Belgium and Austria). The spread of real estate operations over different segments and countries limits this risk.

Nextensa possesses with its banks the necessary long-term credit facilities and backup lines for its commercial paper to cover present and future investment needs. Those credit facilities and backup lines serve to hedge the **financing risk**.

The **liquidity risk** is limited by having the financing spread over several financial counterparties and by tapping various sources of funding, as well as by diversifying the expiration dates of the credit facilities. On November 20, 2019, Nextensa closed a private placement of bonds with seven-year maturity and a fixed annual coupon of 1.95% for an amount of 100 million euros. Its subsidiary, Extensa Group, had previously closed two private placements for an amount of 45 million euros (fixed interest rate of 3.00% and maturing on June 29, 2022) and of 40 million euros (fixed interest rate 3.38% and maturing on June 5, 2024). Nextensa repaid matured bonds in 2022. In the context of various development projects, Nextensa provided pledges as security for financial debt amounting to 181.7 million euros.

The hedging policy for the real estate activities is aimed at confining the **interest rate risk** as much as possible. Financial instruments are used for that purpose.

Energy & Resources

The focus of this segment is on businesses in growth markets, such as India, Singapore and Indonesia. As the companies involved are active to a significant extent outside the euro zone (Sagar Cements in India, Verdant Bioscience in Indonesia, SIPEF in Indonesia, Papua New Guinea and Ivory Coast), the **exchange rate risk** (both on the balance sheet and in the income statement) is more relevant here than in the other segments. The geopolitical developments in those areas also call for special attention.

In order to guarantee and expand the production in the different countries, the preservation of **rights of ownership and use** are essential for SIPEF. To this end, the group maintains a constructive relationship with the competent authorities and continuously monitors those rights.

The production volumes and the turnover and margins realised by SIPEF are influenced by **climatic conditions** such as rainfall, sunshine, temperature and humidity. The potential physical impact of climate change is uncertain and may vary by region and product.

With the growing concern over **sustainability**, tighter rules may be imposed on companies. SIPEF's oil palm plantations adhere to the RSPO standards and are in compliance with the RSPO principles and criteria. If SIPEF should be unable to continue to meet stricter requirements, it may lose its certification, or this may be suspended.

The group is also exposed in this segment to fluctuations in **commodity prices** (SIPEF: mainly palm oil and palm kernel oil; Sagar Cements: coal and electricity). SIPEF is also confronted with an export levy on palm oil from Indonesia. In view of the uncertainty of the determination of the local reference price for palm oil, the available palm oil volumes from Indonesia are put on the market on a monthly basis, and the projected volumes of SIPEF's plantations in this country are no longer hedged in the long term.

Verdant Bioscience is a biotechnology firm that specialises in the development of high-yielding F1 hybrid palm oil seeds. Since the results of this development will only become known in a few years, the activity of Verdant Bioscience is characterised by a higher risk profile.

Growth Capital

Ackermans & van Haaren makes venture capital available to companies with international growth potential. The investment horizon is longer on average than that of the typical players on the private equity market. The investments are usually made with conservative debt ratios, with, in principle, no advances or securities being granted to or for the benefit of the group companies concerned. Moreover, the diversified nature of these investments contributes to a spread of economic and financial risks. Ackermans & van Haaren will usually finance these investments with shareholders' equity.

The **economic situation** has a direct impact on the results of the participations. The fact that the activities of the participations are spread over various segments affords a partial protection against the risk.

Each participation is subject to **specific operational risks**, such as the fluctuation in the prices of services and raw materials, the ability to adjust the selling price and competition risks. The companies monitor those risks themselves and can try to limit them by operational and financial discipline and by strategic focus. Monitoring and control by Ackermans & van Haaren as a proactive shareholder also play an important role in that respect.

Various participations (e.g. Turbo's Hoet Group) are active to a significant extent outside the euro zone. This may lead to increased risks as a result of geopolitical evolutions or events. In such cases, the **exchange rate risk** is always monitored and controlled at the level of the participation itself.

2. Comments on the consolidated annual accounts

The consolidated annual accounts were prepared in accordance with International Financial Reporting Standards (IFRS).

The group's consolidated balance sheet total as at December 31, 2022 amounted to 17,677 million euros, which is an increase of 3% compared to 2021 (17,223 million euros). This balance sheet total is obviously impacted by the manner in which certain group companies are included in the consolidation. In particular, the full consolidation of the stake in Bank Van Breda has a major impact on the consolidated balance sheet.

The shareholders' equity (group share) at the end of 2022 was 4,634 million euros, which represents an increase of 677 million euros compared to 2021 (3,957 million euros). In June 2022, Ackermans & van Haaren paid out a gross dividend of 2.75 euros per share, resulting in a decrease of the shareholders' equity by 91 million euros.

Ackermans & van Haaren invested 70.7 million euros in 2022 in the further expansion of its portfolio. Of that figure, 42.6 million euros was earmarked for investments in the core sectors, primarily in the form of additional financing for Rent-A-Port to the amount of 19.6 million euros and an increase of the participation in SIPEF to the amount of 10.7 million euros. 28.2 million euros was invested in Growth Capital, of which 22.4 million euros in the India & Southeast Asia portfolio and 5.2 million euros in the life sciences segment. Divestments peaked in 2022 with revenues totalling 472.9 million euros. The sale of Anima generated 308.2 million euros, that of Manuchar 159.5 million euros. Besides these elements, the consolidation scope underwent a limited number of changes in 2022, which are explained in note 2.

At year-end 2022, Ackermans & van Haaren (including subholdings) had a net cash position of 498.7 million euros, compared to 77.7 million euros at year-end 2021. Besides cash and short-term deposits, this cash position consists of short-term debts in the form of short-term investments amounting to 41.3 million euros and treasury shares.

The contribution of the core segments to the group profit in 2022 amounted to 354.4 million euros (2021: 354.8 million euros). A detailed description of the results of the various group participations is shown in the 'Key figures' appendix and in the activity report (page 80) of the annual report.

- The separate listing on Euronext Brussels since June 30, 2022, has given DEME the visibility that befits its position as world leader in the installation of offshore wind farms. It has also permitted CFE to fine-tune its own strategy and to communicate with its stakeholders on this matter in a more targeted way. Thanks to their solid order books, DEME and CFE were able to slightly increase their turnover in 2022. Despite significant cost increases and the (direct and indirect) impact of the consequences of the war in Ukraine, the contribution of '**Marine Engineering & Contracting**' to the results held up very well.

- Delen Private Bank and Bank Van Breda were able - even in the negative financial markets of 2022 - to realise a remarkable net inflow of assets under management. This made it possible to offset virtually entirely the negative market impact on the results of '**Private Banking**'.

- Since the sale of Anima in mid-2022, the contribution of '**Real Estate & Senior Care**' is generated exclusively by Nextensa. The sale of a number of less strategic buildings made it possible to realise capital gains and strengthen the balance sheet of Nextensa.

- The good production volumes of sustainable palm oil, in combination with strong market prices, earned SIPEF a record result in 2022. This also explains the further increase of the contribution from '**Energy & Resources**'.

- '**Growth Capital**' also made a substantial profit contribution in 2022. The consolidated participations recorded a strong performance, while the growing group of fair value investments also showed a generally positive evolution.

3. Major events after the closing of the financial year

Early February, after a successful collaboration of more than 30 years, AvH sold its 50% participation in Telemond to the German family Maas, its long-term partner. This sale earned AvH a cash revenue of 55 million euros and a capital gain of 19 million euros.

AvH is proud to have been selected as one of the 20 companies in the new BEL ESG Index, which was launched by Euronext on February 15. This sustainability index monitors the 20 companies listed in Brussels with the best ESG practices (Environmental, Social & Governance). This selection acknowledges AvH for the way in which it develops its ESG policy and takes related initiatives.

4. Research and development

At the fully consolidated participations of Ackermans & van Haaren, the DEME Group teams of R&D and the Central Competence Centre develop groundbreaking, innovative technologies, while the engineering departments of CFE are involved in civil engineering and construction projects. Ackermans & van Haaren and SIPEF are involved in the development of seeds of high-yielding oil palms through their stake in Verdant Bioscience. Both Bank Van Breda and Delen Private Bank invested in the development of specific management software. The recently acquired participations - AstriVax, Biolectric, Biotalys, Indigo Diabetes, Medikabazaar, MRM Health and OMP - are innovative companies in their field. Their constant focus on technological innovation helps to strengthen their competitive position in the short and medium term.

5. Financial instruments

Within the group (including DEME Group, Rent-A-Port, Bank Van Breda, Nextensa), a cautious policy is pursued in terms of interest rate risk by using interest swaps and options. A large number of the group companies operate outside the euro zone (including DEME Group, Rent-A-Port, Delen Private Bank, SIPEF, Sagar Cements and Turbo's Hoet Groep). Hedging activities for interest rate and exchange rate risk are carried out and managed at the level of the individual company.

6. Outlook 2023

Ackermans & van Haaren started 2023 with an encouraging capital gain on the sale of Telemond. After that transaction, AvH has more than 550 million euros in cash at its disposal to invest further in the existing portfolio and in new participations. AvH looks for new investment opportunities in a proactive yet disciplined manner.

The board of directors is confident that the participations of Ackermans & van Haaren are well positioned to realise a solid result in 2023 as well. Barring unforeseen circumstances, that result is expected to be in line with the results for 2022, after correction for realised capital gains.

III. Corporate governance statement

1. General information

Ackermans & van Haaren applies the Belgian Corporate Governance Code (the 'Code') as its reference code. The Code can be consulted on the website of the Corporate Governance Committee (www.corporategovernancecommittee.be). The Committee published a new (third) version of the Code on May 9, 2019, which replaces that of March 12, 2009, and became effective as of January 1, 2020.

- On April 14, 2005, the board of directors of Ackermans & van Haaren adopted the first Corporate Governance Charter ('Charter'). The board of directors has subsequently updated this Charter several times.
- On April 18, 2006, the Charter was aligned to various Royal Decrees adopted pursuant to European regulations on market abuse.
- On January 15, 2008, the board of directors amended Article 3.2.2 (b) of the Charter in order to clarify the procedure regarding investigations into irregularities.
- On January 12, 2010, the Charter was modified to reflect the 2009 Code and the new legal independence criteria.
- On October 4, 2011, the board of directors deliberated on the adaptation of the Charter to the Act of April 6, 2010 on the reinforcement of corporate governance in listed companies and the Act of December 20, 2010 on the exercise of certain shareholders' rights in listed companies. On that occasion, the board of directors also tightened its policy on the prevention of market abuse (Section 5 of the Charter) with the introduction of a prohibition on 'short selling' and speculative share trading.
- On October 10, 2016, the Charter was amended to align it to Regulation (EU) No 596/2014 of the European Parliament and of the Council dated April 16, 2014 on market abuse and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC.
- On February 24, 2017, the Charter was aligned to the Act of December 7, 2016 on the organisation of the profession and the public supervision of company auditors.
- On February 25, 2019, the board of directors eased the age limit.
- On November 19, 2020, the board of directors amended the Charter to align it to the 2020 Code and the Code of Companies and Associations.
- On May 17, 2022, the Charter was amended pursuant to the new composition of the executive management body.

The Charter is available in three languages (Dutch, French and English) on the company website (www.avh.be). In the version of the Charter available on the website, the special authorisation to the executive committee of June 21, 2022 was added.

This chapter ('Corporate governance statement') contains the information referred to in Articles 3:6, §2 and 3:32, §1, second paragraph, 7° of the Code of Companies and Associations. In accordance with the Code, this chapter specifically focuses on factual information involving corporate governance matters and explains any derogations from certain provisions of the Code during the past financial year in accordance with the principle of 'comply or explain').

> “The board of directors is particularly pleased to the inclusion of AvH in the new BEL ESG index.”

Board of directors - from left to right: Marion Debruyne, Frederic van Haaren, Jacques Delen, Thierry van Baren, Luc Bertrand, Bart Deckers, Victoria Vandeputte, Julien Pestiaux, Pierre Willaert

2. Board of directors

2.1 Composition

● audit committee ● remuneration committee ● nomination committee

Luc Bertrand ○ ○ ●

(°1951, Belgian)
Chairman of the board of directors
Executive director (1985-2016)
Non-executive director (since 2016)

Luc Bertrand graduated in 1974 as a commercial engineer (KU Leuven). He began his career at Bankers Trust, as Vice-President and Regional Sales Manager, Northern Europe. He has been with Ackermans & van Haaren as a director since 1985, where he joined as financial director in 1986 and was chairman of the executive committee from 1990 to 2016. He is chairman of the board of directors of CFE, DEME and SIPEF and a director of Delen Private Bank, JM Finn, Bank Van Breda and Verdant Bioscience. He is also chairman of the Duve Institute and Middelheim Promoters, member of a number of other boards of directors of non-profit associations and public institutions, such as Museum Mayer van den Bergh and Europalia, and chairman of the 'board of trustees' of Guberna.

Mandate ends 2023

Marion Debruyne BV[1] ● ○ ●

permanently represented by
Marion Debruyne (°1972, Belgian)
Independent, non-executive director (since 2016)

Professor Marion Debruyne has a degree in civil engineering (RU Ghent - 1995) and a PhD in applied economic sciences (RU Ghent - 2002). She has lectured at Wharton School, Kellogg Graduate School of Management, and Goizueta Business School, all in the USA. Marion Debruyne was appointed dean of Vlerick Business School in 2015. She is a director at Kinepolis and Guberna.

Mandate ends 2024

Venatio BV[2] ○ ● ●

permanently represented by
Bart Deckers (°1978, Belgian)
Independent, non-executive director (since 2022)

Bart Deckers is a bioengineer by training (KU Leuven, 2001) and also a Doctor of Applied Biological Sciences (KU Leuven, 2005). He also earned an MBA from Vlerick Management School (2006). Bart Deckers has been managing director of Invale, a family-owned private equity fund that provides growth capital to Belgian SMEs, since 2013. He previously worked at Aveve (2008-2013), including as business unit manager plant nutrition, and at McKinsey & C° as a management consultant (2006-2008).

Mandate ends 2026

Jacques Delen ○ ○ ●

(°1949, Belgian)
Non-executive director (since 1992)

Jacques Delen obtained the diploma of stockbroker in 1976. He has been chairman of the board of directors of Delen Private Bank since July 1, 2014. He is also a director of Bank Van Breda and of Scaldis Invest. Jacques Delen was chairman of the board of directors of Ackermans & van Haaren from 2011 to 2016.

Mandate ends 2023

Julien Pestiaux ● ● ●

(°1979, Belgian)
Independent, non-executive director (since 2011)

Julien Pestiaux graduated in electromechanical civil engineering with specialisation energy (Université Catholique de Louvain - 2003), and also obtained a master's degree in engineering management (Cornell University - USA). He is a partner at Climact, a firm that gives advice on energy and climate themes to governments and businesses. His team focuses on analysing and modelling the potential of EU Member States, countries, cities and businesses to reduce energy consumption and greenhouse gases in the medium to long term and make society more resilient. He worked for five years as a consultant and project leader at McKinsey & C°.

Mandate ends 2023

[1] References in this annual report to 'Marion Debruyne' should be read as Marion Debruyne BV, permanently represented by Marion Debruyne.

[2] References in this annual report to 'Bart Deckers' should be read as Venatio BV, permanently represented by Bart Deckers.

Thierry van Baren

(°1967, French / Dutch)
Non-executive director (since 2006)

Thierry van Baren holds a master's degree and a teaching qualification in philosophy, and obtained an MBA, with specialisation marketing (Solvay Business School). He is currently an independent consultant. He worked for 13 years in MarCom as executive at TBWA Belgium and BDDP Belgium and in management functions at Ammirati Puris Lintas, Ogilvy Brussels and DDB.

Mandate ends 2026

Menlo Park BV[3]

permanently represented by
Victoria Vandeputte (°1971, Belgian)
Independent, non-executive director (since 2018)

Victoria Vandeputte is a civil engineer in electromechanics (KU Leuven - 1995) and holds a master's degree in risk management (Ecole Supérieure de Commerce de Bordeaux - 1996). She is currently a member of the executive committee and Chief Innovation & Marketing Officer of Diversi Foods (Geschwister Oetker) and director at Acomo.

Mandate ends 2026

Frederic van Haaren

(°1960, Belgian)
Non-executive director (since 1993)

Frederic van Haaren is an independent entrepreneur and Alderman of the Municipality of Kapellen, in charge of public works, environment, green spaces and cemeteries. He is also director of Belfimas, co-chairman of Bosgroepen Antwerpse Gordel, as well as member of the environment commission at Intercommunale Igean.

Mandate ends 2025

Pierre Willaert

(°1959, Belgian)
Non-executive director (since 1998)
Chairman of the audit committee (since 2004)

Pierre Willaert holds a master's degree in commercial and financial sciences, and obtained the diploma of the Belgian Association of Financial Analysts (ABAF-BVFA). Pierre Willaert was a managing partner, and member of the audit committee, at Bank Puilaetco, until the acquisition by KBL in 2004. He worked for many years as a financial analyst at Bank Puilaetco and covered the main sectors represented on the Belgian stock exchange. He later became responsible for the Institutional Management department. He is also a director at Tein Technology, an ICT company in Brussels specialising in, among other things, 'control rooms'.

Mandate ends 2024

Pierre Macharis voluntarily resigned as director with effect from May 23, 2022. Alexia Bertrand voluntarily resigned as director with effect from November 21, 2022, following her appointment as state secretary for Budget and Consumer Protection. The board wishes to thank them both for their special contribution to the board's deliberations and decision-making.

The mandates of Luc Bertrand, Jacques Delen and Julien Pestiaux expire at the ordinary general meeting of May 22, 2023. The Board of Directors will propose to the ordinary general meeting to (i) renew the mandate of Luc Bertrand for a period of two years, (ii) renew the mandate of Jacques Delen for a period of one year and (iii) renew the mandate of Julien Pestiaux for a period of four years. Although Luc Bertrand and Jacques Delen have already exceeded the age limit of 70, the board is of the opinion that, with their knowledge and experience, they can still make an exceptional and meaningful contribution to the deliberations of the board of directors. At its meeting of March 22, 2023, the board of directors decided to nominate Sonali Chandmal as candidate independent director at the next annual meeting.

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[3] References in this annual report to 'Victoria Vandeputte' should be read as Menlo Park BV, permanently represented by Victoria Vandeputte.

2.2 Independent directors

- Marion Debruyne
- Bart Deckers
- Julien Pestiaux
- Victoria Vandeputte

Marion Debruyne, Bart Deckers, Victoria Vandeputte and Julien Pestiaux meet the independence criteria of Article 3.5 of the Code.

2.3 Other directors

- Luc Bertrand
- Jacques Delen
- Thierry van Baren
- Frederic van Haaren
- Pierre Willaert

Luc Bertrand, Jacques Delen and Frederic van Haaren are directors of Scaldis Invest, which, with a stake of 33%, is the principal shareholder of Ackermans & van Haaren. Luc Bertrand and Frederic van Haaren are also directors of Belfimas, which holds a controlling interest of 92.25% in Scaldis Invest. Scaldis Invest and Belfimas are holding companies that exclusively invest (directly and indirectly) in Ackermans & van Haaren shares.

2.4 Activity report

Meetings	Attendance
8	100%

In 2022, the board of directors convened eight times and discussed and regularly updated the budget for the current financial year, monitored the results and activities of the group companies on the basis of reports prepared by the executive committee, examined the off-balance-sheet commitments, and discussed the recommendations of the advisory committees.

During 2022, on the proposal of the executive committee, the board of directors amended the corporate governance charter and the special authorisation to the executive committee, approved the exclusion policy, and also updated the integrity code.

Several (dis)investments were discussed during the course of the financial year, such as the investments in AstriVax, the Indian funds HealthQuad II and Convergent Finance, the participation in the capital increase of Medikabazaar, and the sale of the stakes in Anima, Manuchar and Telemond Group.

The board of directors closely monitored the partial demerger of DEME from CFE and the listing of DEME Group.

Furthermore, on October 4, 2022, the board of directors approved a general share buyback programme of 70 million euros and thoroughly reviewed the ESG policy. At the meeting of November 21, 2022, ample attention was paid to AvH’s overall strategy. Attention also went to the preparation of the annual general meeting of May 23, 2022, the profit sharing bonus plan for white-collar employees, the follow-up of the pending judicial inquiry involving DEME, the impact of the military conflict in Ukraine on the group, and the impact of inflation and rising interest rates on the banks’ results.

The board of directors invited the management of DEME, Rent-A-Port, Nextensa, CFE and EMG in 2022 to give presentations on specific investments or on the strategy of the company concerned.

In accordance with Article 2.8 of the Charter, assessment procedures are carried out periodically within the board of directors. These assessments take place on the initiative and under the supervision of the chairman. The May 17, 2022 meeting discussed the results of the four-year evaluation of the board of directors, which included a focus on strategic themes, ESG and succession planning at the board and executive committee level.

The annual assessment of the relationship between the board of directors and the executive committee also took place on May 17, 2022. On that occasion, the non-executive directors expressed their general satisfaction with the good quality of the collaboration between the two bodies and made a number of suggestions to the chairman of the executive committee in this respect.

	Attendance
Luc Bertrand	8/8
Alexia Bertrand (until 21/11/2022)	7/7
Marion Debruyne	8/8
Bart Deckers (as of 23/5/2022)	4/4
Jacques Delen	8/8
Pierre Macharis (until 23/5/2022)	4/4
Julien Pestiaux	8/8
Thierry van Baren	8/8
Victoria Vandeputte	8/8
Frederic van Haaren	8/8
Pierre Willaert	8/8

For the sake of completeness, it should be mentioned that the members of the executive committee attend the meetings of the board of directors.

2.5 Code of conduct regarding conflicts of interest

In the Charter (Articles 2.10 and 4.7), the board of directors published its policy regarding transactions between Ackermans & van Haaren or a company affiliated to it on the one hand, and members of the board of directors or executive committee (or their close relatives) on the other, which may give rise to a conflict of interest (within the meaning of the Code of Companies and Associations or otherwise). In 2022, one decision had to be made to which this policy applied.

2.6 Code of conduct regarding financial transactions

The board of directors published its policy on the prevention of market abuse in the Charter (Section 6). At the meeting of October 10, 2016, the Charter was amended to align it to Regulation (EU) No 596/2014 of the European Parliament and of the Council dated April 16, 2014 on market abuse and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC.

3. Audit committee

3.1 Composition

Pierre Willaert Non-executive director	Chairman
Marion Debruyne Independent, non-executive director	
Julien Pestiaux Independent, non-executive director	

All members of the audit committee have the necessary accounting and audit expertise:

Pierre Willaert (°1959) holds a master's degree in commercial and financial sciences, and obtained the diploma of the Belgian Association of Financial Analysts (ABAF-BVFA). He worked for many years as a financial analyst at Bank Puilaetco. He later became responsible for the Institutional Management department. Pierre Willaert was managing partner and member of the audit committee of Bank Puilaetco until 2004. He was appointed as a director at Ackermans & van Haaren in 1998, and has been chairman of the audit committee since 2004.

Marion Debruyne (°1972) graduated as a civil engineer from Ghent University (1995) and obtained her PhD in applied economics (2002). Marion Debruyne has lectured at Wharton School, Kellogg Graduate School of Management and Goizueta Business School, all in the USA. She has been active as dean of the Vlerick Business School since 2015. Marion Debruyne was appointed director of Ackermans & van Haaren in 2016 and as a member of the audit committee in 2018. In addition, she holds directorships at Kinepolis and Guberna.

Julien Pestiaux (°1979) graduated in electromechanical civil engineering (specialisation energy) from the Université Catholique de Louvain in 2003, and also obtained a master's degree in engineering management at Cornell University (USA). The focus of the master in engineering management was on financial and economic analyses. Most of the course was given at the 'Johnson Graduate School of Management' of Cornell. Julien Pestiaux is a partner at Climact, a company that advises on energy and climate themes with numerous business customers. Before that, he worked for five years as a consultant and project leader at McKinsey & C°, where he became acquainted with various aspects of accounting. Julien Pestiaux was appointed director at Ackermans & van Haaren in 2011.

3.2 Activity report

Meetings	Attendance
4	100%

On February 18 and August 22, 2022, in the presence of the financial management and the auditor, the audit committee mainly focused on the reporting process and the analysis of the annual and half-yearly financial statements, respectively. The members of the audit committee received, in advance, the available reports of the audit committees of the operational subsidiaries of Ackermans & van Haaren.

The audit committee of March 21, 2022 focused on the financial reporting, as published in the annual report over 2021, and an analysis of the off-balance-sheet commitments. Attention was also paid to the statement on non-financial information and to the main issues that the auditor is obliged to include in his report.

On December 14, 2022, the audit committee discussed the ESG reporting, deliberated on the internal audit and control, ICT, compliance and human resources, the off-balance-sheet commitments and the appointment procedure of a statutory auditor.

The audit committee reported systematically and extensively to the board of directors on the performance of its duties.

4. Remuneration committee

4.1 Composition

Victoria Vandeputte Independent, non-executive director	Chair
Bart Deckers Independent, non-executive director (replacing Pierre Macharis from June 21, 2022)	
Julien Pestiaux Independent, non-executive director	

4.2 Activity report

Meetings	Attendance
5	100%

On January 11, 2022, the remuneration committee recommended a number of changes to the remuneration policy, including a cap and floor on the STI, a sign-on bonus mechanism and limiting notice periods for future EC members.

On February 24, 2022, the remuneration committee evaluated the results achieved on the non-financial targets, discussed the amended Remuneration Policy 2021-2024 as well as the draft remuneration report, which, in accordance with Article 3:6, §3 of the Code of Companies and Associations, constitutes a specific part of the Corporate Governance Statement, and ensured that the draft report contains all the information required by law. The committee also reviewed the payment of the variable remuneration to the members of the executive committee, against the recommendations it had made on this subject at its meeting of November 19, 2021, and discussed with the CEO the conclusions of the feedback interviews with the members of the executive committee.

At its meeting of March 22, 2022, the remuneration committee discussed the final remuneration report as well as the ESG KPIs to assess the variable remuneration for financial year 2022.

On May 3, 2022, the remuneration committee discussed the adjustment of the remuneration of the co-CEOs as well as that of Jan Suykens in his new role as senior adviser.

At the meeting of November 22, 2022, the committee discussed the following subjects and made recommendations to the board of directors in this respect: the fixed and variable remuneration of the members of the executive committee for 2023, the remuneration of the directors, and the number of stock options to be granted to the members of the executive committee, the ESG criteria as a basis for the variable remuneration of the executive committee and the gender pay gap.

5. Nomination committee

On January 11, February 24 and March 22, 2022, the board of directors, in the role of the nomination committee, deliberated on the future composition of the board of directors, and, in accordance with the procedure of Article 2.2.2 of the Charter, decided to propose to the ordinary general meeting of May 23, 2022 to renew the mandates of Thierry van Baren and Menlo Park BV, permanently represented by Victoria Vandeputte, for a period of four years, and to renew the mandate of Jacques Delen for a period of one year. At its meeting of March 22, 2022, the board of directors decided to nominate Venatio BV, permanently represented by Bart Deckers, as candidate independent director at the next annual meeting.

6. Executive committee

6.1 Composition

After the general meeting of May 23, 2022, Jan Suykens officially passed the baton on to John-Eric Bertrand and Piet Dejonghe, who took over as co-CEOs in charge of the company.

John-Eric Bertrand

(°1977, Belgian)
Co-chair of the executive committee, co-CEO

Following his studies as a commercial engineer (UCL Louvain - 2002), John-Eric Bertrand obtained a master's degree in international management (CEMS - 2002) and an MBA (Insead - 2006). He worked at Roland Berger as a senior consultant and at Deloitte as a senior auditor.

Since 2008 at Ackermans & van Haaren

Piet Dejonghe

(°1966, Belgian)
Co-chair of the executive committee, co-CEO

After his studies for a law degree (KU Leuven - 1989), Piet Dejonghe obtained a postgraduate degree in business administration (KU Leuven - 1990) and an MBA (Insead - 1993). He worked as a lawyer for Loeff Claeys Verbeke (now Allen & Overy) and as a consultant for The Boston Consulting Group.

Since 1995 at Ackermans & van Haaren

Tom Bamelis

(°1966, Belgian)
CFO and member of the executive committee

After completing his studies as a commercial engineer (KU Leuven - 1988), Tom Bamelis also obtained a master's degree in financial management (VLEKHO - 1991). He joined Touche Ross (now Deloitte) and later Groupe Bruxelles Lambert.

Since 1999 at Ackermans & van Haaren

Piet Bevernage

(°1968, Belgian)
Legal counsel and member of the executive committee

Piet Bevernage holds a law degree (KU Leuven - 1991) and an LL.M. (University of Chicago Law School - 1992). He worked as a lawyer in the Corporate and M&A Department at Loeff Claeys Verbeke.

Since 1995 at Ackermans & van Haaren

André-Xavier Cooreman

(°1964, Belgian)
Member of the executive committee

Following his law degree (KU Leuven - 1987), André-Xavier Cooreman studied international law (at the Johns Hopkins University, Bologna Campus - 1988) and tax management (ULB - 1991). He worked for the International Development Law Institute (course assistant, Italy), the Shell Group (legal counsel, The Netherlands), Fortis Bank (Corporate & Investment Banking), McKinsey & C° (consultant) and Bank Degroof (public sector manager).

Since 1997 at Ackermans & van Haaren

An Herremans

(1982, Belgian)
Member of the executive committee

An Herremans trained as a commercial engineer (KU Leuven, 2005) and obtained a master's degree in financial management at Vlerick Management School (2006). An began her career as a consultant at Roland Berger (2006-2011) and subsequently worked as Corporate Business Development Manager and Strategy Office Manager at Barco (2011-2014).

Since 2014 at Ackermans & van Haaren

Koen Janssen

(°1970, Belgian)
Member of the executive committee

After his studies as a civil engineer, electromechanics (KU Leuven - 1993), Koen Janssen also obtained an MBA (IEFSI, France - 1994). He worked for Recticel, ING Investment Banking and ING Private Equity.

Since 2001 at Ackermans & van Haaren

From left to right:
Piet Bevernage, An Herremans, André-Xavier Cooreman,
John-Eric Bertrand, Piet Dejonghe, Koen Janssen, Tom Bamelis

6.2 Activity report

The chairman of the board of directors attends the meetings of the executive committee as an observer.

Meetings	Attendance
21	**97%**

On November 9, 2020, the extraordinary general meeting adapted the company's articles of association to the relevant provisions of the new Code of Companies and Associations. On that occasion, the meeting also expressly opted for a one-tier governance structure, and confirmed the possibility of setting up a committee around the CEO in which the general management of the company is discussed.

The board of directors appointed from among the members of the executive committee two co-chairmen to whom the daily management of the company was delegated (effective from May 23, 2022). The persons charged with the daily management, each of whom holds the title of co-CEO, together form a collegiate body. They decide by consensus. In case of a tied vote, the proposed decision is submitted for a binding opinion to the executive committee, which decides on the matter by a simple majority vote.

The new-style executive committee is essentially tasked with discussing the general management of the company, and prepares the decisions to be taken by the board of directors.

During the past financial year, the executive committee devoted attention to the economic impact of the military conflict in Ukraine and the resulting inflationary movements. As usual, the committee also primarily prepared and followed up on the participation in the boards of directors of the subsidiaries, examined new investment proposals (both in the current group companies and outside), prepared the quarterly, half-yearly and annual financial reports, and investigated the impact of changes in the law that are relevant for the company.

7. Diversity policy

Ackermans & van Haaren is convinced of the positive influence of a diversity-based personnel policy on the strength and innovative culture of its participations, and is itself actively striving for a complementary composition of its board of directors and executive committee (in terms of professional background and skills, as well as gender). At group level, the attraction, education and mentoring of talented staff members with complementary knowledge and experience is a priority.

At the level of the board of directors, this policy is reflected in the selection procedure for new candidate directors (as included in section 2.2.2 of the Charter): the first selection criterion ensures the complementarity in terms of professional skills, knowledge and experience, while the fourth criterion sets an obligation to consider candidates of different gender, as long as and when the board of directors is not composed of at least one third of directors of the opposite gender.

The current board of directors, following the voluntary resignation of Alexia Bertrand in November 2022, has 2 female directors and 7 male directors with a diversity of education and professional experience. If the general meeting approves the proposed appointment of Sonali Chandmal and the reappointment of Luc Bertrand, Jacques Delen and Julien Pestiaux, the board of directors will again be composed of at least one third of directors of the opposite gender. On December 31, 2022, 3 directors were aged 50 or younger (33%) and 6 directors were older than 50 (67%).

With regard to the composition of the executive committee (see Charter, paragraph 4.2), the board of directors must also ensure that the members have diverse professional backgrounds with complementary skills. It is the aim of the board of directors that the long-term vision of Ackermans & van Haaren should be supported by executives who actively promote the values of the company and, in this sense, contribute to value creation. This translates, among other aspects, into a preference for providing talented staff members with career development options within the group. All members of the executive committee have been appointed from the Ackermans & van Haaren team based on their personal merits.

A sound diversity policy starts with the recruitment. In 2022, Ackermans & van Haaren recruited a second investment manager, Servaas Michielssens, with a specific focus on life sciences. At the end of 2022, the team was joined by Subin Oswal, an investment associate based in Mumbai, India.

Finally, training, career counselling and retention of staff members are also invested in on an ongoing basis. This is done through a combination of broadening and deepening knowledge through training programmes, seminars and workshops, career perspectives both within Ackermans & van Haaren itself and in the group, and through a market-compliant remuneration policy.

For further information regarding the personnel policy, reference is made to the Sustainability report.

8. External and internal audit

8.1 External audit

The company's statutory auditor is EY Bedrijfsrevisoren BV, represented by Christel Weymeersch. The statutory auditor conducts the external audit of both the consolidated and statutory figures of Ackermans & van Haaren, and reports to the board of directors twice a year.

An annual fee of 71,150 euros (excluding VAT) was paid to the auditor in 2022 for auditing the statutory and consolidated annual accounts of Ackermans & van Haaren. An additional fee was also paid to EY Bedrijfsrevisoren of 9,300 euros (excluding VAT) for a review of the implementation of ESEF to EY Tax Consultants of 5,950 euros (excluding VAT) for tax advice. The total fees for audit activities paid to EY by Ackermans & van Haaren and its consolidated subsidiaries in the past financial year amounted to 3,297,989 euros (including the above-mentioned 71,150 euros).

8.2 Internal audit

The internal audit is conducted by the group controllers, who report to the executive committee. The group controllers report directly to the audit committee at least once a year.

8.3 Principal features of the internal control and risk management systems with regard to the process of financial reporting and preparation of the consolidated annual accounts

The board of directors of Ackermans & van Haaren is responsible for assessing the effectiveness of the internal control and risk management systems. By means of the present system, the board of directors aims to ensure that the group's objectives are attained at the group level, and, at a subsidiary level, to monitor the implementation of systems appropriate for each kind of company (size, type of activities, etc.) and its relationship with Ackermans & van Haaren (controlling interest, shareholders' agreement, etc.). Given the diversified portfolio and the small number of staff working at the holding company, the group opted for a customised internal control model that nevertheless has all the essential features of a conventional system. The internal control and risk management system is characterised by a transparent and collegiate structure. The executive committee deliberates and decides by consensus.

Risks are identified on an ongoing basis, and are properly analysed. Appropriate measures are proposed to accept, limit, transfer or avoid the identified risks. These assessments and decisions are clearly minuted and documented to allow a strict follow-up.

The board of directors also regards the timely provision of complete, reliable and relevant financial information in accordance with IFRS and with the other Belgian reporting requirements to all internal and external stakeholders as an essential element of its corporate governance policy. The internal control and management systems for financial reporting endeavour to satisfy those requirements as fully as possible.

8.3.1 Control environment

The control environment is the framework within which internal control and risk management systems are set up. It comprises the following elements:

a. Integrity and ethics
The family values that underlie the historical development of the group are translated into a respectful relationship between the various stakeholders: the shareholders, management, the board of directors and the staff, but also the commercial partners. These values were explicitly included in the 'Vademecum' (internal company guidelines), so that they are clear to all staff members and can be propagated by them.

On November 22, 2022, the board of directors also approved a revised version of the integrity code. The integrity code can be consulted on the website. The integrity code will be regularly reviewed and updated.

b. Skills
Another cornerstone of the policy of Ackermans & van Haaren is the way in which its members work together as a professional team. Particular attention is paid to a balanced and qualitative content of the various positions within the organisation. In addition, the necessary training is provided to ensure that knowledge is constantly honed and fine-tuned. Highly skilled people with the right experience and attitude in the right job form the basis of the group's internal control and risk management system. This also applies at the level of the board of directors and the audit committee, who seek to ensure that the backgrounds and experience of the members are complementary.

c. Governance body / audit committee
The operation and responsibilities of the board of directors and, by extension, its advisory committees, including the audit committee, are clearly described in the Charter. The audit committee oversees the financial reporting of the group, the internal control and risk management system, and the external and internal audit procedures.

d. Organisational structure, responsibilities and powers
As already pointed out, Ackermans & van Haaren can pride itself on a transparent organisational structure, where decisions are adopted collectively by the executive committee. The organisational structure and powers are clearly described in the 'Vademecum'.

8.3.2 Risk management process

The risks in terms of financial reporting can be summarised as follows.

Risks at the level of the subsidiaries: these are typically highly diverse and are addressed by the attendance by the investment managers of Ackermans & van Haaren at the meetings of the boards of directors and advisory committees of the subsidiaries, clear reporting instructions to the subsidiaries with deadlines and standardised reporting formats and accounting principles, and an external audit of the half-yearly and annual figures that also takes into account internal control and risk management features at the level of each individual company.

Risks related to information provision: these are covered by a periodic IT audit, a proactive approach involving the implementation of updates, backup facilities and timely testing of the IT infrastructure. Business continuity and disaster recovery plans have also been put in place.

Risks related to changing regulations: these are addressed by close monitoring of the legislative framework on financial reporting, and by a proactive dialogue with the auditor.

Finally, there is the integrity risk, which is addressed by maximum integration of accounting and reporting software, extensive internal reporting at different levels, and proactive assessment of complex and important transactions.

8.3.3 Control activities

As already pointed out above in the description of the risks, various controls are built into the financial reporting process in order to meet the objectives with regard to this reporting as fully as possible.

First, a number of basic controls such as segregation of duties and delegation of powers are built into the administrative cycles at group level: purchasing, payroll and (dis)investments. This ensures that only permissible transactions are processed. The integration of accounting and reporting software serves to cover a number of integrity risks. Additionally, a stable IT infrastructure with the necessary back-up systems guarantees an adequate communication of information.

Clear reporting instructions with timely communication of deadlines, standardised reporting formats and uniform accounting principles are in place to address certain quality risks in the reporting by the subsidiaries.

There is also a cycle of external audit of both the consolidated reporting and the reporting by the subsidiaries. One of the purposes of this external audit is to assess the effectiveness of the internal control and risk management systems implemented by the subsidiaries and to report on this to the statutory auditor of Ackermans & van Haaren.

Finally, there is a system of internal audit on the financial reporting which is carried out by different policy and management levels. This internal audit is completed prior to the external reporting.

Changes in the legislative framework on financial reporting are closely monitored and the impact on the group reporting is discussed proactively with the financial management and the external auditor.

8.3.4 Information and communication

The Charter provides that every staff member of Ackermans & van Haaren can approach the chairman of the board of directors and/or the chairman of the audit committee directly to inform them of any irregularities in financial reporting or other matters (whistle-blowing). There was nothing to report in this respect in 2022.

8.3.5 Control

Each year, the internal control and risk management system is reviewed by one of the group controllers for effectiveness and compliance. The findings are reported to the audit committee.

9. Shareholder structure

9.1 Shareholder structure

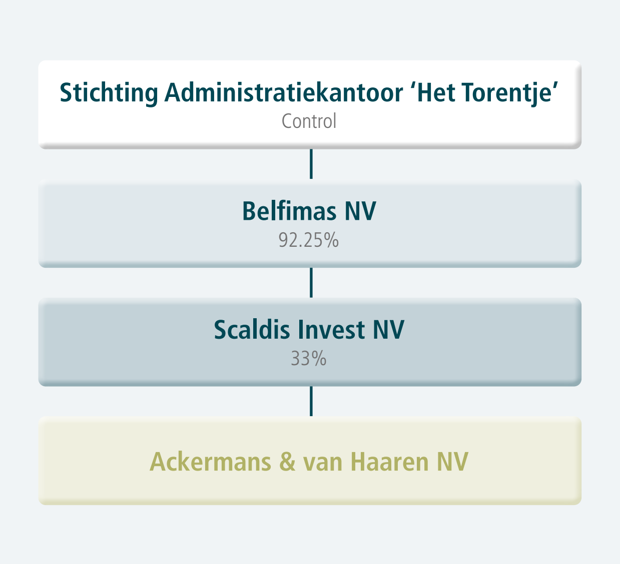
Scaldis Invest holds 11,054,000 shares in the capital of Ackermans & van Haaren, i.e. a stake of 33%. Scaldis Invest is in turn controlled by Belfimas, which holds 92.25% of the capital of Scaldis Invest. The ultimate control of Scaldis Invest is held by Stichting Administratiekantoor 'Het Torentje'.

9.2 Cross-participations

Ackermans & van Haaren holds391,239 treasury shares as at December 31, 2022. These shares were mainly acquired with a view to covering the stock option plan and as part of the share buyback programme as approved by the board of directors on October 4, 2022.

9.3 Graphic representation

The shareholder structure, as known on December 31, 2022, is represented as shown below:



9.4 Reference shareholder

Belfimas is the (indirect) reference shareholder of Ackermans & van Haaren. Belfimas' sole purpose is to invest in the shares of Ackermans & van Haaren, directly or indirectly. Any transfer of securities issued by Belfimas is subject to a statutory right of approval of the board of directors of Belfimas. Two of Ackermans & van Haaren's directors, Luc Bertrand and Frederic van Haaren, are members of the board of directors of Belfimas. The board of directors is not aware of any agreements between Ackermans & van Haaren shareholders.

10. Comply or explain

The Charter of Ackermans & van Haaren complies with the provisions of the Code (as it applied in 2022) in all but one point:

- Composition of the nomination committee

In accordance with Article 4.19 of the Code, the majority of the members of the nomination committee should be independent non-executive directors. The Ackermans & van Haaren nomination committee consists of all the members of the board of directors. The board of directors is of the view that, as a collective, it is better placed to evaluate its size, composition and succession planning.

IV. Remuneration report

Remuneration policy

1. Introduction

In pursuance of the Act of April 28, 2020 (the Act), listed companies are required:
(i) to submit a **remuneration policy** for approval to the shareholders every four years, and
(ii) to provide even greater transparency in their **remuneration report** - which forms part of the annual report - on the remuneration of their management.

This should contribute to effective and lasting shareholder engagement, which in turn should help to strengthen the corporate governance of listed companies. The European regulator sought with this greater shareholder engagement also to contribute to the improvement of both the financial and non-financial performance of companies, such as the environmental, social and governance (ESG) factors.

The remuneration policy for 2021-2024 was approved by a 77.4% majority of the shareholders at the annual general meeting of May 25, 2021.

The positions expressed by shareholders concerning the initial remuneration policy and an analysis of that policy by an external adviser led to a number of explicitations and adjustments to the policy that were submitted for approval to the annual shareholders' meeting of May 23, 2022. The amended policy was approved by an 80.6% majority of the shareholders and was first implemented over the 2022 financial year.

2022 was in many respects an exceptional year and this is also reflected in the remuneration report.

AvH reported a record result in 2022, which obviously had a positive impact on the variable remuneration of the members of the executive committee, yet also gave rise for the first time to a capping of the amount (expressed in function of the consolidated net result).

AvH seeks to create long-term shareholder value and also wishes to see this being reflected in its remuneration policy. Where exceptional results are realised on the basis of long-time value creation, as was the case in 2022 on the occasion of the sale of Anima and Manuchar, the board of directors also wants to see this being acknowledged in the remuneration of the members of the executive committee and the staff.

The promotion on May 23, 2022 of John-Eric Bertrand and Piet Dejonghe led to an increase of their remuneration, supported by a benchmarking.

Finally, not only were exceptional results achieved in 2022 in terms of financial added value, but also in the area of social value creation. The ESG goals were comfortably attained.

2. Remuneration policy

2.1 Strategy • Long term • Sustainability

With its mission 'Your partner for sustainable growth', AvH wants to be the preferred partner of family businesses and management teams, and to co-invest with them in the long term with the ambition of letting them grow into market leaders that develop sustainable solutions to the major global challenges.

AvH strives for a balanced combination of a limited number of strategic long-term participations and a diversified portfolio of growth capital investments.

AvH is an entrepreneurial group that seeks to develop its businesses in the long term through internationalisation, innovation and diversification.

AvH does not set absolute targets for its participations in terms of return, but instead focuses on recurring growth of the activities, cash flow generation and shareholders' equity. AvH prefers long-term growth over short-term dividend maximisation, and seeks to create long-term shareholder value by a recurring increase of its consolidated shareholders' equity, supported by a steadily growing dividend in the long term.

AvH implements for the whole group and for its investment decisions an ESG framework based on the UN Sustainable Development Goals and the UN PRI guidelines, and promotes a sustainable development and growth of the activities of its participations, with respect for people, environment and society.

The investment philosophy is based on transparent reporting and communication, clear agreements in terms of corporate governance and business ethics, and strict financial discipline and healthy balance sheets.

AvH also wants to contribute as an investment company to a more sustainable world and respond to societal challenges such as climate change, renewable energy, sustainable food chain, population ageing and growth, and digitisation.

AvH achieves all of this with a team of staff who, through their diverse backgrounds and continuous development, seek to add value to the management teams of the participations. Inclusive talent management is therefore an integral part of AvH's ESG policy, which is described in detail in the Sustainability report starting on page 48.

AvH wants to attract and retain talented people to keep assuring the quality of the support which AvH, as an active shareholder, wants to give to its participations.

Within AvH a vision of 'Who do we want to be' has been developed. The three main priorities are the following:
(i) "We create the conditions that should allow our management teams to lead their company successfully, develop their activities and create sustainable shareholder value. It is not our ambition to take over the management's role. However, AvH has the capacity to support the management teams where necessary and/or desired. We think in the long term and give strategic impulses.
(ii) By building relationships and offering support we create a basis of trust and a sense of ownership that is necessary to evolve towards a transparent partnership.
(iii) We uphold a long-term vision and create a context in which our management teams are not hesitating to share their challenges and concerns with us in a timely manner."

In line with its mission 'Your partner for sustainable growth' and its ambition regarding 'Who do we want to be', AvH endeavours not only to promote sustainability and long-term thinking with its remuneration policy. AvH is also focused on achieving goals together and meeting its sustainable growth commitment to the shareholders.

By linking a substantial proportion of the remuneration of the members of AvH's executive committee to the achievement of those long-term objectives and sustainability parameters, AvH tries to make a significant contribution to the implementation of its corporate strategy with the proposed remuneration policy.

The variable remuneration of the members of the executive committee is based on the consolidated net result which also increases, in the event that a participation is sold, with the long-term value that was created during previous years. This variability is inherent in AvH's objective of continuous value creation.

To determine AvH's positioning in terms of total financial remuneration, the group benchmarks itself against other relevant companies. AvH wants to position its co-CEO's and members of the executive committee, as well as all other positions in the company, above the median in terms of total remuneration, in line with the quality expectations vis-à-vis the team. AvH takes part in a benchmark exercise every three years and performs an annual review to assess its relative position.

AvH is a strongly networked environment and invests in engagement and in achieving success together. AvH therefore resolutely opts not to employ individual targets in its remuneration policy, but instead to use common performance benchmarks, with 20% of the variable remuneration being dependent on non-financial criteria.

The annual performance appraisal interviews focus on individual development in terms of skills and as a person, and on each staff member's individual contribution to the realisation of the corporate strategy.

Frameworks for a sound remuneration policy are also developed in the remuneration committees of the participations and periodically optimised.

2.2 Scope

As at December 31, 2022, the **board of directors** had 9 members and the **executive committee** 7 members(1) .

AvH, AvH Growth Capital and AvH Singapore have a total of **38 staff members**.

The proposed **remuneration policy** is valid for the financial years 2021 through 2024 and, in accordance with Article 7:89/1 of the Code of Companies and Associations, applies to the 9 directors, the persons entrusted with the daily management, in this case the co-CEOs, and the other persons in charge of the general management of the company, in this case the 5 other members of the executive committee.

The approved remuneration policy for the period 2021-2024 has undergone certain adjustments(2) effective from 2022, prompted by interviews with various stakeholders and a professional adviser.

2.3 Remuneration committee

The remuneration committee advises the board of directors on the remuneration of the members of the board of directors and the executive committee.

More particularly, the remuneration committee will:
- make recommendations to the board of directors with regard to the remuneration policy for the directors and the members of the executive committee and the resulting resolution proposals for the general meeting;
- make recommendations with regard to the individual remuneration of directors and members of the executive committee (including bonuses, long-term incentive programmes such as stock options and other financial instruments and severance packages) and any resulting resolution proposals for the general meeting;
- appraise the performance of the members of the executive committee, in consultation with the chairpersons of the executive committee, except as regards their own performance;
- evaluate the accomplishment of the corporate strategy by the executive committee on the basis of the agreed performance benchmarks and objectives, including the non-financial objectives;
- prepare the remuneration report which the board of directors incorporates in the Corporate governance statement; and
- explain the remuneration report at the ordinary general meeting.

The remuneration committee determines the frequency of its meetings, but meets at least twice a year.

At meetings where the individual remuneration of a member of the remuneration committee is discussed, the person concerned may be present, but must not act as chairman of the meeting and must refrain from any feedback concerning him/herself.

2.4 Remuneration components

(i) Board of directors

The remuneration of non-executive directors consists exclusively of a fixed remuneration. This fixed remuneration consists of a basic amount, an additional amount for the director's membership of a specific committee and an attendance fee for each meeting of the board of directors, the audit committee or the remuneration committee. The remuneration of non-executive directors is periodically reviewed by the remuneration committee against other relevant companies(3).

Any modifications proposed by the remuneration committee are submitted to the general meeting for approval.

Non-executive directors are required to invest part of their remuneration, namely at least ten thousand euros (€ 10,000), in shares of the company, unless they already hold a direct or indirect interest in the company corresponding to that value. Those shares must be retained for at least one year after the non-executive director has left the board of directors, and for at least three years after their acquisition.

(ii) Executive committee

The remuneration paid to the members of the executive committee consists of four components: (a) a fixed remuneration, (b) a variable remuneration (STI or short-term incentive), (c) stock options (LTI or long-term incentive), (d) a group insurance scheme and other benefits.

The members of the executive committee must each hold at least 1,000 Ackermans & van Haaren shares that may be acquired, either by exercising options or otherwise, over a period of 5 years.

(a) Fixed remuneration

The fixed remuneration, which is indexed annually on the basis of the health index, evolves towards the chosen market position. If the fixed remuneration has not yet reached the level of the chosen market position, the fixed remuneration will grow towards that point in so far as the individual concerned also evolves in terms of taking responsibility and the development of relevant competencies and skills. Any increases in the fixed remuneration are discussed each year by the remuneration committee and are submitted to the board of directors for approval.

(b) Variable remuneration (STI - short-term incentive)

The STI is initially calculated in function of the consolidated net result (group share) and is then linked to financial and non-financial criteria.

The STI is capped at 1.5 times the fixed annual remuneration, on the understanding that the board of directors, on the recommendation of the remuneration committee, may, in exceptional circumstances such as the disposal of a long-term investment, grant an additional variable remuneration to the team that contributed to the realisation of the capital gain.

(i) 80% of the total STI is dependent on the financial objective 'consolidated net result'. No variable remuneration will be paid if the consolidated net result (group share) falls below the threshold of 100 million euros. This cash incentive plan is based on long-term ambitions. Although this STI is calculated in function of the consolidated net result over one year and may therefore be viewed prima facie as a short-term incentive, it should be borne in mind that, in its long-term strategy, AvH seeks recurring results and when considering new investments always looks at the undertaking's potential to generate value in the long term, year

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(1) On May 23, 2022, CEO Jan Suykens was succeeded by co-CEOs John-Eric Bertrand and Piet Dejonghe, and resigned as chairman of the executive committee. Alexia Bertrand voluntarily resigned as director on November 18, 2022 following her appointment as State Secretary for the Budget and Consumer Protection. A new director is being sought to replace Alexia Bertrand.

(2) The adjustments concern: a floor and cap on the STI, good leaver principle as a condition for the pro rata payment of the STI, introduction of KPIs for the non-financial factor of the STI, limitation of notice periods for future EC members, ...

(3) In 2022, directors' remuneration was benchmarked against board fees of BEL20 companies.

after year. Participations are coached over a long term by AvH's management, which prioritises long-term equity growth over short-term profit maximisation.

(ii) 20% of the total STI is also dependent on non-financial parameters that are determined each year by the remuneration committee and submitted for approval to the board of directors. The proposed criteria (KPIs) fundamentally contribute to AvH's ESG policy. Each year, the remuneration committee sets the targets that are expected for the proposed KPIs.

The practical implementation, as well as any one-off bonuses or a justified deviation from policies, is determined by the board of directors at the suggestion of the remuneration committee.

(c) Variable remuneration (LTI - long-term incentive)
The purpose of the stock option plan is to remunerate the beneficiaries for their contribution to the long-term value creation.

The board of directors decides on the granting of stock options to members of the executive committee based on the recommendation of the remuneration committee. Stock options are granted under a stock option plan that was approved in 1999 by the board of directors, which also serves as an incentive for persons who are not members of the executive committee.

In accordance with applicable tax law, the members of the executive committee are taxed on the stock options that are granted. The value of this remuneration element is dependent on how the share price evolves.

The stock options granted under AvH's stock option plan have the following characteristics:
- Offer: mid-January.
- Exercise price: price determined on the basis of the lowest of (i) the closing price of the share preceding the date of the offer, and (ii) the average closing price of the share during the 30 days preceding the date of the offer.
- Exercise period: the options may be exercised from the expiration of the third calendar year following the year in which the offer took place, up to the end of the eighth year following the date of the offer.

The number of stock options to be granted is reviewed each year by the board of directors, at the suggestion of the remuneration committee.

(d) Insurance schemes and other benefits
AvH provides for a 'defined contribution' group insurance scheme (supplementary pension, death benefit, disability allowance, and orphan's pension) and a hospitalisation insurance scheme.

All staff members are also offered a smartphone and a laptop and/or tablet computer.

AvH also has a mobility & flexibility policy under which electric cars are offered, along with bicycles and telework.

To promote well-being, gym, meditation and yoga sessions are organised, at the office or virtually.

(e) Relative weighting of each remuneration component
The relative share of each component in the overall remuneration paid to members of the executive committee is heavily dependent on the results of the group, which determine the variable remuneration, and on any gain that can be realised on the exercise of the options.

The targeted standard ratio is:
- fixed remuneration: 30%
- a variable remuneration (in cash) related to the consolidated net result (short term incentive or STI): 30%
- stock options (long-term incentive or LTI)(1): 30%
- group insurance and other benefits: 10%

These components are evaluated each year in November by the remuneration committee and reviewed for compliance with market practices. This review is carried out based on public information (for example, the remuneration data disclosed in the annual reports of other comparable listed companies) and/or three-yearly salary studies. The adjustments proposed by the remuneration committee are then submitted to the board of directors for approval. The company strives to achieve an incentive mix of a market-based fixed remuneration on the one hand, and a combination of short-term incentives (such as the annual variable remuneration) and long-term incentives (stock options) on the other.

2.5 Contractual conditions

The contracts between the company and the members of the executive committee contain the usual clauses regarding remuneration (both fixed and variable), non-competition and confidentiality.

The contracts also contain clauses regarding the criteria for granting variable remuneration, and give the company the right to claw back variable remuneration that was granted on the basis of incorrect financial information over the five previous financial years.

The contracts are valid for a fixed term, expiring in the year in which the executive committee member in question reaches retirement age.

The members of the executive committee may unilaterally terminate their contract early subject to a notice period of 6 months. The company may unilaterally terminate the contract of these members subject to a notice period of 18 months. For certain members of the executive committee, this period may increase to a maximum of 24 months depending on the age of the executive committee member in question at the time of the unilateral termination of the contract by the company.

For future appointments of members of the executive committee, unilateral termination of the contract by the company will be subject to a notice period of maximum 12 months.

When a member of the executive committee or a senior professional leaves AvH on good terms ('good leaver'), regardless of whether the notice is given by the company or the person concerned, the latter is entitled to the average of his or her variable remuneration over the last three financial years, prorated if the departure takes place before the end of the year. Upon recommendation of the remuneration committee the board of directors might decide that it is justified to deviate from this policy.

(1) The share of the stock options is calculated according to the Black & Scholes method.

2.6 Staff members

The standards that are used to determine the remuneration policy of the members of the executive committee are also applied to the other staff members:

- focus on long-term elements (stock options, group and hospitalisation insurance, and an identical benefits policy);
- positioning the total remuneration above the median in the market;
- collective share of success (profit sharing bonus).

2.7 Changes

The remuneration policy for 2021-2024 was defined with the cooperation and input of the CHCO, the executive committee, the remuneration committee, the board of directors and external experts, and was approved at the annual meeting of May 25, 2021.

The positions expressed by shareholders and an analysis by external advisers led to a number of explicitations and adjustments that were submitted for approval to the annual meeting of May 23, 2022.

Implementation of remuneration policy in 2022

1. Introduction

This remuneration report was prepared in accordance with Article 3:6, §3 of the Code of Companies and Associations (**Remuneration report**).

In its preparation of the Remuneration report, the board of directors was also inspired by:
- Principle 7 of the Belgian Corporate Governance Code 2020 on the remuneration of directors and members of the executive management of listed companies (**Code 2020**);
- (the draft) 'Guidelines on the standardised presentation of the remuneration report under Directive 2007/36/EC, as amended by Directive (EU) 2017/828, as regards the encouragement of long-term shareholder engagement', drawn up by the European Commission (**Directive**), and
- the feedback from shareholders and an external analysis of the Remuneration Policy 2021-2024.

Ackermans & van Haaren has a one-tier governance structure, where the board is authorised to perform all acts that are necessary or useful to the accomplishment of the corporate purpose, except those for which the general meeting is authorised by law. On February 24, 2022, the board of directors decided to delegate the daily management of the company to the co-CEOs with effect from May 23, 2022. The executive committee, of which the co-CEOs are members, is responsible for discussing the general management of the company. The remuneration of the members of the executive committee, except for the co-CEOs, is disclosed as an average in the Remuneration report for the financial year 2022.

The remuneration committee made adjustments to the Remuneration Policy 2021-2024, which is included in its entirety in the annual report (page 35 and further) for the financial years 2022 through 2024, on the basis of feedback from shareholders and external advisers. This Remuneration report gives an overview of the remuneration policy as applied in the financial year 2022.

Besides promising investments in AstriVax, in the Southeast Asian investment fund Convergent Finance, and follow-up investments in a.o. Medikabazaar, Rent-A-Port, SIPEF and Indigo, the existing participations, without exception, reported very good to record results. Substantial capital gains were realised on the sale of Anima and Manuchar, as a result of which the consolidated net result for the financial year 2022 increased by 74% compared to the previous year.

Accordingly, the exceptionally good results of 2022 are reflected in an increase of the variable remuneration (short-term incentive or STI), i.e. a 1-year cash bonus for the members of the executive committee. For certain members of the executive committee, the cap that has been set was reached and applied.

As was the case with exceptional capital gains in the past, an extraordinary budget of 1,865,000 euros was set aside for the teams (broader than the executive committee) that contributed to the realisation of the major capital gains.

2. Remuneration procedure

On March 22, 2023, the remuneration committee discussed the draft **Remuneration report**, which constitutes a specific part of the Corporate governance statement, and ensured that the draft report contains all the information required by law.

To position the **remuneration** of the members of the executive committee, the three-yearly benchmarking exercise was carried out in September 2022 by Willis Towers Watson. The remuneration was positioned against companies active in the European private equity sector and in particular the Belgian private equity sector.

It should be recalled that the extraordinary general meeting on November 25, 2011 authorised the board of directors to depart from Article 7:91, second paragraph of the Code of Companies and Associations, and to link the entire variable remuneration of the members of the executive committee to predetermined and objectively quantifiable performance criteria measured over a one-year period.

On February 23, 2023, the remuneration committee assessed the results for the non-financial ESG parameters, which account for 20% of the STI. The goals were comfortably attained.

The committee proposed updated objectives for 2023 to the board of directors, with business relevance, focus on a limited number of priorities and continuity on what has already been achieved as the principles being applied. As a company, AvH prioritises social parameters such as 'talent management', as well as ESG ratings. As a responsible investor, AvH stresses ESG as an essential parameter in asset allocation and investment decisions, as well as social parameters such as sustainable talent management and ethical business management.

3. Board of directors

The remuneration of non-executive directors consists exclusively of a **fixed remuneration**. Since the remuneration, director's fees and attendance fees are not linked to the company's results, they may be classed as fixed, non-performance-related remuneration. The remuneration of non-executive directors is periodically reviewed by the remuneration committee. The modifications proposed by the board of directors, as advised by the remuneration committee, are submitted to the general meeting for approval.

On the recommendation of the remuneration committee, the board of directors proposed on February 24, 2022 to adjust the remuneration of the directors as follows from the financial year 2022:
- Fixed remuneration for the directors: 50,000 euros

The other remuneration remains unchanged:
- Additional fee for the members of the remuneration committee: 2,500 euros
- Additional fee for the chairman of the audit committee: 10,000 euros
- Additional fee for the members of the audit committee: 5,000 euros
- Attendance fee per meeting of the board of directors or the audit or remuneration committee: 2,500 euros

This proposal was approved at the ordinary general meeting of May 23, 2022.

With regards to the fact that Luc Bertrand was appointed chairman of the board of directors on May 23, 2016, succeeding Jacques Delen, and that, additionally, and in the interest of the group, he remained chairman of CFE, DEME Group and SIPEF, and remained a director of Delen Private Bank, Bank Van Breda, JM Finn, FinAx and Verdant Bioscience, the remuneration committee proposed to grant him a fixed and indexable remuneration of 350,000 euros per year with effect from June 1, 2016, as well as placing a company car at his disposal. This proposal was announced at the general meeting of May 23, 2016. For the sake of completeness, it should be noted that Luc Bertrand in 2022 also received a director's fee from SIPEF of 90,000 euros, half of which is handed over to Ackermans & van Haaren. Jacques Delen received, directly and indirectly, remuneration in 2022 in his capacity as chairman of the board of directors of Delen Private Bank, to the amount of 250,000 euros (including pension insurance) and has a company car at his disposal. He also received a director's fee from SIPEF in 2022 to the amount of 17,500 euros. The remuneration which SIPEF paid to Luc Bertrand and Jacques Delen is mentioned in SIPEF's annual report (Remuneration report - Remuneration of non-executive directors) for the financial year 2022.

All directors declared that they have invested, directly or indirectly, at least 10,000 euros in shares of the company.

Table 1 shows for each director the remuneration he/she is entitled to in respect of his/her mandate during the financial year 2022. This remuneration will be paid after approval of the annual accounts by the general meeting, scheduled for May 22, 2023.

4. Executive committee

4.1 Total remuneration

The remuneration paid to the members of the executive committee consists of the following components:

(i) a fixed remuneration;
(ii) a variable remuneration (in cash) related to the consolidated net result (short-term incentive or STI),
(iii) stock options (long-term incentive or LTI);
(iv) group insurance and other benefits

These components are evaluated each year in November by the remuneration committee and reviewed for compliance with market practices. This review is carried out based on public information (for example, the remuneration data disclosed in the annual reports of other comparable listed companies) and/or three-yearly salary studies. The adjustments proposed by the remuneration committee are then submitted to the board of directors for approval. The company strives to achieve an incentive mix of a market-based fixed remuneration on the one hand, and a combination of short-term incentives (STI) and long-term incentives (stock options) on the other.

The fixed remuneration for the members of the executive committee evolves according to their responsibilities and according to market developments.

The **variable remuneration** that is granted to the members of the executive committee is based on an objectively quantifiable performance criterion, namely the consolidated net result, measured over a period of one financial year. The variable remuneration is paid out in cash after the board of directors has established the consolidated net result of the previous financial year (i.e. at the end of March). Although this STI is calculated in function of the consolidated net result over one year and may therefore be viewed prima facie as a short-term incentive, it should be borne in mind that, in its long-term strategy, AvH seeks recurring results and when considering new investments always looks at the undertaking's potential to generate value in the long term, year after year. Participations are coached over a long term by AvH's management, which prioritises long-term equity growth over short-term profit maximisation. In this light, non-recurring, accounting profits (such as remeasurement gains) are excluded from the calculation of the STI. For the second year in a row, 20% of this STI is made dependent on the results achieved for the proposed ESG parameters. The STI is capped at 1.5 times the fixed basic remuneration.

The **group insurance** scheme is of the 'defined contribution' type and covers the following risks: supplementary pension, death benefit, disability allowance, and orphan's pension. Both the company and the member of the executive committee in question contribute to the constitution of a reserve.

From 2023, AvH's contribution to the group insurance policy will be increased, in line with the benchmark.

The **other benefits** include the conventional **benefits in kind**, such as company car, smartphone and tablet computer, and **hospitalisation insurance**. The contributions to the hospitalisation policy are paid entirely by the company.

The **stock options** are discussed under 4.2.

The members of the executive committee confirmed that they hold at least 1,000 Ackermans & van Haaren shares, or will acquire them over a period of 5 years.

On the occasion of the appointment as co-CEO, the board of directors decided on June 23, 2022 to increase the fixed remuneration of the co-CEOs, to increase the STI of John-Eric Bertrand, and to increase the number of stock options.

Based on the benchmarking exercise, it was decided that the fixed remuneration and STI of the other executive committee members did not need to be adjusted, except for one member in line with the increased level of responsibility and the development of relevant competencies and skills.

Table 1: Remuneration of the board of the board of directors (financial year 2021)

(€)	Fixed remuneration					Attendance fees[1]		
Name	Chairman of the board of directors	Director	Chairman of the audit committee	Member of the audit committee	Member of the remuneration committee	Board of directors	Committees	**Total remuneration**
Luc Bertrand	100,000					20,000		**120,000**
Alexia Bertrand[2]		43,750				17,500		**61,250**
Marion Debruyne		50,000		5,000		20,000	10,000	**85,000**
Bart Deckers[3]		25,000			1,250	10,000	2,500	**38,750**
Jacques Delen		50,000				20,000		**70,000**
Pierre Macharis[4]		25,000			1,250	10,000	10,000	**46,250**
Julien Pestiaux		50,000		5,000	2,500	20,000	22,500	**100,000**
Thierry van Baren		50,000				20,000		**70,000**
Victoria Vandeputte		50,000			2,500	20,000	12,500	**85,000**
Frederic van Haaren		50,000				20,000		**70,000**
Pierre Willaert		50,000	10,000			20,000	10,000	**90,000**
Total	**100,000**	**443,750**	**10,000**	**10,000**	**7,500**	**197,500**	**67,500**	**836,250**

[1] An attendance fee of 2,500 euros is granted per participation in a meeting of the board of directors, the audit committee and/or the remuneration committee. In 2022, there were 8 board of directors meetings, 4 audit committee meetings and 5 remuneration committee meetings.

[2] Until November 2022: the time when Alexia Bertrand, further to her appointment as state secretary for Budget & Consumer Protection, relinquished all her directorships.

[3] As of May 23, 2022.

[4] Until May 23, 2022.

The LTI and the group insurance, however, have been increased for all members of the executive committee. This is in keeping with the aim of the board of directors to let the remuneration policy dovetail with AvH's long-term and sustainability goals. To ensure enduring commitment to the long-term performance, it was decided to increase the number of stock options offered (long-term incentive or LTI) to 10,000 options for the co-CEOs and to 7,500 for the other members of the executive committee.

The fixed remuneration, which in principle is indexed annually according to the health index, will be increased in 2023 by just 6%, considering that an indexation by 11% is not in proportion to the loss of purchasing power. The 5% shortfall will be spread over 2024-2025.

4.2 Stock options

Stock options are granted annually under a stock option plan that was approved in 1999 by the board of directors, and that also serves as an incentive for persons other than members of the executive committee. The stock option plan was formulated in accordance with the provisions of the Act of March 26, 1999 concerning the 1998 Belgian Action Plan for Employment and containing various provisions.

The board of directors decides on the granting of stock options to members of the executive committee based on the recommendation of the remuneration committee. The granting of stock options is determined on the basis of the 2022 benchmarking and of the level of responsibility of the executive committee member in question. In accordance with applicable tax law, the members of the executive committee are taxed on the stock options that are granted.

The company does not offer the beneficiaries any hedging instruments against the risks associated with the stock options.

The stock options granted under the stock option plan have the following characteristics:

- Offer: mid-January.
- Exercise price: price determined on the basis of the lowest of (i) the closing price of the share preceding the date of the offer, and (ii) the average closing price of the share during the 30 days preceding the date of the offer.
- Exercise period: the options may be exercised from the expiration of the third calendar year following the year in which the offer took place, up to the end of the eighth year following the date of the offer.

During 2022, no (non-exercised) stock options expired that were held by members of the executive committee.

5. Severance packages and claw-back rights

The contracts with the members of the executive committee contain the usual clauses regarding remuneration (both fixed and variable), non-competition and confidentiality. The contracts are valid for a fixed term.

The members of the executive committee may unilaterally terminate their contract early subject to a notice period of 6 months. The company may unilaterally terminate the contract of these members subject to a notice period of between 18 and 24 months. For every new appointment of a member of the executive committee, the notice period upon termination by the company will be set at maximum 12 months.

The contracts between the company and the members of the executive committee also contain provisions regarding the criteria for granting variable remuneration, and give the company the right to claw back variable remuneration that was granted on the basis of incorrect financial information over the 5 previous financial years.

No severance packages or claw-back rights had to be exercised during the past financial year.

6. Deviations from the remuneration policy

There were no deviations from the remuneration policy in effect during the past financial year.

Table 2 shows the average remuneration of the 5 members of the executive committee and the individual remuneration of the (co) CEO(s) for their mandate as (co) CEO. For John-Eric Bertrand and Piet Dejonghe, the fixed remuneration as co-CEO was paid on a pro rata basis from June 1, 2022.

Table 2: Individual remuneration of the (co) CEO(s) and average remuneration of the other members of the executive committee (financial year 2022)

(€)	Fixed remuneration			Variable remuneration									
Name	Fixed remuneration	Benefits in kind[1]	**Total**	STI	Exceptional bonus for long term value creation	LTI in the form of stock options[2]	**Total**	Group insurance (fixed contribution paid by the company)	Hospitalisation insurance	**Total remuneration**	Proportion of fixed remuneration in total remuneration	Proportion of variable remuneration in total remuneration	Proportion STI in fixed remuneration
Jan Suykens (CEO period)	737,821	6,085	743,906	1,106,732	300,000	304,000	1,710,732	105,875	1,710	2,562,222	29%	67%	150%
John-Eric Bertrand (co-CEO)	400,000	2,983	402,983	600,000	300,000	228,000	1,128,000	54,940	2,222	1,588,145	25%	71%	150%
Piet Dejonghe (co-CEO)	600,000	6,386	606,386	900,000	300,000	266,000	1,466,000	117,074	1,378	2,190,838	28%	67%	150%
Other EC members - average	362,112	4,541	366,653	518,181	140,000	212,800	870,981	55,449	2,246	1,295,329	28%	67%	143%

[1] Benefits in kind: company car, smartphone, laptop, tablet computer.

[2] The market value of the stock options offered & accepted in 2022 was calculated according to the Black & Scholes method.

Table 3: Stock options 2015-2022 (Number of offered and accepted options calculated based on the Black & Scholes method)

	Offer	Offer	Offer	Offer	Offer	Offer	Offer	**Opening balance**[1]	Offer	Exercised	**Closing balance**
Jan Suykens											
	5/01/2015	4/01/2016	13/01/2017	12/01/2018	14/01/2019	13/01/2020	15/01/2021	1/01/2022	11/01/2022	01/12/2022	
Options outstanding	5,500	8,000	8,000	8,000	8,000		8,000	45,500	**8,000**[2]	**-5,500**[3]	
Exercise price	€ 100.23	€ 130.95	€ 128.30	€ 148.64	€ 132.52	€ 141.09	€ 124.67		€ 166.35		
Black & Scholes	€ 14	€ 28	€ 26	€ 27	€ 25	€ 22	€ 27		€ 38		
Value based on Black & Scholes	€ 75,680	€ 221,760	€ 205,600	€ 218,560	€ 199,360	€ 0	€ 212,720		€ 304,000		
Balance on 31/12/2022											48,000
John-Eric Bertrand											
	5/01/2015	4/01/2016	13/01/2017	12/01/2018	14/01/2019	13/01/2020	15/01/2021	1/01/2022	11/01/2022	01/12/2021	
Options outstanding	2,000	4,000	4,000	5,000	5,000	5,000	5,000	30,000	**6,000**[2]	**-2,000**[3]	
Exercise price	€ 100.23	€ 130.95	€ 128.30	€ 148.64	€ 132.52	€ 141.09	€ 124.67		€ 166.35		
Black & Scholes	€ 14	€ 28	€ 26	€ 27	€ 25	€ 22	€ 27		€ 38		
Value based on Black & Scholes	€ 27,520	€ 110,880	€ 102,800	€ 136,600	€ 124,600	€ 112,150	€ 132,950		€ 228,000		
Balance on 31/12/2022											34,000
Piet Dejonghe											
	5/01/2015	4/01/2016	13/01/2017	12/01/2018	14/01/2019	13/01/2020	15/01/2021	1/01/2022	11/01/2022	03/01/2022	
Options outstanding	4,000		5,500	6,000	6,000		6,000	31,500	**7,000**[2]	**-4,000**[3]	
Exercise price	€ 100.23	€ 130.95	€ 128.30	€ 148.64	€ 132.52	€ 141.09	€ 124.67		€ 166.35		
Black & Scholes	€ 14	€ 28	€ 26	€ 27	€ 25	€ 22	€ 27		€ 38		
Value based on Black & Scholes	€ 55,040	€ 0	€ 141,350	€ 163,920	€ 149,520	€ 0	€ 159,540		€ 266,000		
Balance on 31/12/2022											34,500

	Offer	Offer	Offer	Offer	Offer	Offer	Offer	**Opening balance**(1)	Offer	Exercised	**Closing balance**
Tom Bamelis											
	5/01/2015	4/01/2016	13/01/2017	12/01/2018	14/01/2019	13/01/2020	15/01/2021	1/01/2022	11/01/2022	13/12/2022	
Options outstanding	4,000	5,000	5,000	5,000	5,000	5,000	5,000	34,000	**6,000**(2)	**-4,000**(3)	
Exercise price	€ 100.23	€ 130.95	€ 128.30	€ 148.64	€ 132.52	€ 141.09	€ 124.67		€ 166.35		
Black & Scholes	€ 14	€ 28	€ 26	€ 27	€ 25	€ 22	€ 27		€ 38		
Value based on Black & Scholes	€ 55,040	€ 138,600	€ 128,500	€ 136,600	€ 124,600	€ 112,150	€ 132,950		€ 228,000		
Balance on 31/12/2022											36,000
Piet Bevernage											
	5/01/2015	4/01/2016	13/01/2017	12/01/2018	14/01/2019	13/01/2020	15/01/2021	1/01/2022	11/01/2022	06/12/2022	
Options outstanding	4,000	5,000	5,000	5,000	5,000		5,000	29,000	**6,000**(2)	**-4,000**(3)	
Exercise price	€ 100.23	€ 130.95	€ 128.30	€ 148.64	€ 132.52	€ 141.09	€ 124.67		€ 166.35		
Black & Scholes	€ 14	€ 28	€ 26	€ 27	€ 25	€ 22	€ 27		€ 38		
Value based on Black & Scholes	€ 55,040	€ 138,600	€ 128,500	€ 136,600	€ 124,600	€ 0	€ 132,950		€ 228,000		
Balance on 31/12/2022											31,000
André-Xavier Cooreman											
	5/01/2015	4/01/2016	13/01/2017	12/01/2018	14/01/2019	13/01/2020	15/01/2021	1/01/2022	11/01/2022	06/12/2022	
Options outstanding	4,000	5,000	5,000	5,000	5,000	5,000	5,000	34,000	**6,000**(2)	**-4,000**(3)	
Exercise price	€ 100.23	€ 130.95	€ 128.30	€ 148.64	€ 132.52	€ 141.09	€ 124.67		€ 166.35		
Black & Scholes	€ 14	€ 28	€ 26	€ 27	€ 25	€ 22	€ 27		€ 38		
Value based on Black & Scholes	€ 55,040	€ 138,600	€ 128,500	€ 136,600	€ 124,600	€ 112,150	€ 132,950		€ 228,000		
Balance on 31/12/2022											36,000
An Herremans											
		4/01/2016	13/01/2017	12/01/2018	14/01/2019	13/01/2020	15/01/2021	1/01/2022	11/01/2022		
Options outstanding		1,500	1,500	1,500	1,500	2,000	2,500	9,000	**4,000**(2)		
Exercise price		€ 130.95	€ 128.30	€ 148.64	€ 132.52	€ 141.09	€ 124.67		€ 166.35		
Black & Scholes		€ 28	€ 26	€ 27	€ 25	€ 22	€ 27		€ 38		
Value based on Black & Scholes		€ 41,580	€ 38,550	€ 40,980	€ 37,380	€ 44,860	€ 66,475		€ 152,000		
Balance on 31/12/2022											13,000
Koen Janssen											
	5/01/2015	4/01/2016	13/01/2017	12/01/2018	14/01/2019	13/01/2020	15/01/2021	1/01/2022	11/01/2022	19/12/2022	
Options outstanding	4,000	5,000	5,000	5,000	5,000		5,000	29,000	**6,000**(2)	**-4,000**(3)	
Exercise price	€ 100.23	€ 130.95	€ 128.30	€ 148.64	€ 132.52	€ 141.09	€ 124.67		€ 166.35		
Black & Scholes	€ 14	€ 28	€ 26	€ 27	€ 25	€ 22	€ 27		€ 38		
Value based on Black & Scholes	€ 55,040	€ 138,600	€ 128,500	€ 136,600	€ 124,600	€ 0	€ 132,950		€ 228,000		
Balance on 31/12/2022											31,000

Definition of the terms used in Table 3:

(1) Opening balance: number of options held by the beneficiary on January 1, 2022 and not yet exercised in 2022

(2) Number of options offered: number of options offered and accepted in 2022

(3) Number of options exercised: number of options acquired during 2022 (following the expiry of the vesting period)

7. Evolution of the remuneration and of the performance of the company

7.1 Annual change in the remuneration

The fixed remuneration of the **directors** was increased in 2022 after a benchmarking exercise. Their remuneration had not changed since 2013. Table 1 gives an overview.

The average total fixed remuneration of the **members of the executive committee** decreased in 2022 by 8%. This is explained, on balance, by the reduction of the number of executive committee members from 8 to 7 (since June 1, 2022).

The average variable remuneration of the members of the executive committee increased by 58% as a result of the increase of the consolidated net result, which reached a record level thanks to the very good performance of the participations and the valuation of the underlying shares of the stock options granted. The increase is lower than the increase of the consolidated net result as a result of the changed composition of the committee and of the cap that has been set.

For 4 of the 7 members of the executive committee, the STI for 2022 was capped at the predetermined ceiling.

In the financial year 2022, 1,865,000 euros in exceptional bonuses were paid, including 1,600,000 euros to certain members of the executive committee for their contribution to the extraordinary capital gain realised on the sale of Anima and Manuchar.

Table 4 shows the evolution, in percentage terms, of the average of the total fixed and variable remuneration of the members of the executive committee, relative to the development of the consolidated net result and the stock market price.

7.2 Annual change in the development of the company's performance

As was mentioned earlier, a substantial part of the remuneration (notably the variable remuneration and the stock options) of the members of the executive committee is dependent on the evolution of the consolidated net result and on the development of the stock market price. These two parameters developed as follows in 2022 relative to 2021:

- Consolidated net result: +74%
- Stock market price: -5%

For financial year 2022, 80% of the STI was calculated on the basis of the consolidated net result and 20% on the basis of ESG performance.

7.3 Annual change in the average remuneration of the staff

As of December 31, 2022, the company employed 22 staff members. Their average fixed gross remuneration (excl. employer's contributions) was indexed in 2022 at 3.98% (indexation and sectoral agreement) supplemented with a CLA bonus of 277.22 euros. A number of staff members received a pay rise above indexation based on the benchmarking exercise and their personal performance. A number of experienced staff members joined the team. As a result, the salaries increased on average by 6.6%. For staff members, AvH adopts a categorised profit-sharing bonus plan, in the context of which the board of directors decides each year whether or not to pay a share of the profit to the staff. The two categorisation criteria are job title and length of service. The board of directors decides each year on the application of a profit-sharing bonus plan and its terms and conditions. The maximum ratio between highest and lowest profit-sharing bonus is 1 to 10. In view of the extraordinary results of 2022, the range for 2022 is 4,025 euros to 40,250 euros.

In 2022 the average variable remuneration of the staff increased by 17.9% as a result of a 15% increase of the range, increased length of service and one extraordinary bonus. **Table 5** shows the evolution, in percentage terms, of the average total fixed and variable remuneration of the staff, relative to the development of the consolidated net result and the stock market price.

7.4 Pay gap

The ratio between the average fixed remuneration of the members of the executive committee and that of the staff of the company is 1 to 4.4 on the basis of the following data:

Table 4: Evolution of the average of the total fixed and variable remuneration of the members of the executive committee

(€)	2018	2019	2020	2021	**2022**
Fixed remuneration	374,039 (+4.4%)	415,570 (+11.1%)	418,902 (+0.8%)	428,931 (+2.4%)	**394,681 (-8.0%)**
Variable remuneration(1)	478,672 (-2.4%)	702,384 (+46.7%)	316,477 (-54.9%)	623,361 (+97.0%)	**992,700 (+59.2%)**
Consolidated net result (000)	289,639 (-4.3%)	394,900 (+36.3%)	229,791 (-41.8%)	406,814 (+77.0%)	**708,655 (+74.2%)**
Stock market price on 31/12	131.8 (-9.6%)	141.6 (+7.4%)	124.5 (-12.1%)	168.7 (+35.5%)	**160.2 (-5.0%)**

Table 5: Evolution of the average total fixed and variable remuneration of the staff

(€)	2018	2019	2020	2021	**2022**
Fixed remuneration	69,400 (-3.2%)	74,109 (+6.8%)	80,577 (+8.7%)	83,257 (+3.3%)	**88,767 (+6.6%)**
Variable remuneration(1)	9,511 (+31.2%)	9,908 (+4.2%)	11,809 (+19.2%)	14,926 (+26.4%)	**17,594 (+17.9%)**
Consolidated net result (000)	289,639 (-4.3%)	394,900 (+36.3%)	229,791 (-41.8%)	406,814 (+77.0%)	**708,655 (+74.2%)**
Stock market price on 31/12	131.8 (-9.6%)	141.6 (+7.4%)	124.5 (-12.1%)	168.7 (+35.5%)	**160.2 (-5.0%)**

(1) 'Variable remuneration' means the average of the STI + the stock options offered and accepted for that year calculated according to the Black & Scholes method + exceptional bonus.

(2) 'Variable remuneration' includes here the profit-sharing bonus and extraordinary gross bonuses. The options offered to certain staff members are excluded from this calculation.

- Average fixed remuneration of the members of the executive committee: 394,681 euros
- Average fixed remuneration (gross annual salary) of the staff: 88,767 euros

The ratio between the fixed remuneration of the highest remuneration and the lowest staff salary is 1 to 15.43.

7.5 Gender pay gap

Given the limited size of the group, a number of job levels have been combined to ensure individual discretion.

The difference in remuneration across the three groups is non-existant in 1 of the 3 cases, deviates negatively for women in 1 of the36 cases, and negatively for men in 1 of the 3 cases.

These two differences are entirely in line with the remuneration policy, which says that the fixed remuneration evolves towards the chosen market position. If the fixed remuneration has not yet reached the level of the chosen market position, the fixed remuneration will grow towards that point in so far as the individual concerned also evolves in terms of taking responsibility and the development of relevant competencies and skills.

Table 6 shows the pay gap, in percentage terms, between the fixed remuneration of men and women.

Table 6: pay gap, in percentage terms, between the fixed remuneration of men and women

(€)	Women	Men	% delta M/W
co-CEO	n.a.	500k	n.a.
EC & directors	228k	307k	-26%
Management	138k	121k	14%
Staff & support	71k	71k	0%

IV. Statement regarding non-financial information

In accordance with Art. 3:32, §2 of the Code of Companies and Associations, the annual report must include a Statement of Non-financial Information. This statement is included in the next chapter of this annual report, of which it is an integral part.

On behalf of the board of directors, March 22, 2023

Luc Bertrand
Chairman of the board of directors

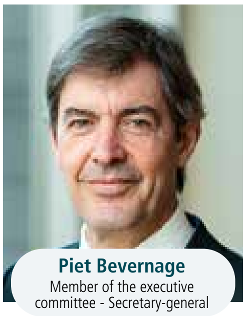
Daily management and staff members

Executive committee

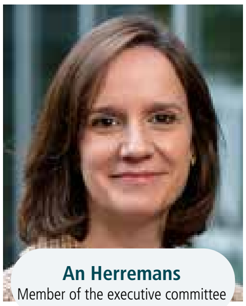

John-Eric Bertrand
co-CEO - co-Chairman of the executive committee


Piet Dejonghe
co-CEO - co-Chairman of the executive committee


Tom Bamelis
Member of the executive committee - CFO

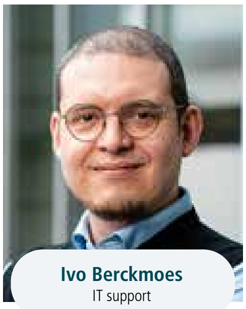

Piet Bevernage
Member of the executive committee - Secretary-general

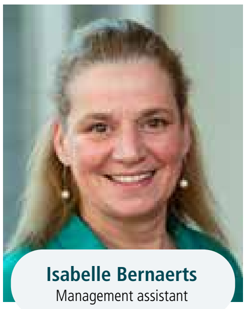

André-Xavier Cooreman
Member of the executive committee

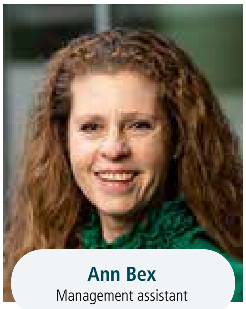

An Herremans
Member of the executive committee

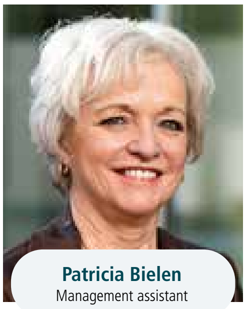

Koen Janssen
Member of the executive committee

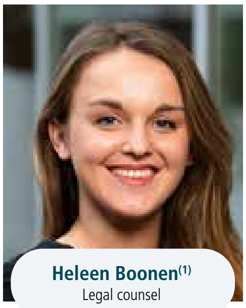
Staff members

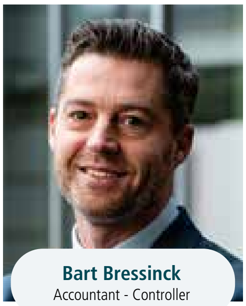

Ivo Berckmoes
IT support


Isabelle Bernaerts
Management assistant

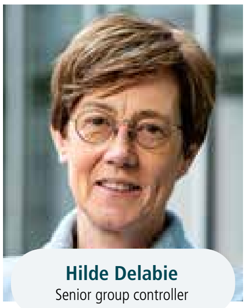

Ann Bex
Management assistant

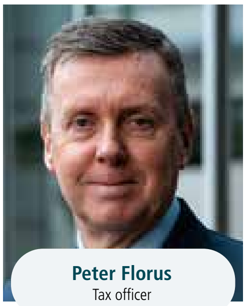

Patricia Bielen
Management assistant


Heleen Boonen(1)
Legal counsel

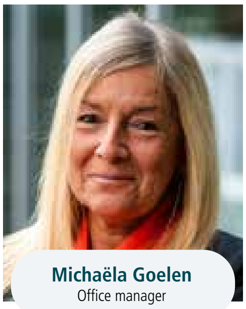

Bart Bressinck
Accountant - Controller


Emmanuel Carlier(1)
Investment manager

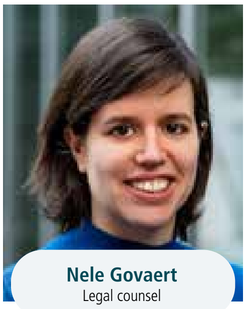

Hilde Delabie
Senior group controller

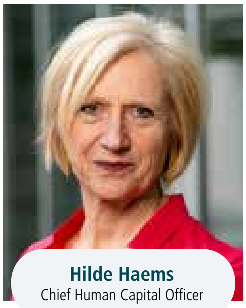

Peter Florus
Tax officer


Sarah Franssens
Management assistant


Michaëla Goelen
Office manager

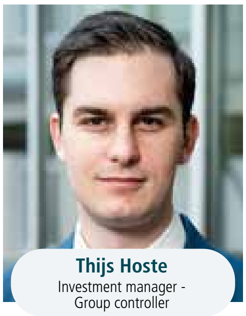

Sonja Goossens
Personnel administration


Nele Govaert
Legal counsel


Hilde Haems
Chief Human Capital Officer


Miro Halfon(1)
Management assistant


Philip Heylen
International relations & public affairs officer


Thijs Hoste
Investment manager - Group controller


Gilles Huyghebaert
Group controller


Yuliya Leysen(1)
Reception


Lydie Makiadi
Management assistant


Ans Matthysen
Accountant


Iris Meirlaen
Paralegal

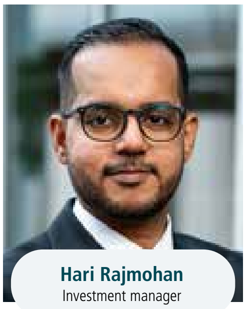

Servaas Michielssens
Investment manager

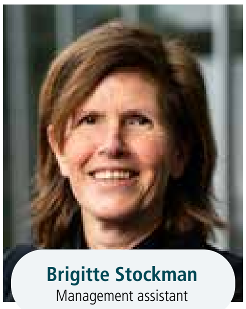

Nadine Mohun(1)
Reception

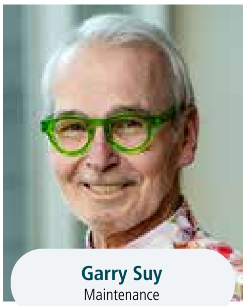

Robin Muller
Management assistant


Subin Oswal
Analyst

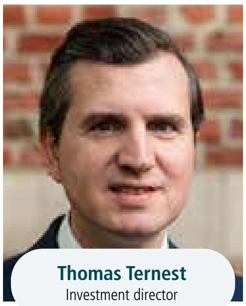

Filip Portael
IT consultant


Hari Rajmohan
Investment manager


Brigitte Stockman
Management assistant


Garry Suy
Maintenance


Jan Suykens
Senior advisor


Thomas Ternest
Investment director


Petra Van de Velde
Management assistant


Jeroen Vangindertael
Investment manager


Jens Van Nieuwenborgh
Investment director


Bart Vercauteren
Head of ESG


Katia Waegemans
Communication manager


Julie Wouters
Investment associate

(1) At AvH since 2023

Sustainability report (ESG)

This chapter contains the statement regarding non-financial information of Ackermans & van Haaren ('AvH') in accordance with Article 3:32 §2 of the Companies and Associations Code and relates to the financial year closed on December 31, 2022.

1. Your partner for sustainable growth

Ackermans & van Haaren positions itself as the long-term partner of choice of family businesses and management teams to help build high-performing market leaders and contribute to a more sustainable world.

To realise that mission, we rely upon deep-rooted family values: **entrepreneurship**, **respect** for people and environment and **long-term vision**. These values make up the DNA of AvH and reflect our ESG ambitions. We want to achieve structurally growing results in the area of environment (E - environment) and social relations (S - social) through sound policies, well-developed processes and good governance (G - governance).

The evolution of our key figures clearly shows that we are succeeding. They show that our focus and extra efforts in the area of, for example, renewable energy, circular and environmentally friendly construction processes and buildings, sustainable food and sustainable investment policy for banking clients are now more than ever paying off.

We integrate our ESG vision in all our activities. We actively implement it in our **responsible investment policy** and as a **responsible and active partner**. Our ESG approach systematically incorporates environmental and social aspects by taking into consideration the impact of environmental factors on our businesses as well as the impact of our businesses on their environment ('double materiality').

We make adjustments where necessary so that we are better able to manage risks and take advantage of opportunities. In this way, we guide companies specifically towards better ESG performance.

We are strongly aware of our exemplary role in this process. Therefore we also apply the ESG principles to our own activity as a **sustainable company**. Accordingly, business ethics, corporate governance processes, solvency and profitability receive as much attention as, for example, talent development within a diversified team of staff members.

Luc Bertrand

Chairman of the board of directors

> "As a partner for sustainable growth of family businesses and management teams, Ackermans & van Haaren wants to help develop sustainable solutions to global challenges in order to make its companies future-proof. For 145 years now, AvH has been working to create value for future generations, based on a long-term vision."

In 2022, we worked together with our participations on the most material ESG topics. These are ESG areas that potentially have a major impact on the corporate strategy of the participations, and indirectly on AvH as well. Together with the management teams we examined how they might align their ESG policy even better to their corporate strategy. We asked them to think about how to make their talent management future-proof. For the participations with significant CO_2 emission levels, their action plans were reviewed in order to structurally reduce the emissions. Certain policies, charters and visions were further formalised. Training programmes were started up or rolled out. Priority was also given to data collection. Targeted analyses and actions can only be worked out with good quality data. For that reason, data collection, implementation of EU Taxonomy legislation and the introduction of reporting tools were given due attention.

John-Eric Bertrand

co-CEO

> "The recent geopolitical developments and global warming have shown that our focus on ecologically responsible activities such as renewable energy and attention to talent and risk management are more than ever paying off."

The right corporate culture is key to getting the ESG visions integrated in the daily activities. Important steps have been taken in that respect in recent years.

We at AvH want to help anchor those efforts. That is why every year we organise sessions in which we emphasise the necessity of a strategic dimension. Those actions can then lead to solidly argued discussions on the boards of directors of the participations.

At portfolio level, AvH was able to make progress on all essential indicators in 2022. More than 80% of the portfolio meets our priority ESG criteria. Those positive results prompted us to set additional goals. We want at least 80% of the assets in our portfolio to have a CO_2 ambition and reduction plan by 2025.

We follow up the ESG performance of 4 participations as a priority and continue to support all participations so that we can maintain or even improve the current ESG results.

We also made progress as a sustainable company, not least in the area of talent development and formalisation of processes. As a result, our Sustainalytics rating improved to 9.0. This put us among the leaders of the 'Multi-Sector Holdings'. We obtained a 4/5 star rating from UN PRI. In 2022 we started up interaction with CDP, the Carbon Disclosure Project which is meant to be the industry standard in environmental reporting. These ratings represent an external validation of AvH's ESG efforts, and we intend to remain committed to those efforts in 2023 as well. AvH is also included in the BEL ESG Index that was launched by Euronext in February 2023. This new sustainability index monitors the 20 Brussels-listed companies with the best ESG practices.

Although we are living in very challenging and uncertain times, our participations continued to demonstrate their resilience in 2022. This shows that a structural ESG policy makes sense. In 2023, together with our participations, we will keep focusing on the material ESG topics to ensure that our companies remain resilient and further develop sustainability within their organisations. Those topics include attracting and training talent, making production processes more energy-efficient, paying special attention to cybersecurity and preparing the group for the new ESG reporting standards. Where relevant, AvH will also devote attention to various initiatives being launched by different governments in the United States and Europe.

There is a clear positive trend in the ESG performance of AvH and our participations. We would therefore like to thank all the teams who contributed to this during the past year and who wish to keep building on this achievement with us in the coming years.

Piet Dejonghe
co-CEO

> "We support all our companies in their transition for their relevant ESG challenges. Examples include making business processes more energy-efficient and preparing the group for new ESG reporting standards."

Guide

AvH's ESG approach is explained in more detail in this ESG chapter. The overview below serves as a guide through the report.

Value creation through integration of ESG factors

1 Responsible investor ***('AvH as investor' - section 3)***
- Integration of ESG factors (p. 54)
- External validation (ESG-ratings) (p. 55)
- Exclusion policy (p. 56)
- ESG screening (p. 57)
- Integrity policy (p. 57)

2 Responsible and active partner ***('AvH as shareholder' - section 4)***
- ESG policy (p. 58)
- CO_2 reduction plan (p. 58)
- Innovation policy (p. 58)
- HR policy (p. 58)
- Governance (p. 58)
- Integrity policy (p. 58)

3 Sustainable company ***(AvH's own ESG policy - section 5)***
- Governance (p. 64)
- Talent development (p. 64)
- Environmental/social impact (p. 65)
- Contribution to society (p. 66)

ESG highlights at participations - section 6 (p. 67)

AvH's ESG policy and methodology - section 7 (p. 76)

Shareholder of sustainable participations

The relative weighting of the various business segments in the assets under management (expressed as a percentage of the consolidated shareholders' equity of the group) and the ESG highlights or characteristics within its segments and participations are shown below.

Growth capital

- Focus on ESG and/or innovative developments (a.o. AstriVax, Biolectric, HealthQuad, Indigo Diabetes, Mediahuis, Medikabazaar, MRM Health)
- World BioProtection Award 2022 for best biofungicide to Biotalys for Evoca
- Efficient supply chain and CO_2 analysis (OMP) and intermodal transport (Van Moer Logistics)

SIPEF

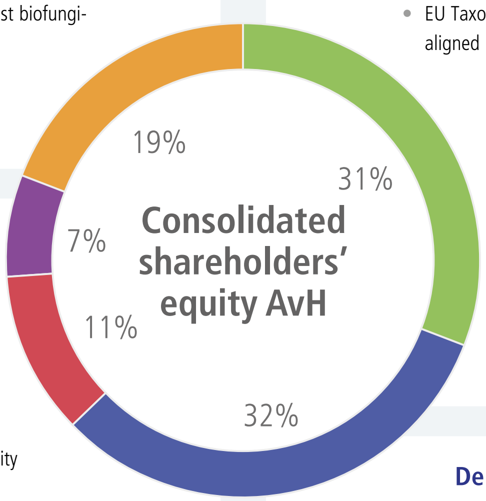
- Sustainable RSPO palm oil production
- High rating on ESG indices (Forest 500: 12/350, SPOTT: 11/100)

Sagar Cements

- Investments in energy efficiency, circularity and renewable energy
- Net zero by 2050 with CO_2 reduction plan

Nextensa

- Sustainable buildings and urban development



DEME

- Global leader in offshore wind
- Sustainable innovations: green hydrogen (HYPORT, Duqm/Oman), GSR (ocean minerals)
  - EU Taxonomy: 26% turnover aligned, 52% capex aligned

CFE

- Circularity, sustainable logistics, wood construction and energy-efficient buildings
- Recognised ESG Industry Top Rated by Sustainalytics (ESG rating: 'medium risk', 26.1)

Rent-A-Port

- BStor: first battery storage park in Belgium

Delen Private Bank

- 4/5 star rating from UN PRI
- High client satisfaction (NPS: 58)

Bank Van Breda

- High client satisfaction (NPS: 54)
- 'Best Workplace' (Great Place to Work)

● Marine Engineering & Contracting ● Private Banking ● Real Estate & Senior Care ● Energy & Resources ● AvH & Growth Capital

ESG ratings

MORNINGSTAR | SUSTAINALYTICS

9.0

(Negligible risk)

ESG INDUSTRY TOP RATED 2023

ESG REGIONAL TOP RATED 2023

PRI | Principles for Responsible Investment

Investment and Stewardship policy	★★★★☆
Direct Private Equity	★★★★☆

91%

of consolidated shareholders' equity has an ESG policy

Sustainable Development Goals (SDGs) at the participations

(as a % of the consolidated shareholders' equity of AvH)

The participations were asked to map their ESG policies to the SDGs. The result of this mapping across the portfolio is shown below. In particular SDGs 3 (Good Health and Well-being), 8 (Decent Work and Economic growth), 9 (Industry, Innovation and Infrastructure), 12 (Responsible Consumption and Production), 13 (Climate Action), and 16 (Peace, Justice and Strong Institutions) are given due consideration.

2. Goals, highlights 2022 and action plan 2023

AvH wants to focus strategically on sustainable value creation. Therefore it focuses on its core KPIs KPI for which a target has been defined. AvH seeks, on the one hand, to preserve what has already been accomplished in previous years and, on the other hand, to fine-tune its policy each year by adding new priorities and focusing on what has a material and strategic impact. It chooses to define realistic targets rather than make ambitious statements without being able to exercise proper control over them. Focus lies on taking the right actions within a feasible scope and making progress on those actions together with the participations.

The summary tables below use the relevant material topics as a basis. The materiality exercise and the methodology used to determine these topics are explained in section 7 AvH's ESG policy and methodology.

Pillar	AvH material topics	Long-term goals	Highlights 2022	Action plan 2023	SDG impact
Responsible investor 1	**Financial resilience and long-term return**	KPI Value creation > 10%/year(1)	Value creation > 10% despite difficult economic times		8 DECENT WORK AND ECONOMIC GROWTH
		KPI Net cash position: positive	Net cash position: 499 million euros		
	Responsible investment policy	Obtaining relevant ESG ratings and assessments	Sustainalytics ratings: 9.0 (negligible risk) UN PRI: 4/5 stars CDP: C rating	Addition of other relevant ESG rating and assessment (a.o. inclusion in BEL ESG Index)	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
		ESG part of investment decision	100% ESG screening of investments		
			96% of investment team received ESG training		
	Business ethics	Business ethics part of corporate governance	AvH Integrity Code updated	Continuation of integrity training of investment team (AvH Academy)	16 PEACE, JUSTICE AND STRONG INSTITUTIONS

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(1) Growth of shareholders' equity plus dividends paid (CAGR measured over a 10-year period).

Pillar	AvH material topics	Long-term goals	Highlights 2022	Action plan 2023	SDG impact
Responsible and active partner 2	**Responsible ownership**	KPI ESG policy > 80% of portfolio	91% of portfolio has an ESG policy	Action plan on material ESG topics is discussed each year by board of directors of participations: > 80% of portfolio	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
			ESG strategic session for ESG material participations	Supporting participations with the rollout of new EU Sustainability Reporting Standards (ESRS)	
		KPI CO_2 ambition and reduction plan 2030 > 80% of portfolio (new) in 2025	50% of portfolio has a CO_2 ambition and reduction plan 2030	Monitoring of CO_2 reduction plans at participations with high emissions, as well as at portfolio level	13 CLIMATE ACTION
			1.2 million tonnes of CO_2 equivalents scope 3 emissions linked to investment portfolio (93% of portfolio)(1)		
			SBTi testing of reduction plans of largest emitters (98% of emissions of portfolio)(2)		
		Rollout EU Taxonomy	EU Taxonomy: 21% of turnover aligned, 47% of capex aligned	Monitoring of participations in rollout EU Taxonomy	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
	Corporate governance	KPI Corporate governance charter > 80% of portfolio	98% of portfolio has a corporate governance charter		16 PEACE, JUSTICE AND STRONG INSTITUTIONS
		KPI Audit and/or risk committee > 80% of portfolio	96% of portfolio has an audit and/or risk committee		
		KPI Remuneration committee > 80% of portfolio	99% of portfolio has a remuneration committee	Fine-tuning of role of remuneration committees of participations regarding talent management	
	Business ethics	KPI Integrity policy > 80% of portfolio	97% of portfolio has an integrity code	Monitoring of relevant action plan with participations	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
	Talent development	Development management teams at participations	Together with several participations, work was done on making their talent management and diversity future-proof. 4 workshops for further development for CEOs and/or management team members	Continuation of workshops for CEOs and/or members of management teams	8 DECENT WORK AND ECONOMIC GROWTH
	Innovation	KPI Innovation policy > 80% of portfolio	84% of portfolio has an innovation policy	Supporting participations with defining an innovation policy	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
			Workshop on data-driven organisation		

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(1) Scope 3 emissions relating to the investment portfolio include scope 1 & 2 emissions of its participations with the largest CO_2 footprint, as known on the date of publication and weighted according to the shareholding percentage. The CO_2 footprint of the participations of the Growth Capital segment will be completed in the next years. The coverage in 2022 was 93% of the consolidated shareholders' equity.

(2) SBTi (Science Based Targets initiative): an initiative that defines best practices in the area of CO_2 reduction and targets in line with the goals of the Paris Climate Agreement.

Pillar	AvH material topics	Long-term goals		Highlights 2022	Action plan 2023	SDG impact
Sustainable company 3	**Talent development**	KPI	AvH as top employer	Survey on well-being and employee engagement	Baseline measurement well-being and action plan	3 GOOD HEALTH AND WELL-BEING 8 DECENT WORK AND ECONOMIC GROWTH
				Average 19.8 years of relevant experience per person		
				3% employee turnover (excl. intra-group and retirement, average 3 years)		
				100% employees with performance review		
		KPI	AvH staff members receive > 5 days training/year	8.3 days	Rollout of AvH Academy	8 DECENT WORK AND ECONOMIC GROWTH
	CO$_2$ emissions of AvH as an investment company		30% reduction in 2030 (scope 1 and 2 - base year 2022) (new)	259 tonnes of CO$_2$ equivalents scope 1 and 2 emissions	Rollout of AvH CO$_2$ reduction plan	13 CLIMATE ACTION

BEL ESG: Bart Vercauteren, Luc Bertrand, André-Xavier Cooreman

3. AvH as a responsible investor

AvH material topics	Goal		KPI	Trend	2022	2021	2020	SDG impact
Financial resilience and long-term return	**10%**	KPI	**Value creation** - Growth of shareholders' equity[1]	✔	**10.3%**	9.4%	9.4%	8 DECENT WORK AND ECONOMIC GROWTH
	Positive	KPI	**Net cash position**	✔	**499 million euros**	78 million euros	68 million euros	
Responsible investment policy	**Obtaining relevant ESG ratings**		Sustainalytics	↗	**Negligible risk (9.0)**	Low risk (12.5)	Low risk (15.9)	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
			UN PRI	New	**4/5 stars**	-	-	
			CDP	New	**C rating**	-	-	
	ESG part of investment decision		Sector exclusion policy		✔	Informal	Informal	
			ESG screening of new investments		**100%**	100%	Since Sept.	
			ESG training of investment team		**96%**	91%		
Business ethics	**Business ethics part of corporate governance**		Integrity policy		**Updated**	✔	✔	16 PEACE, JUSTICE AND STRONG INSTITUTIONS

[1] Growth of shareholders' equity plus dividends paid (CAGR 2012-2022, 2011-2021, 2010-2020).

3.1 Integration of ESG factors in business model

AvH integrates ESG in its investment processes and decisions by analysing the ESG risks and opportunities. In this process, it applies the double materiality principle by assessing both the impact of environmental factors on businesses and the impact of businesses on their environment. AvH wants to focus on the relevant material topics together with the partners in those businesses. AvH does not confine itself to sustainable companies, but supports the transition of companies in sectors facing specific ESG challenges. AvH also wants to be active in various sectors contributing to environmental and social challenges. AvH wants to **make a difference in terms of ESG** by helping companies to become best-in-class in that respect.

André-Xavier Cooreman

Member of the executive committee - responsible for AvH's ESG policy

> "By reflecting strategically
> with the participations on their ESG challenges,
> we take our role as responsible and active partner seriously.
> Corporate governance and innovation,
> for example, are important levers
> in defining CO_2 ambitions and reduction plans."

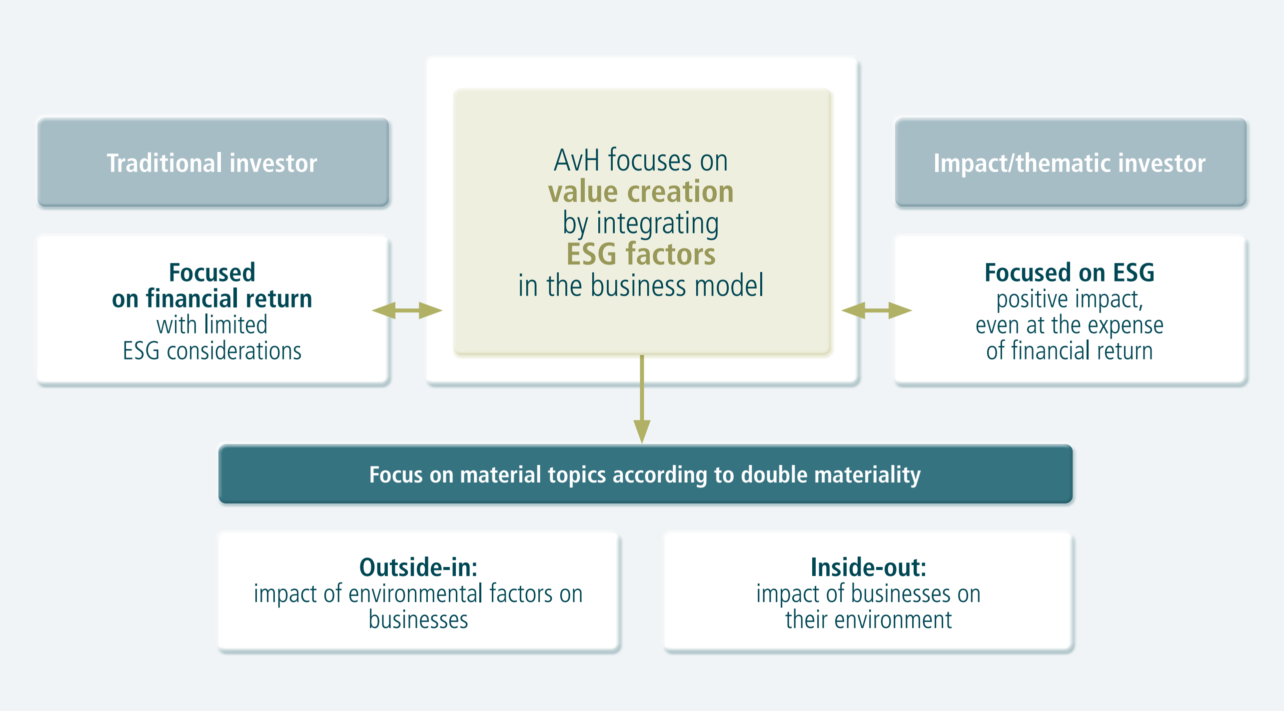
With this model, AvH wants to systematically accomplish a good management of environmental and social aspects. Where there are risks, action plans are formulated to mitigate those risks. In this way, AvH differentiates itself from 'impact or thematic investors', which primarily investigate investment opportunities where they want to make great progress on a particular ESG topic.

Long-term value creation

KPI	**Value creation**	10.3% growth of shareholders' equity (CAGR over a 10-year period)
KPI	**Net cash position**	499 million euros

AvH monitors its value creation and sees herein confirmation that AvH's performance goes hand in hand with the ESG policy that has been defined. AvH tracks this on the basis of the **growth of the shareholders' equity (including dividends paid) over a 10-year period** since it employs a long-term horizon across the economic cycle.

AvH seeks to achieve a **positive net cash position**. Partly thanks to the sale of Manuchar and Anima, the net cash position increased by 421 million euros. In addition, AvH has 280 million euros in confirmed credit lines from several banks with which it has a long-term partnership. AvH therefore has ample resources at its disposal to invest in its existing participations to support their growth, and also in new promising, sustainable and innovative companies.


Traditional investor

Focused on financial return with limited ESG considerations

AvH focuses on **value creation** by integrating **ESG factors** in the business model

Impact/thematic investor

Focused on ESG positive impact, even at the expense of financial return

Focus on material topics according to double materiality

Outside-in: impact of environmental factors on businesses

Inside-out: impact of businesses on their environment

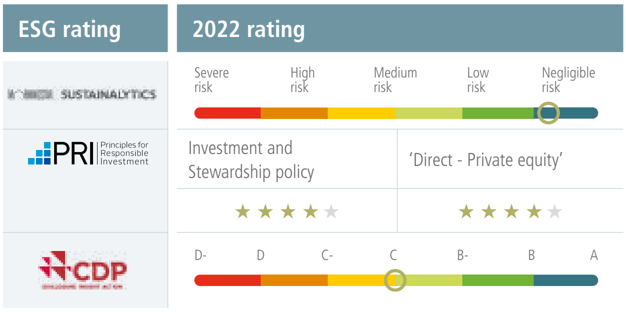
- External validation (ESG ratings and assessments)

The ESG rating agencies seem to appreciate AvH's ESG philosophy and priorities. In line with its objective of committing to **ESG ratings that are relevant to an investment company**, AvH actively works with Sustainalytics and UN PRI. In 2022, AvH interacted with CDP for the first time. Other ESG ratings may be added in the future.

In 2022, AvH was able to further improve its good ESG rating at **Sustainalytics from 12.5 in 2021 to 9.0**. As a result, AvH now falls into the '**negligible' risk** category. Sustainalytics' risk ratings range from 0 to 40+ and are categorised across five risk levels: 'negligible', 'low', 'medium', 'high' and 'severe'. The lower the score, the less risk. AvH's risk rating relative to its peers in the 'Multi-Sector Holdings' category is very good. On the day of its rating (end of July 2022), AvH belonged to the **upper quartile** (12th percentile) of its sector peers, according to Sustainalytics.

AvH is also **included** in the **BEL® ESG Index** that was launched by **Euronext** in February 2023. This new sustainability index monitors the 20 Brussels-listed companies with the best ESG practices.

The **UN Principles for Responsible Investment (UN PRI)** is a framework of the United Nations that oversees the integration of ESG in investment decisions and the active involvement in participations. AvH formally subscribed to the principles of UN PRI in 2020. In 2022, AvH was awarded a **rating of 4 out of 5 stars**.
The principles that are implemented are the following:
- Incorporating ESG aspects into investment analyses and decisions
- Including ESG aspects in shareholder decisions as an active shareholder
- Supervising that there is a proper ESG reporting in place by the participations
- Promoting the application of ESG principles within its own sector
- Collaborating with others to give concrete form to the ESG principles
- Reporting annually on the activities and the progress made

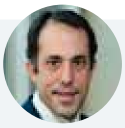


ESG rating	2022 rating	
SUSTAINALYTICS	Severe risk – High risk – Medium risk – Low risk – Negligible risk (● Negligible risk)	
PRI Principles for Responsible Investment	Investment and Stewardship policy	'Direct - Private equity'
	★★★★☆	★★★★☆
CDP	D- – D – C- – C – B- – B – A (● C)	

SUSTAINALYTICS 2023 ESG INDUSTRY TOP RATED

SUSTAINALYTICS 2023 ESG REGIONAL TOP RATED

PART OF BEL ESG by EURONEXT



Bart Vercauteren
Head of ESG

"In 2022, AvH obtained a Sustainalytics rating of 9.0.
This corresponds to a negligible risk.
For the third year in a row, AvH has improved its
ESG risk rating to one of the best
in comparison to other 'Multi-Sector Holdings'."

AvH interacted with CDP more actively in 2022. It obtained a C rating. CDP runs a global environmental information system to measure and manage risks and opportunities with regard to climate change, water management and deforestation. The CDP rating and data are used by financial institutions, investors, rating agencies and benchmark providers in their assessment of non-financial information. With the first time it took part, AvH wanted to learn how to support its (listed) participations in connection with CDP.

3.2 Responsible investment policy

AvH oversees that the composition of its portfolio evolves in line with long-term challenges. This means that investments are reviewed in terms of:

- whether the company is active in a **sector** in which AvH doesn't want to invest (exclusion policy),
- whether the company is active in **sensitive sectors** and how it scores on **relevant ESG aspects**, or whether it is active in a sector that may potentially have a **positive impact on ESG challenges** (ESG screening and integrity policy).

ESG is integrated in every stage of the investment cycle. ESG aspects are included in the assessment of investment opportunities. The outcome of the **ESG screening** is discussed with the management and incorporated in an action plan. AvH strives for a **best-in-class position** in the sectors in which AvH is active. Each company, however, defines its own ESG policy, with AvH acting as a partner and providing (pro)active input on relevant ESG challenges for the company and the sector in which the company is active. What this means in practice is determined for each individual company and is based on a sector-relevant standard, index or benchmark. This analysis may also lead to divestments from companies.

• Exclusion policy

Rather than excluding many sectors, AvH believes in active and responsible engagement in sectors facing specific ESG challenges. AvH prefers to **influence those companies positively in the long term** and to mitigate the negative aspects of those sectors. As a result, the number of 'hard exclusions' is confined to 6 sectors. AvH formalised this policy in 2022 and commits not to invest in the following activities:

- **Arms:** development, production or trade in controversial and nuclear weapons and civilian firearms
- **Tobacco:** production of cigarettes, tobacco, e-cigarettes and associated smoking products
- **Narcotics:** production, use of and trade in narcotic drugs and psychotropic substances unless for medical purpose
- **Pornography:** pornography, porn media, prostitution and other sex industries
- **Gambling:** production and trade of gambling equipment and related products
- **Thermal coal:** activities with primary focus on extraction and production of thermal coal

Adherence to the exclusion policy by the existing participations will be regularly monitored with those exclusions in mind.

AvH has developed an internal guideline to support investment teams in the performance of their ESG analysis when assessing new investments or at existing participations that are confronted with specific ESG challenges.

ESG is integrated in all stages of the investment cycle based on the UN PRI framework. The overview below summarises AvH's responsible investment policy.

Pre-acquisition phase opportunities

Assessment of ESG risks and opportunities

- **Initial ESG assessment** of each investment opportunity
- **Exclusion policy**
  - Arms
  - Tobacco
  - Narcotics
  - Pornography
  - Gambling
  - Thermal coal
- **Integrity policy**
  - AvH's mission, characteristics and values
  - Universal treaties, laws and regulations

Acquisition phase of new investments

Engagement and active support

- **ESG due diligence** supplemented where appropriate with external advice for ESG-relevant topics
- Inclusion of **conclusions** in consultation with management and, if relevant, integration in action plan

ESG-'stewardship'

Focused ESG plans in the participations

- **ESG, innovation, HR and integrity policies** are, in principle, discussed each year by the board of directors (or in a relevant committee)
- **Annual ESG sessions** with participations that may potentially have a material impact on AvH
- Facilitation of **exchange of best practices** between participations
- Participations report in accordance with **AvH's methodology** on ESG risks and opportunities **on the basis of ESG materiality**

Exit from existing participations

ESG as lever for value creation

- Description of ESG policy as part of documentation in data room

ESG due diligence

100%	of investments underwent **ESG due diligence**
96%	of investment team received **ESG training**

The performance of an ESG due diligence enables AvH to anticipate risks and to respond to opportunities. AvH performs an **ESG due diligence on all potential investments**. ESG is included in the investment memos that summarises the analyses and results of the screening and serves as a basis for arriving at an investment decision.

After an initial due diligence that takes into account the sector, the business model and the geographical distribution, a more detailed assessment is made of identified risks and opportunities. Where relevant, the internal due diligence is supplemented with an ESG due diligence performed by an external party.

ESG priorities, action plan and goals are reviewed for each investment opportunity. Depending on the investment opportunity and the sector in which it is active, the following topics may be covered in the ESG screening:

- **Environmental aspects (E)**, such as climate change (incl. CO_2 and other emissions), energy consumption, efficient use of raw materials and equipment, prevention and management of pollution, ecosystems, biodiversity and environmental aspects of the value chain
- **Social aspects (S),** such as working conditions, work environment, human rights and social aspects of the value chain
- **Governance (G),** such as organisational structure, corporate governance charters, integrity policy and risk management

In 2022 the investment team received a refresher course on the use of the international reference model SASB (Sustainability Accounting Standards Board) as the basis for an ESG screening. 96% of the investment team attended the training in 2022.

If investments are made through funds, the exclusion policy and the screening and monitoring procedures used by the fund manager are examined before entry in the fund.

Integrity policy

✔	Update of **AvH's integrity code**

The **AvH integrity code was updated in 2022** and contains the ethical standards for AvH's staff and the members of the board of directors. The code offers guidelines for the investment team when making investment decisions. Members of the investment team are expected to consider whether (group) companies act in accordance with the applicable international standards and treaties with regard to human rights, environment, anti-corruption, and working conditions. Where the applicable rules are breached, companies are urged to set targets and measures to ensure compliance within a reasonable time frame.

Companies are encouraged to adopt their own tailor-made integrity code and to accompany it with a policy of targeted actions.

The integrity code is inspired by the 10 key principles of the 'UN Global Compact' that are derived from the Universal Declaration of Human Rights (1948), the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work (1998), the Rio Declaration on Environment and Development (1992) and the United Nations Convention against Corruption (2003).

Staff members and directors are required to confirm each year that they know, understand and will comply with the integrity code and the dealing code (part of the corporate governance charter). As part of the AvH Academy, training courses were given in 2022, and follow-up training is planned for 2023.

4. AvH as a responsible and active partner

AvH material topics	Goal		KPI	Trend	2022	2021	2020	SDG impact
Responsible ownership	**ESG policy**							
	> 80% of portfolio	**KPI**	**ESG policy**(1)	↗	**91%**	91%	86%	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
	CO_2 emissions investment portfolio							
			Scope 3 emissions - investment portfolio (tonnes of CO_2 equivalents)(2)		**1.2**	1.2	1.1	13 CLIMATE ACTION
			Scope 3 emissions - investment portfolio)(1)		**93%**	89%	90%	
	> 80% of portfolio (in 2025)	**KPI**	**CO_2 ambition and reduction plan**(1)	New	**50%**			
	EU Taxonomy(3)							
			% eligible **turnover** EU Taxonomy		**43%**	46%		16 PEACE, JUSTICE AND STRONG INSTITUTIONS
			% aligned **turnover** EU Taxonomy		**21%**	15%		
			% eligible **capex** EU Taxonomy		**56%**	39%		
			% aligned **capex** EU Taxonomy		**47%**	25%		
			% eligible **opex** EU Taxonomy(4)		**-**	-		
			% aligned **opex** EU Taxonomy(4)		**-**	-		
Innovation	**> 80% of portfolio**	**KPI**	**Innovation policy**(1)	↗	**84%**	77%	72%	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Corporate governance	**> 80% of portfolio**	**KPI**	**Corporate governance charter**(1)	↗	**98%**	96%	85%	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
		KPI	**Audit and/or risk committee**(1)	↗	**96%**	96%	94%	
		KPI	**Remuneration committee**(1)	↗	**99%**	94%		
Business ethics	**> 80% of portfolio**	**KPI**	**Integrity code**(1)	↗	**97%**	92%	85%	16 PEACE, JUSTICE AND STRONG INSTITUTIONS

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(1) Expressed as a % of the consolidated shareholders' equity of AvH.

(2) Scope 3 emissions relating to the investment portfolio include scope 1 & 2 emissions of its participations with the largest CO_2 footprint, as known on the date of publication and weighted according to the shareholding percentage. The CO_2 footprint of the participations of the Growth Capital segment will be completed in the next years.

(3) The proposed EU Taxonomy template includes ratios relevant for non-financial institutions.

(4) The opex as defined in scope of the EU Taxonomy includes a restrictive list of non-capitalised costs. As the participations prepare their financial statements on the basis of IFRS, these are largely already included in the capex.

4.1 Responsible ownership hand in hand with ESG

In its role as a responsible and active partner, AvH interprets ESG in a broad way. The aspects which for AvH fall under ESG are listed opposite and on the next page, along with the objective that AvH pursues.

- **ESG policy:** annual discussion by the board of directors of the policy pursued, the material topics, the ambitions, action plans, goals and KPIs to monitor progress, with the ESG policy being based on materiality and taking relevant stakeholders into consideration.
- **Innovation policy:** annual discussion by the board of directors of the policy pursued. AvH sees innovation as an essential factor to mitigate risks or to capitalise on opportunities. This relates not only to ecological aspects, but to all

domains that promote sustainable growth, such as assessing innovative product/market combinations, digitising or improving operational processes, or looking for new partnerships (e.g. with universities, governments, customers or suppliers).

- **HR policy:** remuneration committees which discuss the HR policy pursued and the composition and functioning of the management (including attention to succession and attracting and retaining talent).
- **Corporate governance:** organisation of the decision-making processes formalised in a charter adapted to sector-specific standards.
- **Risk management systems:** identification and monitoring of potentially material risks adapted to sector-specific conditions with appropriate processes (by audit and/or risk committees).
- **Integrity policy:** an integrity code adapted to sector-specific conditions (description of values and appropriate rules of conduct) and underpinned by compliance procedures (e.g. anti-corruption) and other policy measures (e.g. training).

In its role as a responsible and active partner, AvH applies the following principles to achieve progress and get the right focus at the companies in its portfolio:

- **ESG as part of the corporate culture** that is propagated by the management of AvH and its participations.
- **Focus on material topics** identified on the basis of a materiality mindset to ensure that the ESG policy is strategically implemented.
- **Substance over form approach** where activities are first framed by a relevant policy and actions, and then fleshed out further using appropriate processes and tools.
- **Achieving impact in its portfolio** (based on the share of a company in the consolidated shareholders' equity of the group) by first focusing on the main participations or aspects that are material to AvH and subsequently involving the other companies.

4.2 Active ESG support to participations

78%	of portfolio received individual **ESG strategic sessions**

For AvH, an **ESG policy should be aligned to the corporate strategy being pursued**.

Focusing on material topics and discussing the status and action plan at the level of the board of directors are important tools to roll out an ESG policy. In preparation for the debates of the board of directors, the participations are actively involved throughout the year.

As in previous years, an **ESG strategic session per company** was set up for the 4 ESG material participations (DEME, Delen Private Bank, Bank Van Breda, SIPEF) as well as for the previous ESG material participations (CFE and Nextensa). This session is attended by the investment managers (who sit on the board of directors of the participation), the ESG teams, and members of the executive committees. The purpose of this ESG strategic session is to evaluate the ESG policy and status, to identify the material topics, and to discuss relevant action plans for the coming years. This session serves as preparation for the discussion by the board of directors.

Luc Bertrand
Chairman of the board of directors

> "As a proactive and long-term investor, AvH seeks to be involved at the level of the board of directors of its companies in portfolio. In this way, AvH participates in the formulation and supervision of the strategic policy."

KPI	91%	of portfolio has an **ESG policy**
KPI	98%	of portfolio has a **corporate governance charter**
KPI	96%	of portfolio has an **audit and/or risk committee**
KPI	99%	of portfolio has a **remuneration committee**
KPI	97%	of portfolio has an **integrity code**

For the other participations, **annual workshops** are organised to explain AvH's ESG approach and principles. The participations are asked to complete an ESG questionnaire each year. One-on-one sessions are organised on request. The investment managers review the status and progress each year on the basis of this ESG questionnaire. All participations are asked to present the ESG questionnaire to the board of directors and/or the audit committee for the purpose of ESG monitoring.

The multidisciplinary AvH team also provides support to the participations in specific areas such as ESG policy, innovation policy, HR policy, corporate governance and risk management.

Support	Environment	Social	Corporate governance & risk management	Innovation
Knowledge sharing between participations	ESG workshops for the 4 ESG material participations and the 2 previous ESG material participations	CEO sounding boards HR sounding boards	Session on new contract law	Session on data analytics and management
	Sector-specific ESG workshops (real estate and financial sector)	Session on making talent management and diversity future-proof (95% of the portfolio participated)		
Support of management teams	Strategic implementation of ESG based on materiality	Sounding board on organisational structure, development of management teams and inclusive organisations	Sounding board on corporate governance and business ethics	Network innovation managers
	Screening of CO_2 reduction plans of the largest emitters			
	Interpretation of the EU Taxonomy and support tools			

4.3 CO_2 emissions investment portfolio

KPI	**50%**	of portfolio has **CO_2 ambition and reduction plan** for 2030
	1.2 mio	tonnes of CO_2 equivalents **scope 3 emissions - investment portfolio** (coverage 93% of portfolio)
	98%	emissions of investment portfolio was **SBTi tested**

Climate change and the necessary transition to a low-carbon economy have an impact on how sustainable growth should be implemented. An increase of turnover often comes with an increase of CO_2 emissions, even if this turnover contributes to the solution of climate change or the intensity of the activities in that area decreases. The current supply chain disruptions are also causing a temporary increase of CO_2 emissions.

AvH reports on two levels:

- **CO_2 emissions as an investment company:** in CO_2 equivalents scope 1, 2 and 3, where scope 3 includes business travel and the investment portfolio. The CO_2 emissions of the investment portfolio amounted to 1.2 million tonnes of CO_2 equivalents in 2022 and are described in this section. The other CO_2 emissions as an investment company (e.g. energy consumption and business travel) amounted to 469 tonnes of CO_2 equivalents in 2022 and are discussed in section 5.3.
- The **total CO_2 emissions** (in CO_2 equivalents scope 1 and 2) based on the **accounting consolidation perimeter** amounted to 672,792 tonnes of CO_2 equivalents in 2022 (see Sustainability report: annex at the back of the annual report).

For an investment company, the emissions of the investment portfolio (see table below) are the main scope 3 component. This includes the scope 1 and 2 emissions of the companies in portfolio, weighted at the shareholding percentage. AvH considers reporting as an investment company more relevant than that according to the accounting perimeter. The completeness of the CO_2 footprint of the investment portfolio reported to AvH increased further in 2022 to a coverage of 93% of the portfolio. The CO_2 footprint of the investment portfolio remained stable in 2022 relative to 2021 despite the fact that the turnover increased by 7%(2) in 2022 relative to 2021. The increase at SAGAR is due to its growth and the CO_2 intensity is closely monitored. As a result of the COVID-19 pandemic, fewer alternative fuels were available in India. The decrease at DEME is attributable to a change in the activity mix, as a result of which the footprint is back in line with that of 2020.

The CO_2 footprint of the investment portfolio includes the core sectors, as well as Growth Capital participations that are potentially active in CO_2 intensive industries.

The data for smaller participations are often not yet available or not determined in a uniform manner. As far as is known, this would have no material impact at AvH level. Nevertheless, AvH encourages those participations to start up or to fine-tune those measurements so that they can be integrated in the future reporting. As soon as the data and the underlying methodology are properly understood, the participations can start to prepare an action plan that, where possible, is in line with the climate goals of the Paris Agreement (inspired by the Science Based Targets - SBTi).

The participations are actively supported, where relevant, to decrease the emission levels. In 2022, the CO_2 ambitions and action plans of the **largest emitters**, which account for 98% of the emissions of the investment portfolio, were challenged. AvH adopts a **'fit for purpose' approach** to find out to what extent the CO_2 ambitions and action plans accord with the **Science Based Targets** initiative, **sector-specific transition pathways** (e.g. 1.5 degrees and 2 degrees scenarios in the Paris Climate Agreement) and **emission intensity**. With this, AvH aims to achieve an absolute emission reduction.

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[2] Proforma turnover excluding Manuchar and Anima

CO_2 emissions of AvH investment portfolio (scope 3 in tonnes of CO_2 equivalents)

	2022			2021			2020		
	CO_2 absolute emissions	Shareholding percentage	CO_2 emissions weighted at the shareholding percentage ('share AvH')	CO_2 absolute emissions	Shareholding percentage	CO_2 emissions weighted at the shareholding percentage ('share AvH')	CO_2 absolute emissions	Shareholding percentage	CO_2 emissions weighted at the shareholding percentage ('share AvH')
S	**2,486,023**	**20%**	**488,255**[1]	1,929,030	22%	421,493[1]	2,104,753	22%	459,889[1]
DEME	**653,000**	**62%**	**405,643**	832,800	62%	517,169	660,000	62%	409,860
SIPEF	**608,769**	**37%**	**224,088**	681,768	35%	239,505	605,241	35%	209,898
cfe	**15,309**	**62%**	**9,510**	16,489	62%	10,240	17,684	62%	10,982
VAN MOER Logistics	**40,752**	**22%**	**8,859**	35,565	22%	7,731			
DELEN PRIVATE BANK	**1,361**	**79%**	**1,072**	1,713	79%	1,348	1,396	79%	1,099
Bank VanBreda	**1,470**	**79%**	**1,158**	1,388	79%	1,093	1,681	79%	1,324
Andere	**8,165**		**4,905**	17,654		3,380	14,493		2,856
Scope 3 emissions - participations			**1,143,749**			1,202,189			1,096,129

[1] Sagar's CO_2 footprint for 2022 is based on Sagar's accounting year 2021/2022. The CO_2 footprint for 2021 is based on Sagar's accounting year 2020/2021. The CO_2 footprint for 2020 is based on Sagar's accounting year 2019/2020.

Case study

Sagar Cements plays a pioneering role in the decarbonisation of the cement industry in India

Sagar Cements has developed an ESG vision and roadmap with 13 domains and has set targets for 2030 and 2050. In the area of CO_2 emissions, Sagar has prepared an ambitious reduction plan with the aim of attaining **net zero by 2050** (subject to availability of the necessary technology) and of achieving a **26% reduction of CO_2 intensity by 2030 in line with SBTi 1.5°C**.

To do this, it uses the following levers:

- Reduction of clinker ratio: 64% by 2030, 50% by 2050
- Use of alternative fuels by increasing thermal substitution rate - TSR: 25% by 2030, 50% by 2050
- Greater share of green energy: 50% by 2030, 100% by 2050
- Energy efficiency (per metric tonne of cement): 70 kWh by 2030, 65 kWh by 2050
- Alternative raw materials (circularity): 2% by 2030, 5% by 2050
- CO_2 capture and use: CCS/CCU

4.4 Alignment with the EU Taxonomy

21%	turnover aligned
47%	capex aligned

The EU Taxonomy aims to achieve the transformation to a low-carbon economy through generally accepted definitions and reporting methods for 'green' activities. So far this has been done for two of the six climate and environmental goals, notably the **mitigation of and the adaptation to climate change**.

Since the law formulates the Technical Screening Criteria (TSC) in very ambitious terms, it would seem that many activities that make a positive contribution to the climate will not be acknowledged as 'aligned'. Nevertheless, this does not stop AvH from supporting this type of activities if they contribute to a low-carbon environment.

AvH and the participations adopted a conservative approach in the reporting of alignment with the EU Taxonomy. In 2022, the companies worked on a robust methodology (e.g. project screening on the EU Taxonomy conditions at DEME and CFE, development of an EU Taxonomy passport for buildings at BPI). Nextensa has screened several projects to understand the impact on the designs of its future real estate developments. A sanity check was carried out by a consultant on the methodology developed and the interpretations used by the participations, as well as to avoid the risk of double counting.

AvH reports the following two elements based on its **accounting consolidation perimeter** (see section 7.3 ESG reporting and reference models):

- **Eligible:** determining which economic activities fall under the EU Taxonomy and have greening potential.
- **Aligned:** review against the conditions of the EU Taxonomy, such as the technical screening criteria (TSC) without doing significant harm (Do not significantly harm - DNSH) to the other goals defined within the EU Taxonomy.

The summary table contains the EU Taxonomy figures for 2022. The official tables as required in the regulations are included in appendix Sustainability report: appendix at the back of the annual report.

EU Taxonomy (2022)

	Eligible	Aligned	Non-eligible
Turnover	43%	21%	57%
Capex	56%	47%	44%
Opex(1)	-	-	-

(1) The opex, as defined in the scope of the EU Taxonomy, comprises a restrictive list of non-capitalised costs. As the participations draw up their annual financial statements on the basis of IFRS, they are already to a large extent contained in the capex. AvH chooses to focus on turnover and capex.

AvH is active in several sectors that are eligible for the EU Taxonomy: renewable energy (DEME, Green Offshore and Biolectric), circular construction and renovation (CFE), and sustainable real estate development (BPI and Nextensa). AvH has much potential to make a positive contribution to climate change. Compared to 2021, the percentage of aligned turnover increased from 15% to 21%. The aligned capex was 25% in 2021 and nearly doubled to 47% in 2022. The alignment with the EU Taxonomy conditions is discussed in more detail in the following paragraphs.

DEME

Based on the current interpretation, **DEME**'s activities in offshore wind will be considered as being both eligible and largely aligned. Infrastructure projects were screened in 2022 as well. Based on the current definitions, 29% of the total turnover is eligible and 26% is already aligned. Likewise, 52% of the total capex is eligible and can be considered aligned.

cfe

81% of **CFE**'s turnover is eligible and primarily relates to construction and renovation, electrical installation, rail infrastructure and real estate development. 14% of the turnover in 2022 is aligned and relates for the most part to BPI's project development and CFE's construction projects such as ZIN, Serenitas and Wooden. 90% of the capex is eligible and 29% can be considered aligned.

nextensa

97% of **Nextensa**'s turnover is 'eligible'. It primarily relates to real estate development and the letting of real estate from its own investment portfolio. 25% of the turnover in 2022 is aligned, mainly thanks to the rental income from Gare Maritime and the sale of Park Lane. 94% of the capex is eligible and 18% can be considered aligned. Monteco is aligned as well, and its impact will be reflected in next year's results.

Bank VanBreda | DELEN PRIVATE BANK

The EU Taxonomy reporting for **Delen Private Bank** and **Bank Van Breda** is included in their respective sustainability reports and annual reports available on their website in Q2.

4.5 Innovation

84%	of the portfolio has an KPI **innovation policy**

Constant innovation makes business models sustainable. Examples include the development of innovative product/market combinations that respond to new needs, which may relate to the development of new products and services, or the improvement of existing products and services. Efforts may also be focused on making operational processes cheaper, faster and qualitatively better (such as ensuring the supply chains and appropriating a larger part of the value chain). Innovation is broadly interpreted at AvH, and there is a close link with operational excellence programmes. These aspects help to manage the risks and costs of the operations, as well as to create opportunities where ecological, social and operational aspects are addressed.

As a responsible and active partner, AvH wants participations to align the emphases of their innovations to their corporate strategy. Efforts are focused on the levers that are capable of achieving the greatest impact, and sufficient attention is given to the long term. Such control ensures that the resources committed match those goals, and the results are evaluated on a regular basis. This also contributes to the corporate culture. For that reason, AvH stimulates its participations to **formalise an innovation policy and related processes** and to have this assessed each year by their respective boards of directors. This process is monitored in the group by means of the ESG questionnaire.

Each participation is responsible for its innovation strategy. AvH's role consists in (1) providing or mutually exchanging cross-sectoral methodologies and best practices, with or without guidance from experts, (2) monitoring the supervision of the innovation policy by the boards of directors, and (3) proactively assisting participations or providing experts or networks.

For example, in 2020 and 2021 there was a programme based on '10 Types of Innovation' by Larry Keeley, facilitated by an external consultant, in which 16 participations took part. The impact of those sessions is reflected in a further increase within AvH's portfolio on formalising and discussing the innovation policy (from 72% in 2020 to 84% in 2022). The idea in 2023 is to review the progress made and to identify possible further actions. A workshop was organised in 2022 on data driven organisations, and some interesting case studies were looked at.

Examples of evolutions in the innovation policy of participations during 2022

SIPEF

SIPEF added the pillar 'Innovation and continuous improvement' to its ESG policy on responsible plantations ('Responsible Plantation policy').

SIPEF recognises the major potential and significance of innovation in the improvement of productivity, quality and circularity. Focus is on (1) sustainable and optimal use of land, (2) efficient production and processing, (3) quality improvement, and (4) improvement of disease resistance of future crops.

nextensa

Nextensa formalised its innovation policy, focusing on sustainable solutions by (1) using renewable energy sources in new developments and (2) improving technical performance and a healthy work environment in the buildings in portfolio.

SIPEF | Oil palm plantation at its prime age

Nextensa | Gare Maritime

Examples of innovation process and culture

DEME has for some years now implemented thoroughgoing and company-wide innovation processes through the 'Drive' and 'Excel' programmes. They are directed by an Innovation Board in which the senior management provides active input. This is supported by an internal innovation unit with a finger on the pulse of the different business units, and by structured cooperation with external parties such as universities.

Delen Private Bank has continuous improvement and digitisation in its DNA, which means that innovation is supported by all divisions of the organisation. Digitisation combined with personal coaching by the account managers leads to a safe and efficient service that makes a difference for the clients.

Mediahuis pursues an active innovation policy where an 'internal innovation' approach, focused on a.o. the development of digital processes, market places or new services, is supplemented by a 'Corporate Venture Capital' approach around adjacent or innovative business models (such as in the field of EdTech).

DEME | Apollo

Mediahuis | Aachener Zeitung

Examples of sustainable innovations in the portfolio

CFE integrates innovation and sustainability to build tomorrow's world. At BPI, new models are developed around the EU Taxonomy, circularity and timber frame construction. At CFE there is a strong focus on 'lean' to further improve the building processes.

Rent-A-Port invested in the launch of the first large-scale battery park for energy storage on the Belgian high-voltage grid (BStor).

In 2022, AvH invested in **AstriVax**, which focuses on innovations in the development of new vaccines.

Biolectric specialises in the production and installation of manure-fed biogas units (pocket digesters) at farms and conversion into green energy.

With Evoca, **Biotalys** won the World BioProtection Award 2022 for best biofungicide.

CFE | Wood Hub

Rent-A-Port | BStor

5. AvH as a sustainable company

AvH material topics	Goal		KPI	Trend	2022	2021	2020	SDG impact
Corporate governance			ESG policy		✔	✔	✔	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
			AvH Corporate governance charter		✔	✔	✔	
			AvH Audit committee		✔	✔	✔	
			AvH Remuneration committee		✔	✔	✔	
Talent development	**5 days**	KPI	Average number of **training days** per person	✔	**8.3**	9.7	4.9	3 GOOD HEALTH AND WELL-BEING 8 DECENT WORK AND ECONOMIC GROWTH
			Costs for training (as % of general costs)	✔	**518,771 euro (2.7%)**	534,204 euro (2.8%)	392,474 euro (2.35%)	
	> 10 years	KPI	Average number of years of relevant **experience** per person in the **investment team**	✔	**19.8 years**	19.5 years	19.8 years	
	> 10%	KPI	Average employee **turnover** in the **investment team** (excl. intra-group and retirement, over 3 years)	✔	**3%**	1%	1%	
	90%	KPI	**Performance review**	✔	**100%**	100%	100%	
CO_2 emissions of AvH as an investment company	**30% reduction** (scope 1 & 2, base year 2022 - in 2030)		Scope 1 emissions - direct emissions (tonnes of CO_2 equivalents) (1, 2)		**202**	197	192	13 CLIMATE ACTION
			Scope 2 emissions - indirect emissions (tonnes of CO_2 equivalents) (1, 3)		**57**	32	30	
			Scope 3 emissions - business travel (tonnes of CO_2 equivalents) (1, 4)		**210**	7	25	

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(1) The emission factors come from DEFRA and the International Energy Agency (IEA) (electricity consumption), according to the methodology of the GHG protocol.
(2) Scope 1 emissions are direct emissions from heating, fuel consumption by vehicles and leakage of coolant.
(3) Scope 2 emissions are indirect emissions from the production of electricity that is purchased and consumed.
(4) Scope 3 emissions relating to the investment company are indirect emissions from business travel.

5.1 Corporate governance

More information about the approach and implementation of corporate governance can be found in the section Corporate governance statement on page 24 of the annual report.

5.2 Talent development

The success of a business depends on the skills, personalities, motivation and experience of the staff. As an employer, AvH aims to offer its staff a good work environment where emphasis is on ethical and respectful conduct. Talent development is a continuous process. AvH wants to have teams with a diversity of skills and experience that strengthen the management teams of the participations. Low staff turnover ensures that the staff members propagate AvH's values to maximum effect.

Anke Jeurissen

Head of Legal - Bank Van Breda

> "There are plenty of opportunities within the AvH group as well.
> For me this opened up a splendid opportunity to switch over from AvH to Bank Van Breda.
> I stay connected with my AvH colleagues!"

Growth by training and evaluation

KPI	8.3	average number of **training** days per person
KPI	19.8	average number of years of relevant **experience** per person in the investment team
KPI	3%	**employee turnover** in the investment team (excl. intra-group and retirement, over 3 years)
KPI	100%	of staff members had a **performance review**

Taking and increasing opportunities as well as adding value are central to AvH's HR policy. For that reason, focus is on creating opportunities, feedback loops, as well as on mentoring and development. Career prospects are actively supported by finding out whether there are internal candidates for each vacancy. The opportunities at the participations are screened as well.

The year-end performance reviews are intended to assess how each staff member can grow, as a person and as a professional, in line with AvH's strategic ambitions. The themes in which co-workers have grown in 2022 are varied. Besides empathic communication, various other themes were discussed as well, such as smarter working by using software applications more efficiently, negotiating, personal coaching, role as director, presentation and communication techniques, language training, team development, improving corporate finance skills, and understanding global trends. In addition, the AvH Academy was started up where updates on various legal, financial, HR and ESG domains are offered.

AvH complies with the applicable sectoral CLAs and even goes further in certain respects. AvH has set itself the target of giving its staff on average 5 days' training per year. This target was amply achieved in 2022 with 8.3 training days per staff member.

Diversity, equity and inclusion

	KPI	2022	2021	2020
AvH staff members (in headcount)	**Total number of staff members**	**38(*)**	**37**	**36**
	Belgium	36	36	
	India Southeast Asia	2	1	
	Diversity men/ women	**21 / 17**	**20 / 17**	**19 / 17**
	Belgium	19 / 17	19 / 17	19/17
	India Southeast Asia	2 / 0	1 / 0	0 / 0
AvH investment team (in headcount)	**Total number of staff members**	**22**	**23**	**21**
	Diversity men/ women	**17 / 5**	**17 / 6**	**15 / 6**
	Diversity by degree			
	Economic	43%	43%	43%
	Legal	15%	23%	24%
	Scientific	33%	23%	21%
	Others	9%	11%	12%

(*) 2022: 33.86 FTE: 17.9 men, 15.9 women; all staff members are permanent staff

Robin Muller
Management assistant

> "As a receptionist, my investment associates involved me in several analyses.
> My talents were also employed and valued in the digital4you steering group.
> Talent management beyond the boundaries of your job. Great!"

AvH's policy on diversity, equity and inclusion (DEI) focuses on broadening the perspectives from which diversity is regarded, both at the level of the investment company and at the participations. In 2022, workshops were organised with and for the participations on how to set up a **DEI policy and on inclusive leadership**.

AvH is taking measures to improve the diversity of the inflow of new employees, in a sector which is still perceived as very male-dominated. Those measures include gender-neutral job vacancies and ensuring that the inflow of applicants for a vacancy is evenly divided between men and women.

AvH adopts a broader view of diversity in its investment team by taking educational, cultural and professional background into consideration. For the further expansion of its activities in India and Southeast Asia, a second investment manager has been hired.

This makes it possible to gain a better understanding of the local culture and to be more closely connected with the participations in that part of the world. In the composition of teams, both the technical skills and the personal skills are taken into consideration to ensure that the team is diverse and complementary.

Well-being

AvH takes the mental and physical resilience of its staff very much to heart. It keeps its finger on the pulse through surveys on resilience and structurally offers a wide range of options to support it (e.g. healthy lunch, sport yoga, meditation, individual coaching and a policy on meeting and email hygiene). The work environment and the policy on teleworking and flexible timetables also help to increase efficiency.

In the staff survey that was launched in the fourth quarter of 2022, well-being was integrated in order to establish a first baseline. The survey showed that AvH generally scored very well. The concrete action plan based on the baseline measurement will be finalised in 2023.

5.3 Direct impact on environment and social aspects

AvH's activities as an investment company only have a limited impact on the environment and are therefore not material (no own production or service activities). AvH has a headcount of 38 people. AvH supports the respect for human rights as referred to in the Universal Declaration of Human Rights. As a role model, AvH also integrates sustainability in its own business operations. The group recommends the same commitment to its staff and to the participations.

The CO_2 footprint increased in 2022 relative to 2020 and 2021 since the figures of previous years were impacted by the COVID-19 pandemic (working from home, little or no business travel, etc.). In view of AvH's exemplary role, a goal was set in 2022 with regard to its own activities as an investment company. AvH is committed to **reducing CO_2 by 30%** by 2030 (scope 1 and 2 - base year 2022).

Focus is on:
- **Raising awareness** around electricity consumption and heating
- **Sustainable mobility** by further electrification of the vehicle fleet and promoting alternatives (virtual meetings, lease bikes, etc.)
- **Green power** based on guarantees of origin (given that it is technically impossible to install solar panels on the roof of the building).

The emissions of its portfolio companies, screening of the CO_2 reduction plans and the ambition at portfolio level are discussed in section 4 'AvH as a responsible and active partner'. As of 2022 (for 2021), AvH also reports to CDP (see for more details section 3.1 Integration of ESG factors in business model - External validation (ESG ratings and assessments)).

5.4 Contribution to society

AvH also contributes to a dignified society through its patronage policy. In Antwerp, art and entrepreneurship have gone hand in hand since the time of Rubens, Stevin and Plantin. Galleries, museums, artists and scientists have great added value for society. At the same time, AvH is also committed to increasing opportunities for everyone in society. In 2022, AvH provided 366,000 euros (excluding the effort in that area through the participations) to support projects in the field of culture, scientific research, the fight against poverty and human rights. The main projects are shown in the overview.

Cultural	Social	Scientific
www.barokkeinfluencers.be	www.duoforajob.be	www.uza.be/CCRG
www.flagey.be	www.mercyships.be	www.deduveinstitute.be
www.kmska.be	www.upcduffel.be	www.itinera.team
www.leconcertolympique.eu	www.vonkplek.be	www.insead.edu

6. ESG highlights 2022 at participations

This chapter indicates for the four material participations from an ESG perspective which topics can have a potential material impact on the AvH group, which actions the participations have undertaken in 2022 on those aspects, how this should be framed in their ESG policy, and which objectives they pursue. The progress is tracked by KPIs where possible. The participations are working on more topics and concrete programmes than mentioned here. Although they may be material to the participations concerned, they are not reported here because they are considered not to have a potential material financial impact on AvH. AvH supports those initiatives through the boards of directors of its participations without them having to be disclosed in this report.

Readers who are interested can find more information about the ESG policy and performance of the companies in the activity report of this annual report, and in the individual reports available on the websites of the respective participations. The materiality matrix of each of the participations can be found on AvH's website and on the websites of the respective companies.

More information about AvH's ESG approach can be found on the website: www.avh.be/en/sustainability

6.1 DEME

DEME is active in the specialised fields of dredging, solutions for the offshore energy sector, marine infrastructure and environmental works. DEME's ESG topics that are considered material at AvH level have been grouped together in 4 major themes: 'Climate and energy' (including energy transition, energy efficiency and greenhouse gas emissions), 'Health and safety', 'Sustainable innovation' and 'Business ethics'. DEME can be regarded as a pioneer in its sector in the area of energy transition and sustainable innovation.

DEME updated its materiality matrix in 2022 based on an external ESG risk assessment with the main aim of better assessing the business impact of its relevant ESG risks.

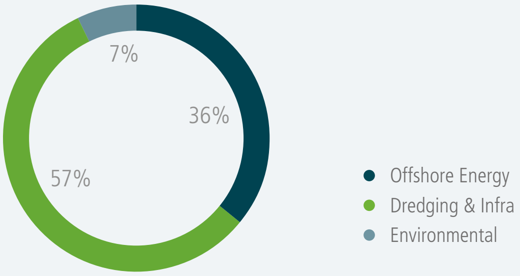
Based on the current interpretation of the rules, DEME's activity in offshore wind and rail infrastructure can be considered as being both eligible and largely aligned with the EU Taxonomy. Based on the current definitions, 29% of the total turnover is eligible and 26% is aligned. 52% of the capex is both eligible and aligned. DEME thereby confirms its pioneering role according to this methodology too.

ESG topics material to AvH	Other ESG topics material to DEME
Climate and energy	Natural capital
Health and safety	Waste and resources management
Sustainable innovation	Diversity and opportunities
Business ethics	Local communities

DEME

Climate and energy

Breakdown of turnover by activity in 2022



	2022	2021	2020
EU Taxonomy % turnover			
eligible	**29%**	28%	
aligned	**26%**	24%	
EU Taxonomy % capex			
eligible	**52%**	32%	
aligned	**52%**	32%	
MW installed foundations ('Contributed Capacity')(1)	**2,798**	1,867	2,499
MW installed wind turbines	**440**	2,378	1,477
MW offshore wind (beneficial ownership)	**144**	144	144
GHG in ktonnes CO_2 equivalents(2)	**653**	833	660
of which scope 1	**652**	832	659
of which scope 2	**1**	1	1
Low carbon fuels ('low carbon fuels')(3)			
% versus total fuel consumption	**6%**		

(1) 'Contributed capacity' is calculated counting total number of foundations installed by DEME during the reporting period (between January 1 and December 31) and multiplying by the corresponding turbine capacity. The turbine capacity is also called the rated power of the turbine. It is the power that the turbine generates for wind speeds above the 'rated' level. Each installed turbine has a specific rated power, expressed as a number of MW.

(2) Greenhouse gas emissions scope 1 & 2: DEME follows the Greenhouse Gas Protocol (ISO14064).

(3) 'Low carbon fuels' combine the fuels for which the CO_2 emissions are lower compared to conventional fuel (marine gas oil). This category includes fuels such as LNG (Liquified Natural Gas) and blended biofuels.

Health and safety

	2022	2021	2020
Frequency rate of accidents[1]	**0.23**	0.19	0.19

[1] Number of accidents with incapacity for work (worldwide) x 200,000, divided by the number of working hours.

Sustainable innovation and business ethics

	2022	2021	2020
Innovation initiatives	**12**	14	18
Green initiatives	**127**	125	128
Permanent evaluation of compliance	✔	✔	✔
% compliance training staff	**99%**	99%	97%

Climate and energy

DEME is continuing its ambitious strategy to accelerate the energy transition and intends to expand its operations further throughout Europe, Asia and the United States.

For 2022 this is reflected in the achievement of several milestones, such as the completion of the installation of 80 foundations for the Saint-Nazaire offshore wind farm in France, the completion of the installation of 38 wind turbines with the first recyclable blades at the Kaskasi offshore wind farm of RWE, and securing the rights to develop two concessions with a capacity of 1 GW in the highly competitive seabed leasing process of ScotWind in Scotland. Furthermore, the new Port-La-Nouvelle port concession in France was inaugurated on June 23, 2022 with DEME Concessions as one of the shareholders of the public-private partnership SEMOP. The consortium wants to develop Port-La-Nouvelle into a sustainable green port. Initially, the port will see an increase in traditional cargo volumes, but will primarily seek to move towards sustainable flows that support the energy transition. The Moray East project, for which DEME Offshore was the EPCI contractor (contractor responsible for engineering, procurement, construction and installation), was awarded the 'Best Offshore Wind Farm' at the first ever RenewableUK Global Offshore Wind Awards.

DEME is also working on other forms of renewable energy, including the production, storage and transport of green hydrogen. On June 15, 2022, HYPORT Coordination Company (a joint venture between DEME Concessions and OQ Alternative Energy) signed a second land reservation agreement for the construction of a green hydrogen and ammonia production facility with a 500 MW electrolysis capacity in Duqm (Oman). The HYPORT Duqm hydrogen plant will be fed with renewable electricity produced by approximately 1.3 GW of combined installed capacity from wind turbines and solar panels.

DEME's sustainability ambitions are also embodied in its modern innovative fleet. New vessels are equipped with dual fuel engines and heat recovery systems. The 'Orion' is the first monohull vessel capable of installing mega foundations in floating conditions, thereby radically shortening installation time. The 'Orion' has dual fuel engines. The vessel was operating on LNG for the Arcadis Ost 1 project, reducing the CO_2 footprint of the operations. DEME also concluded an agreement with the Norwegian shipping company Eidesvik for the purchase of the DP3 offshore installation vessel 'Viking Neptun'. This ship complies with the latest emission standards and is equipped with advanced environmental technology, including a battery pack to achieve the best fuel efficiency in its class. DEME is also investing in a new fallpipe vessel to strengthen its capacities on the offshore energy market.

A bulk carrier will be converted into a DP fallpipe vessel with dynamic positioning that will fully meet the latest emission standards and will be equipped with cutting-edge environmental technology. For the vessels 'Bonny River' and 'Spartacus', DEME obtained the additional class notation 'Sustainable ship -1'. They are the first dredgers in the world to obtain this new additional class notation.

Health and safety

DEME has taken additional measures to avoid LTIs (accidents with absenteeism) on projects. It organised the Safety Stand Down 'LTIs - What is going wrong' and shared safety successes at the annual Safety Moment Day. One of those success stories was the retractable ladder for track excavators providing a safe way to step on and off the machinery. DEME received the IADC Safety Award 2022 for this.

Sustainable innovation and business ethics

99% of DEME's staff attended the annual internal compliance training. Business ethics remains a constant focus for DEME, with a continuous fine-tuning of the processes.

Every three years, DEME organises the DEMEx campaign, a three-day event on transformational innovation. This initiative focuses on collecting and supporting internal business ideas that could significantly reshape the way DEME thinks, acts and impacts the environment, now or in the future.

With a view to its action plans to reduce its ecological footprint, DEME Offshore entered into a partnership with SSE - the Powering Net Zero Pact. It is a collaboration set up within the offshore industry to involve different stakeholders in the energy transition.

Other ESG accomplishments

Besides the accomplishments in the field of offshore wind and other forms of renewable energy, DEME wants to play a role in the transition to the circular economy. It wants to offer circular solutions for soil remediation, brownfield development, environmental dredging and sediment treatment. In March 2022, DEME Environmental (the environmental specialist of the DEME group) and industrial service provider Mourik announced further investments in their soil recycling centres in Kallo in the port of Antwerp and in Heusden-Zolder (Belgium) to allow the remediation of soil containing PFAS. The investment in Kallo will enable DEME and Mourik to clean 300,000 tonnes of PFAS polluted soil each year.

In November 2022, DEME and the Suez Canal Authority signed a cooperation agreement to carry out a feasibility study for a ground-breaking project in Egypt to restore the ecosystem of Lake Bardawil and to make the Northern Sinai peninsula greener. This project will help to restore the water cycle and boost fish production in Lake Bardawil.

To realise DEME's ambitious sustainability goals in all aspects of its activities, the group converted all its long-term financing into sustainability-linked loans in February 2022. This major commitment underlines DEME's vision of achieving a sustainable future and at December 31, 2022 represented a total credit value of 842.9 million euros. The commercial terms of those loans are directly linked to DEME's sustainability performance in two areas: (1) safety at work and (2) low-carbon fuel, which are in line with two material topics of its materiality matrix. Changes in key performance indicators (KPIs) will trigger adjustments on the interest margins applied to the loans. In 2022, DEME achieved the goal for low-carbon fuel.

In 2022, DEME Offshore was able to further improve its EcoVadis score, resulting in a golden medal. DEME Offshore also obtained a score B in CDP for 2022.

DEME's approach is also appreciated outside its sector.

On November 30, 2022, DEME won the Trends Global Impact Awards, the most prestigious awards in Belgium for companies whose projects create sustainable value for our society. Impact is something that DEME stands for. This is a valuable recognition of the efforts and way of working of everyone at DEME. The award encourages DEME to continue on the path to a more sustainable future.

DEME also received the International Marine Contractors Association (IMCA) Award for its internal environmental campaign. The aim of this campaign was to increase environmental awareness and encouraged project locations, vessels and offices worldwide to take action on 7 topics, from energy consumption to preventing water or soil emissions.

More information about sustainability is available in the integrated annual report of DEME and on the website Sustainability | DEME Group (www.deme-group.com/sustainability)

Luc Vandenbulcke
CEO DEME Group

> "Many of the segment's projects support the energy transition and the move to a more sustainable planet."

DEME I From left to right: Orion - Top: SeaMade - Bottom: Port La Nouvelle

6.2 Delen Private Bank

Delen Private Bank specialises in discretionary asset management for private individuals.

Based on the material topics identified by Delen Private Bank and the materiality analysis performed at AvH group level, 'Asset protection', 'Responsible investment policy', 'Business ethics' and 'Protection of data and privacy' are regarded as material at AvH level.

Delen Private Bank is updating its materiality matrix in 2022/2023 on the basis of (1) an analysis of the business impact of each topic and (2) a survey among several internal and external stakeholders (including employees, members of the board of directors, clients, etc.).

Asset protection

Asset protection is a priority for the clients of Delen Private Bank. Delen Private Bank strives to invest the client assets prudently and proactively. In addition to the usual thorough financial analysis, non-financial parameters are also integrated into the management process. The day-to-day implementation of the responsible investment policy, which has been broadened and deepened over the past five years, ensures long-term thinking and risk mitigation.

Responsible investment policy

As a member of UN PRI, Delen Private Bank is consistently committed to making its investment process fundamentally sustainable by integrating several ESG-related criteria. The annual evaluation by UN PRI is one of the KPIs, whereby the 4 (out of 5) stars encourage Delen Private Bank to continue on the chosen path.

ESG topics material to AvH	Other ESG topics material to Delen Private Bank
Asset protection	Client satisfaction
Responsible investment policy	Employee satisfaction
Business ethics	Innovative mindset
Protection of data and privacy	Talent management
	Financial resilience

Delen Private Bank also monitors and communicates openly on the CO_2 intensity of its patrimonial funds. The aim is to ensure that the CO_2 intensity of these funds is lower than the global benchmark (e.g. MSCI ACWI). Besides the integration of non-financial parameters, Delen Private Bank is strongly committed to engaging with the businesses in which it invests. For this purpose, a partnership was entered into with EOS of Federated Hermes to interact with businesses on a global scale on ESG matters.

Business ethics and protection of data and privacy

Business ethics is particularly relevant for a bank. After all, financial institutions play a key role in the economic fabric of a country and in the wealth accumulation and protection of individuals. Based on its core values, Delen Private Bank has drawn up an integrity policy that all employees are expected to respect, in both spirit and letter.

Against the background of increasing cybercrime worldwide, the protection of data and privacy receives a considerable amount of attention within the bank. Delen

Delen Private Bank

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Sustainable investment

Assets under management

	2022	2021	2020
Funds managed according to sustainable investment principles (billion euros)	**31.8**	35.4	29.5
Engagement scope(1)	**72%**	70%	71%
Average ESG rating of own funds(2)	**19.7**	19.4	19.7

Core ratios

	2022	2021	2020
CET1 ratio	**38.1%**	38.0%	40.5%

Client satisfaction

	2022	2021	2020
Net Promoter Score(3)	**n.a.**	58	n.a.

Environmental efforts

	2022	2021	2020
GHG in ktonnes of CO_2 equivalents(4)	**1.4**	1.7	1.4
of which scope 1	**1.33**	1.4	1.1
of which scope 2	**0.03**	0.3	0.3

(1) Ratio of the number of companies with an engagement procedure relative to the total number of companies in the portfolio. The engagement programme sets priorities according to the urgency of certain topics, the openness of the company in question, and the possible impact of a particular engagement action (excluding JM Finn).

(2) Sustainalytics: ESG risk scores between 0 and 100, where a lower score implies a lower risk. A score of 20 is regarded as a low risk (excluding JM Finn).

(3) Bi-annual measurement (excluding JM Finn)

(4) Greenhouse gas emissions scope 1 & 2 (Belgium and the United Kingdom)

Private Bank invests heavily in its IT systems and support services in order to comply with legal obligations and to guarantee the protection of data and privacy. Delen Private Bank continuously emphasises and makes its own employees and clients aware of the importance of a safe and secure organisation. Besides adequate IT systems and support services, the staff also have an important part to play.

• ESG performance

Client satisfaction remains a top priority for Delen Private Bank. Following the client satisfaction survey in 2019, a new survey was conducted in 2021, in which the bank saw its NPS (Net Promoter Score) increase to 58. This result clearly shows that clients appreciated the open and clear communication during the COVID-19 crisis. That policy was continued during the difficult stock market year 2022. Offering the clients clear information and prospects served to further strengthen client satisfaction, as is evidenced by the positive asset inflows. It remains the bank's ambition to keep up this momentum. A new client survey will be conducted in 2023.

At the corporate level, Delen Private Bank closely monitors its ecological footprint. In 2022 it was decided to fully switch over to electric cars, and at the same time a bicycle purchase policy was set up. In 2022, the Belgian branches changed to European green electricity.

The development and well-being of its staff are an important lever for Delen Private Bank to protect its assets and mitigate risks. The bank therefore pays a lot of attention to developing its human capital, the well-being of its employees and diversity. In 2022, staff returned to work at the office as much as possible in order to stimulate the personal contacts between colleagues.

The bank made extraordinary efforts in 2022 to attract new talent, which led to a strong increase in staff numbers. It is the ambition of Delen Private Bank to keep developing its internal systems for learning & development so that each person's talents and ambitions can be developed and nurtured.

Michel Buysschaert
CEO Delen Private Bank

> "Our natural reflex to care for all
> that is valuable and to enter into our relationships
> from a long-term perspective matches perfectly
> with our policy on environmental aspects,
> social responsibility and sound corporate governance."

More information about sustainability will be available as of Q2 2023 in the sustainability report of Delen Private Bank and on the website Sustainability | Delen Private Bank (www.delen.bank/en-be/about-us/sustainability-policy)

International recognition

PRI Principles for Responsible Investment
★ ★ ★ ★ ☆

UN PRI is the global network that pursues a more sustainable financial system within the UN. Delen Private Bank and its 100% subsidiary fund manager Cadelam endorse these principles, and, for many years, have committed to making the investment process fundamentally sustainable. That is not without obligations. Every year, Delen Private Bank reports extensively to UN PRI on its responsible investment efforts, based on exclusion, engagement and integration. After a thorough evaluation, Delen Private Bank received 4 stars for all related modules in 2022.

Exclusion
Non-sustainable companies do not belong in the portfolios.

Engagement
Active and constructive dialogue with the participations.

Integration
Inclusion of non-financial parameters in the investment process.

The collaborative aspect of UN PRI is also not to be underestimated: within the financial sector, investors can learn from each other and work together to tackle social problems decisively. For example, Delen Private Bank supports the ClimateAction100+ initiative through its partnership with EOS. They encourage the world's main greenhouse gas emitters to take action against climate change and accelerate the energy transition.

6.3 Bank Van Breda

Bank Van Breda is a specialised advisory bank active in Belgium that focuses exclusively on entrepreneurs and liberal professions. There were no substantial changes to the materiality matrix in 2022. The ESG topics 'Safe harbour', 'Business ethics' and 'Protection of data and privacy' are regarded as material at AvH level and are explained below.

ESG topics material to AvH	Other ESG topics material to Bank Van Breda
Safe harbour	Client satisfaction
Business ethics	Respect for laws and regulations
Protection of data and privacy	Wealth accumulation and protection
	Responsible investment
	Responsible credits
	Simplicity and transparency
	Innovative mindset
	Employee satisfaction

• Safe harbour

'Safe harbour' inherently encompasses safeguarding the financial stability of the bank for the benefit of its clients and, in a broader sense, the Belgian economic fabric. Thanks to prudent management, the bank's equity was never under threat in the past during crisis periods or in turbulent financial markets. The bank has never received state aid. The solvency expressed as shareholders' equity to assets (leverage ratio) stands at 8.1%. This is well above the 3% that the regulators have set and is one of the highest in the Belgian banking sector.

During the corona crisis, entrepreneurs and liberal professions found themselves in the eye of the storm. The disruption of supply chains, the energy crisis, the war for talent, the unexpected surge of inflation and the impact on labour costs, combined with the rising interest rates, made the situation profoundly challenging for many. The bank reaffirmed its role as a safe harbour, and chose to be close to the client. During both the corona and energy crisis, Bank Van Breda signed charters for deferment of repayments for specific loans. An appropriate risk policy ensured that additions to credit provisions were limited in 2022. The resilience of its clients again proved to be very great.

With its credit portfolio, Bank Van Breda focuses on a highly specific niche of target group clients with an economic activity in Belgium: liberal professions, family businesses and independent entrepreneurs. Because of this focus and the Belgian legislation in this area, the bank excludes credit provision in various situations, such as: (1) violations of human and labour rights, (2) production of fossil fuels such as coal, oil and gas, and (3) threat to public health and environment, such as groundwater contamination and industrial activities in protected natural areas.

The bank helps its self-employed clients to accumulate and protect their retirement capital. In a difficult context with turbulent financial markets and disappointing stock market results, they appreciate the long-term advice given by the bank.

In a downward market climate (MSCI World - 19%), the total client assets decreased by only 2% in 2022 to 20.6 billion euros. The off-balance sheet products showed a net increase of +1.1 billion euros, yet that was insufficient to offset the negative impact of the decreasing share and bond prices. The Net Promoter Score of 54 confirms the high level of client satisfaction, even in a difficult economic context.

Bank Van Breda

3 GOOD HEALTH AND WELL-BEING

8 DECENT WORK AND ECONOMIC GROWTH

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Safe harbour

Key ratios

	2022	2021	2020
CET1 ratio	**15.5%**	16.8%	14.7%
Provision for credit losses (excl. ECL)	**-0.01%**	0.01%	0.02%

Best Workplaces™

Great Place To Work.

BELGIUM 2022

Bank Van Breda: Best Workplace 2022

category > 500 employees

Client satisfaction

	2022	2021	2020
Net Promoter Score	**54**	53	60

Employee satisfaction

	2022	2021	2020
Great Place to Work(1)	**-**	98%	-

Environmental efforts

	2022	2021	2020
GHG in ktonnes CO_2(2)	**1.5**	1.4	-
of which scope 1	**1.5**	1.4	-
of which scope 2	**0**	0	-

(1) Bi-annual measurement - statement 'Generally speaking, I can say that this is a very good organisation to work for'

(2) Greenhouse gas emissions scope 1 & 2

With this score, Bank Van Breda achieved an NPS above 50 for the sixth time in a row. Internationally, this is seen as a very good rating.

• Business ethics and protection of data and privacy

The deontology and ethical values of the staff are decisive for the way in which Bank Van Breda interacts with its clients and suppliers. Cyber crime and phishing are a growing worldwide threat. Clients are attaching increasing importance to the protection of their personal data and respect for their privacy. The bank regularly conducts awareness campaigns in this area. In this context, Bank Van Breda handles and protects each person's data in compliance with the laws and regulations, in an honest and transparent manner.

• ESG performance

Entrepreneurs and liberal professions play a crucial role in the transition to a more sustainable economy. The importance of ESG factors (environment, social responsibility and corporate governance) has increased further in the discussion of credit applications. An energy performance certificate (EPC) has become a standard requirement since January 1, 2021 in applications for real estate loans. Energy efficiency, the transition to fossil-free energy and circular business are becoming increasingly important in any business plan for the future. The bank believes that through its network it can bring clients together to inspire each other in this respect.

As of August 2022, all clients are systematically asked about their sustainability preferences in their investment plans. In this regard, the bank commits to the combination of three sustainability strategies: exclusion, engagement and integration of non-financial parameters. This approach is applied to the entire portfolios in asset management and covers all home funds.

The bank's own ecological footprint is limited. Nevertheless, it wants to fulfil an exemplary role in this. A CO_2 reduction plan is being rolled out to systematically reduce carbon emissions by 2030. The bank also invests in solar panels, charging stations for electric vehicles, insulation and energy-efficient offices without fossil heating. New company cars are from now on plug-in or fully electric.

Bank Van Breda consults its stakeholders in its ESG policy

Dirk Wouters
CEO Bank Van Breda

> **"We integrate corporate social responsibility (CSR) in our strategy and our daily operations. CSR does not stand on its own. It is a belief that is supported in each of the bank's activities. We opt to systematically and expressly integrate our economic, social and environmental commitment in our corporate policy."**

Bank Van Breda regards the health and well-being of its staff as a crucial asset. It pays a great deal of attention to attracting new talent, developing financial expertise and promoting cohesion and diversity.

A resilience barometer at year-end 2021 revealed that the teams remained strongly cohesive despite the corona crisis. A new survey in the autumn of 2022 confirmed this finding and also showed a strong improvement in resilience and general well-being. The risk of stress and burnout has decreased and is well below the benchmark. In March 2022 the bank was voted 'Best Workplace' in Belgium and came first in the category of companies with more than 500 employees. In September 2022, the bank ranked eighteenth in the top 50 'Best Workplaces in Europe'.

More information about sustainability is available in the annual report of Bank Van Breda and on the website Corporate Social Responsibility | Bank Van Breda (www.bankvanbreda.be/maatschappelijk-verantwoord-ondernemen)

6.4 SIPEF

SIPEF is a listed agro-industrial group active in the tropical agricultural production of sustainable, certified products, mainly crude palm oil in Southeast Asia and, to a lesser extent, bananas in Ivory Coast. SIPEF has been growing for several decades now in a sustainable way by embracing technological change and innovation, and by focusing on a transparent and sustainable value chain.

The group is committed to making a positive contribution to the environment and to society by managing its plantations in an ecologically and socially responsible manner, and by creating major employment and development opportunities.

The materiality matrix was updated in 2022 to align with evolving standards and with its own strategy, with additional focus on internal stakeholder involvement to obtain views from the local teams. A selection of ESG topics is explained below. Topics have also been clustered in comparison to 2021. No topics were identified that are ESG material to the AvH group (see 7.1 Focus on material topics).

• Sustainable production

SIPEF is a leader in traceability: all its products can be traced back to the place where they were produced, regardless of whether that is a plantation that is operated by SIPEF or the plot of a smallholder. SIPEF adheres to the sustainability standards of the Roundtable on Sustainable Palm Oil (RSPO) and all its mills are RSPO certified. Additionally, SIPEF is working to obtain a definitive land certificate in South Sumatra. SIPEF's banana production meets the Rainforest Alliance Sustainable Agriculture Standard, the Global Good Agricultural Practice (GLOBAL G.A.P.) and Fair Trade standards.

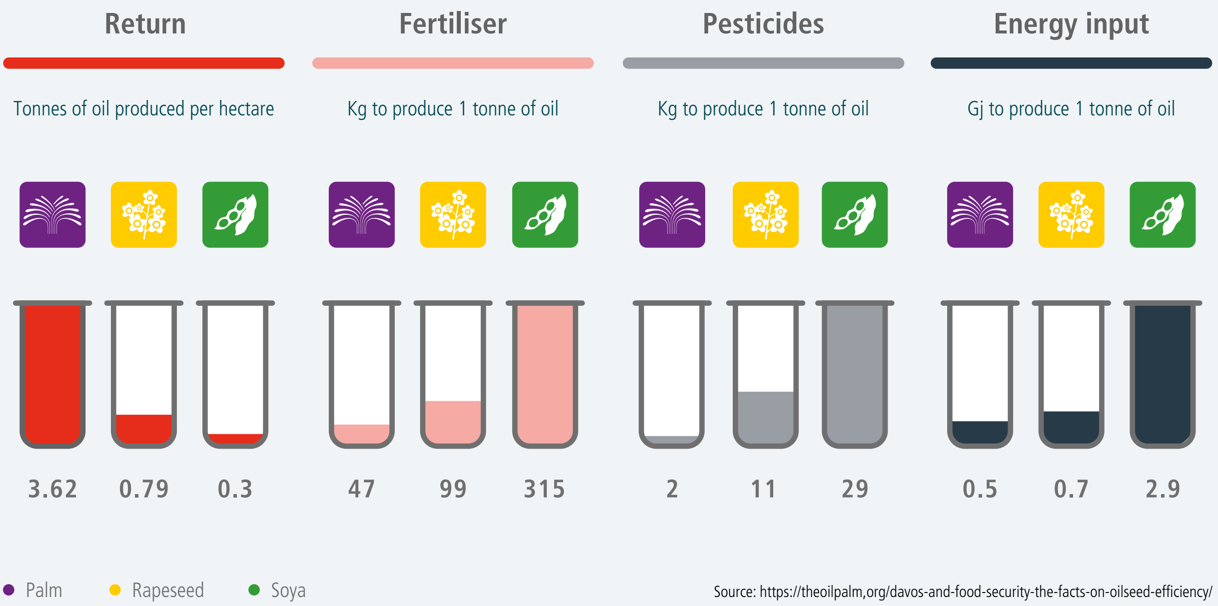
SIPEF is convinced that palm oil is and will remain an essential part of the solution to meet the fast-growing demand for vegetable oils. Compared to other oil crops, palm oil can yield 2 to 8 times as much oil per hectare, which means that far less land is needed. Sustainable palm oil production therefore leads to lower ecological and economic costs.

ESG topics material to AvH	Other ESG topics material for SIPEF
No topics material to AvH	Climate change (explained here)
	Supply chain management (explained here)
	Sustainable land use and conservation (explained here)
	Rights and development of communities
	Health and safety
	Human rights and fair labour practices
	Operational efficiency
	Productivity and quality

In 2022, SIPEF fine-tuned its Responsible Plantations Policy (RPP) and Responsible Purchasing Policy (RPuP). The main updates include the extension of innovation projects, greater involvement of stakeholders, and clarification of its commitments (e.g. regarding climate change, water management, combating pollution, cooperation with smallholders).

SIPEF's commitment to sustainability is reflected in the ratings that are awarded by leading not-for-profit benchmarking programmes to assess companies for their sustainability commitment and transparency. In 2022, SIPEF was ranked twelfth out of 350 companies by Forest 500, which identifies and ranks the most influential companies and financial institutions active in tropical agriculture. In 2022, SIPEF was ranked eleventh out of 100 palm oil companies by the Sustainability Policy Transparency Toolkit (SPOTT), developed by the Zoological Society of London (ZSL).

Palm oil production versus other liquid oils



Source: https://theoilpalm,org/davos-and-food-security-the-facts-on-oilseed-efficiency/

• Climate change

SIPEF's greenhouse gas emissions (scope 1 and scope 2), quantified using the ISO 14064 standards, were subject to an external audit in 2022. Emphasis was on the accuracy of the calculation method used. The audit confirms that the calculations are according to the ISO 14064 standards.

In this way, SIPEF has established a solid baseline for its emissions, which can be used to set future reduction targets and to keep track of its progress. It will also help SIPEF to set its decarbonisation priorities and to allocate the appropriate resources.

As a crucial next step, a strategy to reduce greenhouse gas emissions is in development, which will set short, medium and long term goals. The strategy will build on the various existing measures that SIPEF has implemented in recent years, including the capture of methane gas produced by the waste from palm oil production, the development of initiatives to convert waste into cost-effective industrial biomass, and maintaining the biodiversity and nature conservation projects.

The inventory of the scope 3 emissions remains a major challenge. This means that the emissions related to the activities of smallholders in the supply chain and the emissions of service providers (e.g. transporters of material inputs) have to be mapped out. SIPEF will work together with the relevant stakeholders to find ways to create greater transparency in this respect.

• Supply chain management - smallholders

The 3,600 smallholders working with Hargy Oil Palms Ltd. (HOPL) form an integral part of SIPEF's certified supply base in Papua New Guinea. The smallholders of HOPL were certified together with HOPL in 2008. At the time, a programme was set up to train them in the RSPO standards. Since then, the local farmers have continued their efforts together with HOPL. Nowadays, ensuring smallholder compliance with those standards continues to be equally as important as the certification of SIPEF's own plantations. The smallholders were successfully recertified after the RSPO audit in August 2022.

Training is essential to the success of the programme for local farmers. More than 200 training sessions were held in 2022. Once or twice a year, SIPEF organises field days for smallholders, with emphasis on RSPO-related requirements, best agronomic practices, financial literacy, and saving.

SIPEF I Quality control of fresh fruit bunches

François Van Hoydonck
CEO SIPEF

> **"SIPEF wants to realise its strategy in a responsible and sustainable manner, in which economic success and social value creation go hand in hand: 'doing well by doing good'."**

• Sustainable land use and conservation

PT SIPEF Biodiversity Indonesia (SBI) manages and protects a forest area of 12,672 hectares in Mukomuko in the Indonesian province of Bengkulu. It is one of 16 projects in Indonesia for which a concession for restoration of the ecosystem has been granted for a period of 60 years. The area acts as a buffer for the Kerinci Seblat national park, where an extremely rich range of megafauna continues to be identified through monitoring.

SBI also helps to develop alternative incomes for farmers who have historically used parts of the conversation area to maintain their livelihood. The initiative makes use of agroforestry methods that are compatible with the conservation objectives of the programme.

More information about sustainability will be available as of Q2 2023 in the integrated annual report of SIPEF and on the website www.sipef.com/hq/investors/annual-reports/.
The Responsible Plantations Policy is available on www.sipef.com/hq/sustainability/policies/responsible-plantations-policy/.

7. AvH's ESG policy and methodology

AvH believes that a well-defined and strategically focused ESG policy contributes to the 'licence to operate' and to the growth of AvH and its participations. For AvH, ESG is more than just a compliance or reporting exercise. The ESG policy is designed to support and strengthen the strategy pursued by the participations by **properly identifying and managing risks** as well as by **offering sustainable solutions to environmental and societal challenges**. AvH therefore firmly believes in the link between ESG and innovation.

Employees find it increasingly important to work for companies that are both innovative and contribute to a better planet. That is why a well-designed ESG policy is an extra asset for AvH and its participations to find and retain **talent**. External partners and businesses looking for a potential investment partner also want to know what **values** AvH stands for.

AvH first decides in which sectors it wants to be active (**AvH as a responsible investor**). It then has the ambition for its participations to be or become best-in-class in the sectors in which they operate (**AvH as a responsible and active partner**). AvH's decentralised decision-making model means that each participation remains responsible for its own ESG policy.

To roll out its ESG policy, AvH adopts a focused approach (based on the share of a participation in the consolidated shareholders' equity of the group). Focus is primarily on material topics of material participations.

The progress made in the rollout of AvH's ESG policy is tracked using quantitative KPIs.

ESG key figures marked with the symbol KPI concern KPIs that are monitored as a matter of priority and for which a goal was defined by AvH. AvH chooses to define realistic goals rather than make ambitious statements without proper analysis and substantiation. Focus lies on taking the right actions that make a difference for the company and its ecosystem it operates in, and on making progress there. In this way, AvH gets the best possible cooperation from the (employees of the) participations.

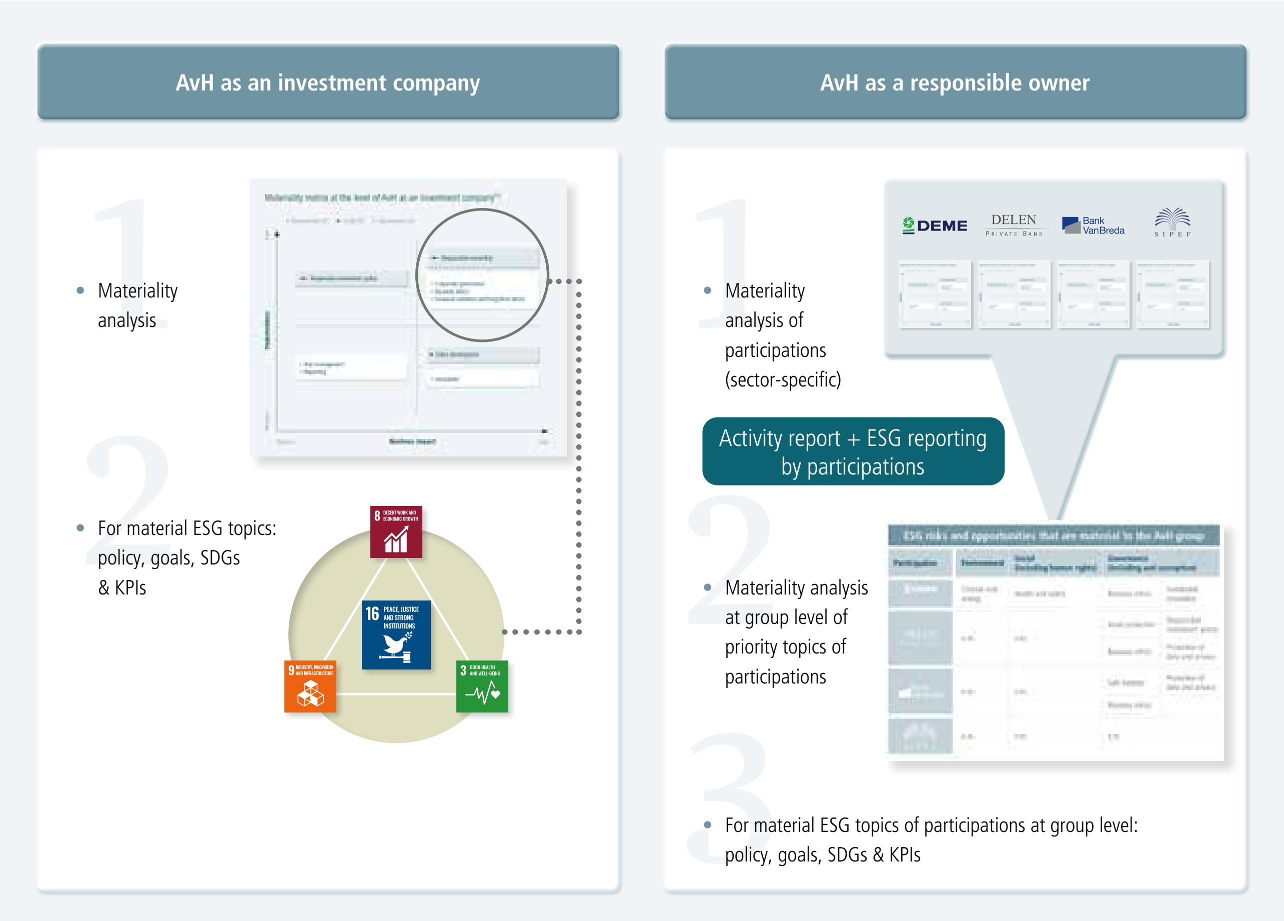
To illustrate the ESG commitment of the executive committee, as of 2021 20% of the variable remuneration (STI - short term incentive) of the members of the executive committee is linked to the progress made in terms of ESG.

More information about the ESG policy and the ESG methodology can be found on the website: www.avh.be/en/sustainability.
More information about the link between the bonus of the executive committee and the progress made on ESG can be found in the section Annual report of the board of directors, IV.2.1
Remuneration report: Strategy - Long term - Sustainability.

7.1 Focus on material topics

Within AvH, materiality operates on two levels: (1) AvH as an investment company, and (2) AvH as a responsible owner. The interaction between the two levels is shown in the visual below.

Six material topics were established as cornerstones of AvH's ESG policy and methodology. '**Responsible ownership**' and '**Corporate governance**' determine the strategy and control. AvH rolls out the necessary actions through the right



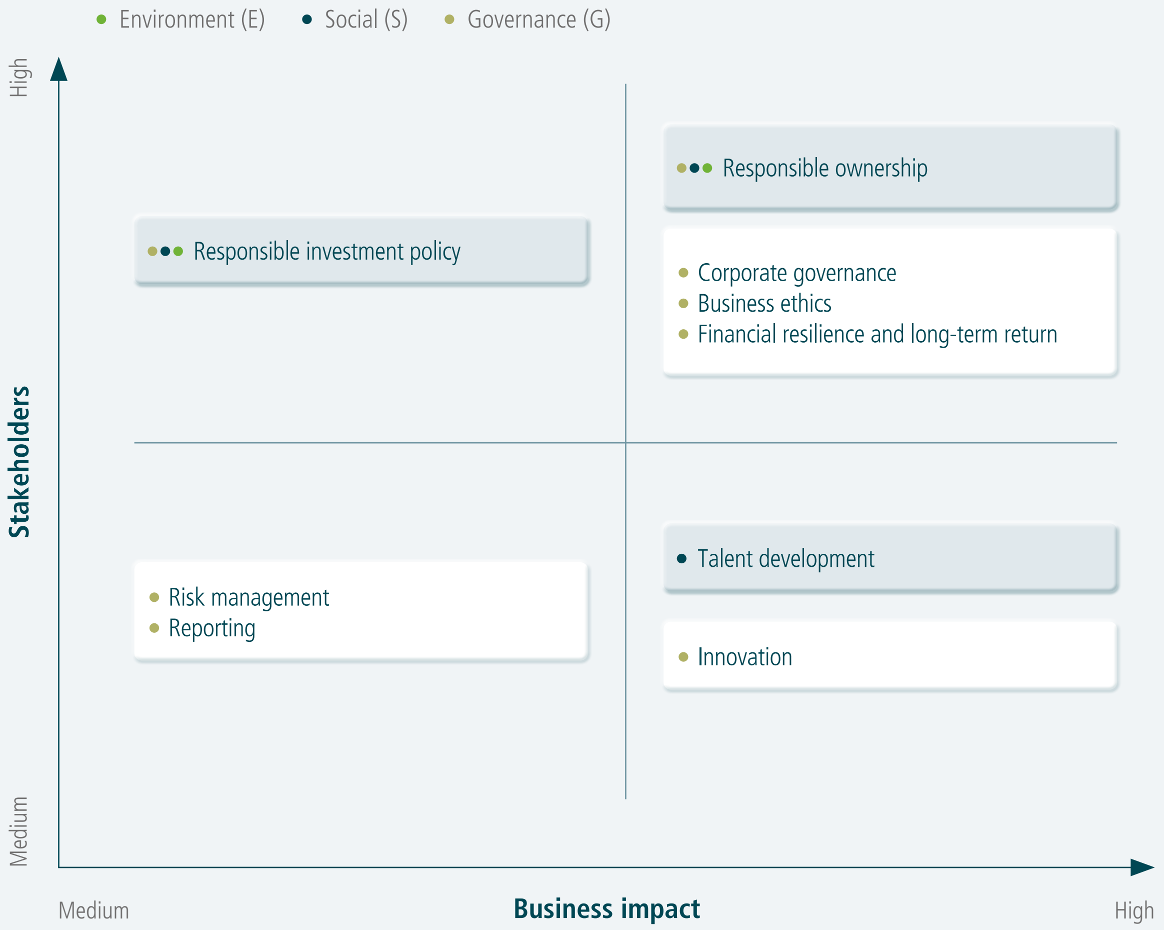
culture or '**Business ethics**' and the attraction and training of the right talent ('**Talent development**'), supported by '**Innovation**' and operational efficiency. This leads to '**Financial resilience and long-term return**'.

AvH as an investment company

AvH's ESG approach as an investment company is based on a materiality exercise done in 2019. The substantive review was updated in 2022, while the impact of the topics is monitored annually.

The **business impact (X axis)** is measured by the impact on the shareholders' equity, market capitalisation and recurring impact on the result over a period of 3 to 5 years. A new **stakeholder survey (Y axis)** was launched at the end of 2021. The stakeholders are shown in the table below. AvH broadened the range of stakeholders in the survey in order to capture even better the views of the different stakeholders. The response rate of the survey was 77%, which gives an indication of the good relations with the stakeholders.

Materiality matrix at the level of AvH as an investment company(1)



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(1) Approved by the board of directors on October 4, 2022.

Stakeholders	Dialogue
Participations	• Involved in AvH's ESG stakeholder consultation • CEO sounding boards • HR sounding boards, innovation, ESG, legal and finance workshops • ESG questionnaire (annual) for all participations • ESG strategic sessions with participations • ESG sector initiatives for real estate and financial institutions
Investment team (including executive committee)	• Involved in AvH's ESG stakeholder consultation (investment team) • ESG training and awareness sessions • Bimonthly information sessions (AvH What's Up)
Board of directors	• Involved in AvH's ESG stakeholder consultation • ESG explained annually in the audit committee and discussed and approved by the board of directors
Shareholders	• Selection involved in AvH's ESG stakeholder consultation • Feedback to broader shareholder groups
Investors	• Financial institutions (bankers and analysts) involved in AvH's ESG stakeholder consultation • AvH presentations to investors

• AvH as a responsible owner

The material ESG-related risks of the AvH group are situated at the level of the participations. This means that an ESG risk or opportunity in a participation can potentially also have a major (positive or negative) impact on the consolidated shareholders' equity or net result of AvH, taking into account the shareholding percentage owned by AvH. A long-term perspective is adopted in this respect. To monitor its portfolio from an ESG perspective, AvH conducts an annual risk analysis of the companies in its portfolio. This analysis, of which the procedure is described in the visual on page 74, is based on (1) the available materiality matrix of the participations, combined with data from (2) AvH's ESG questionnaire, (3) available external ESG ratings (retrieved from the ESG questionnaire) and (4) knowledge of the investment team about the participations and the sectors in which they operate. The results are reported to the executive committee and the audit committee.

The table below summarises the results of this risk analysis (taking into account the shareholding percentage). This shows that all the participations mentioned (DEME, Delen Private Bank and Bank Van Breda) have a potentially material ESG risk as regards corporate governance, but that only DEME has a potential ESG risk as regards environment or social aspects in the consolidated financial statements of the AvH group. Other participations (such as CFE, SIPEF and Nextensa) or other ESG risks and opportunities than those mentioned below are included in the analyses, but based on the current insights they are not deemed to have a material impact on the AvH group.

ESG risks and opportunities that are material to the AvH group

Participation	Environment	Social (including human rights)	Governance (including anti-corruption)	
DEME	Climate and energy	Health and safety	Business ethics	Sustainable innovation
DELEN PRIVATE BANK	n.m.	n.m.	Asset protection	Responsible investment policy
			Business ethics	Protection of data and privacy
Bank Van Breda	n.m.	n.m.	Safe harbour	Protection of data and privacy
			Business ethics	
SIPEF	n.m.	n.m.	n.m.	

n.m.: (not material): no material ESG risk at AvH level, measured by the impact on AvH's consolidated shareholders' equity and net result, and taking into account the shareholding percentage of AvH in the participation.

7.2 Internal organisation

Since 2019, AvH's ESG policy has been coordinated by a member of the executive committee (André-Xavier Cooreman). Twice a year, an **ESG steering committee**, composed of the two co-CEOs, CFO, Secretary-General and the member of the executive committee responsible for ESG, evaluates the ESG policy, the progress made, and the ambitions and priorities at the suggestion of an ESG working group.

The ESG working group meets on average every two months and is in charge of the operational rollout of the ESG policy. The ESG working group is coordinated by the Head of ESG and is composed of the member of the executive committee responsible for ESG, representatives of the investment team, the chief human capital officer (CHCO), legal, investor relations and finance.

The full executive committee approves these evaluations and reports at least once a year to the audit committee and the board of directors. In 2022 a session was held on ESG policy for the board of directors and a session on ESG reporting for the audit committee. The scope of these discussions includes AvH (holding, own operations and investments) and the ESG policy of the participations. Three members of the board of directors, two of whom are on the audit committee, are familiar with ESG based on their professional experience.

Participations are encouraged to set up their own ESG governance structure and to report at least once a year to their own board of directors (on which AvH is represented). Since the information gathered at the participations is crucial, AvH makes every effort to have qualified ESG teams at the companies that are supported by their respective management teams.

More information about the ESG competencies of the board of directors can be found in the section 'Corporate governance statement, 2. Board of directors - 2.1 Composition'.

7.3 ESG reporting and reference models

In the run-up to the rollout of the 'EU Sustainability Reporting Standards' (ESRS standards) for the 2024 financial year, AvH invested in an ESG reporting tool to collect data from the participations, and the new GRI standards were rolled out. AvH regards this as the first steps towards an ESG reporting that is relevant, auditable and comparable. The reference models and the perimeter for the ESG reporting are discussed in the following sections.

Sustainable Development Goals (SDGs)

AvH uses the international ESG standard 'Sustainable Development Goals' (SDGs) of the United Nations to structure its sustainability reporting. Based on the materiality analysis that was performed, AvH focuses, as an investment company, on four SDGs which the executive committee uses as guiding principles for its policy.

Global Reporting Initiative (GRI)

This report refers to the new GRI Universal Standards of 2021. These standards support AvH's ESG philosophy based on materiality and focus, and exist out of three parts:

- **GRI 1 'Foundation'**, which deals with the objective and the structure of the GRI reporting system
- **GRI 2 'General disclosures'**, which contains the actual reporting requirements on governance, strategy, policies and practices, and stakeholder engagement
- **GRI 3 'Material topics'**, which deals with the identification and management of the material topics for an organisation.

A detailed reference table to the GRI Universal Standards can be found in the Sustainability report: annex - GRI reference table at the back of the annual report.

Reporting perimeter

AvH reports on ESG based on its accounting consolidation perimeter (See Note 2 - Section 1 Fully consolidated subsidiaries). As an investment company, however, AvH uses as perimeter the assets it manages in accordance with the approach of UN PRI. Certain KPIs are reported more widely on the basis of AvH's shareholding percentage. Furthermore, certain key figures are only relevant to the investment company itself and the associated (investment) team.

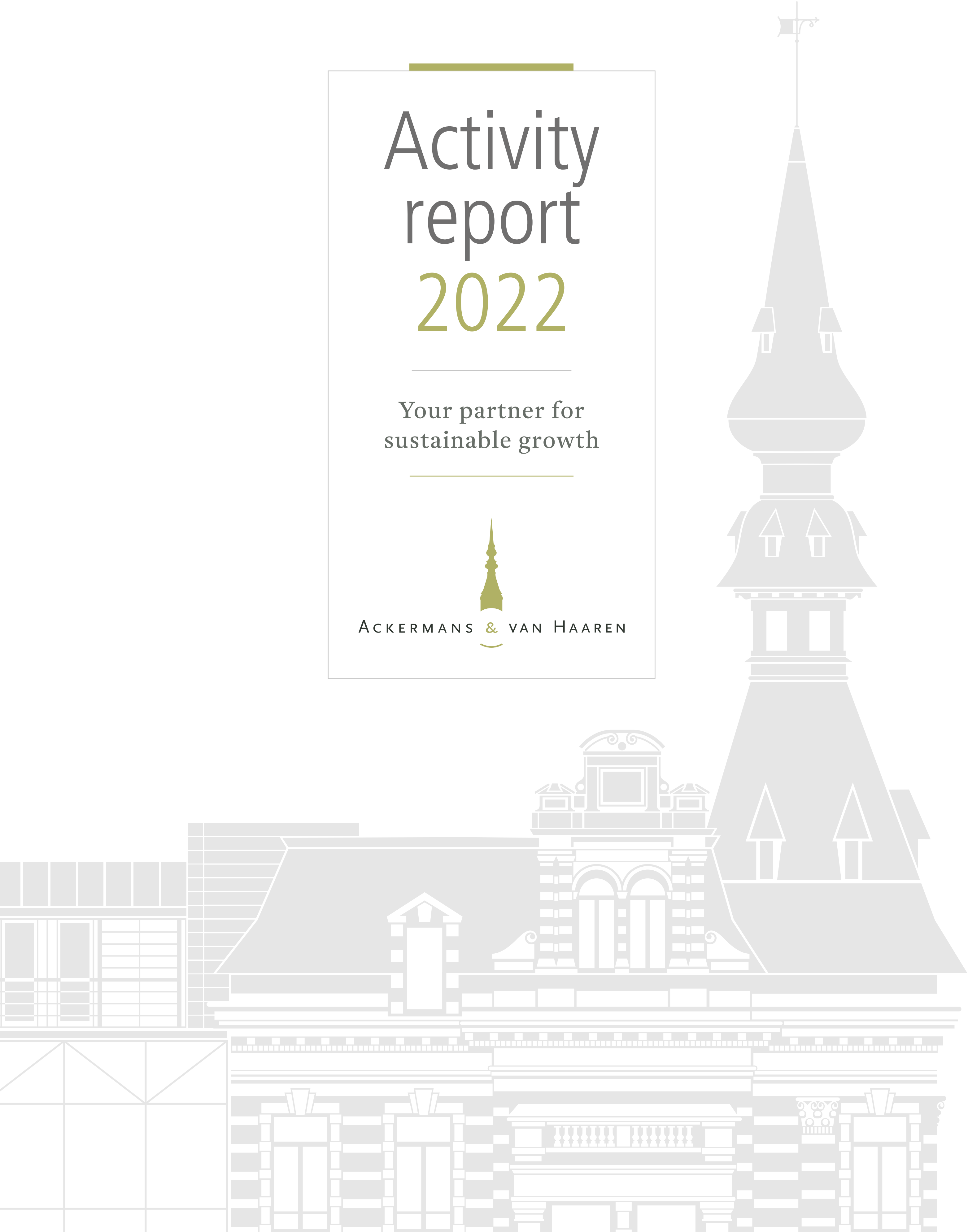
The four ESG material participations are DEME, Delen Private Bank, Bank Van Breda and SIPEF, and together represent more than 65% of the net assets.

More information about ESG can be found in the Sustainability report: annex at the back of the annual report.

Activity report 2022

Your partner for
sustainable growth

ACKERMANS & VAN HAAREN



Ackermans & van Haaren

Marine Engineering & Contracting

- DEME 62%
- CFE 62%
- Rent-A-Port 81%
- Green Offshore 81%

Private Banking

- Delen Private Bank 79%
- Bank Van Breda 79%

Real Estate & Senior Care

- Nextensa 59%

Energy & Resources

- SIPEF 37%
- Verdant Bioscience 42%
- Sagar Cements 20%

AvH & Growth Capital

- Agidens[1] 85%
- AXE Investments 48%
- Biolectric 56%
- EMG 23%
- Mediahuis 14%

- OMP 20%
- Telemond 50%
- Turbo's Hoet Group 50%
- Van Moer Logistics 22%

Fair value investments[3]

Life Sciences

- AstriVax 6%
- Biotalys 12%
- Indigo Diabetes 12%
- MRM Health 16%
- OncoDNA 10%

India & South-East Asia

- Convergent Finance 3%
- HealthQuad I Fund 36%
- HealthQuad II Fund 11%
- Medikabazaar[2] 11%
- Venturi Partners Fund I 11%

[1] Incl. participation via AXE Investments

[2] Incl. participations via HealthQuad Fund I + II

[3] Fully diluted

31/12/2022

Marine Engineering & Contracting

Contribution to the AvH consolidated net result

(€ million)	2022	2021	2020
DEME	**67 .5**	68 .6	28 .6
CFE	**17 .5**	23 .5	7 .8
Rent-A-Port	**6 .6**	2 .9	1 .0
Green Offshore	**3 .0**	4 .0	9 .3
Total	**94 .6**	99 .0	46 .7

DEME | Innovation

DEME

62%

DEME is one of the largest and most diversified dredging and marine construction companies in the world.

CFE

62%

CFE is a listed Belgian multidisciplinary group with activities in Belgium, Luxembourg and Poland.

Rent-A-Port

81%

Rent-A-Port develops port-related industrial zones in Vietnam.

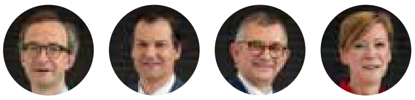
Green Offshore

81%

Green Offshore invests in offshore wind farms.

Shareholding percentage AvH

62%



Luc Vandenbulcke

Hugo Bouvy

Eric Tancré

Els Verbraecken

DEME

DEME is a world leader in the specialised fields of dredging, solutions for the offshore energy industry, infra marine and environmental works. The company can build on more than 140 years of know-how and is a front runner in innovation.

Directly listed

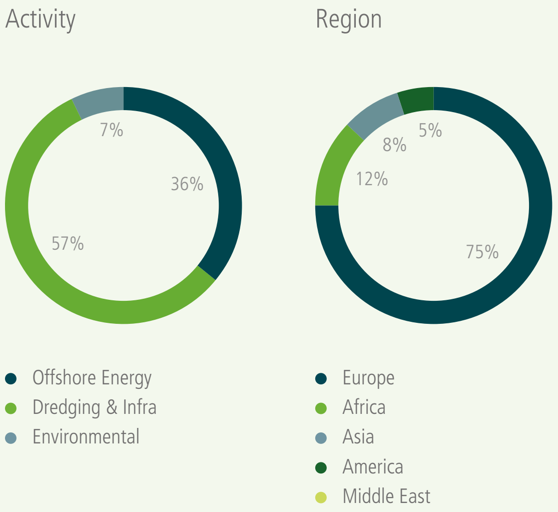
2022 was an important year in DEME's history as it embarked on a next chapter in its long history becoming a separately listed company on Euronext Brussels. DEME is proud that it accomplished this ambition as planned, despite the somewhat volatile and uncertain operating environment. DEME remains convinced that the listing is an incredible opportunity for the company, clients, investors, shareholders and its worldwide team of employees. The company was pleased to see that the listing has been warmly welcomed by its stakeholders.

DEME can now really 'tell its own story' and drive its strategy and ambitions forward.

Financial overview 2022

2022 was a memorable year for DEME. The group performed well, despite geopolitical tensions, spiralling inflation, high steel prices and challenges related to the pandemic. DEME broke two records in 2022: an order backlog of more than 6 billion euros and an all-time high turnover of 2,655 million euros.

Split of turnover



The increase of the order backlog to 6,190 million euros (2021: 5,905 million euros) reflects the persistently strong demand and DEME's attractive market position, and was buoyed by the intake of some substantial contracts in Offshore Energy. The order backlog at year-end 2022 was 2.3 times the total turnover for 2022 and gives a good visibility on the activity for the next 3 years.

The turnover increase of 6% was realised by all segments. Offshore Energy and Dredging & Infra reported an increase of 5% and 3% respectively, while Environmental increased by 24%. At group level, DEME's turnover has clearly recovered to the level before the COVID-19 pandemic (2019: 2,622 million euros, 2018: 2,646 million euros).

DEME realised and EBITDA of 474 million euros, comparable to 2021, which corresponds to an EBITDA margin of 17.9%. Although Dredging & Infra made the biggest contribution to the EBITDA, it remained lower than the top performance of 2021. However, solid results in Offshore Energy and Environmental made up for this. The EBITDA margin was to some extent influenced by a combination of a higher number of repairs and maintenance, inflation, and rising prices for equipment and raw materials. In 2022, DEME received 19 million euros in compensation for the incremental costs incurred as a result of the late delivery of the 'Orion'. The figures for 2021 had incorporated a sum of 15 million euros in compensation received for late delivery of the 'Spartacus'. Depreciation increased as a result of new vessels that have joined the fleet, namely the 'Groenewind' and the 'Spartacus' (as of 2021) and the 'Orion' (as of June 2022). Unlike in 2021, there were no impairment losses in 2022. The EBIT increased by 8% to 155.2 million euros.

DEME NV

(€ 1,000)	2022	2021	2020
Turnover	**2,654,725**	2,510,607	2,195,828
EBITDA	**473,906**	469,309	369,458
EBIT	**155,236**	143,282	64,281
Net result (group share)	**112,720**	114,581	50,410
Shareholders' equity (group share)	**1,753,947**	1,579,543	1,467,492
Net financial position	**-520,513**	-392,678	-489,030
Balance sheet total	**4,509,778**	4,049,597	3,941,494
Order backlog	**6,190,000**	5,905,000	4,500,000
Capex	**483,923**	282,044	201,572
Personnel	**5,153**	4,880	4,976

DEME | Orion

Fleet investment programme

Hand in hand with the know-how of the people of DEME, is the capability of DEME's fleet. DEME has set out to create the most modern, sustainable fleet in the industry and has welcomed incredible vessels recently. They are unique in the industry.

In the Offshore Energy segment, DEME's revolutionary offshore installation vessel 'Orion' is the first floating monohulled vessel able to perform XXL monopile foundation installation operations. In less than 6 months after delivery, it had successfully installed giant monopiles, topsides, a huge jacket and carried out a big decommissioning project.

The pioneering mega cutter suction dredger (CSD) Spartacus has also impressed the dredging industry. Spartacus has more cutting power than any other CSD in the world and has already proven its unrivalled capabilities in terms of production rates, pumping power and ability to cut hard material. This has been coupled with a substantial reduction in fuel consumption per unit of work. Spartacus is certainly a wonderful flagship for DEME's future-proof, sustainable fleet.

And in order to keep pace with the rapid growth in the offshore wind market, it was decided to invest in a second huge cable layer - Viking Neptun - which joined the renowned Living Stone in the course of 2023. Furthermore, DEME is investing in a giant fallpipe vessel, while the famous sister vessels - Sea Challenger and Sea Installer - are both being adapted so they can handle the XXL turbines of the future.

The net profit for 2022 amounted to 112.7 million euros (2021: 114.6 million euros).

DEME's balance sheet remains healthy with a net debt position of 521 million euros, while it continues to invest in the fleet and in the future growth of the company.

Operational overview 2022

Offshore Energy

DEME Offshore had a remarkable year, with great new wins and registering a 5% turnover growth, with solid increases in profitability. In April, Orion joined the fleet, and brought a game-changing installation concept to the offshore energy market. The vessel is now being prepared to enter the US market, another important milestone. Not only will DEME construct the first wind farms in the US, its activities elsewhere in the world are also intensifying as contracts got secured in South East Asia (Taiwan, Australia). Meanwhile, the segment successfully installed XXL monopile foundations at Saint-Nazaire offshore wind farm (France) ahead of the planned

DEME I From left to right: Orion (Dutch Coast North) - Top: Meuse River (Scheldt) - Bottom: Spartacus (Leixoes - Portugal)

schedule and despite the fact they were drilled directly into rock. In a demonstration of its cable laying prowess, DEME was awarded an EPCI contract for the inter-array cables at Dogger Bank C (UK).

DEME Offshore's order backlog increased by 16% to 3.3 billion euros at year-end 2022. This includes major projects that were won in mainland Europe, the UK, Australia, Taiwan and the US in the second half of the year.

Dredging & Infra

The Dredging & Infra segment succeeded to further grow its topline despite the challenging 2021 comparison base and a difficult planning for the year due to a high number of dockings and a redeployment of vessels in relation with the Russia-Ukraine conflict. The segment performed a maintenance project in South Korea for the first time in its history, next to longstanding maintenance dredging contracts in Europe along the Elbe and Scheldt rivers. Another noteworthy project was the successful completion of the modernisation of the Świnoujście-Szczecin Fairway in Poland. Also the DEME Infra team had a busy year as the iconic Fehmarnbelt Fixed Link project (between Germany and Denmark) ramped up, and work on the Blankenburg Connection (Netherlands), New Lock Terneuzen (Netherlands) and Oosterweel Link (Belgium) continued apace.

The order backlog decreased to 2.6 billion euros, which is still a high level. Major new contracts include dredging and coastal protection works in Livorno (Italy), the new container terminal in Gdansk (Poland), port expansion works in Soyo (Angola), and contracts in the Indian subcontinent.

Environmental

The Environmental team had a very busy year and continued its growth trajectory surpassing 200 million euros annual turnover. The segment made good progress on large-scale projects such as Blue Gate in Antwerp and a range of complex remediation projects throughout the Benelux and the UK. DEME Environmental is setting new standards in the industry, with a focus on evidence-based remediation. Additionally, it has developed an innovative PFAS pollution cleaning method and recently boosted its handling capacity by making additional investments in its soil recycling centres.

The order backlog kept growing steadily with new contracts in Norway and France and follow-up projects in Belgium. At year-end 2022, the order backlog amounted to 313 million euros, a 23% increase compared to year-end 2021.

Concessions

Many of the Concessions segment's projects support the energy transition and the move to a more sustainable planet. DEME Concessions was therefore honoured that King Philippe and Queen Mathilde of Belgium attended the official opening of the Port of Duqm (Oman) and visited HYPORT®, DEME's flagship production site for green hydrogen. In a remarkable accomplishment, Thistle Wind Partners, a consortium including DEME Concessions, was awarded in the highly competitive ScotWind seabed leasing process an area to develop 2 GW worth of offshore wind projects, which includes both bottom-fixed and floating foundations. Another major focus is helping to tackle the scarcity of resources where GSR is continuing its conscientious research into the possibility of collecting metal-rich, polymetallic nodules from the deep ocean floor.

Outlook 2023

The strong increase of demand in all of DEME's segments, and particularly in Offshore Energy, gives great confidence in the long-term growth prospects. DEME expects to see a gradual increase in turnover over the next few years, given the current backlog and current and projected fleet capacity. In light of the project-based nature of many of DEME's activities, management expects the annual EBITDA margin to vary somewhat but to stay within the 16 to 20% range for the group.

For 2023 and taking into account present market conditions, current orderbook and fleet capacity, management expects revenues to be higher than in 2022 with an EBITDA margin comparable to 2022.

Capital expenditure to support the growth is anticipated to be around 500 million eurod for 2023.

Luc Vandenbulcke

CEO

> **"2022 was a momentous year.
> Against the background of geopolitical tensions, rapidly rising inflation, high steel prices and challenges associated with the pandemic, we performed well. In addition we became a publicly traded group, listed on the Euronext Brussels exchange, giving the group more visibility and support for our strategy."**

Partners for sustainable growth

- To push sustainable value creation forward, DEME continuously challenges itself to develop more sustainable solutions within the portfolio so that the operations become more environmentally friendly.
- DEME identified its key sustainability themes supporting the Sustainable Development Goals of the United Nations, and on which DEME has an economic, environmental or social impact: 'climate and energy', 'sustainable innovation', 'health & safety' and 'ethical business'.
- More information can be found in the ESG chapter of AvH and in DEME's integrated annual report 2022.

www.deme-group.com

DEME

Shareholding percentage AvH

62%


Raymund
Trost

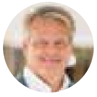

Isabelle De
Bruyne

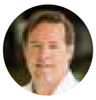

Fabien
DeJonge

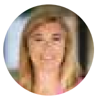

Alexander
Hodac


Bruno
Lambrecht

CFE


Jacques
Lefèvre


Arnaud
Regout


Valérie
Van Brabant


Hans
Van Dromme

After the partial split from DEME, the multidisciplinary group CFE has gained agility by focusing on four core and complementary activities: Real Estate, Multitechnics, Construction & Renovation, and Investments.

2022 has been a pivotal year for the CFE group. Moving forward, the group aims to take optimal advantage of the synergies between these entities to lead in the high-growth markets of sustainable buildings, smart industries, and tomorrow's infrastructure for energy and mobility.

The new beginning is marked by CFE's new creed 'Changing for Good', emblematic of its goal to make a difference for future generations. The SPARC-strategy (Shift - Perform - Accelerate - Return - Community) is bringing a single focus throughout the organisation to jointly realize the Shift to innovation and sustainability, Perform through operational excellence, Accelerate sustainable growth through an integrated approach, Return value to all stakeholders, and build the Community that will make a change for good.

Financial overview 2022

The strategy is already bearing fruit, delivering very solid results for the second year in a row, despite the unfavourable economic context. Turnover and order book have increased to a record level, with an outstanding return on capital invested, and a significant reduction in debt. From an overall perspective, the forecasts for 2022 were more than confirmed.

The demerger from DEME made the group more agile as it focused on 4 segments. Thanks to the strength of its multidisciplinary business model, CFE was able for the second year in a row to report solid operating results, while the order book increased to a record level and the financial position was considerably strengthened.

CFE NV(1)

(€ 1,000)	2022	2021	2020
Turnover	**1,167,221**	1,125,346	1,026,600
EBITDA(2)	**63,130**	68,538	45,258
EBIT	**51,014**	57,976	38,135
Net result (group share)	**38,434**	39,506	17,689
Shareholders' equity (group share)	**224,653**	133,831	95,311
Net financial position	**-48,849**	-112,995	-112,400
Balance sheet total	**1,058,079**	1,002,598	945,598
Order book	**1,715,131**	1,620,619	1,549,061
Personnel	**2,997**	3,043	3,137

(1) Excluding discontinued activities
(2) Excluding joint ventures

CFE's turnover increased in 2022 by 3.7% to 1,167.2 million euros (2021: 1,125.3), primarily thanks to Construction & Renovation. Despite a disrupted macroeconomic context, the operating result was high, while at 38.4 million euros the net result stayed close to the record level of 2021 (39.5 million euros). All four segments made a positive contribution to this net result.

The order book increased by 5.8% to a record level of 1,715 million euros, compared to 1,621 million euros at year-end 2021.

CFE's net financial debt showed a significant decrease of 56.8% compared to December 31, 2021, to 49 million euros. As a result, the debt ratio decreased from 45.8% in 2021 to 17.9% in 2022.

The acceleration of digitalisation across all business processes, the larger selectivity in the acceptance of projects to improve risk management, the launch of the implementation of a new ERP, and the multiple initiatives to improve operational excellence will continue to raise profitability and resource efficiency in the years to come.

Operational overview 2022

Promising synergies

The multidisciplinary approach, combining the strengths of multiple entities, has delivered some remarkable results in 2022. Despite a complex economic and geopolitical situation caused by the Russian-Ukrainian conflict, the Polish branch of BPI Real Estate has been able to launch four major projects in the country's largest cities. The projects were developed together with CFE Polska as construction company, showcasing a true partnership between the two entities.

Another outstanding example of collaboration is the Wooden building in Luxembourg. With 9.500 sqm, the construction is the largest office building in wood in the country and the result of a synergetic collaboration between BPI Real Estate, CLE, and Wood Shapers. With a PEFC certified wooden bearing structure, the construction's outstanding sustainability standards will be BREEAM® Excellent certified, as well as obtain the WELL Building Standard® for exceptional working environment. The building was already fully let at its sale end 2022.

In Belgium, construction is ongoing of Wood Hub, the future headquarters of the CFE Group. This highly sustainable and innovative 6,700 sqm building is based on a mixed wood and concrete structure. It will also be certified BREEAM® Excellent and WELL Building Standard®, and be a precursor of future developments. Showcase of the collective strength of the different segments, it is a collaboration between BPI Real Estate for the development, BPC Group and Wood Shapers for the construction, and VMA for the technical installations and the implementation of Vmanager's smart building software.

CFE | ZNA Cadix - Antwerp

CFE I From left to right: The Roots (Luxembourg) - Top: Mobix (L50A Bruges - Jabbeke) - Bottom: Wooden (Luxembourg)

Focus on sustainability and innovation

Innovation and sustainability are the driving forces of the CFE Group today. In its own activities, the group has realized a reduction in CO_2 emissions of 33% over the period 2018-2021, and aims to reach 40% by 2030 compared to 2020.

Construction sites such as ZIN in Brussels are aiming for ambitious standards in terms of circularity. The redevelopment of both towers, with an above-ground area of 110,000 m^2, is keeping 65% of the existing construction and maximally uses recycled concrete from the old building. Also, for new materials used, almost 95% was cradle-to-cradle certified. All this making for a circularity level never seen before on a site of this scale.

Next to sustainability, innovation is front and centre in the renewed ambition of the Group. This shows in the investments made in new technology at VMA. With the acquisition of Rolling Robotics, the multi-technics provider now has outstanding expertise in the offline programming and commissioning of robotics for industrial automation with global reach. Also, the massive investments in VMA's Vmanager give it an integrated smart-building technology solution that allows customers to gain strong insights into the operation of their building to optimise energy consumption and to efficiently take care of the building maintenance.

Four business segments that reinforce each other

BPI Real Estate (**Real estate development**) is showing a diversified real estate portfolio of a total of 452.000 sqm under development. Marketing of several Belgian flagship projects such as Arboreto, Tervuren Square and a new Phase named "Park" of Erasmus Gardens has begun. Sales are satisfactory with, for example, the Domaine des Vignes in Luxembourg already being sold for 90%. In Poland, BPI has strengthened its presence in the country's major cities with multiple residential projects such as Czysta 4 and Chmielna. The Arlon 53 project, which will start as soon as the building permit is received, demonstrates BPI's ambition to make environmental and social qualities an integral part of its DNA.

In the **Multitechnics** segment, VMA has realized a solid increase in turnover. The entity has demonstrated its expertise in Building Technologies, winning multiple contracts for technical installations including building monitoring and management with Vmanager. Noteworthy is the technical feat of fitting the Westland Shopping Center in Anderlecht while it remained open. In its Industrial Automation activities, VMA closed new orders at a total value of 10 million euros for the automation of battery plants, thereby strengthening its market position in delivering tailored end-to-end automation solutions. Mobix is experiencing a slight decrease in its turnover and order book. The decline in tenders launched by Infrabel is having a strong impact on this entity's railways and infrastructure branch. Nevertheless, it continues to deliver outstanding technical services, such as the replacement of the catenaries on a section of the Brussels-Ostend line, which was completed in record time, and the emergency repair of Leuven railway station.

CFE: Breakdown by division

	Turnover		Operational result[1]		Net result[1]		Order book	
(€ million)	2022	2021	2022	2021	2022	2021	2022	2021
Real estate development	**85.4**	106.3	**17.6**	30.1	**14.4**	23.0	**203.0**	190.0
Multitechnics	**338.8**	321.4	**11.3**	18.8	**6.9**	13.0	**368.9**	401.0
Construction and Renovation	**798.7**	723.7	**15.0**	9.3	**9.0**	2.8	**1,264.1**	1,166.0
Investments & Holding (incl. eliminations)	**-55.7**	-26.0	**7.2**	-0.2	**8.1**	0.7	**-120.9**	-136.7
Total	**1,167.2**	1,125.3	**51.0**	58.0	**38.4**	39.5	**1,715.1**	1,620.6

[1] Including contribution Rent-A-Port and Green Offshore

The **Construction and Renovation** entities have increased their turnover by 10%, especially in Belgium and Poland, and the order intake reached a record high. Some flagship projects are Kanal, the conversion of the former Citroën garage in Brussels into the new Contemporary Art Museum, and ZNA Cadix, the long-awaited new ultra-modern hospital in the north of Antwerp. The demand for wood construction continues to grow with the integrated offering by Wood Shapers finding its way to projects such as Wooden, Rockwood and The Roots in Luxembourg, Monteco, Wood Hub and Naval in Belgium, and Alliander and Weener XL in the Netherlands.

The **Investments** segment of the CFE Group consists mainly of the production of green electricity and the development of industrial land and port areas in North Vietnam. The SeaMade and Rentel offshore wind farms were able to meet the energy needs of 700,000 homes. Investments in ESTOR LUX, the BStor subsidiary that owns and operates the largest battery park in the Benelux in terms of storage capacity, are starting to bear fruit with the start of the park's activities in 2022. In Vietnam, Rent-A-Port continued the development of its five port concessions in the provinces of Hai Phong and Quang Ninh. After two difficult years marked by the health crisis, sales of industrial land have resumed and this movement should accelerate in the coming years.

The human factor remains essential to the success of the CFE Group. Safety and the reduction of accidents are a daily priority, enabled by a group-wide Safety Board. The launch of the CFE Academy shows the group's commitment to continued investment in its employees' capability.

Outlook 2023

Excluding exceptional circumstances and despite a more difficult real estate situation due to increasing interest rates, CFE expects a moderate increase in its turnover and a continued high level of net profit, close to from that of 2022. In the absence of project deliveries in Poland in 2023, and as a result of less favourable market conditions, BPI's net profit could decrease in 2023, while should nevertheless remain at a high level. Thanks to a solid order book, Construction & Renovation and VMA are expected to realise a moderate turnover increase while continuing to improve their operational performance. 2023 will be a year of transition for MOBIX, marked by the end of the Luwa project and a more modest activity in the Rail division, before a recovery is expected from 2024.

Raymund Trost
CEO

> "We delivered solid operational results
> for the second year in a row
> with all four segments contributing significantly.
> We markedly strengthened our financial position
> despite extreme macro-economic volatility and
> major investments in our growth businesses."

Partners for sustainable growth

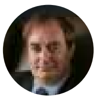
- Climate, energy, re-use of materials, limiting waste production, and mobility are all global issues to which CFE can provide sustainable solutions. The group has therefore taken on the mission to bring together people, skills, materials and technology in a Community of Change for Good.
- The impact CFE strives for is to be found in the optimisation of its own way of working, and in the solutions that are provided to customers.
- In its own way of working, CFE is committed to reducing direct CO_2 emissions by 40% (scope 1 and 2) by 2030 compared to 2020. This target will be achieved by greening of the vehicle fleet, optimising the logistics on building sites, monitoring and optimising energy consumption, using 100% green energy, and the rational management of water and materials.
- In its core business, CFE aims to focus on more sustainable buildings, smarter industries, and tomorrow's infrastructure for energy and mobility. Innovation is front and center in this endeavour with three high-potential activities: Vmanager, the cutting-edge energy optimisation technology for buildings, Wood Shapers, which provides large-scale sustainable wood-based solutions for construction, and the group's extensive expertise and track record in optimization, renovation and circular use of materials.
- To ensure its efforts have optimal impact, CFE has put sustainability, innovation, safety and operational excellence at the centre of its strategy. Continuous safety training for all employees, the launch of the CFE Academy, and a true commitment to community engagement testify to the importance the group gives to its community of 'Heroes', both inside and outside the organisation.
- CFE was named a Top-Rated ESG Company 2023 by the rating agency Sustainalytics. With a rating of 26.1 ('medium risk'), the CFE group is one of the best-in-class in its sector.

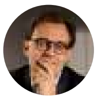
www.cfe.be

cfe

Shareholding percentage AvH

81%


Bruno
Jaspaert


Ruben
Baeckelandt


Patrick
Nellens

Rent-A-Port

Rent-A-Port specialises in the development and operation of port-related industrial zones in Vietnam.

Vietnam

DEEP C Industrial Zones is developed through the investment holding company Infra Asia Investment HK Ltd. In the first half of 2022, Rent-A-Port increased its stake in IAI from 61% to 94%, a transaction financed with additional shareholder loans from AvH and CFE.

At year-end 2022, DEEP C Industrial Zones had 3,400 hectares of industrial land divided over 5 different zones across the northern provinces of Hai Phong and Quang Ninh. In addition, Deep C Green Energy, a joint venture with the Japanese firm Tepco, supplies electricity to investors in the industrial zones. The ISO (9001 and 14001) certified wastewater treatment plant is operated by sister company DEEP C Blue, which is also in charge of water distribution and the entire water recycling management.

After the challenging year 2021, sales of port-related industrial land in 2022 amounted to 66 hectares (2021: 64 hectares). The order book for 2023 is increasing too.

Due to the strategic location, the strong economic growth of Vietnam and the growing demand for industrial land in North Vietnam, the management remains confident that a significant increase in land sales may be expected in the coming years.

Meanwhile, Deep C continues to expand its services with a.o. the rental of logistics and industrial buildings, and the construction of a first customer service complex. With the recognition as an Eco Industrial Park, in cooperation with UNIDO (United Nations Development Organisation) and MPI (Ministry of Planning and Investment), DEEP C succeeds in projecting itself as the ultimate sustainable partner for investors in a strategic investment location in North Vietnam.

Rent-A-Port NV

(€ 1,000)	2022	2021	2020
Turnover	**58,027**	50,527	72,706
EBITDA	**17,535**	8,656	16,894
EBIT	**14,827**	6,167	14,248
Net result (group share)	**8,104**	3,578	1,174
Shareholders' equity (group share)	**83,514**	79,555	60,154
Net financial position	**-64,281**	-29,698	-66,106
Balance sheet total	**260,565**	254,687	248,279

BStor

In October 2021, the construction of a first battery storage system (10 MW / 20 MWh) in Bastogne was completed. This Estor-Lux project was successfully developed by BStor, formerly Rent-A-Port Green Energy, and responds to the need for flexible solutions on the electricity markets. After SRIW Environnement joined the shareholding, Rent-A-Port holds a 38% stake in BStor.

Thanks to the favourable market conditions in 2022, BStor realised a turnover of 5 million euros, which exceeded expectations.

BStor's ambition is to develop a capacity totalling 150 MW of energy storage by 2024-2025.

Partners for sustainable growth

- Within the sustainability concept of DEEP C Industrial Zones, maximum efforts are made to reuse water. Pilot projects are currently under way at several international customers to reuse both treated wastewater and rainwater in industrial processes.
- The industrial zones create a lot of local employment (8,800 direct jobs and an estimated 12,000 indirect jobs) and thus contribute to increasing prosperity. Over the past 25 years, the project has already attracted more than 4.3 billion USD in FDI (foreign driven investment).
- In the context of future climate change, DEEP C commissioned integrated flood studies (Flood Risk Analyses) in 2022, the results of which will be integrated into the new developments.
- Rent-A-Port encourages its customers in the industrial zones to partner with DEEP C Green Energy for the installation of solar panels on the factory roofs. Within the DEEP C cluster, a project plan has been established to obtain at least 30% of all energy needs from renewable sources by 2030.

www.rentaport.be

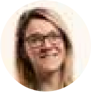
RENT A PORT

Shareholding percentage AvH

81%


Mathias
Verkest


Christophe
De Winter


Wendy
Goossens


Bruno
Verbeke

Green Offshore

Green Offshore is active in the development and operation of offshore wind farms.

Green Offshore holds a participating interest in the umbrella company Otary (12.5%) and thus (direct and indirect) participations in the Belgian offshore wind farms Rentel (12.5%) and SeaMade (8.75%).

The Rentel offshore wind farm lies approximately 34 km off the Ostend coast and has 42 wind turbines of 7.35 MW. With a total installed capacity of 309 MW, Rentel supplies renewable energy to approximately 300,000 households. In 2022, the Rentel wind farm generated almost 0.9 TWh green energy. This production, despite good wind farm availability during the year, fell short of expectations due to there being less wind than expected.

The SeaMade wind farm comprises the Mermaid and Seastar concession zones in the Belgian North Sea - respectively 50 km and 38 km off the Ostend coast - and has 58 wind turbines of 8.4 MW. With a total capacity of 487 MW, SeaMade is the largest offshore wind farm in Belgium. The SeaMade wind farm generated just over 1.5 TWh green power in 2022. Wind farm availability was also good for SeaMade, although wind production fell short of expectations.

Since electricity is sold on the basis of long-term contracts, no extra profits were realised in 2022 from the price spikes on the wholesale electricity market since the outbreak of the Ukraine crisis.

Otary is the biggest offshore wind energy producer in the Belgian North Sea with a total installed capacity of 796 MW. It operates and maintains the two wind farms from the port of Ostend.

Green Offshore I SeaMade

Green Offshore NV

(€ 1,000)	2022	2021	2020
Production (in GWh)			
Rentel	**899**	922	1.136
SeaMade	**1,534**	1,592	524
Net result (group share)	**3,560**	4,831	11,430
Shareholders' equity (group share)	**45,604**	26,622	14,749
Net financial position	**-2,669**	-7,853	-13,916
Balance sheet total	**50,111**	38,610	29,096

Partners for sustainable growth

- Rentel and SeaMade generate a total capacity of just under 800 MW, potentially producing approximately 2.7 TWh a year. This is a substantial share of the total annual expected offshore production of approximately 8 TWh, which with 10% of the total electricity consumption in Belgium contributes to the increasing objective of obtaining more energy from renewable sources.
- The two offshore wind farms together supply renewable energy to 700,000 households, allowing a reduction of 1,200,000 tonnes of CO_2 emissions on an annual basis. The realisation of SeaMade constituted the provisional final stage of the currently available concession zone for offshore wind energy production, bringing the total capacity in the Belgian part of the North Sea at this stage to more than 2,200 MW.
- Otary is very closely monitoring the future expansion of the Belgian offshore wind capacity to 5.8 GW, including the Princess Elisabeth zone, towards 2030 with a view to further strengthening its position in the Belgian offshore market.

www.otary.be

Private Banking

Contribution to the AvH consolidated net result

(€ million)	2022	2021	2020
FinAx	**-0.2**	-0.2	-0.2
Delen Private Bank	**126.5**	132.0	103.5
Bank Van Breda	**53.8**	51.3	38.0
Total	**180.1**	183.1	141.3

Delen Private Bank | Antwerp

Delen Private Bank

79%

Delen Private Bank focuses on discretionary asset management for private clients.

Bank Van Breda

79%

Bank Van Breda is a specialised advisory bank that focuses exclusively on entrepreneurs and liberal professions.

Private Banking

Despite a challenging context, both Delen Private Bank and Bank Van Breda again reported excellent commercial results.

The excellent results were partly offset by the negative development of the financial markets. Consequently, the combined total client assets amounted to 57.7 billion euros at December 31, 2022, compared to 57.6 billion euros at June 30, 2022 and 63.9 billion euros at December 31, 2021.

The combined (Delen Private Bank + Bank Van Breda) gross operating income amounted to 650 million euros (2021: 633 million euros), of which 83% is fee-driven. Despite the negative stock market development, the fee income increased since the average assets under management over 2022 were slightly higher than the average in 2021. For the group as a whole, the income on invested assets remains high at 1.01%. Rising interest rates and growth of the loan portfolio resulted in an increase in the combined interest income.

The combined operating costs increased due to the automatic salary indexation, further increases of staff numbers, IT investments, higher commercial activity and increased depreciation costs as a result of the opening of the refurbished branch of Delen Private Bank in Antwerp. This increased the cost-income ratio to 53.0% (41.93% at Delen Private Bank, 87.71% at JM Finn and 55.1% at Bank Van Breda). This is still an excellent figure in the industry thanks to the efficient organisation with robust processes and a high degree of digitalisation, competent staff, good cooperation between the two banks, and the quality of the assets under management.

The combined net profit remained virtually stable at 228.9 million euros (2021: 233.5 million euros), of which 160.6 million euros contributed by Delen Private Bank (including 8.4 million euros by JM Finn) and 68.3 million euros by Bank Van Breda. The total provision for credit losses at Bank Van Breda remains low at 0.02% of the average loan portfolio. Since the bank did not record any significant credit losses in 2022, this provision is almost exclusively driven by provisions for expected credit losses as a result of the increased volume of lending.

The combined shareholders' equity increased to 1,749 million euros (compared to 1,691 million euros at year-end 2021). Solvency and liquidity remain exceptionally strong, with a combined common equity tier1 ratio (CET1) based on the 'Standardised approach' of 23% and a leverage ratio of 13.8%, well above the industry average and the legal requirements. Despite the difficult market conditions and the conservative balance sheet, the group achieved an above-average combined ROE of 13.3%. Thanks to the solid increase of total client assets and their exceptional operational efficiency, Delen Private Bank and Bank Van Breda remain consistent outperformers in the European private banking landscape.

Left: Delen Private Bank | Antwerp

Right top: Bank Van Breda | Kortrijk and Eigenbrakel - Right bottom: Bank Van Breda | Antwerp

Total client assets

(€ mio)	2022	2021	2020
Total client assets			
Delen Private Bank (AuM)	**48,010**	54,346	45,116
of which discretionary	***89%***	*85%*	*84%*
Delen Private Bank	**36,419**	40,340	33,771
Delen Private Bank Netherlands(1)	***1,022***	*1,154*	*859*
JM Finn(1)	**11,591**	14,006	11,345
Bank Van Breda			
Off-balance sheet products	**14,095**	14,720	11,948
Client deposits	**6,553**	6,368	5,907
AuM at Delen(1)	**-10,943**	-11,502	-8,873
Delen en Van Breda combined (100%)	**57,715**	63,932	54,098
Gross inflow AuM	**4,557**	5,598	3,585

(1) Already included in Delen Private Bank AuM

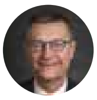
Key figures Delen Private Bank and Bank Van Breda combined (100%)

(€ mio)	Delen and Van Breda combined (100%)			Delen Private Bank		Bank Van Breda	
	2022	2021	2020	2022	2021	2022	2021
Profitability							
Operating income (gross))	**650**	633	534	**515**	506	**197**	185
Net profit	**229**	233	180	**161**	168	**68**	65
Gross fee and commission income as % of gross operating income	**83%**	86%	83%	**97%**	99%	**52%**	54%
Gross fee and commission income as % of total AuM	**1.01%**	1.00%	0.92%	**0.99%**	1.0%	**0.65%**	0.7%
Cost-income ratio	**53%**	52%	54%	**52%(1)**	50%(1)	**55%**	55%
Balance sheet							
Total equity (incl. minority interests)	**1,749**	1,691	1,562	**1,080**	1,024	**674**	678
Total assets	**10,162**	10,072	9,117	**2,582**	2,429	**7,657**	7,792
Customer deposits	**6,553**	6,368	5,907	**-**	-	**6,553**	6,368
Customer loans	**7,044**	6,458	5,885	**855**	710	**6,188**	5,748
Risk-weighted assets	**6,125**	5,614	5,605	**2,016**	1,806	**4,136**	3,849
Cost of risk(2)	**0.01%**	-0.04%	0.09%	**0.00%**	0.00%	**0.02%**	-0.04%
Key ratios							
Return on equity	**13.3%**	14.4%	12.2%	**15.3%**	17.0%	**10.1%**	10.0%
CET1 ratio	**23.0%**	23.8%	21.7%	**38.1%**	38.0%	**15.5%**	16.8%
Leverage ratio	**13.8%**	13.2%	13.3%	**31.7%**	30.2%	**8.1%**	8.1%
LCR	**212%**	208%	249%	**640%**	495%	**138%**	160%

(1) JM Finn: 87.7% (2022), 87.3% (2021)
(2) Of which ECL (expected credit loss): 0.02% (2022), -0.05% (2021), 0.07% (2020)

Shareholding percentage AvH

79%


Michel
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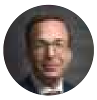
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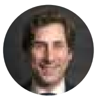
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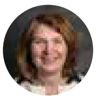
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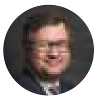
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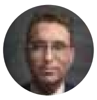

Bart
Menten

Delen Private Bank

Delen Private Bank focuses on the management and planning of assets of primarily private clients. The group has developed into an established name in Belgium, and has a growing presence in the other Benelux countries, in Switzerland and in the United Kingdom (JM Finn).

Financial overview 2022

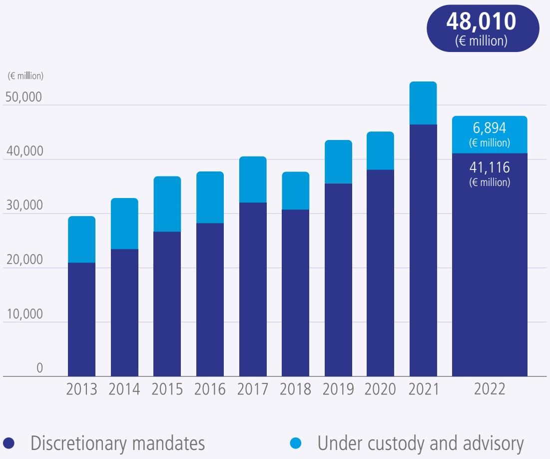
Delen Group has shown resilience in a capricious year

2022 was a tumultuous and exceptionally difficult year. Inflation, rising interest rates, slowing growth and the war in Ukraine kept investors in a stranglehold. Share and bond prices went down sharply.

Delen Group did everything possible to adhere to its mission - financial peace of mind for its clients - in the midst of all this uncertainty. Its consistent, recognisable and accessible service gave clients a solid foothold. This translated into an outstanding net inflow of assets in all the countries where Delen operates.

The assets under management of Delen Group (consolidated) reached a level of 48,010 million euros at year-end 2022 (2021: 54,346 million euros). At Delen Private Bank (Belgium, the Netherlands, Luxembourg, Switzerland), the assets under management amounted to 36,419 million euros at year-end 2022 (2021: 40,340 million euros). Of that amount, 1,022 million euros originates from the branch of Delen Private Bank in the Netherlands (2021: 1,154 million euros).

Consolidated assets under management



The stock market turmoil caused a sharp decrease in the value of the underlying assets, which was partially offset by the net inflow of capital. The new assets came from existing and new clients, and related almost exclusively to discretionary asset management.

All Belgian branches contributed to the inflow. Thanks to close client monitoring, the outflow of capital in 2022 was very limited. Expressed as a percentage of total assets under management, that outflow was in fact at its lowest level in the past twenty years. This suggests that in difficult circumstances a personalised service, proactive and relevant communication and an integrated offering of asset management and planning are key assets.

There was a similar resilience in the Netherlands, thanks to the commercial commitment and efforts of the strengthened team. This dynamic persuaded Groenstate Vermogensbeheer, a Twente-based asset manager with approximately 225 million euros in assets under management, to join the Delen family. The acquisition is expected to be approved by De Nederlandsche Bank during the first half of 2023.

Delen Private Bank owns 92.8% of JM Finn's shares. The assets under management at this British asset management company decreased to 11,591 million euros (10,281 million pounds sterling) at year-end 2022 (2021: 14,006 million euros, 11,769 million pounds sterling). The net inflow was insufficient to make up for the value decrease caused by the unfavourable market conditions. Moreover, the weak pound against the euro (-5.3%) further decreased the assets under management expressed in euros.

Slight decrease of the result

The average assets under management at Delen Private Bank held up in 2022, resulting in slightly higher gross revenues (512.1 million euros) than in 2021 (506.8 million euros). The higher interest margin due to rising interest rates on the financial markets had a favourable impact on the result.

The sharp rise in inflation did not leave Delen Group unaffected either. The automatic salary indexation resulted in dramatically higher personnel costs in Belgium, as did the sustained effort to recruit staff (+74 staff members in 2022). The restart of events for clients and prospects (after exceptionally calm, mainly digital events in the corona years 2020 and 2021) and the opening of the new head office in Antwerp also weighed on the cost level.

In the summer of 2022, the costs were again held up to scrutiny. Cost saving efforts are focused on different areas, without affecting costs and investments that support growth. Accordingly, investments in IT, especially in the domain of data security, are being further increased. Data security was and is a top priority for the bank. The increased use of digital channels makes the bank extra vigilant and motivates it to step up its efforts in infrastructure, processes and people.

The group's operating costs increased by 8.7%. The cost-income ratio increased slightly to 51.80% (41.93% at Delen Private Bank, 87.71% at JM Finn), still a very strong figure in the sector.

The net profit of Delen Group decreased slightly to 160.6 million euros in 2022 (compared to 167.6 million euros in 2021). Considering the difficult market conditions and exceptionally high personnel costs, this is a satisfactory figure. JM Finn's contribution to the net result of the group was 8.4 million euros (2021: 8.1 million euros).

The consolidated equity (group share) of Delen Group amounted to 1,078.6 million euros at December 31, 2022, compared to 1,022.5 million euros at December 31, 2021. The group's common equity tier1 capital, after deduction of primarily intangible assets, amounted to 768.2 million euros at year-end (year-end 2021: 686.7 million euros). Delen Private Bank is more than adequately capitalised, and fully meets the Basel III requirements in terms of shareholders' equity as well as liquidity. The common equity tier1 ratio of 38.1% is well above the industry average. Delen Group has a solid and easily understandable balance sheet. The return on the (average) equity amounted to 15.3%, a highly satisfactory figure.

Michel Buysschaert
CEO

> **"In the turbulent year 2022, the bank showed particular strength, which translated into very satisfactory results. Despite the difficult market environment, net asset inflows increased and the market share is increasing. The success lies, among other things, in the personal follow-up of clients, our committed staff and the cooperation between the teams. All of this contributes to our mission: giving financial peace of mind to our clients."**

Operational overview 2022 by activity

Delen Private Bank (Benelux and CH)

The stock market year 2022 was dominated by high inflation rates, rapidly rising interest rates and a war that led to economic and political uncertainty and an energy crisis. All asset classes went down and even bonds were no longer a safe haven. Unfortunately, there was no escape from the market corrections, which meant that the clients' portfolios also showed negative returns. Providing customers with the best possible information and perspective was more than ever the order of the day. Fortunately, in 2022 it was again possible to do so in person, for example at the Delen Perspectives info sessions in the branches, where clients could hear the experts speak at length. Moreover, more and more clients found their way to wealth planning and Delen Family Services, the two other building blocks of Delen's service package. Wealth planning will remain a fixture in the services in 2023. A three-track procedure is followed. First, the asset managers work on a full overview that offers an insight into the client's entire wealth (supported by a digital archive where clients can keep their important documents safe). Financial Planning identifies how the client's life also affects his financial situation and that of his family. Estate Planning analyses what actions are needed to preserve and further strengthen the client's wealth in the future, also with future generations in mind.

Delen Private Bank I Antwerp

After two quiet years, it became possible once more to organise events, for Delen an important way to thank its clients for their trust. For the first time, new partnerships were employed for this purpose with the Royal Museum of Fine Arts Antwerp and with Art Antwerp /Art Brussels.

Delen Private Bank continues to gain market share in the Belgian private banking niche. A strong feature of Delen's approach is the local embedding of the bank in the areas where it operates. This encourages Delen Private Bank to continue to invest in infrastructure. In 2022, Delen Private Bank opened a new branch in Zellik (West Brabant). Besides physical presence, the bank also invests ceaselessly in its digital channels.

At year-end 2022, 87% (31,562 million euros) of the total client assets in Benelux and Switzerland were managed directly under a discretionary mandate or through the bank's own patrimonial beveks (open-ended investment trusts). Expressed in number of accounts, the share of discretionary management accounts is 96.5%.

Delen Private Bank

(€ 1,000)	2022	2021	2020
Gross revenues	**512,143**	502,076	412,422
Net result (group share)	**160,623**	167,556	131,387
Shareholders' equity (group share)	**1,078,596**	1,022,453	940,277
Assets under management	**48,009,787**	54,345,999	45,116,280
Cost-income ratio	**51.8%**	50.2%	53.6%
Return on equity	**15.3%**	17.0%	15.0%
CET1 ratio	**38.1%**	38.0%	40.5%
Personnel	**909**	829	757

Bank Van Breda once again made a significant contribution to the result and represented approximately 30% of the total assets under management. The negative market impact was largely offset by the net inflow of capital. On December 31, 2022, Delen Private Bank managed 9,279 million euros on behalf of clients introduced by the Bank Van Breda network. In addition, Delen Private Bank handled the securities administration of Bank Van Breda (1,665 million euros).

In the Netherlands, the commercial efforts of the well-integrated and reinforced team were also rewarded with solid figures, namely 1,022 million euros in assets under management. The strategy in the Netherlands is fully aligned with that of Delen Private Bank and also encompasses the Delen Family Services.

JM Finn (UK)

The United Kingdom has had a particularly turbulent year. Due to the strong representation of commodities and oil, the British stock market held up relatively well. Without these sectors, however, the performance of British shares was similar to that of its European counterparts. The asset managers of JM Finn maintained a strong diversification of their portfolio and their choice of British multinationals, making them less dependent on the British economy.

The net inflow of assets at JM Finn was satisfactory, considering the difficult market conditions. The relocation to a new office in London and the dynamic renewed management team gave an extra boost.

Since the acquisition of JM Finn in 2011, Delen Private Bank increased its direct shareholding to 92.8%. At year-end 2022, JM Finn managed 11,591 million euros (10,281 million pounds sterling) of total client assets, 82.4% of which in discretionary management. The level of the assets under management and the expansion of the discretionary management segment confirmed that JM Finn is a healthy company with growth potential. The position of JM Finn in the British onshore asset management market, combined with the dedication and experience of Delen Private Bank, will enable JM Finn to continue to expand and to evolve into a prominent player in the British market.

Delen Private Bank | Antwerp

Outlook 2023

Delen Group demonstrated remarkable resilience in the last two exceptional years of crisis and uncertainty. The group feels confident that it will easily be able to join the economic recovery that will inevitably follow.

As regards asset management, the group sees some uncertainties and risks at the start of stock market year 2023, but also some hopeful signs and great opportunities. 2023 will probably be a pivotal year. The effects of the economic slowdown may affect operating results in the first few months, and geopolitical tensions and uncertainties about the banking sector may weigh on stock markets. Yet better times should gradually come. The inflation peak should be behind us and central banks' interest rate policies should gradually become less stringent. That should breathe new life into the stock markets. Moreover, bonds give attractive yields, after the sharp price decreases of 2022. That creates opportunities, even for the slightly more defensive investor.

Delen Private Bank, in Belgium and the Netherlands, and JM Finn want to remain visible in 2023. In Belgium, Delen will be opening a branch in Charleroi, and work on the new branch in Knokke is progressing as expected (opening expected in 2024). In the Netherlands, the integration of Groenstate Vermogensbeheer is a priority. Besides internal growth opportunities, the group will look into opportunities for acquisition, whenever interesting parties with a similar strategy cross its path.

Partners for sustainable growth

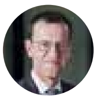
8 DECENT WORK AND ECONOMIC GROWTH
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION
16 PEACE, JUSTICE AND STRONG INSTITUTIONS

- Responsible investment and asset protection are the cornerstones of Delen Private Bank's ESG policy. Delen Private Bank is a member of the UN PRI and consistently integrates sustainability parameters into its investment process. Through its partnership with EOS, Delen Private Bank also enters into dialogue with the companies in its funds ('engagement'). Furthermore, the principle of dynamic and good stewardship forms the basis for thorough asset protection.
- Clients are certainly sensitive to the topic. This was also confirmed in a recent survey on sustainability. These are the main findings in 2022:
  - Engagement is the most important pillar. 86% of the companies in Delen Private Bank's top 100 are monitored this way. There were 1,658 contact moments around specific topics in 1 year.
  - The main topics of dialogue are climate and human rights.
- European regulations are not neglected either, with new reports being drawn up in the framework of the EU Green Deal.
- More information can be found in the AvH ESG chapter and in Delen Private Bank's Sustainability Report 2022.

www.delen.be

DELEN
PRIVATE BANK

Shareholding percentage AvH


Dirk
Wouters


Tom
Franck


Véronique
Léonard


Vic
Pourbaix


Marc
Wijnants

Bank Van Breda

Bank Van Breda is a specialised niche bank that focuses on supporting entrepreneurs and liberal professions in building up, managing and protecting their assets.

Financial overview 2022

2022 was marked by geopolitical tensions, rising energy and consumer prices, high inflation, wage indexations and falling stock markets. Central banks tightened their monetary policy during 2022, raising policy interest rates. The ECB's deposit rates increased from -0.5% to +2% in the second half of the year. This led to a rapid and substantial rise in interest rates, both short and long term.

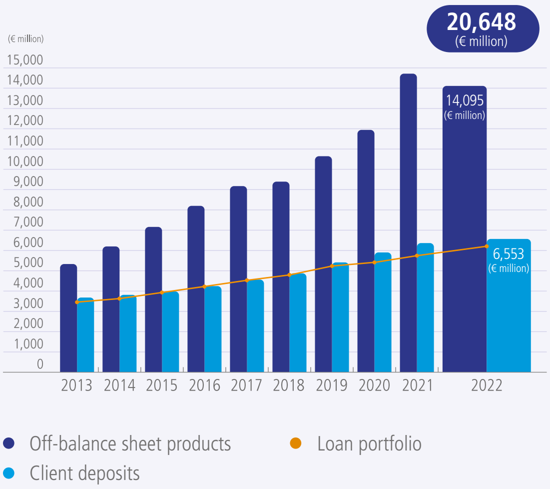
In this challenging context, Bank Van Breda, after the peak year of 2021, again reported excellent commercial and financial results. The total commercial volumes remained stable at 26.8 billion euros and the net profit increased by 5% to 68.3 million euros. Liquidity and solvency ratios also remained at very solid levels.

Stable commercial volumes

In a downward stock market climate, the total client assets decreased by only 2% in 2022 to 20.6 billion euros. This confirms the clients' confidence in the bank, even in times of uncertainty and volatility.

The total client deposits increased by 185 million euros (+3%) to a total volume of 6.6 billion euros.

Invested by clients



The off-balance sheet products showed a net increase of 1.1 billion euros, yet that was insufficient to fully offset the negative impact of the decreasing share and bond prices on the off-balance sheet volumes. As a result, the volume of off-balance sheet products decreased by 0.6 billion euros (-4%) to 14.1 billion euros. Of this amount, 10.9 billion euros has been entrusted to Delen Private Bank in the form of asset management and funds.

Based on its comprehensive approach, Bank Van Breda provides loans to family businesses and liberal professions and, through its Van Breda Car Finance division, also provides financing and finance leasing of cars, equipment, charging stations and bicycles. Despite the stiff competition and rising interest rates, the volume of loans to target group clients of Bank Van Breda increased by 343 million euros (+8%) to a volume of 5.55 billion euros. Van Breda Car Finance again put in a strong commercial performance in a challenging year for the automotive industry, increasing its portfolio by 18% to 640 million euros.

Sustainable profit increase and profitability

The gross operating result (operating income - costs) increased by 8.4 million euros (+10%) to 91.0 million euros thanks to a 6% increase in operating income and a lower increase in operating costs by 2%. This is the result of a very strong commercial performance, both in target group banking for entrepreneurs and liberal professionals and at Van Breda Car Finance.

The consolidated operating income increased by 6% to 195 million euros thanks to a strongly increasing interest result (+17%). This is mainly due to the substantial increase of market interest rates in 2022, combined with a solid qualitative volume increase in loans that support the clients.

The net fee income increased slightly (+2% compared to 2021). Despite decreasing share prices, the bank was able to partially offset the impact of the negative stock market effect with a very satisfactory net increase in the volume of off-balance sheet investments.

The costs increased by 2% to 103.6 million euros. Apart from the increased bank levies (+10%), the personnel costs in particular have increased due to a further increase of staff numbers and the salary indexations. This increase was partially offset by a reversal of provisions. The bank continues to invest in commercial strength, client and staff events and in the renewal and upgrade of its branches as well as in its IT platform to take full advantage of opportunities offered by the digitalisation.

The cost-income ratio remained stable at 55%. This makes Bank Van Breda one of the most efficient Belgian banks.

Despite the very challenging environment for its clients due to the geopolitical tensions and the sharply increased inflation, the bank did not report any significant

Happy clients, happy staff members

In reply to the question "To what extent would you recommend Bank Van Breda to other entrepreneurs or liberal professionals?", 63% of the clients gave us a score on a ten-point scale of 9 or 10 ('promoters') and 28% gave a score of 7 or 8. Together, these 91% are (very) satisfied clients. These figures resulted in a Net Promoter Score (NPS) of +54, one of the best figures in the Belgian banking sector. In addition to very high client satisfaction, Bank Van Breda also enjoys very high staff satisfaction. In March 2022 the bank was voted 'Best Workplace' in Belgium in the category of companies with more than 500 employees. In September 2022, the bank ranked 18th in the top 50 'Best Workplace in Europe'. This makes the bank one of 5 Belgian companies in this top 50.

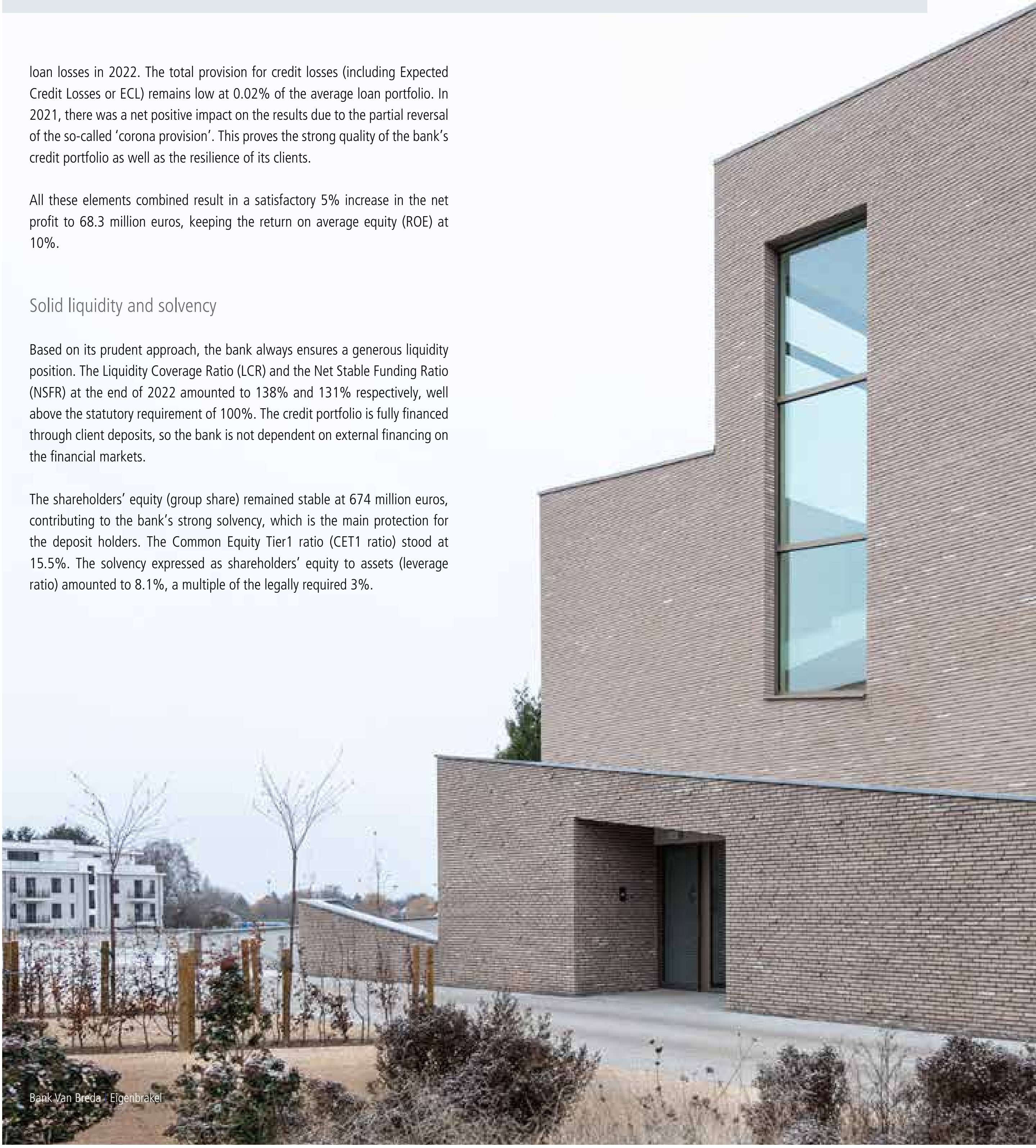
loan losses in 2022. The total provision for credit losses (including Expected Credit Losses or ECL) remains low at 0.02% of the average loan portfolio. In 2021, there was a net positive impact on the results due to the partial reversal of the so-called 'corona provision'. This proves the strong quality of the bank's credit portfolio as well as the resilience of its clients.

All these elements combined result in a satisfactory 5% increase in the net profit to 68.3 million euros, keeping the return on average equity (ROE) at 10%.

Solid liquidity and solvency

Based on its prudent approach, the bank always ensures a generous liquidity position. The Liquidity Coverage Ratio (LCR) and the Net Stable Funding Ratio (NSFR) at the end of 2022 amounted to 138% and 131% respectively, well above the statutory requirement of 100%. The credit portfolio is fully financed through client deposits, so the bank is not dependent on external financing on the financial markets.

The shareholders' equity (group share) remained stable at 674 million euros, contributing to the bank's strong solvency, which is the main protection for the deposit holders. The Common Equity Tier1 ratio (CET1 ratio) stood at 15.5%. The solvency expressed as shareholders' equity to assets (leverage ratio) amounted to 8.1%, a multiple of the legally required 3%.



Bank Van Breda - Eigenbrakel

Dirk Wouters
CEO

> "Against a demanding backdrop, Bank Van Breda again delivered solid results as a wealth partner for entrepreneurs and liberal professionals. Our clients' confidence in our model of diversified wealth accumulation remained intact. Due to the increase of total client assets and thanks to the prudent lending policy of the past, Bank Van Breda realised a satisfactory profit increase in 2022 as well."

Outlook 2023

Today, the bank is operating in an environment marked by high inflation and major salary indexations. The volatility of the stock markets and interest rates in 2022 had not been seen for a long time. In stark contrast to the low and even negative interest rate environment of recent years, the bank assumes a positive interest rate environment for the next few years. Higher interest rates, high inflation and continuing geopolitical tensions could limit economic growth in the coming years.

Despite this challenging context, Bank Van Breda remains very well equipped for the future.

The commercial strength and positioning should ensure the continued increase of total client assets. Accordingly, the bank continues to invest in this. The impact of this increase on the operational result will also depend on the evolution of the financial markets, the interest rate climate and the competitive environment.

Bank Van Breda has a track record of low costs for credit risks, even in an economically turbulent environment. Still, uncertainty remains about potential credit losses due to the persistent geopolitical tensions and high inflation. Given its conservative policy on the matter, this impact should remain limited in the future as well.

With its core values of 'fast, friendly & flexible', Van Breda Car Finance continues to invest in customer relations and remains committed to being a solid, reliable and fast partner for car dealers and brokers.

A team of competent staff, satisfied clients, the reputation and positioning, the ongoing investments, the prudent risk profile and the sound financial structure of the bank all serve as a solid basis for healthy financial growth over the long term.

Bank Van Breda

(€ 1,000)	2022	2021	2020
Operating income	**194,602**	184,193	162,681
Net result (group share)	**68,325**	65,178	48,295
Shareholders' equity (group share)	**674,141**	678,459	620,249
Balance sheet total	**7,657,027**	7,791,801	7,211,370
Invested by clients	**20,648,415**	21,087,881	17,855,170
Loan portfolio	**6,188,490**	5,748,252	5,414,654
Net loan loss provision	**0.02%**	-0.04%	0.10%
Cost-income ratio	**55.1%**	55.1%	56.3%
Return on equity	**10.1%**	10.0%	8.1%
CET1 ratio	**15.52%**	16.84%	14.70%
Solvency ratio (RAR)	**16.50%**	17.93%	15.7%
Personnel	**547**	518	502

Partners for sustainable growth

Bank Van Breda opts to systematically and expressly integrate its economic, social and environmental commitment in its corporate policy. The Sustainable Development Goals (SDGs) of the United Nations provide a global framework for this. From its specialisation in services for entrepreneurs and liberal professions, the bank primarily endorses these three goals: 'SDG 3 Good Health and Well-being', 'SDG 8 Decent Work and Economic Growth', and 'SDG 16 Peace, Justice and Strong Institutions'.

- For a bank, sustainability means, in the first place, being a strong and reliable partner for its clients. This translates into solid solvency, which means that it is always able to meet its commitments without having to rely on society to support it. Irrespective of the economic situation or financial crises, Bank Van Breda remained at all times a 'healthy bank' and a 'safe harbour'. With a leverage ratio of 8.1% (shareholders' equity to assets) and no impairment losses on loans in 2022, the bank is in a very strong position to play its economic and social role to the full. The bank is not dependent on the financial markets to finance its loan portfolio (94% loans vs. client deposits).
- Van Breda protects the wealth that clients have accumulated over a long term - often across several generations. It does so by helping entrepreneurs and liberal professionals to make the right financial choices. This is socially relevant, since entrepreneurs are the engine of the economy. The liberal professions guarantee health care, legal certainty and financial transparency. Together, they make a crucial contribution to our prosperity and well-being.
- Staff satisfaction (98%) and spontaneous recommendation by clients (Net Promoter Score of +54) rank among the best in the Belgian financial sector for several years now. The bank was nominated as 'Best Workplace' in Belgium and in 2022 came first in the category of companies with more than 500 employees. ESG factors (Environment - Social - Governance) play an increasingly important role in the policy on client acceptance, lending, investments, choice of suppliers, and reducing the bank's ecological footprint.
- More information can be found in the AvH ESG chapter and in Bank Van Breda's 2022 annual report.

www.bankvanbreda.be

Real Estate & Senior Care

Contribution to the AvH consolidated net result

(€ million)	2022	2021	2020
Nextensa	**42 .5**	38 .6	-
Leasinvest[1]	**-**	-	3 .3
Extensa Group[1]	**-**	-	25 .9
Anima[2]	**2 .8**	4 .1	3 .4
Total	**45 .3**	42 .7	32 .7

[1] Figures as of 2021 included in Nextensa figures

[2] Sale Anima finalized in July 2022. Contribution in 1H22

Nextensa | Gare Maritime - Park Lane 1

Nextensa

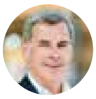
59%

Nextensa is a mixed real estate investor and developer.

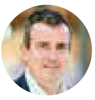
Shareholding percentage AvH

59%

Michel
Van Geyte



Peter
De Durpel



Tim
Rens

Olivier
Vuylsteke

Nextensa

Nextensa is a listed, mixed real estate investor and developer.

As an investor, Nextensa is active in the Grand Duchy of Luxembourg (41%), Belgium (44%) and Austria (15%). Nextensa's total investment portfolio was valued at 1.28 billion euros on December 31, 2022.

As a developer, Nextensa primarily designs large-scale urban developments. At Tour & Taxis (development of more than 350,000 m²) in Brussels, Nextensa is building a mixed real estate portfolio consisting of a redevelopment of iconic buildings and new construction. In Luxembourg (Cloche d'Or), it is working in partnership on a major urban expansion of more than 400,000 m² consisting of offices, retail and housing.

Financial overview 2022

Nextensa realised a net result of 71.3 million euros in 2022. The change in the consolidation scope relative to 2021, when Leasinvest and Extensa were still separate entities during the first half of the year, makes it difficult to make a comparison with the previous year.

This result is partly due to the divestments of the Titanium (Luxembourg), Monnet (Luxembourg) and The Crescent (Belgium) buildings, which generated a capital gain of 28.3 million euros.

The operating result of the real estate portfolio increased to 71.6 million euros (2021: 44.6 million euros). The rental income increased by 2.2 million euros compared to 2021 and amounted to 67.4 million euros at year-end 2022. The value of the investment property decreased relative to 2021 due to the sale of the three aforementioned buildings during 2022. On the other hand, there was only a minor (0.90%) decrease in the value of the investment property to the amount of 11.6 million euros. The average return on the investment property increased from 5.20% at year-end 2021 to 5.30% at year-end 2022.

The operating result of the development projects increased from 15.4 million euros in 2021 to 22.2 million euros in 2022. This result consists mainly of the development activities on Cloche d'Or and on Tour & Taxis (Park Lane phase I).

Disposals of investment property as well as of development projects permitted a substantial reduction of debt. The net financial debt decreased from 853.3 million euros at year-end 2021 to 721.5 million euros at year-end 2022. Consequently, the financial debt ratio decreased from 48.6% to 42.6%.

The average finance cost increased slightly from 2.07% at year-end 2021 to 2.18% at year-end 2022. Although interest rates increased significantly during 2022, Nextensa's successful hedging policy ensures that this increase has only a minimal impact on the average finance cost.

The shareholders' equity increased from 780 million euros to 839 million euros.

Operational overview 2022

Real estate development

Tour & Taxis: the textbook example of a '15-minute neighbourhood'

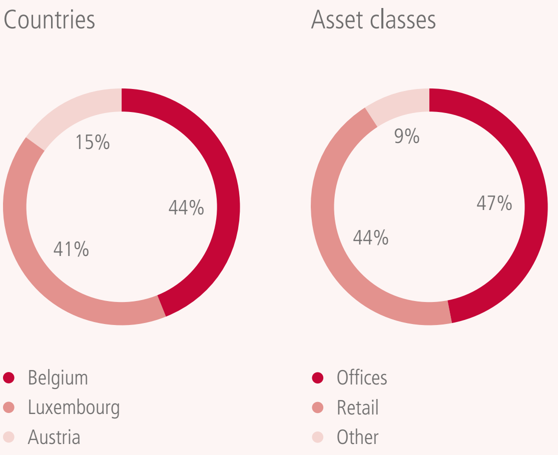
- **Offices**

The Tour & Taxis site was able to position itself in 2022 as one of the most important event venues in Brussels. Over the past year, the site has welcomed a large number of visitors to temporary events such as the Realty real estate fair and the World Padel Tour, to long-running exhibitions in the Sheds or to conferences in Maison de la Poste.

The occupancy rate of the offices on the Tour & Taxis site (Gare Maritime and Royal Warehouse) is now 90%. In 2022, Unicef (900 m²) and Polestar (610 m²) set up their offices in the Gare Maritime, while CD&V signed a lease for 1,500 m². The Royal Warehouse is fully let, thanks to several major lease renewals that were concluded last year.

The occupancy rate of the retail spaces on the Tour & Taxis site (Gare Maritime and Royal Warehouse) is 56%. Lab9 (579 m²) and Wever & Ducré (165 m²) signed a lease at the end of 2022. They will open a store at the Gare Maritime in 2023.

Real estate portfolio (% based on fair value)



Nextensa | Gare Maritime - Brussels

Michel Van Geyte
CEO

> "The focus on urban developments with a mix of functions in a sustainable framework appears to be the right one. Our Tour & Taxis and Cloche d'Or sites are proving their worth all the more by the successful sales of apartments and offices. Nextensa also distinguishes itself in its proactive attitude to respond quickly to ever-changing market conditions."

Furthermore, the Hôtel des Douanes on the site is being prepared for rental. This multi- or single-tenant building will soon accommodate 6,500 m² of offices and conference rooms and will again become a model of sustainability. The uniqueness of the historic building will be fully preserved and will be combined with the most sustainable techniques, an approach that has become Nextensa's trademark.

- **Residential**

Nextensa is working on the new residential quarter 'Park Lane' on Tour & Taxis. All 319 apartments in the four buildings of Park Lane phase I were delivered in 2022, and Anima's residential care centre at the beginning of the Parkdreef has opened. Construction of the Park Lane phase II project, consisting of 11 compact buildings and 346 apartments, began in March 2022. By the end of 2022, more than 120 apartments of this project have already been reserved or sold.

Meanwhile, the Lake Side project is also beginning to take shape. Lake Side is the latest phase of the large-scale urban development on Tour & Taxis. The project has a potential of about 136,000 m² of apartments, co-living, offices, public facilities and retail spread over 17 buildings. The planning application for this project will be filed in the spring of 2023.

Cloche d'Or: a new urban district in Luxembourg City (in joint venture with the Luxembourg developer Promobe)

- **Offices**

During January 2022, the Kockelscheuer office building, with a floor area of approximately 4,200 m², was delivered and sold for 48 million euros. The whole building had been pre-let to Regus.

At the end of March 2022, the Darwin II office building (approximately 4,700 m²) was delivered. The tenant is the Luxembourg state, which also has a 3-year purchase option from April 1, 2022. The building was taken into service during the second quarter of 2022.

The Darwin I - Bronze Gate office building was provisionally delivered at the end of September 2022. At the beginning of October 2022, this Bronze Gate building was sold for 65 million euros to the Luxembourg-based real estate investor REInvest Asset Management S.A. This building of approximately 5,040 m² is fully let to atHome Group, specialising in online platforms for the sale of real estate and vehicles, and to the international law firm CMS DeBacker Luxembourg.

Nextensa | From left to right: Monteco - Brussels - Top: Hangaar 26 - Antwerp - Bottom: Shopping Center Boomerang - Luxembourg

Two more office buildings are under construction. The first, Emerald, has a floor area of 7,000 m² and is already 43% pre-let to a law firm. An LOI for lease was signed with a prospective tenant that would increase the occupancy rate to 70%. Construction work is proceeding on schedule and delivery is expected in late summer 2023.

Just next to the Emerald building, work has also begun on another 7,000 m² office building, called White House. An LOI for the lease of 100% of the floor area was also signed for this building. Delivery is expected in early 2024.

Nextensa NV

(€ 1,000)	2022	2021	2020(2)
Rental income	**67,400**	65,174(1)	59,848
Result of development projects	**22,243**	15,373(1)	-
Net result (group share)	**71,310**	53,244(1)	7,683
Shareholders' equity (group share)	**838,798**	779,970	487,211
Real estate portfolio (fair value)	**1,278,716**	1,407,919	1,141,190
Rental yield	**5.30%**	5.20%	5.63%
Netto financiële positie	**-721,493**	-853,333	-667,255
Financial debt ratio	**42.6%**	48.6%	54.0%
Personnel	**45**	48	25

(1) 2021: 12 months Leasinvest Real Estate, 6 months Extensa

(2) Reported as Leasinvest Real Estate

- **Residential**

The residential developments on Cloche d'Or consist of several sub-projects.

During 2022, all the apartments of the Ilôt D-Sud sub-project (155 apartments) were delivered. This sub-project is completely sold, except for 11 retail units on the ground floor.

The Ilôt D-Nord sub-project will be gradually delivered during 2023. Meanwhile, the last 12 apartments out of a total of 194 are being commercialised.

The sale of sub-project D5-D10 (185 apartments and 18 ground-floor retail units) was delayed due to the economic situation. Nevertheless, in the second half of the year it was decided to start construction work. This allowed some more reservations to be materialised at the end of 2022, and the first 26 notarial deeds were executed. 46 of the 185 apartments are currently reserved or already sold. Delivery is expected during 2024.

In mid-September, a fixed 20-year lease was also concluded with B&B HOTELS for the development of a hotel with 150 rooms. The planning application process is currently under way and the works are expected to start in the first half of 2023 with a probable delivery date in early 2025.

Real estate investments

In 2022, Nextensa focused on bringing forward part of the unrealised capital gains within its portfolio and on strengthening its balance sheet.

Divestments

Already in November 2021, Nextensa and Codic signed a sales agreement under conditions precedent for 100% of the shares in the Luxembourg company GK5 Sàrl, owner of the Titanium site in the Cloche d'Or district. The actual transfer of the shares took place at the end of December 2022. The total price was 110 million euros. In 2022 the rental income from the Titanium building still fully contributed to the net result of 2022.

The Monnet building, which had been in the portfolio since 2006, was sold to Edmond de Rothschild in early 2022. Located in the heart of Kirchberg's financial district at 4 Rue Jean Monnet, the Monnet building covers some 4,000 m² and is fully let.

At the beginning of 2022, the leasehold rights to the The Crescent building were sold to private investors DES / De Weer. The Crescent is a 15,000 m² office building located on the Erasmus Campus in Anderlecht and had been in the portfolio since 2002. Originally built for L'Oréal, the building was extensively converted into a serviced office building in 2011.

Luxembourg

The Moonar site, which has been in Nextensa's portfolio for many years, is currently undergoing extensive redevelopment in order to create higher rental values on these buildings. Moonar is a campus near the airport. The office park consists of 5 buildings, which will all be renovated by the end of 2023. Negotiations are ongoing with potential new tenants and with several current tenants, who have indicated an interest in returning to their renovated offices, resulting in an increase of the rent.

In the summer of 2022, the extension of the Schmiede shopping centre (approximately 8,500 m²) was delivered. Eight new stores officially opened to the public in September. Work is currently continuing on the new hospitality concept, consisting of a Grand Café and a Food Village, which will open during 2023. The New Yorker store extension will open in the autumn of 2023.

The lease contract with Hornbach for the retail site located in Bertrange was also extended for 15 years (until 30/06/2038).

In the Boomerang Strassen shopping centre, a 1,200 m² Colruyt supermarket opened in October.

Austria

Nextensa's Austrian investment portfolio includes 5 retail parks, with an occupancy rate that remains consistently at 100%.

Outlook 2023

For 2023, Nextensa expects to continue to sell certain buildings that are considered to be fully developed, so that the debt position can be further reduced and unrealised capital gains in the portfolio can be materialised. With this strengthened balance sheet, Nextensa will be able to take advantage of attractive development opportunities in the coming years. At the same time, a number of identified sites in the portfolio will be redeveloped in 2023, while part of the margin on the Park Lane II project in Brussels will be able to be recognised.

Partners for sustainable growth

7 AFFORDABLE AND CLEAN ENERGY | 11 SUSTAINABLE CITIES AND COMMUNITIES | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION | 13 CLIMATE ACTION

Nextensa's sustainability mission is to create 'places you prefer' by (re) developing climate-adaptive buildings, creating sustainable societies and investing in human capital.

In 2022, efforts to accomplish this mission included the following initiatives:

- **EU-Taxonomy:** In 2022, Nextensa started a first 'alignment assessment' of 6 pilot projects. These pilot projects show that Nextensa is setting the right priorities, because for 2022 they resulted in a turnover of which 25% can be labelled 'green', thanks mainly to the rental income from Gare Maritime and the sale of Park Lane. Monteco is 'aligned' as well, and its impact will be reflected in next year's results. In 2023 Nextensa will extend the alignment assessments to the entire portfolio.
- **Electric vehicle charging infrastructure:** Through a partnership with Tesla, 16 Superchargers were installed on the Brixton Retail Park retail site in Zaventem. 9 additional superchargers were installed at the De Mot building in Mechelen, bringing the total there to 17.
- **Solar panels:** Nextensa has a a total installed capacity of 8,261 kWp. PV (photovoltaic) installations on Tour & Taxis were extended with 271 kWp. In Austria, a PV installation was put up on the Hornbach Baumarkt in Vienna. In Luxembourg, the grant application was approved that allows Nextensa to put up PV installations on the buildings of the Knauf Pommerloch (333 kWp) and Knauf Schmiede (854 kWp) shopping centres. These solar panels will be installed in 2023.
- **Renovations:** In renovation projects, Nextensa focuses on minimising energy consumption, on the exclusive use of renewable and green energy, and on discontinuing the use of fossil fuels. For example, during the renovation of the Hôtel des Douanes, special attention is being paid to the use of valuable materials and a geothermal system will be installed. During the renovation of Hangar 26/27 in Antwerp, the old wooden cladding was given a second life as cladding for a neighbouring office building. The new Monteco office building was delivered in early November 2022, whereupon Bank Nagelmackers set up its head office there. Monteco is the first wooden 'fossil-fuel free' office building in the European district.
- **Energy Community:** The pilot project 'Energy Community' was launched on Tour & Taxis. Through this community, surplus electrical energy generated by the photovoltaic panels on Gare Maritime can be passed on to other users (such as the apartments sold to low-income families).
- More information can be found in Nextensa's integrated 2022 annual report.

Energy & Resources

Contribution to the AvH consolidated net result

(€ million)	2022	2021	2020
SIPEF	**36.9**	27.7	4.3
Verdant Bioscience	**-0.5**	-0.9	-0.6
Sagar Cements	**-2.1**	3.2	3.1
Total	**34.3**	30.0	6.8

SIPEF - Hargy Oil Palms - Papua New Guinea

SIPEF

37%

SIPEF produces certified sustainable tropical agricultural products, primarily palm oil.

Verdant Bioscience

42%

Biotech company Verdant Bioscience develops F1 hybrid palm oil seeds (Singapore/Indonesia).

Sagar Cements

20%

Sagar Cements, with headquarters in Hyderabad (India), is a listed cement manufacturer.

Shareholding percentage AvH

37%


François Van Hoydonck


Charles De Wulf


Thomas Hildenbrand


Robbert Kessels


Petra Meekers


Johan Nelis

SIPEF

SIPEF specialises in certified sustainable production of tropical agricultural commodities, primarily palm oil.

SIPEF is a Belgian agro-industrial group listed on Euronext Brussels, which produces sustainable certified tropical agricultural commodities, primarily crude palm oil and palm products, as well as bananas. These labour-intensive activities are concentrated in Indonesia, Papua New Guinea and Ivory Coast. They are characterised by a broad engagement of different stakeholders, which supports these long-term investments in a sustainable manner.

SIPEF's mission is to be the preferred supplier of traceable, sustainable and high-quality agricultural products. By supplying quality products as a reliable partner to customers, end users, employees, communities and future generations, SIPEF continues to create value for the company and all its stakeholders.

The group firmly believes that demand for vegetable oils will continue to increase significantly in the coming years and that certified sustainable palm oil will play a crucial role in the balanced food supply for an ever-growing and more prosperous world population. Through the certifications and through its own Responsible Plantations Policy, SIPEF also adheres to strict standards, both with regard to deforestation and environmentally damaging elements and to employment and cooperation with local smallholders. As a result, its sustainable palm oil also plays a role in protecting the environment and livelihoods of the local communities.

SIPEF recognises the significant potential and importance of innovation to improve productivity, quality and circular practices. SIPEF focuses on applying best practices to improve soil fertility, optimise input, recycle by-products and further increase product quality and yield per planted hectare. The group has made significant investments in research and development and in solutions for maximising yields.

Certification is an important lever for SIPEF to demonstrate that its activities are managed in a sustainable manner through a set of verifiable requirements. With its own Responsible Plantations Policy, SIPEF always strives to go beyond certification requirements wherever possible to continuously improve the management of environmental, social and governance related aspects in its operations.

SIPEF: Production (Tonnes)[1]

	2022	2021	2020
🌴	**403,927**	384,178	329,284
🍌	**32,270**	32,200	31,158

[1] Own + outgrowers

SIPEF aims for 100% RSPO certification (Roundtable on Sustainable Palm Oil) by 2026 for all its palm oil operations, including the inclusion in its supply chain of RSPO-certified smallholders supplying the group, and 100% Rainforest Alliance certification for its banana operations. SIPEF also has 100% ISPO (Indonesia Sustainable Palm Oil) certification for all its operational units in Indonesia.

Financial overview 2022

SIPEF reported a record performance year in 2022, both in terms of production and result.

The total group production of RSPO compliant sustainable palm oil increased by 5.1% to 403,927 tonnes, compared to 384,178 tonnes in 2021. This increase was the result of the increasing maturity of new plantings in South Sumatra and favourable weather conditions, which were particularly beneficial to palm growth and fruit development of the palm oil operations in Papua New Guinea (PNG) that are continuing to recover from the volcanic eruptions in 2019. The good climate also led to high oil extraction rates (OER), which averaged 24.0%. It is the first time in SIPEF's history that the volume of 400,000 tonnes of palm oil produced has been exceeded.

The palm oil market experienced a strong price increase in the first half of the year. This increase was the result of a decrease in the supply of vegetable oils, due to the war in Ukraine and an export ban on palm oil in Indonesia, and increased demand for biofuels worldwide. In the second half of the year, prices normalised but remained at an all-time high. In 2022, the average world market price for crude palm oil (CPO) was 1,345 USD per tonne CIF Rotterdam, compared to 1,195 USD in 2021.

The turnover for palm oil increased by 30.2% due to a combination of higher production volumes and a higher world market price for CPO, while the turnover in the banana segment increased by 3.2%, mainly because of higher sale prices per unit. The turnover of the SIPEF group reached a record high of 527.5 million USD.

SIPEF | Hargy Oil Palms - Papua New Guinea

SIPEF I Musi Rawas - South Sumatra

In Indonesia, the constantly changing export levy and export tax continued to weigh on operations, but as a result of the strong profit margins on palm oil exports from Papua New Guinea, the gross profit increased from 169.2 million USD at the end of 2021 to 221.0 million USD at the end of 2022, an increase by 30.6%.

The net recurring result (group share) amounted to 108.2 million USD, a record figure for SIPEF and an increase of 30.7% compared to 82.7 million USD in 2021. Despite the intensive investment programme, the positive free cash flows ensured that the debt of nearly 50 million USD at the end of 2021 turned into a positive net cash position at the end of 2022. The shareholders' equity of the company increased to a record 818 million USD.

Operational overview 2022

Palm oil

Indonesia

After a weak start to the year, palm oil production recovered in the second and third quarters. It was mainly the last quarter that, with an increase of 9.8%, ensured that the annual growth of palm oil production was 5.1%.

SIPEF NV

(USD 1,000)	2022	2021	2020
Turnover	**527,460**	416,053	274,027
EBITDA	**226,251**	188,031(1)	73,682
EBIT	**178,312**	139,416(1)	30,778
Net result (group share)	**108,157**	93,749(1)	14,122
Shareholders' equity (group share)	**817,803**	727,329	638,688
Net financial position	**122**	-49,192	-151,165
Balance sheet total	**1,062,223**	991,765	946,641
Personnel	**22,157**	21,233	21,633

(1) Including capital gain on PT Melania: 11.6 million USD (group share: 11.0 million USD)

While the mature plantations in North Sumatra recorded a slight production increase, activities in the Bengkulu region remained below expectations (-9.0%) and it was mainly the newly planted plantations in South Sumatra that experienced a 53.7% increase in production. The growing contribution of both the Musi Rawas and Dendymarker plantations was the direct result of a greater number of harvestable hectares and an increase both in weight and number of fruit bunches.

In South Sumatra 12,925 hectares of young-mature plantings are now being harvested. These are spread over 9,968 hectares of new plantations in Musi Rawas and 2,957 replanted hectares in Dendymarker. The expanded Dendymarker palm oil extraction mill converted the harvested fruits into 37,742 tonnes of palm oil, exceeding the volume of 2021 by 53.8%.

Papua New Guinea

In 2022, the annual growth of palm oil volumes was 8.8%. Throughout 2022, the volumes produced were higher than those of 2021. Thanks to the annual rainfall that reached 59% of the five-year average, combined with a better-than-expected recovery from the effects of the volcanic eruption in 2019, the record harvest of 400,000 tonnes palm fruit was exceeded in 2022 on the own plantations.

Purchases from the smallholders also reached a record figure of more than 254,000 tonnes, an increase of 5.6% compared to the full year 2021. Here, too, the growth-promoting rainfall had a positive effect, but harvesting was also encouraged by the high world market prices for their delivered fruit. The oil extraction rates of the three mills in Papua New Guinea reached an annual average of 25.3%.

Investments

SIPEF's total capital expenditures amounted to 79.3 million USD and mainly related to the expansion in South Sumatra in Indonesia. The cultivated areas in Musi Rawas increased, in RSPO compliance, by 1,453 hectares to a total surface area of 16,423 hectares. Meanwhile, the Dendymarker plantation's own areas are fully replanted, as well as 1,671 hectares of local farmers. Due to logistical and operational constraints, industrial investments remained temporarily below expectations and some plant expansions were deferred to 2023.

As a result of these recent achievements, a total of 78,354 hectares was planted with oil palms in the SIPEF group by the end of 2022, and the supply base is now more than 100,000 hectares, for delivery to nine palm oil processing mills in Indonesia and Papua New Guinea.

SIPEF I Agboville - Plantations J. Eglin - Ivory Coast

François Van Hoydonck

CEO

> “2022 was marked by a record recurring net income for SIPEF of 108 million USD. Moreover, we succeeded in eliminating our net financial debt and achieved historic milestones, such as a turnover exceeding 500 million USD, a shareholders’ equity of more than 800 million USD and a balance sheet total exceeding 1 billion USD.”

The expansion of the banana plantations in Ivory Coast continues, and by the end of 2022, an extra 197 hectares had been planted, bringing the production area to 1,066 hectares. This will immediately translate into increasing production volumes in 2023, reaching 60,000 tonnes of export bananas by 2025.

Other products: bananas

After a production slowdown in the second half of the year, the exported banana volumes from Ivory Coast did not show the anticipated strong growth. The additional harvests from the newly planted areas in the Lumen/Akoudié plantations made up for the harvests missed, due to rain and colder temperatures, in the existing operations.

Outlook 2023

In 2022, the mark of 400,000 tonnes of palm oil produced was surpassed for the first time in SIPEF’s history. Another 5% increase in production is expected for 2023.

The palm oil market started the new year with very stable stocks, yet given the macroeconomic environment the extent of the persistently growing demand is still somewhat uncertain. However, SIPEF expects a healthy price environment for palm oil in 2023 because it is fundamentally well positioned in the world of vegetable oils.

Although palm oil prices are currently lower than in the peak period of the first half of 2022, they remain high from a historical perspective. With the combination of increasing annual production volumes, stable unit production costs and a strong palm oil market, SIPEF can again look forward to a strong performance year in 2023, although the final recurring result will depend heavily on the further evolution of palm oil prices.

Partners for sustainable growth

1 NO POVERTY | 2 ZERO HUNGER | 3 GOOD HEALTH AND WELL-BEING | 4 QUALITY EDUCATION | 5 GENDER EQUALITY | 6 CLEAN WATER AND SANITATION | 7 AFFORDABLE AND CLEAN ENERGY | 8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION | 13 CLIMATE ACTION | 15 LIFE ON LAND

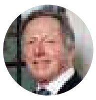
- Sustainability is at the core of SIPEF’s business model. The group has made a commitment to ensure that its business activities make a positive contribution to the environment, society and local communities. This includes managing plantations and operations in a socially and environmentally responsible manner, as well as creating employment and development opportunities in the rural and remote areas in which it operates.
- As a producer of traceable, sustainably certified and high-quality tropical agricultural products, mainly crude palm oil (CPO) and other palm products, SIPEF aims to be a reliable partner and preferred supplier to the processing industry.
- The group operates in remote areas, where a sustainable approach is necessary for social development and economic growth. SIPEF creates value through sustainable expansion and optimal yield per hectare, by using the best planting materials and by efficient and innovative management of all products, including by-products in the chain. It also actively promotes employment and works to train smallholders with a view to their integration into the production chain.
- In all its activities, SIPEF constantly strives to strike a balance between environmental care and social welfare on the one hand, and economic development on the other. SIPEF is also committed to a growing dividend income and an increasing share price for its shareholders, through persistent and efficient cost management and an increasing asset base.
- More information can be found in the AvH ESG chapter and in SIPEF’s integrated 2022 annual report.

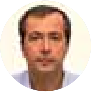
www.sipef.com

SIPEF

Shareholding percentage AvH

42%


Brian
Dyer


Stephen
Nelson


Brian
Forster


Juan-Carlos
Martinez

Verdant Bioscience

Verdant Bioscience (VBS) is a biotech company established in 2013 with the primary objective of developing high-yielding F1 hybrid palm oil seeds.


Verdant Bioscience

Verdant Bioscience focuses on three key areas of research and development that offer significant opportunities for improving palm oil production: development of improved crop varieties, improvements in crop resistance and resilience, and improvements in agronomic and crop protection practices.

Verdant Bioscience continues to successfully pursue its strategy of supplying high-yielding F1 hybrid varieties to the oil palm industry. Increasing yields per unit area is considered the only real solution to meeting the world's growing demand for vegetable oil without increasing planted areas. F1 hybrids have the potential to substantially increase the yield per hectare and could remove the risk of further loss of rainforests and biodiversity.

In 2021, Verdant Bioscience began its field trials by planting 31 F1 hybrid crosses. Another 42 crosses were planted on a trial basis in 2022. Seedlings of F1 hybrid crosses are screened in the nursery for disease tolerance, drought tolerance and variation in nutrient uptake. The crosses are then field tested in a series of field environments in different geographic locations. The purpose of these trials is to ensure that the F1 hybrid crosses have been robustly field tested before they are put on the market.

Verdant Bioscience is on schedule for the commercialisation of its first F1 hybrid seed in 2028/2029.

Verdant Bioscience increased its turnover in 2022 from 3.3 million USD to 5.9 million USD. This increase is primarily attributable to higher revenue from sales of oil palm seeds, but was still insufficient to break even in 2022.

Verdant Bioscience

(USD 1,000)	2022	2021	2020
Turnover	**5,905**	3,319	2,880
EBITDA	**-477**	-1,754	-2,086
EBIT	**-1,094**	-2,412	-2,777
Net result (group share)	**-1,288**	-2,514	-2,645
Shareholders' equity (group share)	**9,903**	11,191	13,704
Net financial position	**-20,019**	-19,077	-17,316
Balance sheet total	**32,989**	33,665	33,451
Personnel	**597**	617	349

Partners for sustainable growth

13 CLIMATE ACTION

15 LIFE ON LAND

- Higher yields from Verdant seed will mark a very significant step forward for the environment and will help to meet the market demand for vegetable oil, while at the same time removing the pressure to destroy forests and biodiversity.
- VBS also works on further optimising the good agricultural practices that underpin the sustainable manner in which plantations are operated. In this respect, preference is given to biological control of pests and the minimum use of pesticides.

www.verdantbioscience.com

Verdant
BIOSCIENCE

Shareholding percentage AvH

20%


Anand Reddy


Sreekanth Reddy


Prasad Kolluru

Sagar Cements

Sagar Cements is a listed cement manufacturer headquartered in Hyderabad (India) with a total production capacity of 8.25 million tonnes per year (end 2022).

During 2022 Sagar Cements successfully commissioned two green field projects: a 1 million tonnes integrated cement plant at Jeerabad (in Madhya Pradesh) and a 1.5 million tonnes grinding unit at Jajpur (in Orissa). As a result, Sagar has further expanded and geographically diversified its operational footprint, with factories in the states of Telangana and Andhra Pradesh (south India), Madhya Pradesh (central India) and Orissa (east India).

Despite the challenging global macro-economic context, the short- and medium-term outlook for the Indian cement sector remains favourable, a.o. driven by major government sponsored infrastructure projects such as the National Master Plan aimed at developing India's road, rail- and airway infrastructure in a holistic way, enabling multimodal connectivity across all economic zones. In addition, the government's continued focus on affordable and rural housing and the above average Monsoon in 2022 is expected to drive rural demand. Overall, the Indian government increased the allocation for capex spending in its 2023 budget by 34%.

Sagar Cements reported a decent growth in 2022 with turnover increasing by 39% to 21.1 billion INR (255.3 million euros). However, the EBITDA decreased during this period by 47% to 1.8 billion INR (21.2 million euros). This reduction stems from the continued increase in imported fuel prices (petroleum coke and coal) in 2022, which were on average 35% higher than in 2021 and 165% higher than in 2020. This major cost increase neutralised the favourable price environment and the efforts to control costs, such as the improvement of energy efficiency, increased consumption of alternate fuels and reduction of average transport distances.

In May 2022, Premji Invest, the private equity and investment arm of one of India's largest philanthropic organizations, acquired a 10% equity stake in Sagar through a capital increase by investing an amount of 3.5 billion INR of primary capital. As a consequence, AvH's participation diluted from 21.85% to 19.64%.

In February 2023, Sagar announced the acquisition of Andhra Cements, including a 2 million tonnes integrated cement plant located in Andhra Pradesh (south India). This acquisition will increase Sagar's production capacity to 10.25 million tonnes, surpassing its stated strategic goal of reaching 10 million tonnes by 2025.

Sagar Cements LTD

	2022		2021	2020
	€ 1,000	INR (mio)	INR (mio)	INR (mio)
Turnover	**255,276**	**21,097**	15,128	12,572
EBITDA	**21,225**	**1,754**	3,294	3,492
EBIT	**3,591**	**297**	2,482	2,673
Net result (group share)	**-10,043**	**-830**	1,278	1,374
Shareholders' equity (group share)	**171,497**	**15,177**	12,765	12,128
Net financial position	**-122,141**	**-10,809**	-9,749	-5,693
Balance sheet total	**413,094**	**36,557**	32,605	23,031
Personnel		**955**	914	731

Partners for sustainable growth

4 QUALITY EDUCATION · 6 CLEAN WATER AND SANITATION · 7 AFFORDABLE AND CLEAN ENERGY · 8 DECENT WORK AND ECONOMIC GROWTH · 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE · 11 SUSTAINABLE CITIES AND COMMUNITIES · 12 RESPONSIBLE CONSUMPTION AND PRODUCTION · 13 CLIMATE ACTION · 15 LIFE ON LAND

- Sagar developed an ESG vision and roadmap and formulated targets towards 2030 and 2050.
- Sagar manages its environmental footprint in a prudent way with a focus on reducing the carbon intensity and water usage via investments in renewable energy, efficiency enhancement programmes, circularity in operations and stringent emission controls.
- In 2022, Sagar replaced approximately 6% of carbon-based fuels by alternative fuels at the factory in Mattampally. The aim is to increase this to 25% by 2030.
- Other priorities include good mining practices, technology and data driven manufacturing processes and proactive limitation of waste.
- Sagar also upholds the highest levels of corporate governance standards and has formalised various codes of conduct and policies e.g., on human rights, innovation, ethics, fair competition, anti-corruption, data protection.

www.sagarcements.in

AvH & Growth Capital

Contribution to the AvH consolidated net result

(€ million)	2022	2021	2020
Contribution of participations	**52.1**	71.3	12.7
Contribution consolidated participations	**38.3**	53.2	12.7
Fair value	**13.8**	18.1	-
AvH & subholdings	**-24.2**	-18.1	-13.5
Net capital gains/losses	**326.4**	-1.2	3.1
Total	**354.3**	52.0	2.3

EMG | European Championships - Munich

Agidens	85%
AXE Investments	48%
Biolectric	56%
EMG	23%
Mediahuis	14%
OMP	20%
Telemond Groep	50%
Turbo's Hoet Group	50%
Van Moer Logistics	22%

Fair value investments

Life Sciences

AstriVax	6%
Biotalys	12%
Indigo Diabetes	12%
MRM Health	16%
OncoDNA	10%

India & South-East Asia

Convergent Finance	3%
HealthQuad I	36%
HealthQuad II	11%
Medikabazaar	11%
Venturi Partners	11%

AvH & Growth Capital

AvH makes venture capital available to a limited number of more mature companies with international and sustainable growth potential. Only in Life Sciences does AvH also step into younger companies that are still in the early stages of their development. The investment horizon is longer on average than that of the typical private equity providers. Healthy balance sheet structures and the diversified nature of the investment portfolio contribute to a spread of the economic and financial risks.

A selective investment policy takes account of global trends and realistic long-term business plans. Attention is also paid to the quality of the management teams, talent development, operational improvements, innovation and ESG aspects, in order to achieve sustainable growth. The group companies are supported on those various topics, which are explained in more detail in the Sustainability Report on page 48. The restricted number of participations allows AvH to acquire an in-depth understanding in order to help shape the strategy in an informed manner.

2022 was another turbulent year with multiple challenges such as geopolitical tensions, sharply rising costs and disrupted supply chains, at a time when many companies were still digesting the impact of COVID-19. This will continue to play into 2023. This economic context with rising interest rates also had an impact on financial markets, which paid more attention to strong balance sheets and cash generation. Consequently, the valuation of young high-tech companies suffered the most. This also had an impact on the global M&A market and the willingness of banks to provide financing for it, especially when the transactions required high debt leverage. The amount of capital available for investment in the private equity sphere, however, remains very large. Sustainability took on a different and more nuanced aspect due to the geopolitical developments. Many industries are in transition, needing to reinvent themselves and respond to developments in the digital world. Once again, the AvH model proved its strength, with its focus on corporate cultures and the manner of leadership, prioritising the long term. This was also reflected in the operating results of the participations, which surprised in a positive sense.

From left to right: Biotalys - Top: Turbo’s Hoet Group - Mediahuis - Bottom: OncoDNA

As regards investments, AvH remained cautious given the circumstances, prioritising assistance to the participations and a number of divestment projects. AvH further strengthened its investment capacity focused on new investments both in Europe and in India or Southeast Asia. Follow-up investments were made mainly in companies that are still in a start-up or growth phase, as well as in the funds in India and Singapore where AvH is an anchor investor. A new participation was added in the Life Sciences sphere (AstriVax) in addition to an investment as anchor investor in Convergent Finance, a fund active in mature Indian companies. As far as divestments are concerned, the successful sale of Manuchar stands out, after a 15-year joint and successful development of this company. This shows that AvH adopts a long investment horizon but can nevertheless deliver great results thanks to the underlying value creation. Another example was the sale in early 2023 of Telemond.

Contribution of the participations

Despite the economic context, most participations again performed strongly in 2022, following the already great results of 2021. The capital gains realised on Manuchar and Anima were added as an extra. As a result, the contribution of Growth Capital to AvH's results increased again.

A number of participations reported record results, notably OMP, Turbo's Hoet Group, Telemond and Van Moer Logistics. Worth noting in this respect is a turnover increase at Telemond, Van Moer Logistics and OMP of 31%, 40% and 44% respectively. Mediahuis continued its successful international growth with an entry into the German market, and was able to maintain its recurring net profit at the high level of recent years thanks to its focus on operational excellence. EMG continued its recovery, thanks in part to a year marked by international events such as the Winter Olympics and the Football World Cup. Following the sale of the Infra division and the many COVID-19 projects on production lines in 2021, Agidens went through a year of transition characterised by a market in which investment decisions were postponed. Biolectric was able to further reduce start-up losses with the order book continuing to grow strongly given the need for integrated solutions related to greenhouse gases, nitrogen emissions and renewable energy.

Fair value investments

AvH has over the past few years invested in a number of young and promising companies, either directly or through specialist investment funds. As they become successful and subsequent capital transactions take place, this may give rise to the recognition of fair value remeasurements.

The investment climate for companies in the start-up phase became noticeably more difficult in 2022, necessitating prudent guidance based on regular reviews of development trajectories. Overall, the profit contribution from this investment cluster in 2022 was more than positive with some positive and negative adjustments to the valuations. Medikabazaar's contribution following a new financing round, in which AvH participated directly and indirectly, stands out in this respect.

While the HealthQuad I fund is steadily nearing its end with another profit contribution, it is still too early to assess the evolution of the HealthQuad II, Convergent Finance and Venturi funds, with their investment rhythms now up to speed. The participations held by those funds generally evolved positively and in line with expectations.

AvH & subholdings

The negative evolution of the contribution from AvH & subholdings is partly explained by a negative value adjustment of 6.6 million euros on AvH's investment portfolio (2021: positive value adjustment of 6.3 million euros), an increase of the general expenses as a result of inflation, the further expansion of the AvH team, and finally by a result-dependent part of remuneration.

Net capital gains/losses

At the end of June, AvH finalised the sale of its participation (30%) in Manuchar to an affiliate of Lone Star Funds. This transaction earned AvH a cash revenue of 159 million euros and a capital gain of 97 million euros.

At the beginning of July 2022, AvH and the management of Anima transferred 100% of the Anima shares to AG. The transaction represents for AvH a cash revenue of 308 million euros and a capital gain of 237 million euros.

Shareholding percentage AvH

85%


Hedwig
Maes


Peter
Cox


Philip
De Keulenaer


Arnoud
den Hoedt


Jeff
Krbec


Steven
Peeters


Pieter
Tilkens


Ann
Van Goethem

Agidens

Agidens, an independent systems integrator, provides advice, engineering and complete solutions in production process automation. The automation of production processes offers advantages in terms of safety, quality, time-to-market and energy optimisation, all of which are of increasing importance. In addition, Agidens provides validation and compliance services to the healthcare sector.

2022 was a year of transition, following the sale of the Infra division in 2021. Agidens responded to market trends to strengthen its strategic positioning and realign operational activities. The Automation Projects, Software Solutions and Services business units are supported by technology and innovation teams and take a market-oriented approach with a focus on 4 industries.

As expected, the **Life Sciences** market weakened, following the COVID-19-driven investments by customers. The turnover remained at a high level thanks to a growth in services (+6%) and a favourable market environment in mRNA investments and quality regulations. Its industry expertise and references with pharmaceutical multinationals are key factors for the validation services, resulting in increased market share.

Energies focuses on tank terminals for the storage of bulk liquids. It experienced a difficult investment climate given the increased bulk liquid and material prices. Nevertheless, the turnover equalled that of 2021, with improved margins.

Food & Beverages is active in wet foods (such as breweries, chocolate, fats and oils). It recovered after a difficult COVID-19 period, with turnover remaining on the same level. Multinationals continued to invest, while the SME market weakened slightly.

Fine Chemicals had a stable year, driven by some major projects.

The volatile market conditions in combination with the rising inflation and cost of materials urged many customers to delay their decision on large-scale projects. This volume impact was reflected in the 2022 figures, with an order intake of 62 million euros and a turnover of 60 million euros. The net result was negatively impacted by the departure of a tenant at a real estate company which is consolidated with Agidens and amounted to -0.5 million euros.

The group currently has about 500 employees, spread across Belgium, the Netherlands and Switzerland.

Agidens | Process automation

Agidens NV

(€ 1,000)	2022	2021	2020
Turnover	**59,745**	74,807	91,688
EBITDA	**4,045**	10,758	7,363
Net result (group share)	**-492**	5,410	1,299
Shareholders' equity (group share)	**22,589**	23,068	17,583
Net financial position	**-340**	1,959	-11,873

Partners for sustainable growth

3 GOOD HEALTH AND WELL-BEING
8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

- Agidens pursues a sustainable ESG policy, guided by the UN SDGs. Agidens is committed to respect, well-being and positive development for all stakeholders, and stimulates safe working and lifelong learning of its employees. As a technology firm, Agidens focuses strongly on innovation, and through its activities makes an important contribution to improving efficient and energy-saving production processes of its customers.

www.agidens.com

Agidens

Shareholding percentage AvH

48%

Christian
Leysen

Carl
Peeters

Veerle
Peeters

AXE Investments

AXE Investments is an investment company with participations in the IT group Xylos and in Agidens. It also owns part of the Ahlers building on the Noorderlaan in Antwerp.

A thorough renovation of the tenth floor of Ahlers House began in late 2022.

With its 200 specialists, Xylos focuses on 4 core competencies: Infrastructure, Cloud Technology, Information Management and Digital Collaboration, and Learning.

Infrastructure: Xylos has been a respected infrastructure integrator for many years. Today, Xylos ranks among the top 5 players in Belgium and is a leading partner of HPE in data centre and backup infrastructure.

Cloud technology: Xylos provides assistance and solutions in cloud technology based on Azure (Microsoft). With highly qualified technical consultants, the company is a strategic partner for its customers.

Information management and digital collaboration: Xylos was at the forefront of a vibrant Belgian community around this technology, building and integrating a.o. SharePoint applications.

Learning: Xylos provides change & adoption support through training and digital coaches. In addition to the traditional services, the in-house developed digital learning platform Oase is rolled out on a European scale and used by approximately 200,000 users through a licensing model.

Xylos’ turnover increased by 7% in 2022 thanks to a strong performance of the Infrastructure division. The strategic decision to focus more explicitly on a limited number of areas of expertise resulted in a number of transformation costs and revenues. The rental income from the Ahlers building was 7% lower, partly because of renovation works. As part of its revised strategy, Xylos sold its subsidiary Bagaar, active in software platforms and smart products, to the Verhaert Group in 2022. These factors led to an increase of the net result from -0.2 million euros in 2021 to 0.4 million euros in 2022.

AXE Investments NV[1]

(€ 1,000)	2022	2021	2020
Turnover	**503**	542	568
EBITDA	**51**	255	168
Net result (group share)	**403**	-223	-434
Shareholders’ equity (group share)	**14,566**	14,184	14,407
Net financial position	**5,052**	5,045	4,470

[1] The figures of Agidens are not consolidated at the level of AXE Investments.

AXE Investments I Xylos

AXE Investments holds a 26.23% participation in Agidens. AvH’s participation in Agidens (on page 122) includes the shareholding (economic) held by AXE. The income statement at the bottom of this page does not include a contribution from Agidens.

Partners for sustainable growth

3 GOOD HEALTH AND WELL-BEING
5 GENDER EQUALITY
7 AFFORDABLE AND CLEAN ENERGY
10 REDUCED INEQUALITIES
13 CLIMATE ACTION
17 PARTNERSHIPS FOR THE GOALS

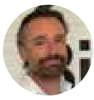
- Xylos attaches particular importance to sustainable development.
- A focus group is working on initiatives around personal growth, health and well-being of employees.
- Not only with staff, but also with customers, partners and suppliers, Xylos strives for a long-term relationship in which trust is central.
- Xylos is also continuously tightening its ecological footprint with creative, sustainable and affordable energy and mobility campaigns.

www.axe-investments.com

axe investments

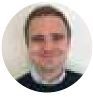
Shareholding percentage AvH

56%



Philippe
Jans

Els
Van Brussel



Klaas
Vanhee

Biolectric

Biolectric is market leader in the production and sale of compact biogas installations (11 to 74 kW) intended for dairy cattle and pig farms and water purification stations. Thanks to the anaerobic digestion technique, methane gas from manure and sludge is converted into sustainable electricity and heat, avoiding the emission of harmful greenhouse gases.

Biolectric experienced a challenging year due to rising energy and material costs as a result of the military conflict in Ukraine on the one hand, and the ongoing nitrogen issue in the Netherlands and Flanders on the other. These conditions created uncertainty in the market.

Nevertheless, Biolectric was able to sell 138 biogas installations in 2022 (+35% compared to 2021), of which 49% in Benelux, 17% in Poland and 16% in France. A remarkable trend is the growing interest in Germany, where 8 orders were placed compared to just 2 in 2021.

In 2022, a turnover of 11.6 million euros (+21.7%) was realised, and 49 digesters were installed at customers in several countries. Today, more than 250 Biolectric installations across Europe are contributing to a more sustainable agriculture.

Biolectric continues to invest in strengthening its direct sales organisation, a top-quality after-sales service, research and development, and shortening the lead time between signing the contract and putting up the biogas installation.

The group reported a loss of 0.6 million euros, primarily because of those investments. The installation of digesters was also complicated by the longer lead time of the direct sales.

In 2023, Biolectric will install the first pilot plants in the Netherlands for the purification of biogas into biomethane for industrial and residential consumption. In this way, Biolectric diversifies its product range and embraces the market trend of larger installations towards the production of sustainable natural gas.

Biolectric | Biogas installation

Biolectric NV

(€ 1,000)	2022	2021	2020
Turnover	**11,584**	9,521	8,588
EBITDA	**-134**	-876	199
Net result (group share)	**-641**	-1,013	-125
Shareholders' equity (group share)	**9,619**	9,767	9,774
Net financial position	**-4,239**	-6,069	-3,691

Partners for sustainable growth

7 AFFORDABLE AND CLEAN ENERGY | 8 DECENT WORK AND ECONOMIC GROWTH | 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION | 13 CLIMATE ACTION

- Biolectric's innovations in manure digestion and nitrogen stripping help to reduce greenhouse gas and nitrogen emissions by 82% and 65% respectively. Its fertilizer substitutes contribute to a 45% reduction of phosphate deposits on fields.
- By installing a Biolectric digester, an average Belgian farm avoids 270 tonnes of CO_2 equivalents of methane gas emissions, which corresponds to the annual emissions from 150 cars. Biolectric's solution thus creates a win-win situation for farming and the environment.

www.biolectric.be

Biolectric®

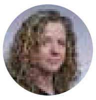
Shareholding percentage AvH

23%


Shaun
Gregory


Bevan
Gibson


Rohan
Mitchel


Wendy
Stanborough


Stephane
Vermersch

EMG

EMG is a leading global player in broadcast and media solutions for live sports, entertainment and events. The company operates in 10 countries: France, Belgium, the Netherlands, Germany, the United Kingdom, Switzerland, Italy, Luxembourg, the USA and Australia. EMG works in these countries, but also beyond, for an ever-growing group of relevant broadcasters and production houses.

In 2022, EMG contributed once again with crew and technology to the most watched television broadcasts worldwide like the FIFA World Cup, Tour de France and Winter Olympics in Beijing, the latter under very difficult circumstances due to COVID-19.

Apart from all the projects 2022 was also about rebranding of the local businesses in Italy and the UK under the EMG brand. All core business companies in the group now have the same look and brand experience with the result that the company can more easily compete internationally with others and has also created more international cooperation and synergy in-house. Meanwhile, the connectivity companies in the group are consolidated and operate under the brand name EMG Connectivity.

Besides the aforementioned projects, EMG participated in numerous other sports events including the UEFA Women's Euro, the European Championships in Munich, Roland Garros and for the first time the Giro d'Italia. Among the entertainment programmes were the popular shows like Dancing with the Stars, Love Island and the Masked Singer and dozens of concert films for artists like Queen, Dua Lipa and many others. Also, EMG was one of the main contributors to the global television coverage of the funeral of HM Queen Elizabeth.

During 2022 the Group also managed to simplify its structure and re-focus on its core activities. The Group retreated from its holdings in Studio de Paris, SDNsquare, Simply Live as well as the Italian coproduction and studio activities.

In 2022 EMG has realized a turnover of 359.1 million euros which is -2% vs 2021 as a result of the above-mentioned disinvestments operated in 2022. Like-for-like, the turnover increased by 10%. The net result increased to 4.2 million euros.


EMG I Guus Meeuwis concert

Financière EMG

(€ 1,000)	2022	2021	2020
Turnover	**359,128**	366,845	240,850
EBITDA	**55,899**	59,666	13,806
Net result (group share)	**4,232**	152	-44,690
Shareholders' equity (group share)[1]	**90,996**	88,269	82,081
Net financial position	**-128,475**	-162,470	-147,687

[1] Including shareholder loans and/or convertible bonds

Partners for sustainable growth

- For 2023 EMG will also continue its focus on sustainable 'remote production' technology. In 2022, more than 4,000 broadcast productions were delivered through the remote operations centres of EMG which led to significant reduction of carbon emissions.
- EMG is committed to its ESG responsibilities and be focusing on clear priorities in 2023:
  - EMG is instigating a baseline carbon emissions report for 2022, including Scope 3, as a basis to define further carbon reduction targets and an action plan
  - Roll-out of an EMG group wide awareness training on climate change
  - Sustainability best practice guidelines adopted globally with a ratified decarbonization plan
  - Mandatory internal training on inclusion, unconscious bias and safety and dignity in the workplace

www.emglive.com

Shareholding percentage AvH

14%

Gert
Ysebaert

Kristiaan
De Beukelaer

Paul
Verwilt

Mediahuis

Mediahuis is one of the leading media groups in Belgium, the Netherlands, Ireland, Luxembourg and the German North Rhine-Westphalia region. The national and regional news titles of Mediahuis supply more than 10 million readers each day with online and printed news.

2022 was a year marked by war, climate change, energy crisis and inflation, in which the Mediahuis news brands continued to bring reliable and independent journalism, gave commentary and were a guide for readers in uncertain times.

The increase in subscribers that has been driven by a surge in digital subscriptions in recent years came under pressure in 2022 because of the difficult economic context. Nevertheless, Mediahuis succeeded in keeping the total number of print and digital newspaper subscriptions stable, with 43% of all Mediahuis subscribers reading the newspaper in digital format today. The turnover from printed newspaper sales also remained stable relative to the previous year. Despite the decrease of print volume, the virtual doubling of the paper price weighed heavily on the gross margin and was only partially offset by other cost reductions. On the advertising market, the Mediahuis titles managed to maintain their advertising income at the level of 2021.

In January 2022, Mediahuis finalised the acquisition of the German Aachener Verlagsgesellschaft. This made the group the majority shareholder of Medienhaus Aachen, publisher of several newspapers such as Aachener Zeitung. For Medienhaus Aachen, 2022 was therefore dominated by the integration in the Mediahuis group and the acceleration of the digital transformation. The German operations already made a satisfactory contribution to Mediahuis' consolidated turnover in the first year.

With the acquisition of Carzone.ie, Ireland's official number one site for buying and selling new and second-hand cars, Mediahuis Marketplaces strengthened its position in the digital car market. The acquisition of the Irish site Switcher.ie marked Mediahuis' first foray into the online price comparison market.

Mediahuis Ventures strengthened its position in the education technology market last year with its investment in the remote-first university Tomorrow's Education and took its first steps in the HR technology market with its investment in the Berlin-based HiPeople.

Mediahuis realised a consolidated turnover of 1,233 million euros and a net result of 65.3 million euros in 2022.

Mediahuis | Aachener Zeitung

Mediahuis NV

(€ 1,000)	2022	2021	2020
Turnover	**1,222,960**	1,130,790	990,527
EBITDA	**173,800**	240,480	172,010
Net result (group share)	**65,264**	117,321	58,592
Shareholders' equity (group share)	**483,600**	482,477	378,525
Net financial position	**-221,100**	-151,880	-228,139

Partners for sustainable growth

- Through the Media Development Investment Fund, Mediahuis granted financial and logistical support to 5 independent Ukrainian news media which were thus able to continue providing maximum news coverage in extremely difficult circumstances. 2022 was also the year in which Mediahuis hosted the Festival of Journalism for the first time: two days of new insights, workshops, debates and knowledge sharing with about 150 Mediahuis journalists from different countries.
- Mediahuis wants to become more diverse and more inclusive as a group. Therefore, among other things, Youth Lab was created where young and diverse journalistic talent is coached by experienced Mediahuis journalists during a one-year traineeship. In this way, the editorial floor becomes more diverse and the group can connect more to young readers from immigrant backgrounds.
- As part of the green transition, CO_2 reduction targets were tightened, in line with the Science Based Targets to which Mediahuis is committed.

www.mediahuis.be

MEDIAHUIS

Shareholding percentage AvH

20%


Anita
Van Looveren


Georges
Schepens


Jan
Geuens

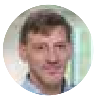

Kurt
Gillis


Abhi
Patel


Luc
Schepens

OMP


Marc
Scherens


Bart
Stijnen


Pieter
Van Nyen


Paul
Vanvuchelen


Philip
Vervloesem

OMP is a leading company in the fast-growing digital market of supply chain planning (SCP). OMP implements its Unison Planning™ solution worldwide.

OMP is known for its industry knowledge and integrated planning solution. Gartner, for example, has regarded it for many years now as a leading company with the capacity and the expertise to successfully realise large-scale supply chain planning projects, to great customer satisfaction.

OMP continued its strong growth in 2022 with a turnover of 167 million euros (a 44% increase) and an EBITDA margin of 29%, well above budget and despite challenging economic conditions.

OMP's products helped customers gain a better view of their supply chains that were disrupted by COVID-19, the economic crisis or the war in Ukraine. Globally operating companies in the chemical, life sciences and consumer goods industries launched or speeded up their supply chain planning projects. Customers from more traditional sectors such as the metal and packaging industries also continued to invest in it. The strong interest was confirmed at the successful OMP conference in Atlanta in June 2022.

The software was further developed, with emphasis on performance and scalability of the basic software and functional extensions for the different industries. All services experienced continued growth: advisory, implementation, user engagement, cloud services and customer services.

In 2022, OMP continued to hire new staff at a solid pace. OMP now has more than 800 employees spread across more than 10 countries. In addition, OMP also uses the services of some 150 staff members of partners. OMP continues to invest heavily in recruitment and in the development of a worldwide alliance network to support growth and to offer a global service for the digital transformation projects of its global customers.

OMP NV

(€ 1,000)	2022	2021	2020
Turnover	**166,657**	115,713	96,951
EBITDA	**47,920**	30,716	28,280
Net result (group share)	**35,519**	23,777	17,753
Shareholders' equity (group share)	**115,128**	83,494	60,853
Net financial position	**80,285**	64,844	46,517


OMP | Digital supply chain planning

Partners for sustainable growth

- OMP's activities make the supply chain more efficient, more resilient and more sustainable, for example by reducing inventory needs and lead times, thereby saving energy and raw materials. Unison Planning provides practical tools that allow companies to reduce the CO_2 emissions of their entire supply chain.
- Teamwork, an in-depth industry knowledge, the willingness to keep learning, the investment in long-term partnerships and customer focus are at the heart of OMP's DNA.

www.omp.com

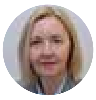
Shareholding percentage AvH

50%


Christopher
Maas


Elzbieta
Czekawy


Tobias
Müller


Alicja
Ozimek


Grego
Peters


Dieter
Schneider

Telemond Group

Telemond Group is a manufacturer of high-grade steel structures and modules for the hoisting and automotive industry.

Telemond Group delivered very strong results over 2022 on the back of a strong demand for heavy-lifting equipment following the market recovery after COVID and high worldwide infrastructure investments. The group was also able in 2022 to increase its market share in the lattice structure crane segment. The turnover increased by 30% to 128.4 million euros, on which Telemond realised a net profit of 15.2 million euros. However, this was positively impacted by a capital gain on the sale of land and by exceptional market conditions that allowed Telemond to respond to profoundly disrupted supply chains of its customers.

Telemond, supplying telescopic and lattice structure booms to the crane industry, benefited from a strong demand for mobile and crawler cranes in particular, notwithstanding geopolitical and inflation headwinds. This was mainly driven by strong global investments in renewable wind and large infrastructure projects, notably in the US. The company was also able to take over important volumes in the lattice structure segment, illustrating its reputation as one of the best and most reliable suppliers in its industry. Furthermore, Telemond continued its investments in process optimization and automation.

Teleyard, active in the offshore project business and container handling, benefited from an increased focus on serial production and saw a return to healthy levels of profitability as of the second half of the year. Especially in the container handling segment, Teleyard saw a strong market demand following the global supply chain disruption and bottlenecks. The company also successful commenced the production ramp-up of lattice structures for the crane industry.

Henschel Engineering Automotive, a tier 1 supplier of drop side bodies and three-way tippers for light utility vehicles, continued to deliver strong results despite very challenging market conditions with the disruption in global supply chains and a strong increase in raw material prices. The company's lean cost structure and hands-on management have nevertheless helped steering Henschel through these headwinds.

Telemond Group

(€ 1,000)	2022	2021	2020
Turnover	**128,408**	98,953	84,050
EBITDA	**20,628**	12,622	9,973
Net result (group share)	**15,156**	8,888	6,074
Shareholders' equity (group share)	**69,440**	59,823	54,451
Net financial position	**5,903**	-3,888	-3,516


Telemond | Automatic welding line for telescopic booms

The Telemond Group was also confronted with the human tragedy of the conflict in Ukraine. The group has supported over 130 Ukrainian employees and their families, while also aiding the local Polish communities face the crisis. AvH wishes to pay tribute to all employees for the solidarity they have shown over the last months to Ukrainian refugees.

Early February 2023, after a successful partnership lasting more than 30 years, Ackermans & van Haaren sold its 50% participation in Telemond Group to its long-standing partner, the German Maas family. This sale earned AvH a cash revenue of 55 million euros and a capital gain of 19 million euros. AvH is proud of having contributed to Telemond's remarkable growth story over this period and is convinced that the company will continue to thrive under the leadership of Christopher Maas and his management team.

Partners for sustainable growth

- Telemond is increasingly focused on reducing its carbon footprint. The company is especially targeting the decrease of energy costs, a.o. through the potential installation of solar panels. The group is also making great efforts to reduce waste in all the support functions of the operations.

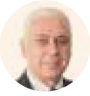
www.telemond.be

TELEMOND

Shareholding percentage AvH

50%


Piet
Wauters


Gheorghe
Chita


Kristof
Derudder


Bart
Dobbels


Sergei
Tarasiuk


Peter
Tytgadt


Serge
Van Hulle


Georgi
Zagorov

Turbo’s Hoet Group

Turbo’s Hoet Group (THG) is a leading European truck dealer and leasing company for commercial vehicles. In addition, THG is also one of the major European turbo distributors for the aftermarket.

With 78 branches in 8 countries, **TH Trucks** is one of the biggest DAF dealers worldwide, and also a dealer of a.o. Iveco, Ford Trucks, Nissan, Isuzu, Fiat Professional, Fuso and Kögel.

TH Lease is the largest independent leasing company for commercial vehicles in Belgium. This service can also be offered to customers in the other countries where THG operates.

TH Turbos is a major European turbo distributor for the aftermarket of passenger cars, trucks and industrial applications, with own branches in 5 countries.

THG reported its best ever results in 2022 for the second year in a row, despite the war in Ukraine and the concomitant sanctions, the continuing disruption of supply chains with long delivery times of new trucks, high inflation and significant price increases. The European truck market (+16T) grew in 2022 by 7% to 299,000 vehicles, although this is still approximately 8% lower than the pre-corona market. THG realised a turnover increase of 5% to 654 million euros, an EBITDA increase of 29% to 47.1 million euros, and a net profit of 24.8 million euros. The group was again able to substantially reduce its net financial debt to 75.7 million euros (-15%).

For 2023, the manufacturers expect a European market (+16T) of around 270,000 to 310,000 vehicles. Due to the continuing long delivery times, which are nevertheless becoming shorter again, THG’s order book is still better filled than usual, and a further turnover increase is expected for 2023. The evolution of the war in Ukraine will undoubtedly have an impact on these projections, although it is not possible to make an accurate estimate of the situation. THG has made every effort in 2022 to ensure continuity at the branches affected by the conflict. Despite this difficult geopolitical outlook, THG looks to the future with confidence and firmly believes that it will be able to continue to deploy its strategy of sustainable profitable growth.

Turbo’s Hoet Groep NV

(€ 1,000)	2022	2021	2020
Turnover	**653,767**	620,486	447,935
EBITDA	**47,096**	36,455	29,049
Net result (group share)	**24,826**	18,083	7,178
Shareholders’ equity (group share)	**152,297**	132,806	118,363
Net financial position	**-75,692**	-89,514	-106,319


Turbo’s Hoet Group I Romania

Partners for sustainable growth

3 GOOD HEALTH AND WELL-BEING
8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
16 PEACE, JUSTICE AND STRONG INSTITUTIONS

- THG attaches huge importance to sustainable and ethical entrepreneurship, with respect for the individual and for society as a whole. A new TH Code of Conduct was developed in 2022, in addition to an already existing fairly comprehensive compliance framework. Staff are motivated and committed, in part through training, to pursue the objectives of sustainable and ethical entrepreneurship.
- In 2022, THG started monitoring and reporting its CO_2 footprint (2022: 5,411.6 tonnes of CO_2-eq) on a monthly basis. The group is thus preparing for the new obligations relating to the EU CSRD directive, which will apply from 2025.
- TH joins its partners and suppliers in taking the lead in fostering a general awareness and in the search for more environmentally-friendly sustainable transport solutions.
- THG continues to make ongoing investments in its infrastructure, with a specific focus on sustainability. More than 1MW of solar panels have already been installed on its buildings, but other elements (such as LED lighting, ventilation, insulation) are also considered in each project.

www.th-group.eu

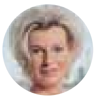
TURBOS HOET GROUP

Shareholding percentage AvH

22%

Jo
Van Moer

Bert
Calluy



Ann
Cools

Iwan
De Block

Joris
Emanuel

Carl
Ghekiere

Yves
Hebb

Eric
Noterman

Steven
Pauwels

Anne
Verstraeten

Van Moer Logistics

Van Moer Logistics is an integrated logistics service provider active in road transport, intermodal transport and goods warehousing. The group has 30 locations in Belgium and Germany, and employs 2,200 people. Van Moer Logistics runs a fleet of 500 trucks, 9 barges and 680,000 m² of warehouses.

In 2022, Van Moer Logstics realised a turnover increase of 40% to 310 million euros, both by organic growth and by acquisitions.

In early 2022, Van Moer Logistics acquired the German company Holtstieger Speditions- und Lagerhaus GmbH in Nettetal. At the end of the second quarter, the acquisitions of Group Van Loon (integrated in Van Moer Cleaning & Repair and Van Moer Bulk & Liquids) and Broekman Logistics Belgium Antwerp (now Van Moer Chemicals) were completed as well. In the last quarter, Van Moer Logistics acquired Rhenus Terminal Brussels (now Van Moer Brussels).

The organic growth manifested itself in all divisions (warehousing, transport, ports & intermodal logistics, and bulk & tank container logistics). Profitability improved primarily in the 'warehousing', 'ports & intermodal logistics' and 'bulk & tank container logistics' divisions as a result of the high demand for storage space in the warehouses and at the terminals. In the last quarter of 2022, Van Moer Logistics experienced the impact of the war in Ukraine and the energy crisis. The warehouses still had high occupancy rates, but the flow of goods slowed considerably (fewer in & outs in the warehouses). The transport divisions also experienced a sharp decrease as a result.

This trend continues into the first quarter of 2023. Van Moer Logistics expects a further decrease in the demand for warehousing and transport in the first half of 2023.

Van Moer Logistics | Warehouse Antwerp

Van Moer Logistics NV

(€ 1,000)	2022	2021
Turnover	**310,267**	222,378
EBITDA	**22,187**	14,520
Net result (group share)	**5,754**	1,328
Shareholders' equity (group share)	**42,106**	36,266
Net financial position	**-28,398**	-15,806

Partners for sustainable growth

3 GOOD HEALTH AND WELL-BEING
4 QUALITY EDUCATION
5 GENDER EQUALITY
7 AFFORDABLE AND CLEAN ENERGY
8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
11 SUSTAINABLE CITIES AND COMMUNITIES
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION
14 LIFE BELOW WATER
16 PEACE, JUSTICE AND STRONG INSTITUTIONS
17 PARTNERSHIPS FOR THE GOALS

- After a successful test phase with the dual fuel hydrogen truck, 10 additional trucks were ordered for delivery in April 2023. These trucks emit up to 80% less carbon dioxide and are also economically viable.
- Construction of a new 7,500 m² BREEAM warehouse was started on the site in Zwijndrecht. The warehouse will accommodate a state-of-the-art and fully automated filling line that meets the highest safety and environmental standards.
- 2 million euros was invested in Rombit's security technology. Over the next three years, 335 forklifts will be gradually equipped with Internet of Things (IoT) technology to optimise productivity, safety and quality in the workplace.
- The subsidiary WeBarge has added three hybrid river drone barges to its barge fleet. The Stage V engine reduces CO_2 by 37% and NOx and particulate emissions by 81% and 97%, respectively. The engines can be quickly converted to alternative fuels such as hydrogen or electricity at a later stage.
- Two divisions of Van Moer Logistics renewed their Ecovadis ratings in early 2022. The bulk and tank container division won a gold rating and the transport division obtained a silver rating. In 2021, the intermodal division had already received a gold rating.

www.vanmoer.com

VAN MOER Logistics

Shareholding percentage AvH (fair value investment)

6%

Hanne
Callewaert

Wilfried
Dalemans

Emmanuel
Hanon

AstriVax

AstriVax uses DNA technology to develop new vaccines that are easy to produce, have less cold chain requirements, and offer broad and long-lasting protection against various viruses and other pathogens.

AstriVax, a spin-off from KU Leuven Rega Insitute for Medical Research, was founded in the summer of 2022. The company closed a capital round of 30 million euros. Over time, AvH will obtain a shareholding of 7.7% in AstriVax.

AstriVax uses DNA technology developed at the Rega Institute by Prof. Neyts and Prof. Dallmeier and thus aims to develop new vaccines, more specifically prophylactic vaccines to protect against yellow fever and rabies. Together, both diseases cause nearly 90,000 deaths a year worldwide, mainly in developing countries. The current vaccines are difficult to make and shortages are regularly reported. They are also difficult to transport in tropical regions as they require a complex cold chain. In addition, AstriVax is also developing therapeutic vaccines with, first and foremost, a curative Hepatitis B vaccine.

Since its inception, AstriVax has achieved several important milestones. Besides the opening of the offices and the relocation of the academic research to an industrial setting, CEO Dr. Hanne Callewaert recently welcomed her 13th staff member. The company also hired Dr. Emmanuel Hanon, former Global Head of Vaccine R&D at GSK. Dr. Hanon brings considerable expertise, both in prophylactic and therapeutic vaccines, and will focus on the development of the Hepatitis B vaccine, among other things. Wilfried Dalemans, a veteran of the Belgian biotech world and former CTO of Tigenix, has been hired for the same role at AstriVax. Dr. Dalemans will direct the production method development of these innovative vaccines. AstriVax's board of directors also welcomed Dr. Jeanne Bolger as independent chairwoman. Dr. Bolger is a physician by training and has been active in Johnson & Johnson's Licensing and Acquisition team for more than a decade. Before that, she was a director in the Business Development division of GlaxoSmithKline. From 2012 to 2022, Dr. Bolger was Vice President of Venture Investments at Johnson & Johnson Innovation and responsible for the corporate venturing activities in Europe.

AstriVax I DNA string

Partners for sustainable growth

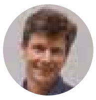
- With the development of vaccines for serious diseases, some of which have increased tropical geographic prevalence, AstriVax contributes to the global health situation.

www.astrivax.com

Shareholding percentage AvH (fair value investment)

12%


Patrice
Sellès


Carlo
Boutton


Luc
Maertens


Patrick
McDonnell


Wim
Ottevaere

Biotalys

Biotalys, is an agricultural technology (AgTech) company which disposes of a groundbreaking technology platform to develop effective and safe crop and food protection products with novel modes of action, addressing key pests and diseases across the whole food value chain. Biotalys is listed on Euronext Brussels following a successful IPO in July 2021.

Biotalys managed to realize several important milestones in 2022.

With more than 600 trials to date, the Biotalys global field trial program continued to prove the strength and efficacy of its first biofungicide Evoca™. In field trials in 2022, Evoca™ outperformed a leading chemical product when applied at the flowering stage of grapes in a fungicide rotation program. Following EPA regulatory approval expected in the course of 2023, the first generation of Evoca™ will become available to U.S. growers looking for new tools to protect their crops more sustainably.

After the achievement of a significant breakthrough in protein expression resulting in a 500% increase in production and dramatically lowering the production costs for the bioactive ingredient of Evoca™, Biotalys adapted its biofungicide pipeline to effectively capture market share. The next generation of Evoca™ has progressed into the development stage and is planned to enter both the US and the EU markets by 2026. The company expects this next generation of Evoca™ to generate positive cashflow margins. This will not be the case for the first generation of Evoca™ in view of current production costs. BioFun-6 continues to progress according to plan, allowing Biotalys to focus on throughput and selection capacity, increasing the probability of success and a differentiating offer in the field of fruit and vegetables protection by 2028.

The Fungicide Resistance Action Committee (FRAC) granted an entirely new class for the active ingredient of Evoca™. This new classification demonstrates to growers that Evoca™ will be a new tool that complements existing biological and conventional crop protection solutions to fight the fungal diseases Botrytis and powdery mildew.

After the realization of a successful feasibility study for an alternative manufacturing process offering a significant cost reduction for the production of Evoca™, the Danish group Novozymes, a world leader in biotech solutions, and Biotalys entered into the next phase of their partnership to expand opportunities for Evoca™, with the option of a possible commercial collaboration for a future generation of the product.

At the beginning of 2022, Biotalys initiated the new fungicide program funded by the Gates Foundation (BioFun-7) to develop new biological solutions for cowpeas and other legumes. This new program is an important opportunity for the Biotalys team to leverage the antifungal know-how built with its AGROBODY Foundry™ platform and is providing funding to Biotalys of more than 5.1 million euros over 4 years.

The board of directors and management team of Biotalys were strengthened with the appointment of, respectively, Dr. Michiel van Lookeren Campagne as independent director (ex-Syngenta, Bayer and CSIRO) and Carlo Boutton, PhD, as Chief Scientific Officer (ex-Ablynx and Tibotec).

Biotalys | Tests with plants

Partners for sustainable growth

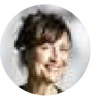
- In May 2022, the biocontrol Evoca™ won the World BioProtection Award 2022 for Best Biofungicide Product at the World BioProtection Summit in Birmingham (UK), based on the innovative character, scientific value and market potential of the product.

www.biotalys.com

biotalys
reinventing food protection

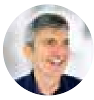
Shareholding percentage AvH (fair value investment)

12%


Danaë
Delbeke


Peter
Devlin


Gijs
Klarenbeeck


Emmet
Lydon


Paul
Moraviec


Daniel
Verstappen

Indigo Diabetes

Indigo Diabetes is a pioneering developer of medical devices that utilise proprietary nanophotonics technology.

Indigo is developing a fully implantable Continuous multi-metabolite Monitoring (CMM) system for people living with diabetes to access accurate information on their glucose, ketones and lactate levels. The CMM sensor is inserted subcutaneously, avoiding the need for people with diabetes to wear an external device on their body. It is designed to give people living with diabetes and their caregivers instant access to the augmented metabolic information they need to better manage diabetes and improve therapeutic decision-making.

This year, leveraging on the results of GLOW, a prospective, single-center early feasibility study conducted in 2021 aiming to evaluate the safety of Indigo's CMM sensor and its short-term integration into the tissue, Indigo worked on the further development of its device to allow real-time, continuous measurement of glucose, ketone, and lactate levels in adults with diabetes.

In September 2022, Indigo announced the enrolment of the first participant in the SHINE clinical trial at the Antwerp University Hospital. SHINE will evaluate the long-term stability of Indigo's multi-biomarker sensor for people with diabetes. This represented the first of approximately 7 participants to be recruited in the trial across Belgium, and Slovenia. The latter site is due to start enrolment in the second quarter of 2023.

Towards the end of 2022, Indigo received the ISO 13485:2016 medical recertification from TüV SUD for the provision of its design and development of biomarker sensing devices and services. This achievement is a significant milestone for Indigo highlighting the suitability of the company's Quality Management System and its commitment to quality. ISO 13485:2016 is an internationally recognised quality standard specific to the medical device industry.

Over the year, Indigo also further reinforced the team with a number of senior hires taking the total headcount to 45, reflecting the ongoing growth of the business and evolution from an early stage to a development stage organisation with clinical proof of concept.

Indigo Diabetes | Product (render) under clinical investigation

Partners for sustainable growth

3 GOOD HEALTH AND WELL-BEING
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION
17 PARTNERSHIPS FOR THE GOALS

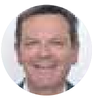
- As a young company with a potentially great socio-economic impact, Indigo Diabetes prioritised ESG right from the start in its various policy choices.
- Today, Indigo's multidisciplinary team numbers 45 experts of 12 different nationalities. The HR policy is geared towards an inclusive organisation supported by its diversity.
- Its product development prioritises sustainable product life cycle management, with minimal packaging and no-waste processes.
- Its operational policy, even as a small business, is also focused on sustainability.

www.indigomed.com

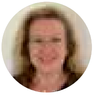
Shareholding percentage AvH (fair value investment)

16%

Sam
Possemiers



Ludo
Haazen



Christiane
Verhaegen

MRM Health

MRM Health develops innovative medicines based on healthy intestinal bacteria. The company has developed a new technology that allows the composition and production of combinations of specific intestinal bacteria as ground-breaking medicines for treating inflammatory diseases, neurological disorders and metabolic diseases.

The intestines harbour a large population of bacteria (the microbiome) with an important regulatory function in the body. Disruptions are strongly associated with local diseases of the intestine, such as inflammatory bowel disease, as well as disorders in the rest of the body, such as arthritis, diabetes and Parkinson's disease.

MRM Health was established at the beginning of 2020 by the Ghent-based microbiome expert MRM Technologies, in collaboration with the VIB research institute.

The first clinical trial in patients with MH002, a drug candidate for inflammatory bowel diseases such as colitis ulcerosa, was started at the end of 2021. By the end of 2022, recruitment for the trial was completed and more than 30% of the participants had already completed the whole trial. The first results are expected around mid-2023. In 2022, the second clinical trial with MH002 was also started up for the treatment of pouchitis. Patient recruitment for this additional Phase 2 trial is currently under way at several clinical centres in Europe.

In addition, MRM Health has achieved major progress in several preclinical programmes in 2022. In the type 2 diabetes programme, in collaboration with IFF, a new candidate consortium to treat this type of diabetes was successfully tested in preclinical models, achieving a second important milestone in the project on time. In addition, the project on the development of a pioneering treatment for Parkinson's disease has also gained momentum thanks to the award of nearly 2 million euros in grants by VLAIO. Finally, a new project demonstrated the ability of a consortium developed with MRM Health's unique CORAL® technology platform to combat non-alcoholic fatty liver and liver fibrosis. This is yet another confirmation of the potential of the microbiome as a source of therapeutic agents and of the power of the CORAL® technology platform.

Finally, MRM Health more than tripled its own collection of bacterial strains in 2022. This expansion ensures a sharply increased access to potentially therapeutic strains and a more efficient and faster development process.

MRM Health | Microbiome

Partners for sustainable growth

1 NO POVERTY
3 GOOD HEALTH AND WELL-BEING
5 GENDER EQUALITY
8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

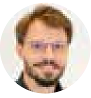
- MRM Health focuses on the improvement of health in society and puts the patient first in strategic choices.
- In the pursuit of its strategic growth, the use of innovative technologies and making decisions, MRM Health prioritises ethics, sustainability, good governance, society and environment.

www.mrmhealth.com

Shareholding percentage AvH (fair value investment)

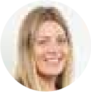
10%


Bernard Courtieu


François Degrave


Jean-Pol Detiffe


Pierre Flamant


Berengere Genin


Gregori Ghitti


Emmanuel Martin

OncoDNA

OncoDNA is a genomic and theranostic company specializing in precision medicine for the treatment of cancer and genetic diseases.

OncoDNA provides its customers (clinicians, academic researchers and biopharma companies) with tools designed to outsmart molecular complexity with the mission of delivering the promise of precision medicine. The company provides clinical guidance for the treatment and real-time monitoring of late-stage cancer patients but also supports research and drug development in cancer and genetic diseases.

OncoDNA employs over 110 employees across 9 countries, works with an international network of 35 distributors and is active in all continents.

In 2022, OncoDNA achieved another solid growth. Turnover increased by 7% to 16.7 million euros, principally fuelled by an increase in activity in services to R&D clients.

2022 has also been a pivot year for the company, with the launch of a CE marked, pan-cancer diagnostic kit solution at the ESMO (European Society for Medical Oncology) convention in Paris. This will enable laboratories across the globe to realize the molecular profiling of cancers and to potentially identify treatment alternatives for patients suffering from advanced forms of cancers. This is a major step for OncoDNA as it will enable the decentralization of its model and provide a much larger reach than its original model where all tests were realized in one single central laboratory.

In parallel, significant efforts in quality assurance have been made in order to better serve industrial customers. The management expects this to materialize in 2023 with the goal of obtaining an international certification of the lab operations in Evry (France).

Eventually, OncoDNA continued the development of its portfolio of diagnostic tests with a focus on liquid biopsy and sequencing of circulating tumour DNA, a non-invasive way to access the tumour profile and provide improved patient monitoring and early identification of relapse.

OncoDNA I Diagnostic test

Partners for sustainable growth

3 GOOD HEALTH AND WELL-BEING

- OncoDNA teams are every day fully committed to improve health and well-being. The company expects to reach more patients and improve its ESG policy regarding societal impact, human capital and corporate governance. On the long-term, OncoDNA looks forward to deliver the promises of personalized medicine.

www.oncodna.com

OncoDNA
THE CANCER THERANOSTIC COMPANY

Shareholding percentage AvH (fair value investment)

3%

Harsha
Raghavan

Amruta
Adukia

Sarvjit
Bedi

Convergent Finance

Convergent Finance is a Mumbai-based investment management and advisory partnership with a focus on investing in well-established and listed companies in India.

According to the World Bank, India's gross domestic product (GDP) has grown by ~6% annually over the last 10 years to reach approximately 3.2 trillion USD as of 2021. Morgan Stanley has recently estimated that GDP growth will accelerate further to reach 7.5 trillion USD by 2031. Themes driving India's growth include the formalization and consolidation of the historically fragmented economy, government interventions including a bankruptcy code and a goods and services tax, a push for increased manufacturing focusing on export competitiveness and import substitution, and rising consumer demand from India's vast middle class.

In October 2022, Convergent entered into a strategic partnership with AvH to leverage the group's operating and industrial expertise and global networks. AvH invested 6 million euros in a fund managed by Convergent Finance and co-CEO John-Eric Bertrand was appointed as the Chairman of Convergent's Advisory Council to help the firm with future investments and strategies for portfolio companies.

Convergent focuses on a variety of sectors such as food & beverage, specialty chemicals, clean technology and healthcare. Current investments include listed companies such as ADF Foods, Camlin Fine Sciences, Borosil Renewables and Jagsonpal Pharmaceuticals. Convergent's investment process involves identifying proprietary platform and bolt-on opportunities, speed of execution, and a relentless focus on performance improvement.

Convergent targets cash flow-generative businesses with value-driven management teams that have proven themselves across business cycles. Investments are made in a friendly manner with active management support and incentives aligned to long-term growth.

Convergent Finance | Leadership team

In February 2022, Convergent's flagship fund, Infinity Holdings, announced an investment of 20 million USD into Jagsonpal Pharmaceuticals, which is primarily engaged in the distribution and marketing of formulations. As part of this transaction, Manish Gupta, a 30-year veteran of the pharmaceutical industry, was appointed as Jagsonpal's Managing Director. Jagsonpal commands a strong pan-India presence, with a sales force of over 900 and a network of more than 1,600 stockists.

Partners for sustainable growth

4 QUALITY EDUCATION

5 GENDER EQUALITY

- At its core, Convergent's ESG philosophy is about making a positive impact on the world and creating long-term value for all stakeholders. Convergent believes in companies that prioritize ESG considerations and are committed to supporting them through their investments. The firm's approach includes:
  - An exclusion list of sectors including tobacco and narcotic drugs, weapons, gambling, and pornography
  - A comprehensive ESG due diligence process with more than 25 criteria
  - Alignment with management for ESG-related improvements and milestones
  - Strengthening governance frameworks and execution as per a pre-agreed ESG roadmap
- Through its platform, Convergent also aims to contribute to the United Nations' Sustainable Development Goals (SDGs), including:
  - Quality education (SDG Goal 4)
  - Gender equality (SDG Goal 5)
- Ultimately, Convergent's ESG approach is about doing the right thing for investors, for platform companies, and for the community as a whole.

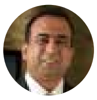
www.convergentfinance.com

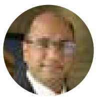
convergent

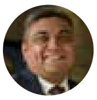
Shareholding percentage AvH (fair value investment)

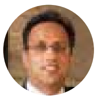
36%	HealthQuad I Fund
11%	HealthQuad II Fund

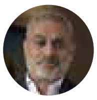

Charles-Antoine Janssen


Manish Jha


Ajay Mahipal


Pinak Shrikhande


Sunil Thakur


Amit Varma

HealthQuad

HealthQuad is an Indian venture & growth capital fund that focuses on the fast-growing Indian healthcare sector.

HealthQuad Fund I invested in 7 companies in the Indian healthcare sector, including Medikabazaar. The fund focuses on growth companies with potentially unique and innovative solutions to improve the efficiency, accessibility and quality of the Indian healthcare sector. Focus segments include specialised hospitals, medical devices and technology, IT and related services. HealthQuad adds operational and strategic value to its participations, through the medical background and expertise of the management and its extensive network. HealthQuad Fund I is now fully invested and has already completed two exits.

In March 2022, HealthQuad completed the final closing of its second fund with 161 million USD committed funds. AvH participated as anchor investor with a commitment of 17.5 million USD. HealthQuad Fund II has already invested approximately 98 million USD in 11 companies. It has plans to deploy 20-30 million USD in 2023 to build a portfolio of 12 to 14 companies across the Indian healthcare ecosystem.

The 7 new investments concluded in 2022 are:

- Stanplus: Emergency Response Service (ERS) provider for hospitals, enterprises and patients
- Ekincare: health and wellness platform for corporates
- Qure.AI: AI-based interpretation of x-rays, CT scans etc. for early detection of diseases
- Redcliffe: omni-channel diagnostics company
- GoApptiv: platform to augment the pharma distribution channels in rural markets
- Wysa: AI-based chatbot for improving mental health
- Beato: digital care platform to manage and control diabetes

Besides AvH, the second fund has been supported by Teachers Insurance and Annuity Association of America (TIAA), UK based DFI BII, the Indian DFI SIDBI, Swedfund, J&J and Merck & Co. Inc. In line with its active investment strategy, AvH is represented on the investment committee and on the advisory board of HealthQuad Fund II, and seeks to co-invest with the fund in a few promising portfolio companies.

HealthQuad | Dental lab

Partners for sustainable growth

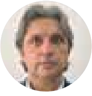
- HealthQuad aims to create a structural and sustainable social impact by focusing on the following objectives:
  - Improving access to health care
  - Making health care affordable
  - Increasing health awareness
  - Improving the quality of health care
- Positive social impact factors take a central place in the decision-making process and go beyond the improvement of health results.
- HealthQuad is pursuing many of the SDGs that agree with its corporate philosophy, including Good Health and Wellbeing, Decent Work and Economic Growth, Responsible Consumption and Production which underlie the investment rationale.
- HealthQuad has formulated a comprehensive ESG framework which aims to integrate ESG and impact management in the investment process helping to address ESG risks and opportunities of potential investments and portfolio companies against a set standard.

www.healthquad.in

Shareholding percentage AvH (fair value investment)

11%

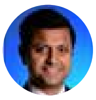

Vivek Tiwari

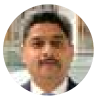

Manish Gahlaut


Dr Sandeep Gandhi


Ketan Malkan


Manoj Mani


Rejoy Manjuran


Jitesh Mathur

Medikabazaar

Medikabazaar is India's leading B2B Healthtech company revolutionizing the Healthcare Supply Chain through its wide range of Tech driven solutions.

Started in 2015 by Vivek Tiwari & Ketan Malkan, Medikabazaar is improving accessibility, availability, affordability and awareness of healthcare primarily in Tier 2, 3 cities and rural areas. Following a hybrid model of owned inventory and marketplace, it works with more than 15,000 seller partners to deliver products pan-India to its more than 200,000 customers.

Medikabazaar delivered a strong 2022 with gross revenues increasing 77% to 480 million USD whilst remaining EBITDA positive. In April, Medikabazaar collected 65 million USD in a new financing round, with the support of AvH and other investors.

In the second half of 2022, Medikabazaar acquired two specialized distribution businesses in India: Utivac, India's largest vaccine distributor, and Sri Nidhi Pharma, a leading distributor of specialty pharma products.

Furthermore Medikabazaar continues to actively develop new business verticals, such as nuclear medicine, equipment lifecycle management (MBARC platform) and private label medical wear (Nexage). During 2022, Medikabazaar expanded its distribution base from 32 to 42 centres and, in its dental care vertical, increased its dental crown production capacity to more than 50,000 via a new dental lab in Gurgaon. Vizi, Medikabazaar's SaaS offering for procurement and inventory management, showed continued growth as the number of clients adopting the technology doubled from circa 500 to more than 1,000.

Medikabazaar | Eye check-up

Partners for sustainable growth

3 GOOD HEALTH AND WELL-BEING
7 AFFORDABLE AND CLEAN ENERGY
12 RESPONSIBLE CONSUMPTION AND PRODUCTION

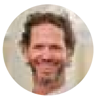
- Apart from business focus, health and sustainability has been integral to Medikabazaar. Green Initiatives and low carbon emissions have been its key focus areas. It has adopted the reuse of packaging material and increased the recycle rate. It has also installed LED bulbs at all its locations in line with IFC performance standards for resource efficiency.
- Medikabazaar considers employees as its main assets and promotes their safety and well-being. Multiple sessions on health and eye check-ups and awareness on prevention of heart diseases were organized for all the employees.
- Following the guidance of United Nations Sustainable Development Goals and it has adopted the SDG 3 - good health and wellbeing, SDG 7 - Affordable and clean energy, SDG 12 - Responsible Consumption and production as the goals of Medikabazaar and is working towards them.
- As a validation of its commitment to customers, employees and environment Medikabazaar was awarded at multiple forums through the year:
  - Frost & Sullivan 2022 Indian B2B Healthcare eCommerce Entrepreneurial Company of the Year
  - The Economic Times Healthworld Award of Excellence in Healthcare Supply Chain & Logistics
  - FICCI Healthcare Excellence Awards 2022
  - Financial Express - Best Hospital Technology Provider Award 2022
  - IHW Digital Solutions For Rural Healthcare Award

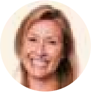
www.medikabazaar.com

MEDIKABAZAAR

Shareholding percentage AvH (fair value investment)

11%


Nicholas Cator


Lauren Burns


Rishika Chandan


Sarvesh Nevatia


Hari Rajmohan

Venturi Partners

Venturi Partners is Singapore-based fund manager with a singular focus on the consumer space in India and South-East Asia.

Despite challenging macro geo-political and economic situations globally, Venturi remains cautiously optimistic about its region of focus and ability to deliver strong returns to its investors. India is now the 5th largest economy with GDP projected to grow at 8% to 9% for the next 3 years. Also South-East Asia will remain one of the fastest-growing regions of the world in 2023, forecast to grow at circa 5%. The consumer space in India and South-East Asia will continue to grow strongly over the next decade aided by strong demographics and rising middle classes.

In 2022, two new companies were included in the portfolio: Country Delight, an online milk & daily essential products delivery platform, and Believe, a Halal beauty and personal care house of brands. Livspace, the fund's maiden investment and specialising in interior design and renovation services, became a unicorn in the last financing round.

In June 2022, Venturi Fund I was closed with total commitments of 180 million USD. AvH participated in the initial closing and is an anchor investor, with a commitment of 20 million USD, to be invested over a 4-year period. At the end of 2022, Venturi had three portfolio companies in the fund (Livspace, Country Delight and Believe) and had drawn down circa 30% of committed capital. In total the fund intends to make up to 8 investments, allowing it to be a truly active investor. It will focus on customer centric, purpose-driven brands in education, healthcare and consumer goods. AvH aims at co-investing alongside the fund in selected high growth companies with disruptive business models.

Venturi Partners | Country Delight

Partners for sustainable growth

3 GOOD HEALTH AND WELL-BEING
5 GENDER EQUALITY
8 DECENT WORK AND ECONOMIC GROWTH
13 CLIMATE ACTION

- Venturi believes that the fund's interests are best aligned with those of its investors and of its portfolio companies when ESG considerations are applied to the investment decision-making process. This allows better management of risks and the generation of sustainable, responsible, long-term value creation for Venturi's investors.
- Along with mapping its existing investments to SDGs, Venturi is creating a bespoke ESG scoring system to add to the investment process which will help identify any red flags and key areas of focus early on. The intention is to work closely with portfolio companies to help them become more sustainable businesses in the long-term, drive Venturi's impact agenda and ensure ESG standards are met.
- In addition, Venturi donated 2% of its revenues to projects focused on female empowerment and education in India and land regeneration in Indonesia.

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Financial statements 2022

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Income statement

(€ 1,000)	Note	2022	2021
Revenue	6	**4,401,419**	**4,312,374**
Rendering of services		42	99,279
Real estate revenue	10	221,392	225,495
Interest income - banking activities		115,243	103,801
Fees and commissions - banking activities		100,051	98,566
Revenue from construction contracts	15	3,864,890	3,664,508
Other operating revenue		99,802	120,726
Operating expenses (-)	6	**-4,108,096**	**-4,023,991**
Raw materials, consumables, services and subcontracted work (-)	25	-2,849,372	-2,673,943
Interest expenses Bank J.Van Breda & C° (-)		-20,047	-22,759
Employee expenses (-)	24	-820,282	-877,690
Depreciation (-)	7 - 9	-359,585	-350,553
Impairment losses (-)		1,053	-45,810
Other operating expenses (-)		-51,455	-52,687
Provisions	18	-8,408	-550
Profit (loss) on assets/liabilities designated at fair value through profit and loss	6	**-16,854**	**34,048**
Financial assets - Fair value through P/L (FVPL)	13	-5,234	41,077
Investment property	10	-11,620	-7,029
Profit (loss) on disposal of assets	6	**379,402**	**34,699**
Realised gain (loss) on intangible and tangible assets		9,491	7,182
Realised gain (loss) on investment property	10	28,346	4,403
Realised gain (loss) on financial fixed assets	13	343,866	22,951
Realised gain (loss) on other assets		-2,301	163
Profit (loss) from operating activities		**655,871**	**357,130**
Financial result	12	**-10,156**	**-21,210**
Interest income		17,619	11,941
Interest expenses (-)	19	-37,365	-33,694
(Un)realised foreign currency results		-9,219	7,056
Other financial income (expenses)		-7,114	-12,530
Derivative financial instruments designated at fair value through profit and loss	12	25,923	6,018
Share of profit (loss) from equity accounted investments	11	**243,874**	**255,191**
Other non-operating income		**0**	**548**
Other non-operating expenses (-)		**0**	**0**
Profit (loss) before tax		**889,590**	**591,659**
Income taxes	21	**-82,078**	**-79,449**
Deferred taxes		3,250	5,624
Current taxes		-85,328	-85,073
Profit (loss) after tax from continuing operations		**807,512**	**512,210**
Profit (loss) after tax from discontinued operations	4	**3,050**	**-150**
Profit (loss) of the period		**810,562**	**512,060**
Minority interests	16	101,907	105,246
Share of the group		708,655	406,814

Earnings per share (€)		2022	2021
1. Basic earnings per share			
1.1. from continued and discontinued operations	28	21.39	12.27
1.2. from continued operations	28	21.31	12.28
2. Diluted earnings per share			
2.1. from continued and discontinued operations	28	21.37	12.26
2.2. from continued operations	28	21.28	12.26

We refer to Note 6. Segment information for more comments on the consolidated results.

Statement of comprehensive income

(€ 1,000)	Note	2022	2021
Profit (loss) of the period		**810,562**	**512,060**
Minority interests	16	101,907	105,246
Share of the group		**708,655**	**406,814**
Other comprehensive income		**121,581**	**67,061**
Items that may be reclassified to profit or loss in subsequent periods			
Changes in revaluation reserve: bonds - Fair value through OCI (FVOCI)	13	-58,554	-8,456
Taxes	21	14,639	2,114
		-43,916	-6,342
Changes in revaluation reserve: hedging reserves	12	186,396	41,063
Taxes	21	-46,495	-7,657
		139,901	33,405
Changes in revaluation reserve: translation differences		22,929	36,941
Items that cannot be reclassified to profit or loss in subsequent periods			
Changes in revaluation reserve: shares - Fair value through OCI (FVOCI)	13	5	137
Taxes	21	-1	-34
		4	103
Changes in revaluation reserve: actuarial gains (losses) defined benefit pension plans	26	3,525	3,820
Taxes	21	-861	-866
		2,664	2,954
Total comprehensive income		**932,143**	**579,121**
Minority interests	16	144,642	125,981
Share of the group		**787,501**	**453,141**

For a breakdown of the item 'Share of the group and Minority interests' in the results, we refer to Note 6. Segment information.

In accordance with the accounting standard "IFRS 9 Financial Instruments", financial assets are broken down into three categories on the balance sheet and fluctuations in the fair value of financial assets are reported in the consolidated income statement. The only exception to this rule are the fair value fluctuations in the investment portfolio of Bank Van Breda and Delen Private Bank, which in the table above are divided into shares and bonds.

Hedging reserves arise from fluctuations in the fair value of hedging instruments used by group companies to hedge against risks. Several group companies (a.o. DEME, Nextensa and Rentel/SeaMade) have hedged against a possible rise in interest rates. As a result of the evolution of the (expected) market interest rates in 2022, the market value of the hedging instruments has become positive, resulting in unrealised gains on hedging reserves of 139.9 million euros (including minority interests).

Translation differences arise from fluctuations in the exchange rates of group companies that report in foreign currencies. In 2022, the euro decreased in value against most relevant currencies, which is reflected in positive translation differences of 22.9 million euros (including minority interests).

With the introduction of the amended IAS 19 accounting standard in 2013, the actuarial gains and losses on certain pension plans are recognized directly in other comprehensive income.

Balance sheet - assets

(€ 1,000)	Note	2022	2021
I. Non-current assets		**11,968,509**	**11,301,905**
Intangible assets	7	**117,649**	**149,391**
Goodwill	8	**319,953**	**327,829**
Tangible assets	9	**2,720,708**	**2,762,846**
Land and buildings		246,782	426,584
Plant, machinery and equipment		2,183,188	1,944,209
Furniture and vehicles		49,296	55,051
Other tangible assets		9,310	7,009
Assets under construction		232,132	329,992
Investment property	10	**1,278,716**	**1,267,150**
Participations accounted for using the equity method	11	**1,845,237**	**1,647,196**
Non-current financial assets	13	**398,203**	**336,038**
Financial assets : shares - Fair value through P/L (FVPL)		208,328	177,351
Receivables and warranties		189,875	158,687
Non-current hedging instruments	12	**158,911**	**1,816**
Deferred tax assets	21	**154,829**	**150,279**
Banks - receivables from credit institutions and clients after one year	14	**4,974,302**	**4,659,360**
Banks - loans and receivables to clients		4,974,302	4,634,354
Banks - changes in fair value of the hedged credit portfolio		0	25,007
II. Current assets		**5,645,503**	**5,700,443**
Inventories	15	**389,711**	**376,218**
Amounts due from customers under construction contracts	15	**532,289**	**478,499**
Investments	13	**544,498**	**575,982**
Financial assets : shares - Fair value through P/L (FVPL)		41,328	48,190
Financial assets : bonds - Fair value through OCI (FVOCI)		502,908	507,529
Financial assets : shares - Fair value through OCI (FVOCI)		263	259
Financial assets - at amortised cost		0	20,005
Current hedging instruments	12	**24,359**	**4,129**
Amounts receivable within one year	13	**847,085**	**775,043**
Trade debtors		719,214	628,710
Other receivables		127,871	146,332
Current tax receivables	21	**37,379**	**42,595**
Banks - receivables from credit institutions and clients within one year	14	**1,965,939**	**2,477,238**
Banks - loans and advances to banks		110,836	138,014
Banks - loans and receivables to clients		1,214,188	1,113,898
Banks - changes in fair value of the hedged credit portfolio		0	698
Banks - cash balances with central banks		640,916	1,224,628
Cash and cash equivalents		**1,160,972**	**883,730**
Deferred charges, accrued income and other current assets		**143,270**	**87,010**
III. Assets held for sale	5	**62,504**	**230,679**
Total assets		**17,676,517**	**17,233,026**

The breakdown of the consolidated balance sheet by segment is presented in Note 6. Segment information. This reveals that the full consolidation of Bank Van Breda (Private Banking segment) has a significant impact on both the balance sheet total and the balance sheet structure of AvH. Bank Van Breda contributes for 7,657.0 million euros to the balance sheet total of 17,676.5 million euros, and although this bank is solidly capitalized with a Common Equity Tier 1 ratio of 15.5%, its balance sheet ratios, as explained by the nature of its activity, are different from those of the other companies in the consolidation scope. To improve the readability of the consolidated balance sheet, certain items from the balance sheet of Bank Van Breda have been summarized in the consolidated balance sheet.

Balance sheet – equity and liabilities

(€ 1,000)	Note	2022	2021
I. Total equity		**6,002,456**	**5,235,002**
Equity - group share		**4,633,633**	**3,957,228**
Issued capital		**113,907**	**113,907**
Share capital		2,295	2,295
Share premium		111,612	111,612
Consolidated reserves		**4,547,922**	**3,943,016**
Revaluation reserves		**12,401**	**-66,445**
Financial assets : bonds - Fair value through OCI (FVOCI)		-32,964	1,620
Financial assets : shares - Fair value through OCI (FVOCI)		129	126
Hedging reserves		59,938	-31,050
Actuarial gains (losses) defined benefit pension plans		-23,375	-24,458
Translation differences		8,673	-12,682
Treasury shares (-)	22	**-40,597**	**-33,251**
Minority interests	16	**1,368,824**	**1,277,774**
II. Non-current liabilities		**2,916,141**	**2,537,913**
Provisions	18	**95,036**	**45,149**
Pension liabilities	26	**76,955**	**81,739**
Deferred tax liabilities	21	**151,635**	**161,849**
Financial debts	12 - 19	**1,631,833**	**1,419,899**
Bank loans		1,333,174	1,025,574
Bonds		139,348	171,345
Subordinated loans		677	61,625
Lease debts		112,180	149,514
Other financial debts		46,453	11,841
Non-current hedging instruments	12	**53,892**	**74,034**
Other amounts payable		**41,721**	**70,598**
Banks - non-current debts to credit institutions, clients & securities	20	**865,069**	**684,646**
Banks - deposits from credit institutions		0	0
Banks - deposits from clients		736,385	644,663
Banks - debt certificates including bonds		40,003	39,983
Banks - changes in fair value of the hedged credit portfolio		88,681	0
III. Current liabilities		**8,757,920**	**9,460,112**
Provisions	18	**35,232**	**35,670**
Pension liabilities	26	**248**	**305**
Financial debts	12 - 19	**402,656**	**961,720**
Bank loans		280,710	527,129
Bonds		0	74,819
Subordinated loans		0	33,527
Lease debts		39,778	36,198
Other financial debts		82,168	290,047
Current hedging instruments	12	**31,893**	**16,315**
Amounts due to customers under construction contracts	15	**526,349**	**341,883**
Other amounts payable within one year		**1,529,778**	**1,564,689**
Trade payables		1,136,241	1,145,112
Advances received		72,539	101,080
Amounts payable regarding remuneration and social security		210,608	220,085
Other amounts payable		110,391	98,411
Current tax payables	21	**98,131**	**109,196**
Banks - current debts to credit institutions, clients & securities	20	**6,059,308**	**6,354,225**
Banks - deposits from credit institutions		116,379	425,353
Banks - deposits from clients		5,817,110	5,723,461
Banks - debt certificates including bonds		124,766	205,412
Banks - changes in fair value of the hedged credit portfolio		1,052	0
Accrued charges and deferred income		**74,326**	**76,108**
IV. Liabilities held for sale	5	**0**	**0**
Total equity and liabilities		**17,676,517**	**17,233,026**

Cash flow statement (indirect method)

(€ 1,000)	Note	2022	2021
I. Cash and cash equivalents - opening balance		**883,730**	**842,408**
Profit (loss) from operating activities		655,871	357,130
Reclassification ‘Profit (loss) on disposal of assets' to cash flow from divestments		-377,790	-34,699
Dividends from participations accounted for using the equity method	11	122,246	112,496
Other non-operating income (expenses)		0	548
Income taxes (paid)	21	-84,378	-78,797
Non-cash adjustments			
Depreciation	7 - 9	359,585	350,553
Impairment losses	7 - 8 - 9	-1,014	45,861
Share based payment	22	-5,834	4,896
Profit (loss) on assets/liabilities designated at fair value through profit and loss	10 - 13	16,854	-34,048
(Decrease) increase of provisions	18	8,523	-4,268
Other non-cash expenses (income)		-951	1,197
Cash flow		**693,111**	**720,869**
Decrease (increase) of working capital		**23,524**	**60,876**
Decrease (increase) of inventories and construction contracts	15	-19,152	18,796
Decrease (increase) of amounts receivable	13	-112,931	-62,748
Decrease (increase) of receivables from credit institutions and clients (banks)	14	172,598	-538,081
Increase (decrease) of liabilities (other than financial debts)		213,384	109,076
Increase (decrease) of debts to credit institutions, clients & securities (banks)	20	-204,306	555,645
Decrease (increase) other		-26,069	-21,812
Cash flow from operating activities		**716,635**	**781,745**
Investments		**-954,131**	**-637,527**
Acquisition of intangible and tangible assets	7 - 9	-514,530	-319,018
Acquisition of investment property	10	-42,157	-36,479
Acquisition of financial fixed assets (business combinations included)	4 - 13	-59,940	-66,523
Cash acquired through business combinations		4,433	1,187
New loans granted	13	-46,762	-20,059
Acquisition of investments	13	-295,174	-196,635
Divestments		**956,824**	**266,205**
Disposal of intangible and tangible assets	7 - 9	12,115	34,687
Disposal of investment property	10	169,036	26,987
Disposal of financial fixed assets (business disposals included)	4 - 13	488,707	28,169
Cash disposed of through business disposals		-541	-517
Reimbursements of loans	13	26,455	13,192
Disposal of investments	13	261,051	163,687
Cash flow from investing activities		**2,693**	**-371,322**
Financial operations			
Dividends received		9,037	8,441
Interest received		17,619	11,941
Interest paid	12 - 19	-38,175	-32,651
Other financial income (costs)		-26,767	-13,343
Decrease (increase) of treasury shares - AvH	22	-8,550	-3,132
Decrease (increase) of treasury shares - affiliates		-15,661	0
Increase of financial debts	19	593,858	218,432
(Decrease) of financial debts	19	-824,484	-447,831
(Investments) and divestments in controlling interests	4	-43,733	1,174
Dividends paid by AvH	29	-91,085	-77,890
Dividends paid to minority interests		-16,241	-35,649
Cash flow from financial activities		**-444,181**	**-370,508**
II. Net increase (decrease) in cash and cash equivalents		**275,147**	**39,915**
Impact of exchange rate changes on cash and cash equivalents		2,095	1,406
III. Cash and cash equivalents - ending balance		**1,160,972**	**883,730**

Statement of changes in consolidated equity

(€ 1,000)

	Issued capital & share premium	Consolidated reserves	Bonds -Fair value through OCI (FVOCI)	Shares -Fair value through OCI (FVOCI)	Hedging reserves	Actuarial gains (losses) defined benefit pension plans	Translation differences	Treasury shares	Equity - group share	Minority interests	Total equity
Opening balance, 1 January 2021	**113,907**	**3,592,273**	**6,614**	**45**	**-46,080**	**-27,236**	**-46,115**	**-31,370**	**3,562,038**	**1,220,131**	**4,782,169**
Profit		406,814							406,814	105,246	512,060
Unrealised results			-4,994	81	15,030	2,778	33,432		46,327	20,735	67,061
Total of realised and unrealised results	**0**	**406,814**	**-4,994**	**81**	**15,030**	**2,778**	**33,432**	**0**	**453,141**	**125,981**	**579,121**
Distribution of dividends		-77,890							-77,890	-34,682	-112,572
Operations with treasury shares								-1,881	-1,881		-1,881
Other (a.o. changes in consol. scope / beneficial interest %)		21,820							21,820	-33,656	-11,836
Ending balance, 31 December 2021	**113,907**	**3,943,016**	**1,620**	**126**	**-31,050**	**-24,458**	**-12,682**	**-33,251**	**3,957,228**	**1,277,774**	**5,235,002**
Impact IFRS amendments									0		0
Opening balance, 1 January 2022	**113,907**	**3,943,016**	**1,620**	**126**	**-31,050**	**-24,458**	**-12,682**	**-33,251**	**3,957,228**	**1,277,774**	**5,235,002**
Profit		708,655							708,655	101,907	810,562
Unrealised results			-34,584	3	90,988	1,083	21,355		78,845	42,736	121,581
Total of realised and unrealised results	**0**	**708,655**	**-34,584**	**3**	**90,988**	**1,083**	**21,355**	**0**	**787,501**	**144,643**	**932,143**
Distribution of dividends		-91,085							-91,085	-16,241	-107,326
Operations with treasury shares								-7,346	-7,346		-7,346
Other (a.o. changes in consol. scope / beneficial interest %)		-12,664							-12,664	-37,353	-50,017
Ending balance, 31 December 2022	**113,907**	**4,547,922**	**-32,964**	**129**	**59,938**	**-23,375**	**8,673**	**-40,597**	**4,633,633**	**1,368,824**	**6,002,456**

More details on the unrealised results can be found in the section “Statement of comprehensive income”.

After the General Meeting of May, 23th 2022, AvH paid a dividend of 2.75 euros per share, resulting in a total dividend payment of 91.1 million euros.

In 2022, AvH has purchased 20,350 treasury shares in order to hedge options for the benefit of staff. Over the same period, beneficiaries of the share option plan exercised options on 48,500 AvH shares. On December 31, 2022, options were outstanding on a total of 317,100 AvH shares. In order to hedge this obligation, AvH owned the same number of treasury shares on the same date.

In addition, 347,174 AvH shares were purchased and 345,510 shares were sold in 2022 in the context of the contract that AvH entered into with Kepler Cheuvreux in order to support the liquidity of the AvH share. These transactions are initiated entirely autonomously by Kepler Cheuvreux, but as they take place on behalf of AvH, the net purchase of 1,664 AvH shares has an impact on AvH’s equity. On December 31, 2022, the number of treasury shares in the portfolio in the context of this liquidity agreement amounts to 3,506.

Additionally, in October 2022, AvH announced the start of a share buyback programme of up to 70.0 million euros. The programme started on October 5, 2022 and will in principle run until the annual meeting of May 22, 2023, unless the maximum amount has been invested prior to that date. In pursuance of this plan, 70,633 shares have been purchased for a total amount of 9.6 million euros as at December 31, 2022.

The item "Other" in the "Minority interests" column arises, among other aspects, from the changes in the consolidation scope of AvH or its affiliates. In 2022 it primarily concerned the additional controlling interest of 32.6% that Rent-A-Port acquired in Infra Asia Investments and the derecognition of the minority interest of 8.2% in Anima as a result of the disposal. We refer to Explanatory Note 6. Segment reporting for more details.

The item “Other” in the colomn "Consolidated reserves" includes a.o. the eliminations of results on sales of treasury shares, the impact of the acquisition of minority interests and the impact of the remeasurement of the purchase obligation on certain shares.

General data regarding the capital

The issued capital amounts to 2,295,277.90 euros. The capital is fully paid-up and is represented by 33,496,904 shares without nominal value. Please refer to the Section ‘General information regarding the company and the capital’.

Note 1: IFRS valuation rules

1. Statement of compliance

The consolidated annual accounts are prepared in accordance with the International Financial Reporting Standards and IFRIC interpretations effective on 31 December 2022, as approved by the European Commission.

New and amended standards and interpretations

Following new standards and amendments to existing standards published by the IASB, are applied as from January 1, 2022.

- Amendments to IFRS 3 Business combinations
- Amendments to IAS 16 Property, Plant and Equipment
- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets
- Annual Improvement 2018 - 2020

The application of the new and amended standards and interpretations has no significant impact on the group's financial statements.

2. Main assumptions and estimates

The preparation of financial statements under IFRS requires estimates to be used and assumptions to be made that affect the amounts shown in the financial statements, particularly as regards the following items:

- the period over which non-current assets are depreciated or amortized;
- the measurement of provisions and pension obligations;
- the measurement of income or losses on construction contracts using the percentage of completion method;
- estimates used in impairment tests;
- the measurement of investment property and financial instruments at fair value;
- the assessment of control;
- the qualification of a company acquisition as a business combination or an acquisition of assets;
- the assumptions used to determine the financial liabilities in accordance with IFRS 16.
- The estimates used in the assessment of income taxes or uncertain tax positions.

These estimates assume the operation is a going concern and are made on the basis of the information available at the time. Estimates may be revised if the circumstances on which they were based alter or if new information becomes available. Actual results may be different from these estimates.

The valuation rules, which are part of the annual report, are approved annually by AvH's board of directors. The most recent deliberation on and approval of these valuation rules by AvH's board of directors took place on March 22, 2023.

Specific topics in 2022

Since AvH's direct exposure to the military conflict in Ukraine is limited, the indirect effects, including increased commodity prices, disruption of logistics chains, declining financial markets and increased inflation are more likely to play a role.

In a challenging environment with steep cost increases, deteriorating consumer confidence and decreasing stock markets, the companies of the group have shown high resilience with a result of the core participations in line with the record result achieved in 2021. The diversified portfolio has also once again proven its pertinence, amongst others through the positive impact of the increasing raw material prices on the results of SIPEF. Our participations can be 'part of the solution' in these challenging markets, amongst others because they offer innovative and cost-efficient solutions to their customers or they contribute to the energy transition, for example through the installation of offshore wind parks and biodigesters, the construction of smart buildings and the development of green hydrogen.

For above topics and for climate related matters, reference is made to the Notes: Segment reporting (6), Goodwill (8), Tangible assets (9), Investment property (9), Participations accounted for using the equity method (11), Financial risk management and financial derivatives (12), Banks: receivables and debts (14–20), Financial debts (19) and Pension liabilities (26).

3. Principles of consolidation

The consolidated annual accounts contain the financial details of the parent AvH, its subsidiaries and jointly controlled companies, as well as the share of the group in the results of the associated companies.

3.1 Subsidiaries

Subsidiaries are entities which are controlled by the group. Control exists when AvH (a) has power over the subsidiary; (b) is exposed, or has rights, to variable returns from its involvement with the subsidiary; and (c) has the ability to affect those returns through its power over the subsidiary. The participating interests in subsidiaries are consolidated in full as from the date of acquisition until the end of the control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full in the consolidated financial statements.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Group.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/ permitted by applicable IFRSs).

An investment retained is initially measured at fair value. This fair value becomes the initial carrying amount at the date when control is lost and for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset.

3.2 Jointly controlled subsidiaries and associated participating interests

Jointly controlled subsidiaries

Companies which are controlled jointly (defined as those entities in which the group has joint control, among others via the shareholders' percentage or via contractual agreement with one or more of the other shareholders and that are considered to be joint ventures) are included on the basis of the equity method as from the date of acquisition until the end of the joint control.

Associated participating interests

Associated participating interests in which the group has a significant influence, more specifically companies in which AvH has the power to participate (without control) in the financial and operational management decisions, are included in accordance with the equity method, as from the date of acquisition until the end of the significant influence.

The equity method
Assets, liabilities, revenues and expenses from jointly controlled subsidiaries and associates are accounted for under the equity method in the consolidated financial statements. Under the equity method, an investment in a jointly controlled subsidiary or associate is firstly recorded at cost in the consolidated financial statements and then adjusted to record the share of the Group in the net result and in the comprehensive income of the jointly controlled subsidiary or associate. When the Group's share of losses of a jointly controlled subsidiary or associate exceeds the Group's interest in that jointly controlled subsidiary or associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the jointly controlled subsidiary or associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the jointly controlled subsidiary or associate.

According to the equity method, the participating interests are initially recorded at cost. Any surplus between the cost of the investment and the share in the fair value of net assets of the entity is recorded as goodwill included in the carrying amount of the investment. The carrying amount is subsequently modified to include the share of the group in the profit or loss of the participating interest, as from the date of purchase. The financial statements of these companies are prepared for the same reporting period as AvH and uniform IFRS valuation rules are applied. Unrealised intra-group profits and losses on transactions are eliminated to the extent of the interest in the company.

The Group continues to use the equity method when an investment in an associate becomes an investment in a jointly controlled subsidary or an investment in a jointly controlled subsidiary becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests. When the Group reduces its ownership interest in an associate or a jointly controlled subsidiary but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

Joint operations
A joint operation is a joint arrangement in which the parties (joint operators) have direct rights over the assets and direct obligations with respect to the entity's liabilities. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. When a subsidiary of AvH starts a joint operation, that subsidiary recognises:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred held jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of its share of the output by the joint operation;
- its expenses, including its share of any expenses incurred jointly.

4. Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in the income statement as operating expenses as incurred.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Non-controlling interests that represent ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with IFRS 9, or IAS 37 provisions, contingent liabilities and contingent assets, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted retrospectively during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

As current IFRSs do not specify recognition and measurement principles in respect of business combinations between entities under common control (these are excluded from the scope of IFRS 3 business combinations), the Group applies predecessor accounting. This means that the assets and liabilities of the acquiree are initially recognised at their carrying amount without fair value adjustments. The difference between the acquisition/selling price and the carrying amount of the net assets acquired/disposed of is accounted for in equity as a compensation to the shareholder.

5. Intangible fixed assets

Intangible fixed assets with a finite useful life are stated at cost, less accumulated amortisation and any accumulated impairment losses.

Intangible fixed assets are amortised on a straight-line basis over the useful economic life. The useful economic life is reviewed per annum and this is also the case for any residual value. The residual value is assumed to be zero.

Intangible fixed assets with indefinite useful life, stated at cost, are not amortised but are subject to an impairment test on an annual basis and whenever indications of a possible impairment occur.

Costs for starting up new activities are included in the profit or loss at the time they occur.

Research expenses are taken into profit or loss in the period in which they arise. Development expenses that meet the severe recognition criteria of IAS 38 are capitalised and amortised over the useful life.

6. Goodwill

Goodwill arising from a business combination is recognised as an asset on the date on which control was obtained (the acquisition date). Goodwill is measured at cost being the excess of the consideration transferred, the non-controlling interests in the acquired company and the fair value of the stake already owned by the Group in the acquired company (if any) over the net amount of identifiable assets acquired and liabilities assumed on the acquisition date.

Non-controlling interests are initially measured either at fair value, or at the non-controlling interests' share of the acquiree's recognised identifiable net assets. The basis of measurement is selected on a transaction-by-transaction basis.

If, after reassessment, the net balance, at the acquisition date, of identifiable assets acquired and liabilities assumed is higher than the sum of the consideration transferred, non-controlling interests in the acquiree and the fair value of the stake in the acquiree previously owned by the Group (if any), the surplus is recognised immediately in the income statement as a gain from a bargain purchase.

Goodwill is not amortised but is subject to impairment tests taking place annually or more frequently if there is an indication that the cash-generating unit to which it is allocated could have suffered a loss of value. Goodwill is stated on the balance sheet at cost less accumulated impairment losses, if any. Impairment of goodwill is not reversed in future periods.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, noncontrolling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

7. Tangible fixed assets

Tangible fixed assets are carried at cost or production cost less accumulated amortisations and any impairments.

Tangible fixed assets are amortised on a straight-line basis over the useful economic life. The useful life is reviewed on a yearly basis and this is also the case for any residual value.

The depreciation periods as defined by DEME of the floating and other construction materials range from 3 years (such as for pipelines) to 21 years. The principal component of trailing suction hopper dredgers and cutter suction dredgers is depreciated over a period of 18 years. For new hopper dredgers, cutter suction dredgers, cable lay vessels and DP3 Offshore crane vessels in production since 2019 the principal component is depreciated over a period of 20 years and a second component is depreciated over a period of 10 years. For major jack-up vessels this depreciation rule was already applicable. The principal component mainly includes the hull and machinery and the second component relates to parts of a vessel for which the lifespan is shorter than the economic life cycle of the vessel.

Repair and maintenance expenses for tangible assets are recognized as an expense in the period in which they occur, unless they result in an increase of the future economic benefit of the respective tangible fixed assets, which justifies their capitalisation.

Assets under construction are amortised as from the time they are taken into use.

8. Impairment of fixed assets

On each closing date, the group verifies whether there are indications that an asset is subject to an impairment. In the event that such indications are present, an estimation is made of the recoverable amount. When the carrying amount of an asset is higher than the recoverable amount, an impairment is recorded in order to bring the carrying amount of the asset back to the recoverable amount.

The recoverable amount of an asset is defined as the higher of the fair value minus costs to sell (assuming a voluntary sale) and the value in use (based upon the net present value of the estimated future cash flows). Any resulting impairments are charged to the profit and loss account.

Previously recorded impairments, except on goodwill, are reversed through the profit and loss account when they are no longer valid.

9. Leases

9.1 Lessor accounting

When the Group acts as a lessor, it determines at lease inception whether a lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is considered a finance lease. As part of the assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

If the lease agreement contains both lease and non-lease components, the Group applies IFRS 15 to allocate the consideration in the contract.

9.2 Lessee accounting

IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model. IFRS 16 replaces IAS 17 ”Leases”, IFRIC 4 ”Determining Whether an Arrangement Contains a Lease”, SIC 15 ”Operating Leases – Incentives” and SIC 27 ”Evaluating the Substance of Transactions in the Legal Form of a Lease”.

Under IFRS 16, a contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognises a right-of-use asset and a corresponding lease liability at the lease commencement date. Assets and liabilities arising from a lease are initially measured on a present value basis, discounted using the incremental borrowing rate of the lessee. The right-of-use asset is subsequently depreciated and/or impaired when deemed necessary. The right-of-use asset is also adjusted for certain remeasurements of the lease liability.

The lease liability is subsequently increased by the interest cost on the lease liability and reduced by lease payment made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable, or a change in the reassessment of whether a purchase or extension option is reasonably certain to be exercised (or a termination option curtained not to be exercised). The Group has applied judgement to determine the lease term for lease contracts containing renewal options.

In accordance with the standard on lease contracts, the Group elected to use following exemptions when applying IFRS 16 accounting for:

- short-term leases, i.e. contracts with a duration of less than one year;
- leases for which the underlying asset is of low value;
- intangible assets.

The most important judgements and assumptions in determining the lease asset and liability are as follows:

- The lease payments are discounted using the interest rate implicit in the lease agreement. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee has used judgement to determine its incremental borrowing rate, being the rate that the individual lessee would have

to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.
- In determining the lease term, management considers all facts and circumstances that create an incentive to exercise an extension option, (or not exercise a termination option). Extension options (or periods after termination options) are only included in the lease term if the lease agreement is reasonably certain to be extended (or not terminated).

10. Investment property - leased buildings and project developments

These investments cover buildings which are ready to be leased (real estate investments) as well as buildings under construction or being developed for future use as operative real estate investments (project development).

Investment property is measured at fair value through profit or loss. On a yearly basis, the fair value of the leased buildings is determined based upon valuation reports.

11. Financial instruments

11.1 Recognition and derecognition of financial instruments

- Financial assets and liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument. Financial assets bought and sold in accordance with standard market conventions are recognized on the transaction date.
- Financial assets are derecognized when the contractual rights to receive cash flows from the assets have expired or have been transferred and the Group has transferred all risks and rewards of ownership of those assets.
- Financial liabilities are derecognized when the obligation specified in the contract is discharged, cancelled, or expires.

11.2 Classification and measurement of financial assets

When another financial asset is acquired or invested in, the contractual terms determine whether it is an equity instrument or a debt instrument.

Equity instruments give entitlement to the remaining interest in the net assets of another entity.

Classification and measurement of debt instruments
The assessment of the contractual cash flow characteristics or SPPI test is carried out per product group (financial assets with similar cash flow characteristics) or, where necessary, on an individual basis. It is assessed whether the instrument generates cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding (SPPI: solely payments of principal and interest). It is also investigated how these cash flows fit in with the business model of the entity in question.

The relevant classification and measurement method follows from those assessments:

i) **measured at amortised cost (AC)**: debt instruments that pass the SPPI test and are held under an HTC business model (Held-to-collect). At initial recognition, they are measured at fair value plus transaction costs that are directly attributable to their acquisition. Subsequently, the effective interest rate method is applied where the difference between the measurement at initial recognition and the repayment value is recognized pro rata temporis in profit or loss on the basis of the effective interest rate.

ii) **fair value measurement with value changes recognized in other comprehensive income (FVOCI)**: debt instruments that pass the SPPI test and are held under an HTC&S business model (Held-to-collect & sell). On disposal, the cumulative fair value changes are reclassified to profit or loss.

iii) **fair value measurement with value changes recognized in profit or loss (FVPL)**: debt instruments that fail the SPPI test and/or are not held under an HTC or HTC&S model must mandatorily be measured in this way.

Irrespective of these assessments, one can make an irrevocable election to designate, at initial recognition, a financial asset as measured at FVTPL (fair value option) if doing so eliminates or significantly reduces a measurement or recognition inconsistency (‘accounting mismatch’).

For the aforementioned financial assets that are measured at amortised cost and at fair value with value changes recognized in other comprehensive income, a loss allowance for expected credit losses is required (see section 6. Impairment of financial assets).

Classification and measurement of equity instruments
Equity instruments held for trading must mandatorily be measured at fair value with value changes recognized in profit or loss (FVTPL).

For other equity instruments, the Group can make an irrevocable election, at initial recognition, to measure those instruments at fair value with value changes recognized in other comprehensive income (FVTOCI). This election can be made instrument by instrument (per share). On disposal, the cumulative fair value changes must not be reclassified to profit or loss. Only dividend income may be recognized in profit or loss.

For equity instruments, no loss allowance is required for expected credit losses.

11.3 Classification and measurement of financial liabilities

For the classification and measurement of financial liabilities, other than derivatives, there are the following possibilities:
- fair value measurement with value changes recognized in profit or loss (FVTPL):
  - if the financial liability is held for trading;
  - if the Group opts for this method (fair value option), more specific regarding Bank Van Breda)
- measurement at amortised cost: at initial recognition, they are measured at fair value, less transaction costs that are directly attributable to their issue.

11.4 Derivative financial instruments

The operational subsidiaries belonging to the AvH-group are responsible for their risk management, such as exchange risk, interest risk, credit risk, commodity risk, etc. The risks vary according to the particular business where the subsidiaries are active and therefore they are not managed centrally at group level. The respective executive committees report to their board of directors or audit committee regarding their hedging policy.

Derivative instruments are recorded in the balance sheet at their fair value; the changes in fair value are reported in the income statement unless these instruments are part of hedging transactions.

The recognition of derivative instruments is in accordance with IFRS 9, except for macro hedge accounting for which IAS 39 is applied.

Cash flow hedges
The value fluctuations of a derivative financial instrument that complies with the strict conditions for recognition as a cash flow hedge are recorded in other comprehensive income for the effective part. The ineffective part is recorded directly in the profit and loss account. The hedging results are transferred from of 'other comprehensive income' into the profit and loss account at the same moment the hedged transaction has impact on the result.

Fair value hedges
Changes in fair value of a derivative instrument that is formally allocated to hedge the changes of fair value of recorded assets and liabilities, are recognized in the profit and loss account together with the profits and losses caused by the fair value revaluation of the hedged component. The value fluctuations of derivative financial instruments, which do not meet the criteria for fair value hedge or cash flow hedge are recorded directly in the profit and loss account.

11.5 Cash and cash equivalents

Cash and cash equivalents consist of cash and short-term investments and are recorded on the balance sheet at nominal value.

11.6 Impairment of financial assets

Under IFRS 9, a loss allowance is made at initial recognition for expected credit losses (ECLs) for:

- financial assets measured at amortised cost;
- debt instruments measured at fair value with value changes recognized in other comprehensive income;
- finance lease receivables;
- loan commitments and financial guarantee contracts.
- for the purpose of determining the loss allowance for expected credit losses, the financial assets are classified in three stages:
  - Stage 1: performing assets, for which at initial recognition a one-year expected credit loss allowance is made based on the probability that events will occur within 12 months that give rise to default;
  - Stage 2: underperforming assets for which a lifetime expected credit loss allowance is made if there has been a significant increase in credit risk since initial recognition;
  - Stage 3: for non-performing assets an estimate is made of the recoverable amount. When the carrying amount of an asset is higher than the recoverable amount, an impairment is recorded in order to bring the carrying amount of the asset back to the recoverable amount.

Changes in loss allowances are recognized under the item 'Impairment losses' in profit and loss. The loss allowance for expected credit losses is presented:

- as deducted from the gross carrying amount of financial assets that are measured at amortised cost (incl. lease receivables);
- as a loss allowance in other comprehensive income for debt instruments measured at fair value with value changes recognized in other comprehensive income;
- as a loss allowance under obligations resulting from loan commitments and financial guarantee contracts.

The staging in the event of a significant increase (or decrease) in credit risk is done on an individual contract level ('bottom-up' staging) based on certain criteria such as payment arrears, renegotiations, and rating category. The internal credit rating is used for the individual staging of loans. As this is a criterion based on past history, a distinct 'collective staging' logic is used as well to take into account the macroeconomic outlook.

For the bond portfolio, the 'low credit risk exemption' is applied: as long as bonds retain their investment grade rating category, they remain in stage 1. On the basis of the low credit risk at the reporting date it may be concluded that there has been no significant increase in credit risk. Should a bond migrate to a non-investment grade rating category, the bank will either sell the bond or transfer it to stage 2 and determine an appropriate lifetime ECL.

A valuation model calculates the expected credit losses for contracts in stages 1 and 2 in line with the literature on IFRS9 ECL modelling. They are determined without any deliberate optimistic or conservative bias, and are based on all reasonable and substantiated information available by justifiable cost or effort. This includes information about past history, present circumstances and future projections. They also reflect the expected value that the bank deems possible in the foreseeable future.

These one-year expected credit losses and lifetime expected credit losses are calculated for each individual contract on the basis of the future cash flows and the following model parameters:

- PD stands for 'Probability of Default' in a given period. The PD modelling has been set up using migration matrices based on existing internal credit ratings for loans and supplied by rating agency DBRS for the bond portfolio.
- Loss Given Default (LGD) stands for expected loss in the event of default. The LGD figure is obtained from the 'exposure at default' and the pledged collateral.
- 'Survival Probability' is the probability that a contract is still liable to credit losses. The Survival Probability is determined on the basis of:
  - the probability that a contract has not disappeared from the balance sheet following an earlier default, and
  - the probability that a contract has not yet disappeared from the balance sheet following full early repayment.
  - Effective Interest Rate' (EIR) is the effective interest rate at which the losses are discounted. For fixed-rate contracts this is the contractual effective interest rate; for variable-rate contracts, the most recent fixing is used.

On each closing date, an investigation is performed whether there are objective indications that a financial asset is becoming non-performing and therefore transfers to stage 3, based on one of the following objectively observable events:

- major financial difficulties at the borrower;
- breach of contract, including failure to meet due dates for principal and/or interest repayments;
- the granting by the bank of certain terms, for economic or legal reasons, which the Group under normal circumstances would not grant to the borrower;
- the likelihood of the borrower going bankrupt or being restructured;
- for bonds, the extinction of an active market due to financial difficulties or other indications threatening the recoverability of the acquisition value;
- objective criteria showing a measurable deterioration of the expected future cash flows from a collective group of financial assets, even though such deterioration cannot be detected on an individual basis, or criteria indicating a deterioration of the creditworthiness or financial capacity of the borrowers of the group, or national or economic circumstances specific to that group of borrowers.

For stage 3 contracts, an estimate is made of the recoverable amount. When the carrying amount of an asset is higher than the recoverable amount, an impairment is recorded in order to bring the carrying amount of the asset back to the recoverable amount.

The net recoverable amount of an asset is defined as the higher of the following values:

- the net sale price (assuming a voluntary sale), and
- the value in use (based on the present value of the expected future cash flows).

12. Inventories / construction contracts

Inventories are valued at cost (purchase or production cost) or at net realisable value when this is lower. The production cost comprises all direct and indirect costs incurred in bringing the inventories to their completion at balance sheet date and this corresponds with the estimated sales prices in normal circumstances, minus the handling, marketing and distribution costs (net realizable value). Construction contracts are valued according to the Percentage of Completion method whereby the result is recognized in accordance with progress of the works. Expected losses are immediately recognized as an expense.

13. Capital and reserves

Costs which are related to a capital transaction are deducted from the capital.

The purchase of treasury shares is deducted from equity at purchase price. Subsequent sale or cancellation at a later date does not affect the result. Profits and losses with regard to treasury shares are recorded directly in equity.

14. Translation differences

Transactions in foreign currency are recorded at the exchange rate on the date of the transaction. Positive and negative unrealised translation differences, resulting from the calculation of monetary assets and liabilities at closing rate on balance sheet date, are recorded as income or cost respectively in the profit and loss account.

Based upon the closing rate method, assets and liabilities of the consolidated subsidiary are converted at closing rate, while the income statement is converted at the average rate of the period, which results in translation differences included in the consolidated 'other comprehensive income'.

15. Provisions

A provision is recognized if a company belonging to the group has a (legal or constructive) obligation as a result of a past event, and it is probable that the settlement of this obligation will require an outflow and the amount of this obligation can be determined in a reliable manner. In the event that the difference between the nominal and discounted value is significant, a provision is recorded for the amount of the discounted value of the estimated expenses. The resulting increase of the provision in proportion to the time is recorded as an interest charge.

Restructuring
Provisions for restructuring costs are only recognized when the group already has a detailed and approved restructuring plan and the planned restructuring has already started or been announced to the relevant staff members. No provisions are made for costs relating to the normal activities of the group.

Guarantees
A provision is made for warranty obligations relating to delivered products, services and contracts, based upon statistical data from the past.

16. Contingent assets and liabilities

Contingent assets and liabilities are mentioned in the note "Rights and commitments not reflected in the balance sheet", if their impact is important.

17. Taxes

Taxes concern both current taxes on the result as deferred taxes. Both types of taxes are recorded in the profit and loss accounts except when they relate to components being part of the equity and therefore allocated to the equity. Deferred taxes are based upon the balance sheet method applied on temporary differences between the carrying amount of the assets and liabilities of the balance sheet and their tax base. The main temporary differences consist of different amortisation percentages of tangible fixed assets, provisions for pensions, carry-forward tax losses and tax credits.

Deferred tax liabilities are recognized for all taxable temporary differences:
- except when the deferred tax liability arises from the original recognition of goodwill or the initial recording of assets and liabilities in a transaction that is not a business combination and that at the time of the transaction has no impact on the taxable profit;
- except with regard to investments in subsidiaries, joint and associated companies, where the group is able to control the date when the temporary difference will be reversed, and it is not likely that the temporary difference will be reversed in the foreseeable future.

Deferred tax assets are recorded for all deductible temporary differences and on carry-forward tax credits and tax losses that can be recovered, to the extent that it is probable that there will be taxable profits in the near future in order to be able to enjoy the tax benefit. The carrying amount of the deferred tax assets is verified on every balance sheet date and impaired to the extent that it is no longer probable that sufficient taxable profit will be available to credit all or part of the deferred taxes. Deferred tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

IFRIC 23, which became effective as from January 1, 2019 onwards, clarifies how to apply the recognition and measurement requirements in IAS 12 income taxes when an uncertainty over current and deferred income tax treatments exists. The acceptability of a particular tax treatment under tax law may not be known until the relevant taxation authority or a court takes a decision in the future. In assessing whether and how an uncertain tax treatment affects the determination of taxable results, the Group assumes that a taxation authority will examine amounts it has a right to examine and has full knowledge of all related information when making those examinations. If the Group concludes it is probable that the taxation authority will accept an uncertain tax treatment, it determines the taxable result consistently with the tax treatment used or planned to be used in its income tax filings. If the Group concludes that it is not probable that a taxation authority will accept an uncertain tax treatment, it reflects the effect of uncertainty in determining its accounting tax position. If the possible outcomes are binary or concentrated to one value, the uncertain tax position is measured using the most likely amount. In case there exists a range of possible outcomes that are neither binary nor concentrated on one value, the sum of the weighted amounts in a range of possible outcomes might best predict the resolution of the uncertainty.

18. Employee benefits

Employee benefits consist of short-term employee benefits, postemployment benefits, other long-term employee benefits, redundancy pay and rewards in equity instruments. The post-employment benefits include the pension plans, life insurance policies and insurance policies for medical assistance. Pension plans with fixed contribution or defined benefit plans are provided through separate funds or insurance plans. In addition, employee benefits consisting of equity instruments also exist.

Pension plans

Defined Contribution Plans
Several subsidiaries within the group have taken out group insurance policies for the benefit of their employees. Since Belgian subsidiaries are obliged to make additional payments if the average return on the employers' contributions and on the employees' contributions is not attained, those plans should be treated as "defined benefit" plans in accordance with IAS19 (Revised).

Defined Benefit Plans
The group has a number of defined benefit pension plans. The costs of the defined benefit pension plans are actuarially determined using the 'projected unit credit' method.

Remeasurements, composed of actuarial gains and losses, the effect of changes to the asset ceiling and the return on plan assets, are directly recognized in the balance sheet; a corresponding amount is credited or charged to retained earnings through other comprehensive income in the period in which they arise.

Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the effective date of the change or restriction of the pension plan or the date on which the group accounts for reorganization costs, whichever occurs first.

Net interest is calculated by applying the discount rate to the net defined benefit asset or liability and is recognized in consolidated profit or loss.

Employee benefits in equity instruments
On different levels stock option plans exist within the AvH, giving employees the right to buy AvH shares or the shares of some subsidiary at a predefined price. This price is determined at the time when the options are granted and it is based on the market price or the intrinsic value.

The performance of the beneficiary is measured (at the moment of granting) on the basis of the fair value of the granted options and warrants and recognized in profit and loss when the services are rendered during the vesting period.

19. Revenue recognition (IFRS 15)

Revenue is recognised in accordance with the IFRS standards, taking into account the specific activities of each segment.

Revenue recognition
Revenue is recognised when or as each performance obligation is satisfied, at the amount of the transaction price allocated to that performance obligation. Control of an asset refers to the ability to direct the use of and obtain substantially all the remaining benefits from the asset.

When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or before payment is due,the Group presents the contract as a contract asset, unless the Group's rights to that amount of consideration are unconditional, in which case the Group recognises a receivable.

When an amount of consideration is received from a customer prior to the Group transferring a good or service to the customer, the Group presents the contract as a contract liability.

The main streams of revenue are recognised if it meets the criteria outlined below.

Identifying the separate performance obligations in a contract with a customer
Most of the revenue recognised by the construction companies in the group relates to contracts with customers for the sale of properties and services revenue generated from construction, project management and selling activities. In

accounting for these contracts, the Group is required to identify which goods or services are distinct and therefore represent separate performance obligations to which revenue can be assigned.

Management uses judgement to determine whether a promised good or service is distinct by assessing if the customer can benefit from the good or service on its own or together with other resources that are readily available to the customer and by ascertaining whether the Group's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract.

Determination of transaction prices for revenue recognition
The Group is required to determine the transaction price in respect of each of its contracts with customers. Where consideration is variable due to a performance bonus, the Group estimates the amount of variable consideration to be included in the transaction price.

Allocation of transaction price to performance obligations in contracts with customers
The Group uses the stand-alone selling price of the distinct goods and services underlying each performance obligation to apportion the transaction price to identified performance obligations. This occurs for a limited number of EPCI contracts in the "Marine Engineering & Contracting" segment, where the multiple performance obligations (procurement activities and installation activities) give rise to a separate revenue recognition pattern.

Satisfaction of performance obligations for revenue recognition
The Group assesses each of its customer contracts to determine whether performance obligations are satisfied over time or at a point in time in order to determine when revenue is recognised. For sales of properties under development the Group recognises revenue over time, according to the percentage of completion method, because control transfers over time. Its performance creates an asset that the customer controls as the asset is created. It does not create an asset with alternative use as the Group has an enforceable right to payment for performance completed to date. For the EPCI contracts, revenue on the procurement activities are recognised at a point in time and the installation activities are recognised over time.

Method of measuring progress of completion of performance obligations and recognition of revenue
For performance obligations satisfied over time, contract revenue is recognized according to the percentage of completion of the contract activity at the closing date by using an input method calculated as the proportion of contract costs at the closing date and the estimated total contract costs. An expected loss on a construction contract is immediately recognized.

Other
Contracts for the sale of properties contain certain warranties covering a period of up to ten years after completion of the property. The Group assessed that these conditions represent 'assurance-type' warranties that are legally required to be provided as quality guarantees and will continue to be accounted for under IAS 37, consistent with its current practice.

A variation may lead to an increase or a decrease in contract revenue. A variation is an instruction by the customer for a change in the scope of the work to be performed under the contract. These contract modifications form typically part of the performance obligation that is partially satisfied at the date of the contract modification, hence the effect is recognised as an adjustment to revenue.

Dividend revenue is recognised when the Group's right to receive the payment is established.

Other revenue is recognised when it is received or when the right to receive payment is established.

20. Assets held for sale and discontinued operations

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

21. Events after balance sheet date

Events may occur after the balance sheet date which provide additional information with regard to the financial situation of the company at balance sheet date (adjusting events). This information allows the adjustment of estimations and a better reflection of the actual situation on the balance sheet date. These events require an adjustment of the balance sheet and the profit and loss account. Other events after balance sheet date are mentioned in the notes if they have a significant impact.

22. Earnings per share

The group calculates both the basic earnings per share and the diluted earnings per share in accordance with IAS 33. The basic earnings per share are calculated on the basis of the weighted average number of outstanding shares during the period. Diluted earnings per share are calculated according to the average number of shares outstanding during the period plus the diluted effect of the warrants and stock options outstanding during the period.

23. Segment reporting

AvH is a diversified group which is active in the following core sectors:

1. **Marine Engineering & Contracting** with DEME, one of the largest dredging companies in the world, CFE a construction group with headquarters in Belgium, Rent-A-Port and Green Offshore.
2. **Private Banking** with Delen Private Bank, one of the largest independent private asset managers in Belgium and asset manager JM Finn in the UK and Bank Van Breda, a niche-bank for entrepreneurs and liberal professions in Belgium.
3. **Real Estate & Senior Care** with Nextensa, a listed integrated real estate group.
4. **Energy & Resources**, SIPEF, an agro-industrial group in tropical agriculture, Verdant Bioscience and Sagar Cements.
5. **AvH & Growth Capital** with AvH Growth Capital and their respective Growth Capital participations.

The segment information in the financial statements of AvH is published in line with IFRS 8.

Note 2: subsidiaries and jointly controlled subsidiaries

1. Fully consolidated subsidiaries

Name of subsidiary	Registration nr	Registered office	Beneficial interest % 2022	Beneficial interest % 2021	Minority interest % 2022	Minority interest % 2021
Marine Engineering & Contracting						
CFE *(1) (2)*	**0400.464.795**	**Belgium**	**62.12%**	**62.10%**	**37.88%**	**37.90%**
DEME *(1)*	**0400.473.705**	**Belgium**		**62.10%**		**37.90%**
DEME Group *(1) (2)*	**787,829,347**	**Belgium**	**62.12%**		**37.88%**	
Rent-A-Port *(3)*	**0885.565.854**	**Belgium**	**81.06%**	**81.05%**	**18.94%**	**18.95%**
International Port Engineering and Management (IPEM)	0441.086.318	Belgium	81.06%	81.05%	18.94%	18.95%
Infra Asia Consultancy and Project Management	0891.321.320	Belgium	81.06%	81.05%	18.94%	18.95%
Rent-A-Port Green Energy *(4)*	0648.717.687	Belgium		54.04%		45.96%
IPEM Holdings		Cyprus	81.06%	81.05%	18.94%	18.95%
Port Management Development		Cyprus	81.06%	81.05%	18.94%	18.95%
Infra Asia Consultancy		Hong Kong	81.06%	81.05%	18.94%	18.95%
OK SPM FTZ Enterprise (liquidated)		Nigeria		81.05%		18.95%
Infra Asia Investments (subgroup Rent-A-Port) *(3)*						
IPEM Reclamation		Cyprus	76.20%	49.78%	23.80%	50.22%
Rent-A-Port Reclamation		Hong Kong	76.20%	49.78%	23.80%	50.22%
Infra Asia Investment Green Utilities		Hong Kong	76.20%	49.78%	23.80%	50.22%
Infra Asia Investment HK		Hong Kong	76.20%	49.78%	23.80%	50.22%
Warehousing Workshop Worldwide		Hong Kong	68.58%	44.80%	31.42%	55.20%
Deep C Blue (Hong Kong)		Hong Kong	76.20%	49.78%	23.80%	50.22%
IPEM Vietnam		Hong Kong	76.20%	49.78%	23.80%	50.22%
Dinh Vu Industrial Zone jsc		Vietnam	57.61%	40.72%	42.39%	59.28%
Hong Duc Industrial Zone jsc		Vietnam	76.30%	50.40%	23.70%	49.60%
Hai Phong Industrial Park jsc		Vietnam	76.25%	50.09%	23.75%	49.91%
Deep C Blue Hai Phong Company		Vietnam	76.20%	49.78%	23.80%	50.22%
DC Red Hai Phong		Vietnam	68.58%	44.80%	31.42%	55.20%
Deep C Management		Vietnam	76.20%	49.78%	23.80%	50.22%
Green Offshore	**0832.273.757**	**Belgium**	**81.06%**	**81.05%**	**18.94%**	**18.95%**
Private Banking						
Bank Van Breda	**0404.055.577**	**Belgium**	**78.75%**	**78.75%**	**21.25%**	**21.25%**
Van Breda Immo Consult	0726.963.530	Belgium	78.75%	78.75%	21.25%	21.25%
FinAx *(5)*	**0718.694.279**	**Belgium**	**100.00%**	**100.00%**		
Real Estate & Senior Care						
Nextensa *(2)*	**0436.323.915**	**Belgium**	**58.53%**	**58.53%**	**41.47%**	**41.47%**
Anima *(6)*	**0469.969.453**	**Belgium**		**92.50%**		**7.50%**
Anima Vlaanderen	0698.940.725	Belgium		92.50%		7.50%
Gilman	0870.238.171	Belgium		92.50%		7.50%
Engagement	0462.433.147	Belgium		92.50%		7.50%
Le Gui	0455.218.624	Belgium		92.50%		7.50%
Anima Wallonië	0428.283.308	Belgium		92.50%		7.50%
Huize Philemon & Baucis	0462.432.652	Belgium		92.50%		7.50%
Anima Cura	0480.262.143	Belgium		92.50%		7.50%
Glamar	0430.378.904	Belgium		92.50%		7.50%

(1) On June 29, 2022, the Extraordinary General Meeting of Shareholders of CFE approved the partial demerger of CFE. On that date, CFE contributed its 100% participation in DEME to a new company, DEME Group, and transferred the shares of that company to its shareholders. The DEME Group shares were then listed on Euronext Brussels on June 30, 2022. Accordingly, as of June 30, 2022, CFE and DEME Group are separately listed companies. The partial demerger of CFE did not change AvH's economic interest in DEME/CFE: the only change is that, as of June 30, 2022, AvH holds shares directly in the listed companies DEME Group (62.12%) and CFE (62.12%), whereas before that date DEME was a 100% participation of the listed company CFE, in which AvH held a 62.12% participation. Consequently, this partial demerger has no consequences for the reporting of DEME (Group) by full consolidation in the consolidated financial statements of AvH.

(2) For an overview of the participations held by the listed companies DEME Group, CFE and Nextensa, we refer to their respective annual reports.

(3) In December 2021, Rent-A-Port concluded an agreement to acquire an additional 32.6% stake in IAI, which brought its total participation to 94%. The closing of the transaction took place in the first quarter of 2022.

(4) Following SRIW Environnement's entry into the shareholding of BStor (formerly Rent-A-Port Green Energy), Rent-A-Port holds a 38% stake in BStor. With the Estor-Lux project, Bstor responds to the need for flexible solutions in the electricity markets. Bstor is now included in the associated participating interests (Note 3).

(5) AvH has, through its 100% subsidiary FinAx, a direct 78.75% stake in Delen Private Bank and Bank Van Breda.

(6) At the beginning of July 2022, AvH and the management of Anima transferred 100% of the Anima shares to AG.

Name of subsidiary	Registration nr	Registered office	Beneficial interest % 2022	Beneficial interest % 2021	Minority interest % 2022	Minority interest % 2021
Real Estate & Senior Care (continued)						
Zorgcentrum Lucia	0818.244.092	Belgium		92.50%		7.50%
Résidence Parc des Princes	0431.555.572	Belgium		92.50%		7.50%
Résidence St. James	0428.096.434	Belgium		92.50%		7.50%
Château d'Awans	0427.620.342	Belgium		92.50%		7.50%
Home Scheut	0458.643.516	Belgium		92.50%		7.50%
Le Birmingham	0428.227.284	Belgium		92.50%		7.50%
Zandsteen	0664.573.823	Belgium		92.50%		7.50%
Les Résidences de l'Eden	0455.832.197	Belgium		92.50%		7.50%
Résidence Arcade	0835.637.281	Belgium		92.50%		7.50%
La Roseraie	0466.582.668	Belgium		92.50%		7.50%
Patrium	0675.568.178	Belgium		92.50%		7.50%
Elenchus Invest	0478.953.930	Belgium		92.50%		7.50%
Résidence Edelweiss	0439.605.582	Belgium		92.50%		7.50%
Résidence Neerveld	0427.883.628	Belgium		92.50%		7.50%
Villa 34	0432.423.822	Belgium		92.50%		7.50%
Le Rossignol	0432.049.381	Belgium		92.50%		7.50%
Immo Markant	0537.654.073	Belgium		92.50%		7.50%
Les 3 Arbres	0435.646.893	Belgium		92.50%		7.50%
Saint-Vincent	0465.771.630	Belgium		92.50%		7.50%
Energy & Resources						
AvH Resources India	**U74300DL2001 PTC111685**	**India**	**100.00%**	**100.00%**		
AvH & Growth Capital						
AvH Growth Capital	**0434.330.168**	**Belgium**	**100.00%**	**100.00%**		
Sofinim Luxemburg	2003.2218.661	Luxembourg	100.00%	100.00%		
Agidens International	**0468.070.629**	**Belgium**	**84.98%**	**84.98%**	**15.02%**	**15.02%**
Agidens Life Sciences	0411.592.279	Belgium	84.98%	84.98%	15.02%	15.02%
Agidens Proces Automation	0465.624.744	Belgium	84.98%	84.98%	15.02%	15.02%
Agidens Proces Automation BV	005469272B01	The Netherlands	84.98%	84.98%	15.02%	15.02%
Agidens Life Sciences BV	850983411B01	The Netherlands	84.98%	84.98%	15.02%	15.02%
Agidens Inc	32.067.705.379	USA	84.98%	84.98%	15.02%	15.02%
Agidens SAS	10.813.818.424	France	84.98%	84.98%	15.02%	15.02%
Agidens GmbH	76301	Germany	84.98%	84.98%	15.02%	15.02%
Agidens AG	539301	Switzerland	84.98%	84.98%	15.02%	15.02%
Argus Technologies	0844.260.284	Belgium	84.98%	84.98%	15.02%	15.02%
Baarbeek Immo	651.662.133	Belgium	84.98%	84.98%	15.02%	15.02%
Biolectric Group	**0422.609.402**	**Belgium**	**55.83%**	**55.83%**	**44.17%**	**44.17%**
Biolectric	0879.126.440	Belgium	55.83%	55.83%	44.17%	44.17%
Biolectric Ltd		UK	55.83%	55.83%	44.17%	44.17%
Subholdings AvH						
Anfima	0426.265.213	Belgium	100.00%	100.00%		
AvH Singapore	202118768G	Singapore	100.00%	100.00%		
Brinvest	0431.697.411	Belgium	100.00%	100.00%		
Profimolux	1992.2213.650	Luxembourg	100.00%	100.00%		

2. Jointly controlled subsidiaries accounted for using the equity method – 2022

(€ 1,000) Name of subsidiary	Registration nr	Registered office	Beneficial interest % 2022	Minority interest % 2022	Activity report	Total assets	Total liabilities	Turnover	Net result
Marine Engineering & Contracting									
Rent-A-Port									
Infra Asia Investments (subgroup Rent-A-Port) *(1)*									
Euro Jetty (Hong Kong)		Hong Kong	38.10%	11.90%		17,401	10	455	2,435
Deep C Green Energy (Hong Kong)		Hong Kong	38.10%	11.90%		16,251	224	455	720
Deep C Green Energy (Vietnam)		Vietnam	38.10%	11.90%		19,896	17,367	35,635	582
Euro Jetty (Vietnam) Company		Vietnam	38.10%	11.90%		4,612	1,214	4,846	2,648
Tien Phong Industrial Zone		Vietnam	38.10%	11.90%		27,988	8,857	0	-1,206
Bac Tien Phong Industrial Zone		Vietnam	38.10%	11.90%		83,859	36,248	17,286	3,774
Hateco Deep C Port *(2)*		Vietnam	38.10%	11.90%		6	4	0	-9
Infra Asia Investments fund (liquidated)	0648.714.620	Belgium							
Private Banking									
Delen Private Bank *(3)*	**0453.076.211**	**Belgium**	**78.75%**		**p. 98**	**2,582,456**	**1,503,860**	**512,143**	**160,623**
Energy & Resources									
SIPEF (USD 1.000) *(4)*	**0404.491.285**	**Belgium**	**36.81%**		**p. 112**	**1,062,223**	**244,420**	**527,460**	**108,157**
Verdant Bioscience (USD 1.000) *(5)*		**Singapore**	**42.00%**		**p. 116**	**32,989**	**23,087**	**5,905**	**-1,288**
AvH & Growth Capital									
Amsteldijk Beheer	**33.080.456**	**The Netherlands**	**50.00%**			**5,349**	**4,711**	**592**	**-56**
Manuchar (USD 1.000) *(6)*	**0407.045.751**	**Belgium**							
Turbo's Hoet Groep	**0881.774.936**	**Belgium**	**50.00%**		**p. 129**	**399,859**	**247,563**	**653,767**	**24,826**
Telemond	**0893.552.617**	**Belgium**	**50.00%**		**p. 128**	**99,490**	**30,051**	**128,408**	**15,156**

(1) In December 2021, Rent-A-Port concluded an agreement to acquire an additional 32.6% stake in IAI, which brought its total participation to 94%. The closing of the transaction took place in the first quarter of 2022.

(2) Rent-A-Port acquired 50% of the shares of Hateco Deep C Port Jsc, active in the development and management of a barge terminal for the Hai Phong International Gateway Port Industrial Zone in Cat Hai.

(3) FinAx holds a 78.75% stake in Delen Private Bank NV. The shareholder agreements between AvH and the Jacques Delen family, which holds a 21.25% stake through Promofi NV, include, among other things, agreements concerning representation on the board of directors and decision-making at the level of the board of directors and the shareholders' meeting. The special majority requirements specified for certain key decisions lead to joint control.

(4) The shareholders' agreement between the Baron Bracht family and AvH results in joint control of SIPEF. AvH's stake in SIPEF increased from 35.13% to 36.81% in 2022.

(5) AvH holds 42% in Verdant Bioscience, a strategic investment in line with its 35.13% interest in SIPEF. SIPEF holds a 38% interest in VBS.

(6) Early 2022, an agreement was signed with Lone Star Funds for the sale of 100% of the share capital of Manuchar. In view of the announced sale of the participation in Manuchar, which was completed during the second quarter of 2022, this participation was already reclassified to 'Assets held for sale' at year-end 2021.

3. Jointly controlled subsidiaries accounted for using the equity method – 2021

(€ 1,000) Name of subsidiary	Registration nr	Registered office	Beneficial interest % 2021	Minority interest % 2021	Activity report	Total assets	Total liabilities	Turnover	Net result
Marine Engineering & Contracting									
Rent-A-Port									
Infra Asia Investments (subgroup Rent-A-Port)									
Euro Jetty (Hong Kong)		Hong Kong	24.89%	25.11%		14,132	9	406	1,764
Deep C Green Energy (Hong Kong)		Hong Kong	24.89%	25.11%		14,642	211	406	411
Deep C Green Energy (Vietnam)		Vietnam	24.89%	25.11%		14,495	12,687	26,307	374
Euro Jetty (Vietnam) Company		Vietnam	24.89%	25.11%		4,453	1,687	4,133	2,200
Tien Phong Industrial Zone		Vietnam	24.89%	25.11%		23,141	4,368	0	-680
Bac Tien Phong Industrial Zone		Vietnam	24.89%	25.11%		61,965	19,010	11,739	5,074
Infra Asia Investment Fund	0648.714.620	Belgium	40.53%	9.47%		32,182	30,787	0	17
ESTOR-LUX	0749.614.317	Belgium	24.32%	5.68%		9,689	7,792	432	158
Private Banking									
Delen Private Bank	**0453.076.211**	**Belgium**	**78.75%**		**p. 98**	**2,429,155**	**1,406,702**	**506,760**	**167,556**
Energy & Resources									
SIPEF (USD 1.000)	**0404.491.285**	**Belgium**	**35.13%**		**p. 112**	**991,765**	**264,436**	**416,053**	**93,749**
Verdant Bioscience (USD 1.000)		**Singapore**	**42.00%**		**p. 116**	**33,665**	**22,475**	**3,319**	**-2,514**
AvH & Growth Capital									
Amsteldijk Beheer	**33.080.456**	**The Netherlands**	**50.00%**			**5,529**	**4,835**	**847**	**-1,160**
Manuchar (USD 1.000)	**0407.045.751**	**Belgium**	**30.00%**			**796,436**	**622,605**	**2,481,657**	**62,610**
Turbo's Hoet Groep	**0881.774.936**	**Belgium**	**50.00%**		**p. 129**	**352,875**	**220,069**	**620,486**	**18,083**
Telemond	**0893.552.617**	**Belgium**	**50.00%**		**p. 128**	**87,727**	**27,904**	**98,953**	**8,888**

Note 3: associated and non-consolidated participations

1. Associated participating interests accounted for using the equity method - 2022

(€ 1,000) Name of associated participating interest	Registration nr	Registered office	Beneficial interest % 2022	Minority interest % 2022	Activity report	Total assets	Total liabilities	Turnover	Net result
Marine Engineering & Contracting									
Rent-A-Port									
BSTOR *(1)*	0648.717.687	Belgium	30.80%			5,200	1,739	499	-413
ESTOR-LUX *(1)*	0749.614.317	Belgium	23.10%			13,402	8,456	5,010	3,031
ESTOR-LUX II *(1)*	0791.483.574	Belgium	23.10%			684	192	0	-8
Green Offshore *(2)*									
Rentel	0700.246.364	Belgium	10.13%	2.37%	p. 93	903,397	728,235	123,211	20,366
SeaMade	0543.401.324	Belgium	7.09%	1.66%	p. 93	1,255,529	1,062,860	140,683	11,296
Otary RS	0833.507.538	Belgium	10.13%	2.37%		86,158	7,848	13,246	20,352
Otary BIS	0842.251.889	Belgium	10.13%	2.37%		54,530	12	0	6,271
Energy & Resources									
Sagar Cements (INR million) *(3)*	**L26942AP19 81PLC002887**	**India**	**19.64%**		**p. 117**	**36,535**	**21,358**	**21,097**	**-830**
AvH & Growth Capital									
Axe Investments	**419,822,730**	**Belgium**	**48.34%**		**p. 123**	**14,622**	**56**	**503**	**403**
Financière EMG	**801.720.343**	**France**	**22.73%**		**p. 125**	**352,915**	**281,128**	**359,128**	**4,232**
Mediahuis *(4)*	**439.849.666**	**Belgium**	**13.93%**		**p. 126**	**1,179,890**	**696,270**	**1,222,960**	**65,264**
OM Partners	**428.328.442**	**Belgium**	**20.01%**		**p. 127**	**162,491**	**47,363**	**166,657**	**35,519**
Van Moer Group	**885.987.706**	**Belgium**	**21.74%**		**p. 130**	**163,800**	**121,694**	**310,267**	**5,754**

(1) Following SRIW Environnement's entry into the shareholding of BStor (formerly Rent-A-Port Green Energy), Rent-A-Port holds a 38% stake in BStor. With the Estor-Lux project, Bstor responds to the need for flexible solutions in the electricity markets.

(2) The stakes in the offshore wind farms Rentel and SeaMade (and the intermediate holdings Otary RS and Otary BIS) are held through Green Offshore, which is a 50/50 investment vehicle of AvH and CFE. AvH has a (transitive) participation of 10.13% in Rentel and 7.09% in SeaMade. When DEME's interests in Rentel and SeaMade are also taken into account, the (beneficial) interests of AvH amount to 21.9% and 15.3% respectively.

(3) As a result of a capital increase of Sagar Cements that was fully subscribed by a new shareholder, the participation of AvH in Sagar Cements was diluted from 21.85% (at year-end 2021) to 19.64%.

(4) AvH has at the end of 2022 a 49.9% stake in Mediacore, the controlling shareholder (53,5%) in Mediahuis Partners. Mediahuis Partners has a controlling share of 52.14% in Mediahuis. The participation percentage of AvH in Mediahuis is therefore 13.93%.

2. Associated participating interests accounted for using the equity method - 2021

(€ 1,000) Name of associated participating interest	Registration nr	Registered office	Beneficial interest % 2021	Minority interest % 2021	Activity report	Total assets	Total liabilities	Turnover	Net result
Marine Engineering & Contracting									
Green Offshore									
Rentel	0700.246.364	Belgium	10.13%	2.37%	p. 93	933,616	837,698	138,307	29,698
SeaMade	0543.401.324	Belgium	7.09%	1.66%	p. 93	1,373,451	1,322,510	145,762	12,220
Otary RS	0833.507.538	Belgium	10.13%	2.37%		84,142	1,551	10,254	18,605
Otary BIS	0842.251.889	Belgium	10.13%	2.37%		54,330	171	0	8,437
Energy & Resources									
Sagar Cements (INR million)	**L26942AP19 81PLC002887**	**India**	**21.85%**		**p. 117**	**32,605**	**19,840**	**15,128**	**1,278**
AvH & Growth Capital									
Axe Investments	**419,822,730**	**Belgium**	**48.34%**		**p. 123**	**14,230**	**47**	**542**	**-223**
Financière EMG	**801.720.343**	**France**	**22.51%**		**p. 125**	**381,248**	**310,442**	**366,845**	**152**
Mediahuis	**439.849.666**	**Belgium**	**13.51%**		**p. 126**	**1,107,536**	**625,059**	**1,130,790**	**117,321**
OM Partners	**428.328.442**	**Belgium**	**20.01%**		**p. 127**	**125,662**	**42,167**	**115,713**	**23,777**
Van Moer Group	**885.987.706**	**Belgium**	**21.74%**		**p. 130**	**119,051**	**82,785**	**222,378**	**1,328**

3. Non-consolidated participations at fair value

(€ 1,000) Name of the participation	Registration nr	Registered office	Activity report	Interest% 2022 (fully diluted)	Interest% 2021 (fully diluted)
AvH & Growth Capital					
Life Sciences					
AstriVax *(1)*	0787.990.881	Belgium	p. 131	5.8%	
Biotalys	0508.931.185	Belgium	p. 132	11.9%	11.9%
Bio Cap Invest (Epics Therapeutics)	0719.433.261	Belgium		29.5%	29.5%
Indigo Diabetes	0666.442.557	Belgium	p. 133	11.9%	9.1%
MRM Health	0742.910.132	Belgium	p. 134	15.9%	17.2%
OncoDNA	0501.631.837	Belgium	p. 135	9.8%	9.8%
India / South-East Asia					
Convergent Finance *(2)*	160130	Mauritius	p. 136	3.1%	
HealthQuad Fund I	U74999DL2019PTC352056	India	p. 137	36.3%	36.3%
HealthQuad Fund II *(3)*	U74999DL2019PTC352056	India	p. 137	11.0%	10.0%
Medikabazaar (direct) *(4)*	U51397MH2013PTC245092	India	p. 138	8.9%	8.7%
Venturi Fund I *(5)*	T21VC0008K-SF001	Singapore	p. 139	11.1%	20.0%
Venturi Partners / Venturi I Capital	201906515N	Singapore	p. 139	10.0%	10.0%
Other					
Baarbeek	0872.203.709	Belgium		100.00%	100.00%
Hofkouter *(6)*	0687.984.772	Belgium		65.00%	
Invest BW.	0430.636.943	Belgium		25.0%	25.0%
Koffie F. Rombouts *(7)*	0404.850.185	Belgium		4.0%	5.0%
Pluralis	68.887.590	The Netherlands		2.1%	2.1%
Pribinvest	B0107957	Luxembourg		78.8%	78.8%

(1) In August 2022, AvH announced its investment in AstriVax (AvH 5.8%), as part of the capital round that was organised by the spin-off from KU Leuven. Over time, AvH will acquire a shareholding of 7.7% in AstriVax. AstriVax has raised a total of 30 million euros of seed capital. The company will develop new vaccines that are easier to produce, have less cold chain requirements, and offer broad and long-lasting protection against various viruses and other pathogens.

(2) At the end of October, AvH announced a partnership with Convergent Finance, a Mumbai-based investment management and advisory partnership that focuses on investments in well-established and listed companies in India. AvH invested 6 million euros in the partnership. Convergent focuses on various sectors such as food & beverages, specialty chemicals, clean technology and healthcare.

(3) In March 2022, HealthQuad completed the final closing of its second fund with 161 million USD committed funds. AvH participated as anchor investor with a commitment of 17.5 million USD. HealthQuad Fund II has already invested approximately 98 million USD in 11 companies.

(4) Medikabazaar collected 65 million USD in a new capital round. Besides the contribution of the current investors, which include AvH, Lighthouse India Fund III has also joined the capital.

(5) In June 2022, Venturi Fund I was closed with total commitments of 180 million USD. AvH participated in the initial closing and is an anchor investor, with a commitment of 20 million USD, to be invested over a 4-year period.

(6) At the end of 2022, Van Laere, a subsidiary of CFE, sold 65% of its stake in Hofkouter (the company whose sole property is Van Laere's former head office and workshops in Zwijndrecht) to AvH. The capital gain that CFE realised on this was eliminated at AvH level.

(7) The stake in Koffie Rombouts was further reduced in 2022.

Note 4: business combinations and disposals

1. Business combinations

No business combinations took place in 2022.

2. Business disposals

(€ 1,000) Balance sheet	Anima 30-06-2022
Goodwill and intangible assets	38,830
Tangible assets	211,722
Cash and cash equivalents	4,861
Other assets	29,928
Total assets	**285,340**
Equity (group share AvH)	68,235
Minority interests	5,734
Current and non-current financial debts	164,690
Other liabilities	46,682
Total equity and liabilities	**285,340**
Total assets	285,340
Total liabilities	-211,372
Minority interests	-5,734
Net assets (91.8%)	**68,235**
Sales price	**308,163**
Provision - Reps & Warranties	-3,052
Capital gain	**236,876**

Income statement	30-06-2022
Revenue	60,127
Operating expenses (-)	-54,271
Profit (loss) on disposal of assets	-245
Profit (loss) from operating activities	**5,611**
Financial result	-1,442
Profit (loss) before tax	**4,169**
Income taxes	-1,118
Profit (loss) of the period	**3,050**
Minority interests	-229
Share of the group	**2,822**

Cash flow statement	30-06-2022
Cash and cash equivalents - opening balance on January 1, 2022	**6,067**
Cash flow from operating activities	6,695
Cash flow from investing activities	-8,174
Cash flow from financial activities	273
Cash and cash equivalents - ending balance on June 30, 2022	**4,861**

At the beginning of July 2022, AvH and the management of Anima transferred 100% of the Anima shares to AG. The transaction represents for AvH a cash revenue of 308.2 million euros and a capital gain of 236.9 million euros.

Note 5: Assets and liabilities held for sale

At year-end 2022, 62.5 million euros in assets held for sale were recognised. Approximately half of that amount relates to one of DEME's vessels that will probably be sold in the second half of 2023 (Segment Marine Engineering & Contracting), while the balance represents the carrying amount of AvH's 50% participation in Telemond, which was sold in Q1 2023 (Segment AvH & Growth Capital).

End of 2021, the assets held for sale amounted to 230.7 million euros and consisted of:

- DEME's offshore installation vessel 'Thor'.
- The participation in Manuchar as a result of the (at year-end 2021) announced sale.
- Three buildings of Nextensa, (The Crescent, Monnet and Titanium) which were sold in 2022.

Note 6: Segment information

Segment 1

Marine Engineering & Contracting:

DEME Group (full consolidation 62.12%), CFE (full consolidation 62.12%), Rent-A-Port (full consolidation 81.06%) and Green Offshore (full consolidation 81.06%).

On June 29, 2022, the Extraordinary General Meeting of Shareholders of CFE approved the partial demerger of CFE. On that date, CFE contributed its 100% participation in DEME to a new company, DEME Group, and transferred the shares of that company to its shareholders. The DEME Group shares were then listed on Euronext Brussels on June 30, 2022. Accordingly, as of June 30, 2022, CFE and DEME Group are separately listed companies.

The partial demerger of CFE did not change AvH's economic interest in DEME/CFE: the only change is that, as of June 30, 2022, AvH holds shares directly in the listed companies DEME Group (62.12%) and CFE (62.12%), whereas before that date DEME was a 100% participation of the listed company CFE, in which AvH held a 62.12% participation.

Consequently, this partial demerger has no consequences for the reporting of DEME (Group) by full consolidation in the consolidated financial statements of AvH.

Segment 2

Private Banking:

Delen Private Bank (equity method 78.75%), Bank Van Breda (full consolidation 78.75%) and FinAx (full consolidation 100%).

Segment 3

Real Estate & Senior Care:

Nextensa (full consolidation 58.53%)

On May 18, 2022, AvH announced an agreement on the sale to AG of its interest in Anima. This transaction was closed in the first half of July 2022. As a result, Anima's contribution relating to the first half of 2022 is reported in the consolidated income statement under "Profit from discontinued operations". As at 30 June, 2022, the assets and liabilities of Anima in the consolidated balance sheet were summarised in one item under "Assets/liabilities held for sale" and were derecognised in the second half of the year.

Segment 4

Energy & Resources:

SIPEF (equity method 36.81%), Verdant Bioscience (equity method 42%), AvH India Resources (full consolidation 100%) and Sagar Cements (equity method 19.64%).

In 2022, AvH increased its participation in SIPEF from 35.13% to 36.81%, without this having an impact on the way in which this participation is reported in the consolidated financial statements.

The same applies to the participation in Sagar Cements, which was diluted from 21.85% at year-end 2021 to 19.64% in the first half year as a result of a capital increase of Sagar Cements that was fully subscribed by a new shareholder.

AvH India Resources holds no other participations than in Sagar Cements.

Segment 5

AvH & Growth Capital:

- AvH, AvH Growth Capital & subholdings (full consolidation 100%Participations fully consolidated: Agidens (85.0%) and Biolectric Group (55.8%)
- Participations fully consolidated: Agidens (85.0%) and Biolectric Group (55.8%)
- Participations accounted for using the equity method: Amsteldijk Beheer (50%), Axe Investments (48.3%), Financière EMG (22.7%), Mediahuis Partners (26.7%), Mediahuis (13.9%), MediaCore (49.9%), OM Partners (20.0%), Telemond (50% - held for sale), Turbo's Hoet Groep (50%) and Van Moer Logistics (21.7%)
- Non-consolidated participations:
  - Life Science: Astrivax (5,8%), Biotalys (11.9%), Bio Cap Invest (29.5%), Indigo Diabetes (11.9%), MRM Health (15.9%), OncoDNA (9.8%).
  - India / South-East Asia: HealthQuad Fund I (36.3%), HealthQuad Fund II (11.0%), Medikabazaar (8.9%), Venturi Partners Fund I (11.1%) and Convergent Finance (3.1%).

Early February 2023, after a successful collaboration of more than 30 years, AvH sold its 50% participation in Telemond to the German family Maas, its long-term partner. This sale earned AvH a cash revenue of 55 million euros and a capital gain of 19 million euros. Consequently, Telemond was reclassified to "Assets held for sale" as of December 31, 2022.

Note 6: Segment information – income statement 2022

(€ 1,000)	**Segment 1**	**Segment 2**	**Segment 3**	**Segment 4**	**Segment 5**		
	Marine Engineering & Contracting	Private Banking	Real Estate & Senior Care	Energy & Resources	AvH & Growth Capital	Eliminations between segments	**Total 2022**
Revenue	**3,965,083**	**217,522**	**145,138**	**25**	**75,704**	**-2,053**	**4,401,419**
Rendering of services	0	0	0	0	2,008	-1,966	42
Real estate revenue	85,392	0	135,999	0	0		221,392
Interest income - banking activities	0	115,243	0	0	0		115,243
Fees and commissions - banking activities	0	100,051	0	0	0		100,051
Revenue from construction contracts	3,793,646	0	0	0	71,330	-87	3,864,890
Other operating revenue	86,044	2,229	9,139	25	2,366	0	99,802
Operating expenses (-)	**-3,780,641**	**-124,820**	**-98,500**	**-106**	**-106,152**	**2,123**	**-4,108,096**
Raw materials, consumables, services and subcontracted work (-)	-2,690,244	-27,755	-81,129	-106	-52,260	2,123	-2,849,372
Interest expenses Bank J.Van Breda & C° (-)	0	-20,047	0	0	0		-20,047
Employee expenses (-)	-712,607	-58,161	-9,204	0	-40,310		-820,282
Depreciation (-)	-346,405	-7,116	-1,140	0	-4,923		-359,585
Impairment losses (-)	2,388	-925	-409	0	0		1,053
Other operating expenses (-)	-29,818	-13,693	-7,170	0	-774	0	-51,455
Provisions	-3,955	2,878	552	0	-7,884		-8,408
Profit (loss) on assets/liabilities designated at fair value through profit and loss	**0**	**0**	**-24,017**	**0**	**7,164**	**0**	**-16,854**
Financial assets - Fair value through P/L (FVPL)	0	0	-12,397	0	7,164		-5,234
Investment property	0	0	-11,620	0	0		-11,620
Profit (loss) on disposal of assets	**19,181**	**-2,559**	**28,346**	**0**	**334,433**	**0**	**379,402**
Realised gain (loss) on intangible and tangible assets	9,433	0	0	0	59		9,491
Realised gain (loss) on investment property	0	0	28,346	0	0		28,346
Realised gain (loss) on financial fixed assets	9,749	0	0	0	334,117		343,866
Realised gain (loss) on other assets	0	-2,559	0	0	257		-2,301
Profit (loss) from operating activities	**203,623**	**90,144**	**50,966**	**-81**	**311,149**	**70**	**655,871**
Financial result	**-31,909**	**-1,578**	**19,226**	**10**	**4,165**	**-70**	**-10,156**
Interest income	12,302	17	3,392	0	3,345	-1,436	17,619
Interest expenses (-)	-25,914	0	-12,233	0	-653	1,436	-37,365
(Un)realised foreign currency results	-9,947	0	0	11	716		-9,219
Other financial income (expenses)	-8,350	218	331	0	757	-70	-7,114
Derivative financial instruments designated at fair value through profit and loss	0	-1,814	27,737	0	0		25,923
Share of profit (loss) from equity accounted investments	**25,430**	**126,491**	**17,417**	**35,464**	**39,072**		**243,874**
Other non-operating income	**0**	**0**	**0**	**0**	**0**		**0**
Other non-operating expenses (-)	**0**	**0**	**0**	**0**	**0**		**0**
Profit (loss) before tax	**197,144**	**215,056**	**87,610**	**35,393**	**354,386**	**0**	**889,590**
Income taxes	**-44,236**	**-21,723**	**-15,621**	**-50**	**-449**	**0**	**-82,078**
Deferred taxes	12,349	503	-9,548	0	-54		3,250
Current taxes	-56,585	-22,226	-6,073	-50	-394		-85,328
Profit (loss) after tax from continuing operations	**152,908**	**193,334**	**71,989**	**35,343**	**353,937**	**0**	**807,512**
Profit (loss) after tax from discontinued operations	**0**	**0**	**3,050**	**0**	**0**		**3,050**
Profit (loss) of the period	**152,908**	**193,334**	**75,040**	**35,343**	**353,937**	**0**	**810,562**
Minority interests	58,343	13,199	29,702	1,020	-357		101,907
Share of the group	94,565	180,135	45,338	34,323	354,295		708,655

Comments on the segment information - income statement

AvH realised a **net profit** of 708.7 million euros (share of the group) over 2022. This record result is due to the strong results of all divisions of the AvH group and to the capital gains that were realised on the disposal of the participations in Anima and Manuchar.

The sale of Manuchar was realised on June 30, 2022 and that of Anima was closed in July 2022. Since the participation in Manuchar had already been reported as "Assets held for sale" in the 2021 financial statements, the contribution of Manuchar to the results of 2022 consists entirely of the capital gain of 97.2 million euros that was realised on the sale. The sale of Anima, however, took place in the second half of the year. Consequently, Anima's results for the first half of 2022 were still reported in the results at June 30, yet reclassified to "Profit from discontinued operations" In the second half of the year, a capital gain of 236.9 million euros on this exit was recognised in the group result. For the structure of the consolidated income statement, this means that in 2022 Nextensa is the only fully consolidated participation in the "Real Estate & Senior Care" segment. However, Anima is still fully reported in the comparative figures of 2021. The other changes in the consolidation scope have only a limited impact on the comparability of the 2022 consolidated income statement with that of the previous year.

Despite the derecognition of Anima's revenue in 2022 (2021: 106.1 million euros), the **revenues** nevertheless increased by 89.0 million euros to 4,401.4 million euros. This increase reflects the higher turnover at DEME, CFE and Rent-A-Port, as well as the higher interest and commission income at Bank Van Breda. The decreased revenue in "AvH & Growth Capital" is primarily explained by the decrease of the turnover at Agidens by 15.1 million euros.

In order to realise that higher revenue, the **operating expenses** increased as well by 84.1 million euros, of which 168.2 million euros in "Marine Engineering & Contracting" and 2.4 million euros in "Private Banking" respectively. The deconsolidation of Anima resulted in the elimination of 96.9 million euros operating expenses, while the lower turnover at Agidens led to a decrease of operating expenses by 12.8 million euros.

Throughout the whole AvH group, companies were confronted in 2022 with rising costs of raw materials, labour, energy and other services. DEME's investments in its fleet resulted in a higher **depreciation cost**. In 2022, an amount of 1 million euros was reversed on impairment losses, as opposed to a cost of 45.8 million euros in 2021.

Following the conclusion of an agreement, Bank Van Breda was able to reverse 2.9 million euros of the **provision** it had constituted in previous years. The operating expenses in "AvH & Growth Capital", on the other hand, included in 2022 a cost of 7.7 million euros to constitute a provision for liabilities and charges which AvH might be asked to draw upon in the context of warranties and representations given.

Assets/liabilities designated at fair value made, on balance, a negative contribution of 16.9 million euros to the results in 2022. In "Real Estate & Senior Care", the value of the Retail Estates shares at Nextensa was decreased by 12.7 million euros in accordance with the evolution of the share price during 2022, while a negative fair value adjustment of 11.6 million euros was recorded on the real estate portfolio based on external valuations. In "AvH & Growth Capital", the revaluation at fair value of AvH's investment portfolio resulted in a negative value adjustment of 6.6 million euros, while an upward value adjustment of 13.8 million euros was recognised on the non-consolidated participations of AvH Growth Capital.

As was already indicated above, **capital gains** made a substantial contribution to the group results in 2022. The disposal of the participations in Manuchar and Anima generated capital gains of 334.1 million euros in "AvH & Growth Capital". The sale by Nextensa of the Crescent, Monnet and Titanium buildings earned Nextensa a total capital gain of 28.3 million euros. DEME realised a capital gain of 7.3 million euros on the disposal of fixed assets (including the 'Thor'), and CFE 2.1 million euros. In CFE's real estate development activity, the Wooden project, in which CFE held a participating interest, was successfully sold.

As was also the case in previous years, the **equity-accounted investments** made a substantial contribution to the group profit. In 2022, this contribution amounted to 243.9 million euros (2021: 255.2 million euros, including a contribution from Manuchar). This profit from equity-accounted investments comprises a.o. the share of the AvH group in the net profit of Delen Private Bank, SIPEF, Verdant Bioscience, Sagar Cements and several "AvH & Growth Capital" participations. The full overview of this item is presented in Note 2. Jointly controlled subsidiaries and Note 3. Associated participating interests.

The general increase in interest rates did not lead to a significant increase of the **interest expenses** in 2022, although it had a positive impact on the fair value of hedging instruments at Nextensa. In 2022, foreign currency results had a negative impact of 9.2 million euros (primarily at DEME) on the group results, whereas in 2021 they still had a positive overall impact of 7.1 million euros.

The **income taxes** increased slightly to 82.1 million euros relative to last year. In the assessment of this figure in relation to the profit before tax, at least the following should be taken into account:

i. the contribution from the equity-accounted investments is reported on the basis of the net result, in other words, after the taxes borne by those entities.
ii. In 2022, a substantial part of the result consisted of gains on the disposal of participations which AvH held over the long term and are exempt from tax.

If the total tax expense of 82.1 million euros is compared with just the pre-tax profit after adjustment for the above elements, the tax rate would be 27.2%

Note 6: Segment information – assets 2022

(€ 1,000)	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5		
	Marine Engineering & Contracting	Private Banking	Real Estate & Senior Care	Energy & Resources	AvH & Growth Capital	Eliminations between segments	**Total 2022**
I. Non-current assets	**3,631,135**	**6,119,539**	**1,465,500**	**341,798**	**445,377**	**-34,840**	**11,968,509**
Intangible assets	**115,515**	**396**	**1,118**	**0**	**620**		**117,649**
Goodwill	**173,980**	**134,247**	**0**	**0**	**11,727**		**319,953**
Tangible assets	**2,632,211**	**53,009**	**6,719**	**0**	**28,769**		**2,720,708**
Land and buildings	181,802	45,625	0	0	19,355		246,782
Plant, machinery and equipment	2,176,503	1,720	1,698	0	3,266		2,183,188
Furniture and vehicles	38,826	5,014	730	0	4,726		49,296
Other tangible assets	4,116	449	4,291	0	454		9,310
Assets under construction	230,964	200	0	0	968		232,132
Investment property	**0**	**0**	**1,278,716**	**0**	**0**		**1,278,716**
Participations accounted for using the equity method	**362,398**	**849,394**	**52,946**	**341,798**	**238,701**		**1,845,237**
Non-current financial assets	**175,440**	**2,579**	**91,692**	**0**	**163,331**	**-34,840**	**398,203**
Financial assets : shares - Fair value through P/L (FVPL)	5,036	0	83,782	0	119,510		208,328
Receivables and warranties	170,404	2,579	7,910	0	43,821	-34,840	189,875
Non-current hedging instruments	**40,076**	**86,120**	**32,715**	**0**	**0**		**158,911**
Deferred tax assets	**131,515**	**19,492**	**1,592**	**0**	**2,230**		**154,829**
Banks - receivables from credit institutions and clients after one year	**0**	**4,974,302**	**0**	**0**	**0**		**4,974,302**
Banks - loans and receivables to clients	0	4,974,302	0	0	0		4,974,302
Banks - changes in fair value of the hedged credit portfolio	0	0	0	0	0		0
II. Current assets	**2,344,767**	**2,517,309**	**294,878**	**711**	**490,204**	**-2,365**	**5,645,503**
Inventories	**290,062**	**0**	**98,257**	**0**	**1,392**		**389,711**
Amounts due from customers under construction contracts	**445,465**	**0**	**83,186**	**0**	**3,638**		**532,289**
Investments	**2**	**503,171**	**0**	**0**	**41,325**		**544,498**
Financial assets : shares - Fair value through P/L (FVPL)	2	0	0	0	41,325		41,328
Financial assets : bonds - Fair value through OCI (FVOCI)	0	502,908	0	0	0		502,908
Financial assets : shares - Fair value through OCI (FVOCI)	0	263	0	0	0		263
Financial assets - at amortised cost	0	0	0	0	0		0
Current hedging instruments	**22,228**	**2,131**	**0**	**0**	**0**		**24,359**
Amounts receivable within one year	**739,242**	**11,279**	**68,220**	**68**	**29,538**	**-1,262**	**847,085**
Trade debtors	683,217	48	15,371	0	21,841	-1,262	719,214
Other receivables	56,026	11,231	52,849	68	7,698	0	127,871
Current tax receivables	**25,548**	**0**	**11,333**	**0**	**499**		**37,379**
Banks - receivables from credit institutions and clients within one year	**0**	**1,965,939**	**0**	**0**	**0**		**1,965,939**
Banks - loans and advances to banks	0	110,836	0	0	0		110,836
Banks - loans and receivables to clients	0	1,214,188	0	0	0		1,214,188
Banks - changes in fair value of the hedged credit portfolio	0	0	0	0	0		0
Banks - cash balances with central banks	0	640,916	0	0	0		640,916
Cash and cash equivalents	**693,990**	**24,515**	**31,106**	**642**	**410,718**		**1,160,972**
Deferred charges, accrued income and other current assets	**128,230**	**10,274**	**2,774**	**0**	**3,094**	**-1,103**	**143,270**
III. Assets held for sale	**31,997**	**0**	**0**	**0**	**30,507**		**62,504**
Total assets	**6,007,899**	**8,636,848**	**1,760,377**	**342,509**	**966,089**	**-37,205**	**17,676,517**

(€ 1,000)	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5		
Segment information - pro forma turnover	Marine Engineering & Contracting	Private Banking	Real Estate & Senior Care	Energy & Resources	AvH & Growth Capital	Eliminations between segments	**Total 2022**
Turnover EU member states	2,793,622	538,551	135,999	56,860	730,256	-1,966	4,253,323
Other European countries	363,593	78,461	0	34,582	63,182		539,818
Rest of the world	722,758	0	0	146,138	13,327		882,223
Total	**3,879,973**	**617,012**	**135,999**	**237,580**	**806,766**	**-1,966**	**5,675,363**

The pro forma turnover comprises the turnover of all participations held by the AvH group, and therefore deviates from the turnover as reported in the legal IFRS consolidation drawn up on the basis of the consolidation scope reported in Note 2 and 3. In this pro forma presentation, all exclusive control interests are incorporated in full and the other interests proportionally.

Note 6: Segment information – equity and liabilities 2022

(€ 1,000)	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5		
	Marine Engineering & Contracting	Private Banking	Real Estate & Senior Care	Energy & Resources	AvH & Growth Capital	Eliminations between segments	**Total 2022**
I. Total equity	**2,275,511**	**1,639,351**	**841,492**	**342,495**	**903,607**		**6,002,456**
Shareholders' equity - group share	**1,414,303**	**1,497,979**	**482,890**	**342,495**	**895,966**		**4,633,633**
Issued capital	**0**	**0**	**0**	**0**	**113,907**		**113,907**
Share capital	0	0	0	0	2,295		2,295
Share premium	0	0	0	0	111,612		111,612
Consolidated reserves	**1,388,917**	**1,533,242**	**479,175**	**317,111**	**829,477**		**4,547,922**
Revaluation reserves	**25,386**	**-35,263**	**3,715**	**25,383**	**-6,821**		**12,401**
Financial assets : bonds - Fair value through OCI (FVOCI)	0	-32,964	0	0	0		-32,964
Financial assets : shares - Fair value through OCI (FVOCI)	0	129	0	0	0		129
Hedging reserves	56,043	0	3,549	342	4		59,938
Actuarial gains (losses) defined benefit pension plans	-22,531	-3,866	0	-1,571	4,593		-23,375
Translation differences	-8,127	1,438	166	26,612	-11,417		8,673
Treasury shares (-)	**0**	**0**	**0**	**0**	**-40,597**		**-40,597**
Minority interests	**861,208**	**141,372**	**358,602**	**0**	**7,641**		**1,368,824**
II. Non-current liabilities	**1,337,753**	**896,493**	**693,493**	**0**	**23,242**	**-34,840**	**2,916,141**
Provisions	**77,330**	**4,471**	**1,822**	**0**	**11,413**		**95,036**
Pension liabilities	**69,049**	**7,485**	**0**	**0**	**421**		**76,955**
Deferred tax liabilities	**94,174**	**0**	**56,716**	**0**	**745**		**151,635**
Financial debts	**1,016,861**	**4,854**	**634,932**	**0**	**10,026**	**-34,840**	**1,631,833**
Bank loans	834,277	0	491,538	0	7,360		1,333,174
Bonds	0	0	139,348	0	0		139,348
Subordinated loans	677	0	0	0	0		677
Lease debts	102,413	4,854	2,247	0	2,666		112,180
Other financial debts	79,494	0	1,800	0	0	-34,840	46,453
Non-current hedging instruments	**53,661**	**208**	**23**	**0**	**0**		**53,892**
Other amounts payable	**26,678**	**14,405**	**0**	**0**	**638**		**41,721**
Banks - debts to credit institutions, clients & securities	**0**	**865,069**	**0**	**0**	**0**		**865,069**
Banks - deposits from credit institutions	0	0	0	0	0		0
Banks - deposits from clients	0	736,385	0	0	0		736,385
Banks - debt certificates including bonds	0	40,003	0	0	0		40,003
Banks - changes in fair value of the hedged credit portfolio	0	88,681	0	0	0		88,681
III. Current liabilities	**2,394,634**	**6,101,004**	**225,393**	**14**	**39,239**	**-2,365**	**8,757,920**
Provisions	**33,536**	**22**	**1,158**	**0**	**516**		**35,232**
Pension liabilities	**0**	**248**	**0**	**0**	**0**		**248**
Financial debts	**278,640**	**2,613**	**117,668**	**0**	**3,735**	**0**	**402,656**
Bank loans	234,133	0	44,500	0	2,078		280,710
Bonds	0	0	0	0	0		0
Subordinated loans	0	0	0	0	0		0
Lease debts	35,507	2,613	0	0	1,658		39,778
Other financial debts	9,000	0	73,168	0	0	0	82,168
Current hedging instruments	**31,702**	**191**	**0**	**0**	**0**		**31,893**
Amounts due to customers under construction contracts	**516,780**	**0**	**0**	**0**	**9,569**		**526,349**
Other amounts payable within one year	**1,419,762**	**32,313**	**54,951**	**11**	**24,003**	**-1,262**	**1,529,778**
Trade payables	1,093,327	55	34,841	11	9,269	-1,262	1,136,241
Advances received	72,539	0	0	0	0		72,539
Amounts payable regarding remuneration and social security	176,460	15,824	5,540	0	12,784		210,608
Other amounts payable	77,437	16,434	14,570	0	1,950		110,391
Current tax payables	**82,847**	**0**	**14,771**	**3**	**510**		**98,131**
Banks - debts to credit institutions, clients & securities	**0**	**6,059,308**	**0**	**0**	**0**		**6,059,308**
Banks - deposits from credit institutions	0	116,379	0	0	0		116,379
Banks - deposits from clients	0	5,817,110	0	0	0		5,817,110
Banks - debt certificates including bonds	0	124,766	0	0	0		124,766
Banks - changes in fair value of the hedged credit portfolio	0	1,052	0	0	0		1,052
Accrued charges and deferred income	**31,367**	**6,310**	**36,846**	**0**	**906**	**-1,103**	**74,326**
IV. Liabilities held for sale	**0**	**0**	**0**	**0**	**0**		**0**
Total equity and liabilities	**6,007,899**	**8,636,848**	**1,760,377**	**342,509**	**966,089**	**-37,205**	**17,676,517**

Comments on the segment information - balance sheet

The consolidated balance sheet total of AvH increased further in 2022 to 17,677 million euros, an increase by 443 million euros (2.6%). This fairly limited increase is partly explained by the disposal in 2022 of the fully consolidated participation in Anima. In the balance sheet at year-end 2021, Anima had still contributed 279.5 million euros to the balance sheet total. Naturally, the impact of the disposal of Anima is not confined to just the balance sheet total, but also affects each of the balance sheet items which Anima contributed to.

Notwithstanding a further slight decrease of the contribution of "Private Banking" to the balance sheet total of the AvH group, the full consolidation of Bank Van Breda continues to have a considerable impact on both the size and the composition of the consolidated balance sheet. Due to its specific banking activity, Bank Van Breda has a very large balance sheet total compared to other companies of the AvH group. The full consolidation of Bank Van Breda alone already accounts for a balance sheet 7,657.0 million euros of the balance sheet total. Moreover, Bank Van Breda has a distinct balance sheet structure that is adapted to and structured according to its activities. And although Bank Van Breda is one of the best capitalised institutions in its sector, it clearly has different balance sheet ratios than the other participations of the AvH group.

The decrease of **intangible assets** and **goodwill** by 39.6 million euros relative to last year is virtually entirely explained by the disposal of Anima. The goodwill at year-end 2022 consists of goodwill of AvH on DEME, FinAx (Delen Private Bank and Bank Van Breda) and Biolectric, along with the goodwill from the balance sheets of fully consolidated participations.

Tangible assets amounted to 2,720.7 million euros at year-end 2022. As a result of the disposal of Anima, including its substantial real estate assets of residential care centres that had been accumulated over the years, the total tangible assets decreased slightly by 42.1 million euros, despite continuing investments in the fleet of DEME. The tangible assets and assets under construction of DEME, which consist primarily of its fleet, amounted to 2,521.0 million euros at year-end 2022.

The **investment property** on AvH's balance sheet is all situated in the Nextensa portfolio. Taking into account the 141 million euros "Assets held for sale" at the end of 2021, investment properties decreased in 2022.

The **participations accounted for using the equity method** comprise the interests in jointly controlled participations or in participations in which no controlling interest is held. In the portfolio of AvH this is the case with a.o. Delen Private Bank, the Rentel and SeaMade offshore wind farms, SIPEF, Sagar Cements and part of the Growth Capital participations. We refer to Note 6 Segment information for a full overview. This item also includes jointly controlled and associated participations held by fully consolidated participations.

Financial assets: shares - fair value through Proft&Loss: this item includes the investment portfolio of "AvH & Subholdings" and the non-consolidated participations, which mainly relate to the investments with a focus on Southeast Asia/India and life sciences in "AvH & Growth Capital". In "Real Estate & Senior Care", this item consists entirely of the 1,351,320 Retail Estates shares owned by Nextensa.

Several participations in the AvH group have a policy to hedge against rising finance costs. As a result of the rising market interest rates in 2022, these **hedging instruments** have increased in value, both in the long term and the short term.

The growth of the **loan portfolio** of Bank Van Breda led to an increase by 315 million euros of the receivables after one year to 4,974.3 million euros. The short-term credit portfolio of Bank Van Breda increased as well, more particularly by 100.3 million euros. The total receivables within one year of Bank Van Breda, however, has decreased as a result of the decrease by 583.7 million euros of cash balances held by Bank Van Breda with central banks.

The increase of **inventories** and **amounts due from customers under construction contracts** in "Marine Engineering & Contracting" is explained by the higher level of activity and the evolution of the projects at DEME and CFE. The decrease of inventories in "Real Estate & Senior Care" reflects the lower inventory of development projects at Nextensa, although this is amply offset by a higher figure for projects in progress.

Investments amounted to a total value of 544.5 million euros at year-end 2022. They decreased at Bank Van Breda as well as in AvH's own investment portfolio at AvH & Subholdings, including the impact of negative fair value adjustments.

The largest part of the **trade debtors** is to be found in "Marine Engineering & Contracting". This is also the segment where the biggest turnover is realised.

The increase of **cash and cash equivalents** is for the most part situated in "AvH & Subholdings" and is explained by the increasing cash position following the disposal of the participations in Anima and Manuchar. We refer to the cash flow statement for a more detailed overview of the various elements that explain the evolution of the cash position.

At year-end 2022, 62.5 million euros in **assets held for sale** were recognised. Approximately half of that amount relates to one of DEME's vessels that will probably be sold in the second half of 2023, while the balance represents the carrying amount of AvH's 50% participation in Telemond, which was sold in Q1 2023.

For details of the composition and evolution of **the equity**, we refer to Note 5 of this report.

The increase of non-current **provisions** is explained by a.o. the constitution of provisions by AvH of 10.7 million euros for contingent liability as part of warranties and representations provided when disposing of participations, and by provisions for a.o. warranty obligations at DEME and CFE. In the case of DEME, those amounts were included in trade payables in 2021.

The increase of the long-term **financial debts** is primarily situated in "Marine Engineering & Contracting" and is explained by the uptake by DEME of more debt maturing after one year.

DEME's overall net financial debt position increased by 127.8 million euros in 2022. Both Nextensa and CFE repaid matured bonds in 2022. Other financial debts decreased significantly. This is due primarily to the reduction by DEME, Nextensa and AvH of short-term financial debts issued in the form of commercial paper.

The **amounts due to customers under construction contracts** increased by 184.5 million euros, an increase that is almost entirely attributable to "Marine Engineering & Contracting", where a similar increase was also noticeable on the assets side of the balance sheet and is explained by the increased level of activity at DEME and CFE.

Despite the increase of short-term **deposits** by 93.6 million euros from clients of Bank Van Breda, the total short-term debts to banks has decreased, mainly as a result of the reduction of deposits from other banks. In 2022, Bank Van Breda fully repaid the TLTRO facility of 400 million euros.

Note 6: Segment information – cash flow statement 2022

(€ 1,000)	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5		
	Marine Engineering & Contracting	Private Banking	Real Estate & Senior Care	Energy & Resources	AvH & Growth Capital	Eliminations between segments	**Total 2022**
I. Cash and cash equivalents - opening balance	**726,526**	**45,362**	**73,327**	**576**	**37,938**	**0**	**883,730**
Profit (loss) from operating activities	203,623	90,144	50,966	-81	311,149	70	655,871
Reclassification 'Profit (loss) on disposal of assets' to cash flow from divestments	-17,569	2,559	-28,346	0	-334,433		-377,790
Dividends from participations accounted for using the equity method	24,826	80,145	0	207	17,068		122,246
Other non-operating income (expenses)	0	0	0	0	0		0
Income taxes (paid)	-55,636	-22,226	-6,073	-50	-394		-84,378
Non-cash adjustments							
Depreciation	346,405	7,116	1,140	0	4,923		359,585
Impairment losses	-2,388	965	409	0	0		-1,014
Share based payment	0	-7,211	0	0	1,377		-5,834
Profit (loss) on assets/liabilities designated at fair value through profit and loss	0	0	24,017	0	-7,164		16,854
(Decrease) increase of provisions	4,597	-3,406	-552	0	7,884		8,523
Other non-cash expenses (income)	1,084	-2,109	-233	0	307		-951
Cash flow	**504,942**	**145,978**	**41,329**	**76**	**717**	**70**	**693,111**
Decrease (increase) of working capital	**50,840**	**-27,168**	**2,341**	**16**	**-1,755**	**-750**	**23,524**
Decrease (increase) of inventories and construction contracts	-31,884	0	14,134	0	-1,402		-19,152
Decrease (increase) of amounts receivable	-110,092	-5,612	6,178	7	-5,913	2,500	-112,931
Decrease (increase) of receivables from credit institutions and clients (banks)	0	172,598	0	0	0		172,598
Increase (decrease) of liabilities (other than financial debts)	207,267	11,066	-7,866	8	6,159	-3,250	213,384
Increase (decrease) of debts to credit institutions, clients & securities (banks)	0	-204,306	0	0	0		-204,306
Decrease (increase) other	-14,451	-914	-10,104	0	-600		-26,069
Cash flow from operating activities	**555,782**	**118,810**	**43,670**	**91**	**-1,038**	**-680**	**716,635**
Investments	**-568,506**	**-284,265**	**-44,841**	**-10,605**	**-65,482**	**19,569**	**-954,131**
Acquisition of intangible and tangible assets	-505,268	-3,591	-2,683	0	-2,989		-514,530
Acquisition of investment property	0	0	-42,157	0	0		-42,157
Acquisition of financial fixed assets (business combinations included)	-24,484	0	0	-10,605	-24,851		-59,940
Cash acquired through business combinations	4,433	0	0	0	0		4,433
New loans granted	-43,187	-529	0	0	-22,614	19,569	-46,762
Acquisition of investments	0	-280,146	0	0	-15,028		-295,174
Divestments	**57,968**	**245,544**	**169,036**	**0**	**487,979**	**-3,704**	**956,824**
Disposal of intangible and tangible assets	11,609	7	0	0	500		12,115
Disposal of investment property	0	0	169,036	0	0		169,036
Disposal of financial fixed assets (business disposals included)	20,452	0	0	0	468,256		488,707
Cash disposed of through business disposals	-541	0	0	0	0		-541
Reimbursements of loans	26,449	0	0	0	3,710	-3,704	26,455
Disposal of investments	0	245,537	0	0	15,514		261,051
Cash flow from investing activities	**-510,538**	**-38,722**	**124,195**	**-10,605**	**422,497**	**15,865**	**2,693**
Financial operations							
Dividends received	0	1,545	6,217	0	1,275		9,037
Interest received	12,302	17	3,392	0	3,345	-1,436	17,619
Interest paid	-26,654	-71	-12,233	0	-653	1,436	-38,175
Other financial income (costs)	-18,296	-7	-7,920	10	-484	-70	-26,767
Decrease (increase) of treasury shares - AvH	0	0	0	0	-8,550		-8,550
Decrease (increase) of treasury shares - affiliates	-11,686	0	-3,974	0	0		-15,661
Increase of financial debts	523,535	0	75,888	0	16,503	-22,069	593,858
(Decrease) of financial debts	-525,140	-2,895	-240,542	0	-62,861	6,954	-824,484
(Investments) and divestments in controlling interests	-37,636	0	-6,067	0	-30		-43,733
Dividends paid by AvH	0	0	0	0	-91,085		-91,085
Dividends paid intra group	-4,050	-94,000	-14,635	0	112,685		0
Dividends paid to minority interests	-504	-5,525	-10,212	0	0		-16,241
Cash flow from financial activities	**-88,129**	**-100,935**	**-210,087**	**10**	**-29,856**	**-15,185**	**-444,181**
II. Net increase (decrease) in cash and cash equivalents	**-42,884**	**-20,847**	**-42,221**	**-10,503**	**391,603**	**0**	**275,147**
Transfer between segments	8,203	0	0	10,605	-18,808		0
Impact of exchange rate changes on cash and cash equivalents	2,145	0	0	-36	-15		2,095
III. Cash and cash equivalents - ending balance	**693,990**	**24,515**	**31,106**	**642**	**410,718**	**0**	**1,160,972**

Comments on the segment information - cash flow statement

AvH realised an overall increase of its cash over 2022 by 275.1 million euros, a substantial increase compared to the 39.9 million euros during 2021.

As was explained in connection with the income statement, the **operating activities** of the AvH group generated a consolidated profit of 655.9 million euros, an 84% increase compared to last year. In order to go from the profit from operating activities to cash flow from operating activities, certain items have been reclassified to cash flow from investing activities or cash flow from financial activities, and a number of other adjustments have been made, of which the main ones are explained below:

- As was indicated in the income statement, the disposal of assets in 2022 generated capital gains totalling 379.4 million euros. After an adjustment of 1.6 million euros to this amount for an asset that had already been reclassified in 2021 to "Assets held for sale", a result of 377.8 million is replaced in this cash flow statement by the cash revenue actually realised in the cash flow from investing activities.

- The contribution from the equity-accounted participations (243.9 million euros) to the results is replaced by the 122.2 million euros cash revenue (dividends) received from those participations. This figure is 9.8 million euros higher than in 2021. Delen Private Bank (80.1 million euros), SIPEF (7.6 million euros) and equity-accounted participations of DEME and CFE made the biggest contributions to this amount of 122.2 million euros.

- The income taxes (paid) are deducted for an amount of 84.4 million euros.

- Depreciation and impairment losses are result items without cash impact (non-cash items) and are therefore added.

- The settlement of stock option plans (repurchase of shares in group companies after the exercise of stock options by staff members) led to a cash-out of 6.5 million euros in the "Private Banking" segment. Together with adjustments for amounts recognised in profit or loss, but not giving rise to cash flow, this had a total negative impact of 5.8 million euros.

- The loss of 16.9 million euros on assets/liabilities designated at fair value has no impact on AvH's cash flow. This relates to financial assets as well as investment property.

- 8.4 million euros in provisions that were recognised in profit or loss in 2022 have no cash impact and are neutralised.

After those reclassifications and non-cash adjustments, the **cash flow** amounts to 693.1 million euros. This is a decrease of 27.8 million euros compared to last year.

Despite the higher turnover of the group companies, 23.5 million euros cash was released from **working capital**, mainly thanks to DEME and CFE. At Bank Van Breda, both the client deposits and the loan portfolio continued to grow. The TLTRO facilities drawn down in previous years were repaid in full during 2022.

The **investments** of the fully consolidated companies of the AvH group peaked at 954.1 million euros in 2022. This is an increase of 316.6 million euros compared to last year. DEME invested a total of 483.9 million euros in additional tangible assets. This figure for 2022 includes that year's investments in the revolutionary installation vessel 'Orion', the substantial amounts spent on extensive maintenance and repairs to several vessels of the fleet, as well as the amounts spent on the transition of the 'Viking Neptun' and the 'Sea Installer'. The acquisition of investments by Bank Van Breda (280.1 million euros) should be seen in conjunction with the 245.5 million euros from the disposal of those investments. Those transactions are part of the ALM policy of Bank Van Breda. Nextensa invested 42.2 million euros in its real estate portfolio. Also in 2022, Nextensa sold its properties The Crescent (Anderlecht), Monnet (Luxembourg) and Titanium (Luxembourg) for a total sum of 169.0 million euros.

As was already mentioned earlier, AvH realised substantial capital gains on the disposal of its participations in Manuchar and Anima. Both these sales yielded 159.5 million euros and 308.2 million euros in cash respectively. During 2022, AvH invested 10.7 million euros in the increase of its shareholding percentage in SIPEF, 24.9 million euros in the further expansion of its "Growth Capital" portfolio with focus on Life Sciences and India/Southeast Asia, and, like CFE, granted an additional shareholder loan of 19 million euros to Rent-A-Port, enabling it to increase its participation in Infra Asia Investments, the company that coordinates the development of the various industrial zones in Vietnam.

Thanks to the considerable **disposals** of real estate by Nextensa and of Manuchar/Anima by AvH, the volume of divestments in 2022 is slightly higher (956.8 million euros) than the very substantial investments (954.1 million euros); as a result, the cash flow from investing activities turns out slightly positive, which is fairly unusual for AvH.

The **cash flow from financial activities** in 2022 was negative at 444.2 million euros. The net interest paid was virtually the same as last year, despite the interest rate increase during the year. As was also pointed out in connection with the income statement, exchange rates ultimately had a negative impact on the results and on the cash flows of 2022.

AvH, Extensa and CFE acquired **treasury shares** during 2022.

The divestments enabled Nextensa to reduce its **financial debt** by 164.4 million euros. AvH's divestments led to a net reduction by 46.4 million euros (the commercial paper programme, for instance, was repaid in full). The net increase of the cash position resulting from the divestments is situated in the cash and cash equivalents.

The additional investments in 2022 to the amount of 43.7 million euros in controlling interests includes 37.6 million euros for the acquisition by Rent-A-Port of an additional 32.59% interest in its subsidiary Infra Asia Investments.

AvH paid a **dividend** of 91.1 million euros to its shareholders, an increase of 13.2 million euros compared to the previous year. Subsidiaries of the group paid 16.2 million euros in dividends to shareholders outside the AvH group (2021: 35.6 million euros). The subsidiaries in question are primarily Bank Van Breda and Nextensa (in 2021 still Leasinvest Real Estate).

Evolution of the financial debts (cash & non-cash)

(€ 1,000)	
Financial debts at 31-12-2021	**2,381,618**
Movements in the Cashflow statement (Cash flow from financial activities)	
Increase of financial debts	593,858
(Decrease) of financial debts	-824,484
Non-cash movements	
- Changes in consolidation scope - acquisitions	-106
- Changes in consolidation scope - divestments	-162,905
- IFRS 16 Leases - tangible assets	49,675
- IFRS 16 Leases - investment property	-2,155
- Impact of exchange rates	-1,012
- Others	0
Financial debts at 31-12-2022	**2,034,489**

Evolution of the cash position of the AvH group 2018 – 2022 (1)

€ Millions	2022	2021	2020	2019	2018
Treasury shares	55.7	46.0	39.6	40.8	34.7
Other investments					
- Portfolio shares	41.3	48.2	51.2	55.7	37.2
- Term deposits	361.1	6.0	0.0	155.9	23.9
Cash	40.7	20.3	8.1	27.0	31.2
Financial debts (commercial paper)	0.0	-42.7	-31.0	-12.0	-24.0
Net cash position	**498.7**	**77.7**	**68.0**	**267.4**	**102.9**

(1) Includes treasury shares, the cash and financial debts to credit institutions and to financial markets of the consolidated subholdings recorded in the segment 'AvH & Growth Capital' and the cash of FinAx/Finaxis. To the extent that the treasury shares are held in portfolio to cover outstanding option obligations, the value of the treasury shares is matched to those obligations.

Note 6: Segment information – income statement 2021

(€ 1,000)	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5		
	Marine Engineering & Contracting	Private Banking	Real Estate & Senior Care	Energy & Resources	AvH & Growth Capital	Eliminations between segments	**Total 2021**
Revenue	**3,782,502**	**205,011**	**237,428**	**18**	**89,529**	**-2,114**	**4,312,374**
Rendering of services	0	0	99,193	0	2,074	-1,988	99,279
Real estate revenue	106,300	0	119,195	0	0		225,495
Interest income - banking activities	0	103,801	0	0	0		103,801
Fees and commissions - banking activities	0	98,566	0	0	0		98,566
Revenue from construction contracts	3,580,181	0	0	0	84,328	0	3,664,508
Other operating revenue	96,021	2,644	19,041	18	3,128	-126	120,726
Operating expenses (-)	**-3,612,459**	**-122,400**	**-175,942**	**-58**	**-116,029**	**2,898**	**-4,023,991**
Raw materials, consumables, services and subcontracted work (-)	-2,518,605	-24,176	-80,876	-58	-53,125	2,898	-2,673,943
Interest expenses Bank J.Van Breda & C° (-)	0	-22,759	0	0	0		-22,759
Employee expenses (-)	-697,784	-57,533	-75,769	0	-46,604		-877,690
Depreciation (-)	-326,558	-7,220	-11,967	0	-4,808		-350,553
Impairment losses (-)	-36,202	2,181	-793	0	-10,995		-45,810
Other operating expenses (-)	-32,884	-12,483	-6,810	0	-510	0	-52,687
Provisions	-425	-409	272	0	13		-550
Profit (loss) on assets/liabilities designated at fair value through profit and loss	**0**	**0**	**9,593**	**0**	**24,456**	**0**	**34,048**
Financial assets - Fair value through P/L (FVPL)	0	0	16,621	0	24,456		41,077
Investment property	0	0	-7,029	0	0		-7,029
Profit (loss) on disposal of assets	**26,003**	**492**	**4,984**	**0**	**3,221**	**0**	**34,699**
Realised gain (loss) on intangible and tangible assets	6,071	492	581	0	39		7,182
Realised gain (loss) on investment property	0	0	4,403	0	0		4,403
Realised gain (loss) on financial fixed assets	19,931	0	0	0	3,019		22,951
Realised gain (loss) on other assets	0	0	0	0	163		163
Profit (loss) from operating activities	**196,045**	**83,103**	**76,062**	**-40**	**1,176**	**784**	**357,130**
Financial result	**-14,378**	**583**	**-9,675**	**7**	**3,037**	**-784**	**-21,210**
Interest income	8,142	16	2,493	0	2,406	-1,116	11,941
Interest expenses (-)	-18,778	-2	-15,514	0	-516	1,116	-33,694
(Un)realised foreign currency results	7,313	0	-87	4	-174		7,056
Other financial income (expenses)	-11,055	193	-2,208	4	1,320	-784	-12,530
Derivative financial instruments designated at fair value through profit and loss	0	376	5,642	0	0		6,018
Share of profit (loss) from equity accounted investments	**23,615**	**131,950**	**20,724**	**30,232**	**48,669**		**255,191**
Other non-operating income	**0**	**0**	**0**	**0**	**548**		**548**
Other non-operating expenses (-)	**0**	**0**	**0**	**0**	**0**		**0**
Profit (loss) before tax	**205,282**	**215,636**	**87,111**	**30,199**	**53,430**	**0**	**591,659**
Income taxes	**-45,293**	**-19,599**	**-13,674**	**0**	**-884**	**0**	**-79,449**
Deferred taxes	13,700	-1,274	-7,685	0	882		5,624
Current taxes	-58,993	-18,325	-5,989	0	-1,766		-85,073
Profit (loss) after tax from continuing operations	**159,989**	**196,038**	**73,438**	**30,199**	**52,546**	**0**	**512,210**
Profit (loss) after tax from discontinued operations	**0**	**0**	**0**	**0**	**-150**		**-150**
Profit (loss) of the period	**159,989**	**196,038**	**73,438**	**30,199**	**52,396**	**0**	**512,060**
Minority interests	60,943	12,936	30,744	222	402		105,246
Share of the group	99,046	183,102	42,694	29,978	51,994		406,814

Note 6: Segment information – cash flow statement 2021

(€ 1,000)	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5		
	Marine Engineering & Contracting	Private Banking	Real Estate & Senior Care	Energy & Resources	AvH & Growth Capital	Eliminations between segments	**Total 2021**
I. Cash and cash equivalents - opening balance	**778,444**	**17,670**	**34,372**	**370**	**11,552**	**0**	**842,408**
Profit (loss) from operating activities	196,045	83,103	76,062	-40	1,176	784	357,130
Reclassification 'Profit (loss) on disposal of assets' to cash flow from divestments	-26,003	-492	-4,984	0	-3,221		-34,699
Dividends from participations accounted for using the equity method	23,474	78,810	0	259	9,954		112,496
Other non-operating income (expenses)	0	0	0	0	548		548
Income taxes (paid)	-52,717	-18,325	-5,989	0	-1,766		-78,797
Non-cash adjustments							
Depreciation	326,558	7,220	11,967	0	4,808		350,553
Impairment losses	36,202	-2,129	793	0	10,995		45,861
Share based payment	0	4,115	-339	0	1,121		4,896
Profit (loss) on assets/liabilities designated at fair value through profit and loss	0	0	-9,593	0	-24,456		-34,048
(Decrease) increase of provisions	1,706	-5,681	-280	0	-13		-4,268
Other non-cash expenses (income)	562	844	0	0	-209		1,197
Cash flow	**505,828**	**147,465**	**67,637**	**219**	**-1,062**	**784**	**720,871**
Decrease (increase) of working capital	**-6,250**	**15,046**	**45,427**	**-46**	**9,100**	**-2,400**	**60,877**
Decrease (increase) of inventories and construction contracts	-3,574	0	16,081	0	6,288		18,796
Decrease (increase) of amounts receivable	-108,191	-84,816	41,752	-45	7,553	81,000	-62,748
Decrease (increase) of receivables from credit institutions and clients (banks)	0	-538,081	0	0	0		-538,081
Increase (decrease) of liabilities (other than financial debts)	109,259	85,057	2,858	-1	-4,697	-83,400	109,076
Increase (decrease) of debts to credit institutions, clients & securities (banks)	0	555,645	0	0	0		555,645
Decrease (increase) other	-3,744	-2,760	-15,264	0	-44		-21,812
Cash flow from operating activities	**499,577**	**162,511**	**113,065**	**172**	**8,038**	**-1,616**	**781,747**
Investments	**-339,715**	**-200,989**	**-55,459**	**-2,338**	**-39,796**	**769**	**-637,527**
Acquisition of intangible and tangible assets	-299,310	-4,001	-13,333	0	-2,374		-319,018
Acquisition of investment property	0	0	-36,479	0	0		-36,479
Acquisition of financial fixed assets (business combinations included)	-22,150	0	-5,881	-2,338	-36,154		-66,523
Cash acquired through business combinations	953	0	235	0	0		1,187
New loans granted	-19,207	-419	0	0	-1,202	769	-20,059
Acquisition of investments	0	-196,569	0	0	-66		-196,635
Divestments	**53,712**	**157,143**	**28,834**	**0**	**28,192**	**-1,676**	**266,205**
Disposal of intangible and tangible assets	31,817	963	1,848	0	60		34,687
Disposal of investment property	0	0	26,987	0	0		26,987
Disposal of financial fixed assets (business disposals included)	8,740	426	0	0	19,002		28,169
Cash disposed of through business disposals	-35	0	0	0	-481		-517
Reimbursements of loans	13,190	0	0	0	1,678	-1,676	13,192
Disposal of investments	0	155,753	0	0	7,934		163,687
Cash flow from investing activities	**-286,003**	**-43,846**	**-26,624**	**-2,338**	**-11,604**	**-907**	**-371,322**
Financial operations							
Dividends received	0	1,124	6,082	0	1,234		8,441
Interest received	8,142	16	2,493	0	2,406	-1,116	11,941
Interest paid	-17,498	-62	-15,691	0	-516	1,116	-32,651
Other financial income (costs)	-4,181	-1	-8,377	7	-7	-784	-13,343
Decrease (increase) of treasury shares - AvH	0	0	0	0	-3,132		-3,132
Decrease (increase) of treasury shares - affiliates	0	0	0	0	0		0
Increase of financial debts	94,243	0	111,070	0	97,268	-84,150	218,432
(Decrease) of financial debts	-326,766	-5,964	-112,074	0	-90,485	87,457	-447,831
(Investments) and divestments in controlling interests	589	0	0	0	585		1,174
Dividends paid by AvH	0	0	0	0	-77,890		-77,890
Dividends paid intra group	-15,721	-83,600	-9,336	0	108,657		0
Dividends paid to minority interests	-11,363	-2,486	-21,717	0	-82		-35,649
Cash flow from financial activities	**-272,554**	**-90,973**	**-47,551**	**7**	**38,039**	**2,523**	**-370,508**
II. Net increase (decrease) in cash and cash equivalents	**-58,979**	**27,692**	**38,890**	**-2,159**	**34,473**	**0**	**39,917**
Transfer between segments	5,750	0	0	2,338	-8,088		0
Impact of exchange rate changes on cash and cash equivalents	1,311	0	65	27	1		1,404
III. Cash and cash equivalents - ending balance	**726,526**	**45,362**	**73,327**	**576**	**37,938**	**0**	**883,730**

Note 6: Segment information – assets 2021

(€ 1,000)	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5		
	Marine Engineering & Contracting	Private Banking	Real Estate & Senior Care	Energy & Resources	AvH & Growth Capital	Eliminations between segments	**Total 2021**
I. Non-current assets	**3,306,744**	**5,659,635**	**1,678,291**	**288,169**	**388,042**	**-18,976**	**11,301,905**
Intangible assets	**116,186**	**722**	**32,291**	**0**	**192**		**149,391**
Goodwill	**174,019**	**134,247**	**7,836**	**0**	**11,727**		**327,829**
Tangible assets	**2,464,061**	**54,113**	**214,463**	**0**	**30,208**		**2,762,846**
Land and buildings	172,474	44,965	188,134	0	21,011		426,584
Plant, machinery and equipment	1,934,994	1,694	3,742	0	3,780		1,944,209
Furniture and vehicles	40,796	5,199	4,236	0	4,821		55,051
Other tangible assets	212	511	5,827	0	458		7,009
Assets under construction	315,585	1,745	12,524	0	139		329,992
Investment property	**0**	**0**	**1,267,150**	**0**	**0**		**1,267,150**
Participations accounted for using the equity method	**267,220**	**805,182**	**44,287**	**288,169**	**242,338**		**1,647,196**
Non-current financial assets	**141,434**	**2,050**	**110,470**	**0**	**101,058**	**-18,976**	**336,038**
Financial assets : shares - Fair value through P/L (FVPL)	6,890	0	97,215	0	73,245		177,351
Receivables and warranties	134,544	2,050	13,255	0	27,813	-18,976	158,687
Non-current hedging instruments	**613**	**519**	**684**	**0**	**0**		**1,816**
Deferred tax assets	**143,210**	**3,441**	**1,110**	**0**	**2,519**		**150,279**
Banks - receivables from credit institutions and clients after one year	**0**	**4,659,360**	**0**	**0**	**0**		**4,659,360**
Banks - loans and receivables to clients	0	4,634,354	0	0	0		4,634,354
Banks - changes in fair value of the hedged credit portfolio	0	25,007	0	0	0		25,007
II. Current assets	**2,167,320**	**3,068,501**	**347,088**	**652**	**119,244**	**-2,362**	**5,700,443**
Inventories	**261,938**	**0**	**113,231**	**0**	**1,049**		**376,218**
Amounts due from customers under construction contracts	**412,240**	**0**	**63,448**	**0**	**2,811**		**478,499**
Investments	**2**	**527,792**	**0**	**0**	**48,187**		**575,982**
Financial assets : shares - Fair value through P/L (FVPL)	2	0	0	0	48,187		48,190
Financial assets : bonds - Fair value through OCI (FVOCI)	0	507,529	0	0	0		507,529
Financial assets : shares - Fair value through OCI (FVOCI)	0	259	0	0	0		259
Financial assets - at amortised cost	0	20,005	0	0	0		20,005
Current hedging instruments	**4,080**	**49**	**0**	**0**	**0**		**4,129**
Amounts receivable within one year	**655,358**	**3,771**	**90,977**	**76**	**26,779**	**-1,919**	**775,043**
Trade debtors	570,349	56	39,665	0	19,810	-1,169	628,710
Other receivables	85,009	3,716	51,312	76	6,970	-750	146,332
Current tax receivables	**36,238**	**1,895**	**4,111**	**0**	**351**		**42,595**
Banks - receivables from credit institutions and clients within one year	**0**	**2,477,238**	**0**	**0**	**0**		**2,477,238**
Banks - loans and advances to banks	0	138,014	0	0	0		138,014
Banks - loans and receivables to clients	0	1,113,898	0	0	0		1,113,898
Banks - changes in fair value of the hedged credit portfolio	0	698	0	0	0		698
Banks - cash balances with central banks	0	1,224,628	0	0	0		1,224,628
Cash and cash equivalents	**726,526**	**45,362**	**73,327**	**576**	**37,938**		**883,730**
Deferred charges, accrued income and other current assets	**70,938**	**12,393**	**1,993**	**0**	**2,129**	**-443**	**87,010**
III. Assets held for sale	**32,456**	**0**	**141,259**	**0**	**56,963**		**230,679**
Total assets	**5,506,520**	**8,728,136**	**2,166,638**	**288,822**	**564,249**	**-21,338**	**17,233,026**

(€ 1,000)	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5		
Segment information - pro forma turnover	Marine Engineering & Contracting	Private Banking	Real Estate & Senior Care	Energy & Resources	AvH & Growth Capital	Eliminations between segments	**Total 2021**
Turnover EU member states	2,370,921	522,262	218,387	51,767	633,176	-1,988	3,794,525
Other European countries	609,197	75,724	0	4,021	111,032		799,975
Rest of the world	706,362			107,334	611,664		1,425,361
Total	**3,686,480**	**597,986**	**218,387**	**163,122**	**1,355,872**	**-1,988**	**6,019,860**

The pro forma turnover comprises the turnover of all participations held by the AvH group, and therefore deviates from the turnover as reported in the legal IFRS consolidation drawn up on the basis of the consolidation scope reported in Note 2 and 3. In this pro forma presentation, all exclusive control interests are incorporated in full and the other interests proportionally.

Note 6: Segment information – equity and liabilities 2021

(€ 1,000)	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5		
	Marine Engineering & Contracting	Private Banking	Real Estate & Senior Care	Energy & Resources	AvH & Growth Capital	Eliminations between segments	**Total 2021**
I. Total equity	**2,027,218**	**1,592,550**	**852,585**	**288,816**	**473,834**		**5,235,002**
Shareholders' equity - group share	**1,238,409**	**1,450,856**	**513,092**	**288,816**	**466,055**		**3,957,228**
Issued capital	**0**	**0**	**0**	**0**	**113,907**		**113,907**
Share capital	0	0	0	0	2,295		2,295
Share premium	0	0	0	0	111,612		111,612
Consolidated reserves	**1,301,088**	**1,447,897**	**518,993**	**277,807**	**397,232**		**3,943,016**
Revaluation reserves	**-62,678**	**2,959**	**-5,901**	**11,009**	**-11,833**		**-66,445**
Financial assets : bonds - Fair value through OCI (FVOCI)	0	1,620	0	0	0		1,620
Financial assets : shares - Fair value through OCI (FVOCI)	0	126	0	0	0		126
Hedging reserves	-24,778	0	-6,080	-194	2		-31,050
Actuarial gains (losses) defined benefit pension plans	-26,068	-1,238	0	-1,469	4,317		-24,458
Translation differences	-11,832	2,451	179	12,672	-16,152		-12,682
Treasury shares (-)	**0**	**0**	**0**	**0**	**-33,251**		**-33,251**
Minority interests	**788,808**	**141,694**	**339,494**	**0**	**7,778**		**1,277,774**
II. Non-current liabilities	**1,001,586**	**749,813**	**790,873**	**0**	**14,617**	**-18,976**	**2,537,913**
Provisions	**36,002**	**6,756**	**1,659**	**0**	**732**		**45,149**
Pension liabilities	**77,183**	**4,224**	**16**	**0**	**316**		**81,739**
Deferred tax liabilities	**101,775**	**0**	**58,982**	**0**	**1,093**		**161,849**
Financial debts	**721,091**	**5,673**	**700,141**	**0**	**11,970**	**-18,976**	**1,419,899**
Bank loans	502,059	0	514,708	0	8,806		1,025,574
Bonds	30,612	0	140,734	0	0		171,345
Subordinated loans	61,625	0	0	0	0		61,625
Lease debts	97,729	5,673	42,948	0	3,163		149,514
Other financial debts	29,065	0	1,751	0	0	-18,976	11,841
Non-current hedging instruments	**26,868**	**26,452**	**20,714**	**0**	**0**		**74,034**
Other amounts payable	**38,669**	**22,062**	**9,361**	**0**	**507**		**70,598**
Banks - debts to credit institutions, clients & securities	**0**	**684,646**	**0**	**0**	**0**		**684,646**
Banks - deposits from credit institutions	0	0	0	0	0		0
Banks - deposits from clients	0	644,663	0	0	0		644,663
Banks - debt certificates including bonds	0	39,983	0	0	0		39,983
Banks - changes in fair value of the hedged credit portfolio	0	0	0	0	0		0
III. Current liabilities	**2,477,716**	**6,385,773**	**523,180**	**6**	**75,799**	**-2,362**	**9,460,112**
Provisions	**29,789**	**46**	**5,572**	**0**	**262**		**35,670**
Pension liabilities	**0**	**298**	**8**	**0**	**0**		**305**
Financial debts	**529,567**	**2,516**	**383,659**	**0**	**46,727**	**-750**	**961,720**
Bank loans	367,426	0	157,362	0	2,341		527,129
Bonds	29,899	0	44,920	0	0		74,819
Subordinated loans	33,527	0	0	0	0		33,527
Lease debts	29,646	2,516	2,393	0	1,643		36,198
Other financial debts	69,070	0	178,983	0	42,744	-750	290,047
Current hedging instruments	**14,080**	**2,234**	**0**	**0**	**0**		**16,315**
Amounts due to customers under construction contracts	**333,773**	**0**	**0**	**0**	**8,110**		**341,883**
Other amounts payable within one year	**1,451,567**	**21,240**	**73,864**	**2**	**19,185**	**-1,169**	**1,564,689**
Trade payables	1,095,776	43	43,226	2	7,235	-1,169	1,145,112
Advances received	101,067	0	13	0	0		101,080
Amounts payable regarding remuneration and social security	183,285	12,865	13,434	0	10,501		220,085
Other amounts payable	71,439	8,332	17,191	0	1,449		98,411
Current tax payables	**92,391**	**7**	**15,846**	**3**	**949**		**109,196**
Banks - debts to credit institutions, clients & securities	**0**	**6,354,225**	**0**	**0**	**0**		**6,354,225**
Banks - deposits from credit institutions	0	425,353	0	0	0		425,353
Banks - deposits from clients	0	5,723,461	0	0	0		5,723,461
Banks - debt certificates including bonds	0	205,412	0	0	0		205,412
Banks - changes in fair value of the hedged credit portfolio	0	0	0	0	0		0
Accrued charges and deferred income	**26,549**	**5,206**	**44,231**	**0**	**565**	**-443**	**76,108**
IV. Liabilities held for sale	**0**	**0**	**0**	**0**	**0**		**0**
Total equity and liabilities	**5,506,520**	**8,728,136**	**2,166,638**	**288,822**	**564,249**	**-21,338**	**17,233,026**

Note 7: Intangible assets

(€ 1,000)	Development costs	Concessions, patents & licences	Goodwill	Software	Other intangible assets	Advance payments	Total
Movements in intangible assets - financial year 2021							
Intangible assets, opening balance	**41**	**25,994**	**28,686**	**2,859**	**89,851**	**331**	**147,762**
Gross amount	5,112	50,712	28,686	32,378	99,184	331	216,403
Cumulative depreciation & impairment (-)	-5,071	-24,718	0	-29,519	-9,333	0	-68,641
Investments	65	1,696	0	1,299	388	326	3,775
Additions through business combinations	0	0	1,395	0	54	0	1,449
Disposals (-)	0	0	0	-8	0	0	-7
Disposals through business disposals (-)	0	0	0	0	0	0	0
Depreciations & Impairments (-)	-30	-3,296	-268	-1,559	-838	0	-5,989
Foreign currency exchange increase (decrease)	-1	2	0	15	308	0	324
Transfer from (to) other items	0	-1,308	0	0	3,391	0	2,082
Other increase (decrease)	2	-3	0	-4	0	0	-4
Intangible assets, ending balance	**78**	**23,085**	**29,814**	**2,603**	**93,155**	**657**	**149,391**
Gross amount	5,264	49,179	29,814	26,171	103,966	657	215,051
Cumulative depreciation & impairment (-)	-5,186	-26,095	0	-23,568	-10,811	0	-65,660
Movements in intangible assets - financial year 2022							
Intangible assets, opening balance	**78**	**23,085**	**29,814**	**2,603**	**93,155**	**657**	**149,391**
Gross amount	5,264	49,179	29,814	26,171	103,966	657	215,051
Cumulative depreciation & impairment (-)	-5,186	-26,095	0	-23,568	-10,811	0	-65,660
Investments	2,242	594	0	1,778	83	146	4,843
Additions through business combinations	0	0	0	0	0	0	0
Disposals (-)	0	0	0	0	0	0	0
Disposals through business disposals (-)	0	-696	-29,814	-222	-1,212	0	-31,945
Depreciations & Impairments (-)	-108	-3,451	0	-1,091	-1,183	0	-5,833
Foreign currency exchange increase (decrease)	0	0	0	0	247	0	248
Transfer from (to) other items	-37	0	0	110	1,411	-539	945
Other increase (decrease)	0	0	0	0	0	0	0
Intangible assets, ending balance	**2,175**	**19,532**	**0**	**3,179**	**92,501**	**264**	**117,649**
Gross amount	6,794	36,751	0	26,788	102,689	264	173,285
Cumulative depreciation & impairment (-)	-4,619	-17,220	0	-23,610	-10,188	0	-55,636

The decrease of intangible assets by 31.7 million euros relative to last year is virtually entirely explained by the disposal of Anima. The other movements mainly relate to investments in licences and software, capitalised development costs (mainly in DEME’s Concessions segment) and depreciation cost.

The intangible assets consist of 15.2 million euros of trade names and 69.3 million euros of databases which were reported in the consolidated balance sheet at year-end 2013 following the acquisition of control over DEME. These intangible assets are not amortised (indefinite life) and are included in the annual impairment test performed on the goodwill following the acquisition of control over DEME at the end of 2013 (see Note 8. Goodwill).

On the acquisition by DEME in 2020 of the Dutch firm SPT Offshore, part of the value was attributed to the special environmentally friendly suction pile technology which can be used to secure both fixed and floating structures to the seabed, with a net book value of 14.4 million euros and depreciated over the economic life time of 10 years.

Note 8: Goodwill

(€ 1,000)	2022	2021
Movements in goodwill		
Goodwill, opening balance	**327,829**	**325,937**
Gross amount - fully consolidated participations	351,785	349,582
Cumulative impairment losses - fully consolidated participations (-)	-23,956	-23,646
Additions through business combinations	0	2,203
Disposals through business disposals (-)	-7,404	0
Impairments through profit and loss (-)	-432	-311
Other increase (decrease)	-39	0
Goodwill, ending balance	**319,953**	**327,829**
Gross amount - fully consolidated participations	341,531	351,785
Cumulative impairment losses - fully consolidated participations (-)	-21,578	-23,956

(€ 1,000)	2022	2021
Goodwill per segment		
Marine Engineering & Contracting	**173,980**	**174,019**
Goodwill of AvH on DEME	140,764	140,764
Goodwill of DEME on its subsidiaries	13,028	13,028
Goodwill of CFE on its subsidiaries	23,723	23,763
Intercompany eliminations	-3,536	-3,536
Private Banking	**134,247**	**134,247**
Goodwill of AvH on FinAx	134,247	134,247
Real Estate & Senior Care	**0**	**7,836**
Goodwill of AvH on Nextensa	0	432
Goodwill of Anima on its subsidiaries	0	7,404
Energy & Resources	**0**	**0**
AvH & Growth Capital	**11,727**	**11,727**
Goodwill of Biolectric Group on its subsidiaries	11,727	11,727
Total	**319,953**	**327,829**

(€ 1,000)	Goodwill 2022	Goodwill 2021
Goodwill of AvH on DEME	140,764	140,764
Goodwill of AvH on FinAx	134,247	134,247
Goodwill of AvH on Nextensa	0	432

The decrease of goodwill by 7.9 million euros relative to last year is virtually entirely explained by the disposal of Anima.

The goodwill is mainly attributable to FinAx, DEME (following the acquisition of control at year-end 2013), Biolectric Group and to the subsidiaries held by DEME and CFE. It should be pointed out that this does not include the goodwill (clients) of 222.8 million euros in the consolidated balance sheet of Delen Private Bank, as Delen Private Bank is recognized according to the equity method. This goodwill mainly results from the acquisition of Capital & Finance in 2007, JM Finn in 2011, and to a limited extent Oyens & Van Eeghen (end of 2015) and Nobel (end of 2019).

AvH subjects the goodwill on its balance sheet to an impairment test in case of impairment indications and at least annually. This means the goodwill that is reported as such in the consolidated balance sheet under the item 'Goodwill', as well as the goodwill that is contained in the item 'Participations accounted for using the equity method'. Each group company of AvH is treated as a distinct cash generating unit (CGU). As part of the impairment test, a fair value is determined for each CGU on the basis of publicly available market valuations (market price of listed companies / recent transactions / broker reports). If after this first step on the basis of a fair value approach it turns out that additional justification is required, a value in use will also be determined from the perspective of AvH based on a discounted cash flow (DCF) model or market multiples. If, after this second step, still no adequate justification can be given for the goodwill in the balance sheet, an 'impairment' will be recognized.

The impairment test at AvH level did not result in any material impairment loss.

- DEME's share price at December 31, 2022 of 124 euros is well above the carrying amount of DEME in the consolidated financial statements of AvH.
- AvH has a direct 78.75% participation in Delen Private Bank and Bank Van Breda through its wholly owned subsidiary FinAx. The goodwill on FinAx is amply underpinned based on market multiples.
- Nextensa's carrying amount at AvH results from the full consolidation of the 58.53% participation in the consolidated shareholders' equity of 838.8 million euros. This represents a net asset value of 83.9 euros per share. Notwithstanding the lower share price at year-end of 51.9 euros per share, this does not imply an indication of impairment as the investment property included in Nextensa's net asset value are measured at fair value based on external valuation reports and the project developments are reported according to the percentage of completion. The capital gains that Nextensa usually reports upon realisation, over and above the fair value measurements already recognised, attest this approach.

Note 9: Tangible assets

(€ 1,000)	Land and buildings	Plant, machinery and equipment	Furniture and vehicles	Other tangible assets	Assets under construction & advance payments	Total 2021
I. Movements in tangible assets - financial year 2021						
Tangible assets, opening balance	**415,415**	**1,835,423**	**53,525**	**4,736**	**516,454**	**2,825,552**
Gross amount	592,112	4,221,775	151,275	14,993	516,454	5,496,608
Cumulative depreciation & impairment (-)	-176,696	-2,386,353	-97,750	-10,257	0	-2,671,056
Impact IFRS changes	0	0	0	0	0	0
Investments	48,327	153,489	29,869	1,604	139,473	372,761
Additions through business combinations	1,985	141	52	0	0	2,178
Disposals (-)	-9,021	-24,508	-664	84	-348	-34,457
Disposals through business disposals (-)	0	-106	-803	-4	0	-913
Depreciation & impairment (-)	-34,055	-311,057	-25,340	-822	0	-371,273
Foreign currency exchange increase (decrease)	1,266	2,504	88	-1	404	4,262
Transfer from (to) other items	2,667	288,323	-1,675	1,412	-325,991	-35,263
Other increase (decrease)	0	0	0	0	0	0
Tangible assets, ending balance	**426,584**	**1,944,209**	**55,051**	**7,009**	**329,992**	**2,762,846**
Gross amount	624,902	4,504,531	158,421	18,604	329,992	5,636,450
Cumulative depreciation & impairment (-)	-198,318	-2,560,322	-103,370	-11,595	0	-2,873,604
II. Other information						
Leases						
Net carrying amount of tangible assets under lease	130,674	9,919	38,696			179,290
Tangible assets acquired under lease	31,788	4,377	23,396			59,561

(€ 1,000)	Land and buildings	Plant, machinery and equipment	Furniture and vehicles	Other tangible assets	Assets under construction & advance payments	Total 2022
I. Movements in tangible assets - financial year 2022						
Tangible assets, opening balance	**426,584**	**1,944,209**	**55,051**	**7,009**	**329,992**	**2,762,846**
Gross amount	624,902	4,504,531	158,421	18,604	329,992	5,636,450
Cumulative depreciation & impairment (-)	-198,318	-2,560,322	-103,370	-11,595	0	-2,873,604
Impact IFRS changes	0	0	0	0	0	0
Investments	41,065	178,776	23,856	1,294	324,441	569,431
Additions through business combinations	0	0	0	0	0	0
Changes in scope	212	0	60	1	0	272
Disposals (-)	-4,791	-3,367	-1,686	-6	-281	-10,131
Disposals through business disposals (-)	-188,391	-3,216	-3,768	-1,935	-12,629	-209,939
Depreciation & impairment (-)	-28,463	-299,912	-24,533	-1,279	0	-354,187
Foreign currency exchange increase (decrease)	-100	-333	55	1	219	-158
Transfer from (to) other items	3,086	367,030	80	4,226	-409,452	-35,030
Other increase (decrease)	-2,421	0	182	0	-158	-2,397
Tangible assets, ending balance	**246,782**	**2,183,188**	**49,296**	**9,310**	**232,132**	**2,720,708**
Gross amount	410,286	4,932,722	150,486	17,405	232,132	5,743,032
Cumulative depreciation & impairment (-)	-163,504	-2,749,534	-101,191	-8,095	0	-3,022,324
II. Other information						
Leases						
Net carrying amount of tangible assets under lease	92,710	17,969	37,495			148,174
Tangible assets acquired under lease	23,887	18,044	17,927			59,857

Tangible assets amounted to 2,720.7 million euros at year-end 2022. Of this figure, DEME accounts for 93%, its main assets being its fleet. In addition, this balance sheet item includes the offices, machinery and vehicle fleets of CFE, Bank Van Breda, Rent-A-Port, Nextensa, Agidens, Biolectric and AvH.

As a result of the disposal of Anima, including its substantial real estate assets of residential care centres that had been accumulated over the years, the total tangible assets decreased slightly by 42.1 million euros, despite continuing investments in the fleet of DEME.

DEME invested a total of 483.9 million euros in additional tangible assets. This figure for 2022 includes that year's investments in the revolutionary installation vessel 'Orion', the substantial amounts spent on extensive maintenance and repairs to several vessels of the fleet, as well as the amounts spent on the transition of the 'Viking Neptun' and the 'Sea Installer'. At December 31, 2022, DEME has commitments for a remaining amount of 192.6 million euros for assets under construction to be completed, mainly for the upgrades to the vessels 'Viking

Neptun' and 'Sea Installer', the new fallpipe vessel and some additional adjustments to the 'Orion'.

A vessel within the Offshore Energy segment, with a net carrying amount of 32 million euros, has been reclassified to 'Assets held for sale' (Note 5).

DEME's investments in its fleet resulted in a higher depreciation cost. In 2021 DEME had recognised impairment losses for 25.5 million euros to its cutter suction dredgers 'Al Mahaar' and 'Al Jarraf', following the low anticipated utilization rates. In 2022, impairment losses were limited to 0.4 million euros.

Note 10: Investment property at fair value

(€ 1,000)	Leased buildings	Development projects	Assets held for sale	Total
I. Movement in investment property at fair value - financial year 2021				
Investment property, opening balance	**1,369,323**	**44,734**	**199**	**1,414,256**
Gross amount	1,369,323	44,734	199	1,414,256
Investments	30,578	5,902	0	36,479
Additions through business combinations	0	0	0	0
Disposals (-)	-22,584	0	-97	-22,680
Disposals through business disposals (-)	0	0	0	0
Gains (losses) from fair value adjustments	-4,509	-2,520	0	-7,029
Transfer from (to) other items	-132,840	-7,929	141,157	388
Other increase (decrease)	-13,005	0	0	-13,005
Investment property, ending balance	**1,226,963**	**40,187**	**141,259**	**1,408,409**
Gross amount	1,226,963	40,187	141,259	1,408,409
I. Movement in investment property at fair value - financial year 2022				
Investment property, opening balance	**1,226,963**	**40,187**	**141,259**	**1,408,409**
Gross amount	1,226,963	40,187	141,259	1,408,409
Investments	34,870	7,264	23	42,157
Additions through business combinations	0	0	0	0
Disposals (-)	-1,848	0	-140,691	-142,538
Disposals through business disposals (-)	0	0	-490	-490
Gains (losses) from fair value adjustments	-11,729	199	-91	-11,620
Transfer from (to) other items	0	-17,190	0	-17,190
Other increase (decrease)	0	0	-11	-11
Investment property, ending balance	**1,248,256**	**30,460**	**0**	**1,278,716**
Gross amount	1,248,256	30,460	0	1,278,716

(€ 1,000)	2022	2021
Key figures		
Rental income	67,400	69,127
Rental yield (%)	5.30%	5.20%
Occupancy rate (%)	88.48%	89.09%

Nextensa invested 42.2 million euros, of which 11.5 million euros is attributable to investments in several buildings owned on the Tour & Taxis site. The remaining balance of 30.7 million euros mainly relates to the extension of the Knauf shopping centre in Schmiede and the repositioning/renovation of the EBBC business park (Moonar) in Luxemburg.

In 2022, Nextensa sold its properties The Crescent (Anderlecht), Monnet (Luxembourg) and Titanium (Luxembourg) for a total sum of 169.0 million euros. These sales generated a capital gain of 28.3 million euros.

In 2022, the value of the real estate portfolio was adjusted downward by 11.6 million euros based on external valuations, which corresponds to less than 1% of the total fair value.

The average rental yield on the investment property increased from 5.20% at year-end 2021 to 5.30% at year-end 2022.

Valuation of investment properties – Nextensa

Nextensa uses the following methods to define the fair value according to IFRS 13:

- **Net present value of estimated rental income**

The fair value is the result of the yield applied on the estimated rental value (capitalisation method or market approach) corrected by the net present value of the difference between the current rent and the estimated rental value at the valuation date, and this, for the period till the next break possibility of the current rental contracts.

- **Discounted cash flow method**

The DCF method consists in defining the present value of the future cash flows. The future rental income is estimated on the basis of the existing contractual rents and the real estate market outlook for each building in the following periods. Moreover, the future maintenance costs are also estimated and taken into account. The actualisation rate applied takes into account the risk premium for the object defined by the market. The obtained value is also compared to the market on the basis of the definition of the residual land value.

- **Residual valuation**

Buildings to renovate or in the course of renovation, or planned projects are valued based on the value after renovation, under deduction of the amount for the remainder of the work to be carried out, including costs, interests, vacancy and risk premium.

Assets and liabilities valued at fair value after their initial booking can be presented in three levels (1-3):

- **Level 1** inputs are quoted prices in active markets for identical assets or liabilities.
- **Level 2** inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. deducted from prices).
- **Level 3** inputs are unobservable inputs for the asset or liability based on valuations techniques comprising data for the asset or liability.

The investment properties of Nextensa fall under level 3. The valuations at the end of 2022 were carried out by external parties: Cushman & Wakefield, Stadim (Belux) and Oerag (Austria). The table below provides an overview of the valuation techniques applied per asset class.

Asset class	Fair value 2022 (€ 1,000)	Fair value 2021 (€ 1,000)	Valuation technique	Important input data	31/12/2022 Min-Max (weighted average)	31/12/2021 Min-Max (weighted average)
Retail Grand Duchy of Luxembourg & Belgium	377,629	370,170	Actualization of estimated rental income	a) Estimated rental value spread b) Average weighted estimated rental value c) Capitalization rate spread d) Weighted average cap. rate e) Remaining duration f) Number m^2	a) [0.34 €/m^2 - 18.66 € /m^2] b) [13.72 € /m^2] c) [0.90% - 11.58%] d) [6.51%] e) 3.62 years f) 166 950 m^2	a) [0.34 €/m^2 - 17.61 € /m^2] b) [11.26 € /m^2] c) [1.77% - 7.58%] d) [6.61%] e) 2.72 years f) 170 731 m^2
Retail Austria	189,581	185,369	DCF (discounted cash flow)	a) Estimated rental value spread b) Average weighted estimated rental value c) Capitalization rate spread d) Weighted average cap. rate e) Remaining duration f) Number m^2	a) [8.79 €/m^2 - 15.09 € /m^2] b) [12.71 €/m^2] c) [3.70% - 6.11%] d) [5.38%] e) 5.21 years f) 69 219 m^2	a) [11.12 €/m^2 - 13.82 € /m^2] b) [12.32 €/m^2] c) [5.20% - 5.80%] d) [5.46%] e) 4.49 years f) 69 533 m^2
Offices Grand Duchy of Luxembourg	186,660	283,280	Actualization of estimated rental income	a) Estimated rental value spread b) Average weighted estimated rental value c) Capitalization rate spread d) Weighted average cap. rate e) Remaining duration f) Number m^2	a) [22.57 €/m^2 - 46.58 € /m^2] b) [26.71 €/m^2] c) [0.58% - 6.75%] d) [4.74%] e) 1.46 years f) 35 550 m^2	a) [16.52 €/m^2 - 40.28 € /m^2] b) [22.99 €/m^2] c) [3.75% - 6.10%] d) [4.91%] e) 2.40 years f) 45 433 m^2
Offices Belgium	409,511	436,610	Actualization of estimated rental income	a) Estimated rental value spread b) Average weighted estimated rental value c) Capitalization rate spread d) Weighted average cap. rate e) Remaining duration f) Number m^2	a) [11.68 €/m^2 - 25.18 €/m^2] b) [17.03 €/m^2] c) [3.78% - 8.80%] d) [4.93%] e) 6.68 years f) 112 891 m^2	a) [10.09 €/m^2 - 27.98 €/m^2] b) [12.37 €/m^2] c) [3.60% - 8.75%] d) [4.56%] e) 6.76 years f) 132 455 m^2
Other	115,335	132,490	DCF (discounted cash flow or net present value of cash-flows at discount rate)	a) Estimated rental value spread b) Average weighted estimated rental value c) Average discount rate d) Economic life e) Remaining duration f) Number m^2	a) Not applicable b) Not applicable c) Not applicable d) 30 years e) 3.41 years f) 32 629 m^2	a) [2.24 €/m^2 - 7.30 € /m^2] b) [2.24 € /m^2] c) 5.02% d) 30 years e) 2.35 years f) 47 057 m^2
Total	**1,278,716**	**1,407,919**				

Nextensa's investment portfolio was valued at 1.3 billion euros on December 31, 2022 and is divided over Belgium (44%), Luxembourg (41%) and Austria (15%). According to the type of properties, the portfolio comprises 47% offices and 44% retail. The remaining 9% represents 'Other' real estate, such as car parks and real estate for events.

Note 11: Participations accounted for using the equity method

(€ 1,000)	2022	2021
Participations accounted for using the equity method		
Marine Engineering & Contracting	362,398	267,220
Private Banking	849,394	805,182
Real Estate & Senior Care	52,946	44,287
Energy & Resources	341,798	288,169
AvH & Growth Capital	238,701	242,338
Total	**1,845,237**	**1,647,196**

(€ 1,000)	Equity value	Goodwill allocated	Total 2022	Total 2021
Movements in participations accounted for using the equity method				
Participations accounted for using the equity method: opening balance	**1,555,045**	**92,151**	**1,647,196**	**1,456,070**
Additions	35,375	-204	35,171	25,729
Additions through business combinations	0	0	0	0
Disposals (-)	-19,389	0	-19,389	-4,051
Disposals through business disposals (-)	0	0	0	139
Share of profit (loss) from equity accounted investments	243,874	0	243,874	255,191
Impairments through profit and loss	0	0	0	0
Foreign currency exchange increase (decrease)	11,746	0	11,746	35,118
Impact of dividends distributed by the participations (-)	-122,246	0	-122,246	-112,497
Transfers (to) from other items	-21,507	-4,421	-25,928	-35,505
Other increase (decrease)	74,812	0	74,812	27,003
Participations accounted for using the equity method: ending balance	**1,757,711**	**87,526**	**1,845,237**	**1,647,196**

General evolution

The participations accounted for using the equity method comprise the interests in jointly controlled participations or in participations in which no controlling interest is held. This is the case amongst others with Delen Private Bank, the offshore wind farms Rentel, SeaMade and C-Power, SIPEF, Sagar Cements, as well as many of the participations in the "Growth Capital" segment of AvH's portfolio. The increase in the 'Participations accounted for using the equity method' by 198.0 million euros is explained by AvH's 243.9 million euros share in the profits of those participations, less the dividends that those participations pay to AvH. Furthermore, in 2021 AvH Growth Capital acquired a new participation in Van Moer Logistics. In view of the announced sale of the participation in Manuchar, which is expected to be completed during the second quarter of 2022, this participation was already reclassified to 'Assets held for sale' at year-end 2021.

During the past year 2022, the group invested 35.2 million euros:

- In "Marine Engineering & Contracting", DEME invested, among others, in Thistle Wind Partners (Concessions segment) and carried out a capital increase at Scaldis (Offshore Energy segment). Rent-A-Port subscribed to Bstor's capital increase and acquired 50% in Hateco Deep C Port jsc (Vietnam).
- The shareholding percentage in SIPEF was increased by 1.68% to 36.81% by purchasing SIPEF shares on the stock market.

The disposals essentially relate to the sale by CFE and Nextensa of a number of property developments that were held in partnership with other parties. The participation in Manuchar had already been recognised as 'Asset held for sale' in the 2021 financial statements.

As it was also the case in previous years, the equity-accounted investments made a substantial contribution to the group profit. In 2022, this contribution amounted to 243.9 million euros (2021: 255.2 million euros, including a contribution from Manuchar). This profit from equity-accounted investments comprises a.o. the share of the AvH group in the net profit of Delen Private Bank, SIPEF, Verdant Bioscience, Sagar Cements and several "AvH & Growth Capital" participations.

In 2022, the Group received 122.2 million euros worth of dividends from participations accounted for using the equity method. This figure is 9.8 million euros higher than in 2021. Delen Private Bank (80.1 million euros), SIPEF (7.6 million euros) and equity-accounted participations of DEME and CFE made the biggest contributions to this amount of 122.2 million euros.

The 'Transfer (to) from other items' is primarily explained by the reclassification of the Telemond participation to 'Assets held for sale' as a result of the sale of Telemond in the first quarter of 2023.

The 'Other increase (decrease)' item reflects movements in the equity of the participations, with the positive fair value evolution in 2021 as well as in 2022 of the cash flow hedges at the participations of DEME and Green Offshore in the Rentel and SeaMade offshore wind farms, having the greatest impact (25.4 million euros respectively 22.1 million euros). Other movements in the equity of the participations include a.o. the eliminations of results on sales of treasury shares, the impact of the buy-out of minority interests, and the impact of the measurement of the purchase obligation resting on certain shares.

Directly held participations accounted for using the equity method

AvH applies the equity method to the jointly controlled subsidiaries Delen Private Bank (78.75%), SIPEF (36.8%), Verdant Bioscience (42%), Amsteldijk Beheer (50%), Turbo's Hoet Groep (50%) and Telemond (50%, reclassed to 'Assets held for sale'). This balance sheet item also comprises the associated interests in Sagar Cements (19.6%), Axe Investments (48.3%), Financière EMG (22.7%), Mediahuis (13.9%), OM Partners (20%) and Van Moer Logistics (21.7%). For a more detailed description of the changes in the scope, see Note 6. Segment information.

Some of the group companies mentioned above are listed on the stock market. If the interests in SIPEF and Sagar Cements were to be valued at the market price at year-end 2022 those companies would represent stock market values of 229.4 million euros and 67.8 million euros respectively. If the stock market value at the end of the year was lower than the consolidated equity method value, other elements were considered in the assessment as to whether an impairment was necessary. This was not the case at the end of 2022.

Indirectly held participations accounted for using the equity method

The full consolidation of CFE, DEME, Rent-A-Port, Green Offshore and Nextensa gives rise to the recognition of their jointly controlled subsidiaries and associated participating interests for a total amount of 415,3 million euros, the main interests being those of DEME in C-Power (6.5%), of DEME/Green Offshore in Rentel (18.9% and 12.5% respectively) and in SeaMade (13.2% and 8.75% respectively), of DEME in CDWE Taiwan, Deeprock and GEM/EMW, as well as the real estate and PPP projects set up by CFE and Nextensa together with partners and port-related partnerships at Rent-A-Port.

Note 12: Financial risk management and financial derivatives

1. Credit risk

Both **CFE** and **DEME** have set up procedures to limit the risk of their trade receivables. To limit the credit risk, both participations constantly monitor their outstanding trade receivables and adjust their positions if necessary. For the purposes of major foreign contracts, for instance, DEME regularly uses the services of the Credendo Group insofar as the country concerned qualifies for this service and the risk can be covered by credit insurance. A large part of the consolidated turnover is realized through public or semi-public sector customers. The level of counterparty risk is limited by the large number of customers. For large-scale infrastructure contracts, DEME is dependent on the ability of customers to obtain financing and can, if necessary, help to organize project financing. Although the credit risk cannot be ruled out altogether, it is still limited. Moreover, as a worldwide player, DEME is exposed to political risks and negative developments that may manifest themselves at the macroeconomic level.

The credit risk of **Rent-A-Port**, primarily active in Vietnam, is limited by advances received on the sale of acquired rights over developed sites (industrial zones) and by the monthly invoicing and the wide spread of customers when providing utilities, maintenance and management services in those industrial zones.

For the credit risk regarding the loan portfolio of **Bank Van Breda** we refer to the credit risk policy as described in Note 14.

Nextensa aims at a good spread both in terms of the number of tenants and the sectors in which these tenants are active in order to limit the risk of bad debts and bankruptcies by tenants. Furthermore, the solvency of the tenants is screened on a regular basis by an external rating agency, and long-term lease agreements are sought to ensure a recurrent rental income flow and increase the duration of the lease agreements. In the real estate development activity an extensive analysis of the related technical, legal and financial risks is made, prior to the signing of a new project.

Agidens manages its debtor risk in accordance with the relevant policy, procedures and checks that have been set out by the group. Outstanding receivables are periodically monitored, and large-scale projects are generally covered by bank or other similar guarantees. The same applies to **Biolectric**.

In the **AvH & Growth Capital** segment the group invests for the long term in companies with international growth potential. The diversified character of these investments contributes to a balanced spread of the economic and financial risks. Furthermore, AvH usually finances these investments with shareholders' equity.

(€ 1,000)	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5		
	Marine Engineering & Contracting	Private Banking	Real Estate & Senior Care	Energy & Resources	AvH & Growth Capital	Eliminations between segments	**Total 2021**
Financial fixed assets - receivables and warranties	134,544	2,050	13,255	0	27,813	-18,976	**158,687**
Other receivables	85,009	3,716	51,312	76	6,970	-750	**146,332**
Trade debtors	570,349	56	39,665	0	19,810	-1,169	**628,710**
Total (net - accumulated impairments included)	**789,902**	**5,822**	**104,232**	**76**	**54,592**	**-20,895**	**933,729**
%	**85%**	**1%**	**11%**	**0%**	**6%**	**-2%**	**100%**
not expired	662,973	5,822	100,964	76	51,712	-20,895	**800,652**
expired < 30 d	29,707	0	657	0	2,121	0	**32,484**
expired < 60 d	19,093	0	1,838	0	248	0	**21,179**
expired < 120 d	17,968	0	674	0	304	0	**18,945**
expired > 120 d	60,162	0	100	0	207	0	**60,469**
Total (net - accumulated impairments included)	**789,902**	**5,822**	**104,232**	**76**	**54,592**	**-20,895**	**933,729**
%	**85%**	**1%**	**11%**	**0%**	**6%**	**-2%**	**100%**
Accumulated impairments							
Financial fixed assets - receivables and warranties (impairments)	-4,724	0	0	0	-10,985	0	-15,709
Other receivables (impairments)	-117	0	-43	0	-1,981	0	-2,140
Trade debtors (impairments)	-41,042	0	-1,905	0	-94	0	-43,041
	-45,883	**0**	**-1,948**	**0**	**-13,059**	**0**	**-60,890**

(€ 1,000)	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5		
	Marine Engineering & Contracting	Private Banking	Real Estate & Senior Care	Energy & Resources	AvH & Growth Capital	Eliminations between segments	**Total 2022**
Financial fixed assets - receivables and warranties	170,404	2,579	7,910	0	43,821	-34,840	**189,875**
Other receivables	56,026	11,231	52,849	68	7,698	0	**127,871**
Trade debtors	683,217	48	15,371	0	21,841	-1,262	**719,214**
Total (net - accumulated impairments included)	**909,646**	**13,858**	**76,131**	**68**	**73,359**	**-36,102**	**1,036,960**
%	**88%**	**1%**	**7%**	**0%**	**7%**	**-3%**	**100%**
not expired	721,903	13,858	73,268	68	68,541	-36,102	**841,536**
expired < 30 d	48,354	0	650	0	3,017	0	**52,021**
expired < 60 d	51,388	0	405	0	497	0	**52,290**
expired < 120 d	40,792	0	1,457	0	438	0	**42,688**
expired > 120 d	47,210	0	350	0	866	0	**48,425**
Total (net - accumulated impairments included)	**909,646**	**13,858**	**76,131**	**68**	**73,359**	**-36,102**	**1,036,960**
%	**88%**	**1%**	**7%**	**0%**	**7%**	**-3%**	**100%**
Accumulated impairments							
Financial fixed assets - receivables and warranties (impairments)	-5,229	0	0	0	-10,985	0	-16,213
Other receivables (impairments)	-212	0	0	0	-1,981	0	-2,192
Trade debtors (impairments)	-36,203	0	-821	0	-50	0	-37,074
	-41,644	**0**	**-821**	**0**	**-13,016**	**0**	**-55,480**

Marine Engineering & Contracting

- Financial fixed assets: receivables and warranties: loans granted to participating interests include a.o. financing granted by DEME and Green Offshore to their respective participating interests active in the development/operation of the Rentel and SeaMade wind farms, and by CFE to real estate project companies.
- Trade receivables in this segment account for 95% of total trade receivables.

Overdue receivables in contracting mainly relate to settlements and additional charges, but which still have to be included in the budgets or are to be covered by an overall agreement. CFE and DEME have a number of negotiations and/or procedures pending. Overdue receivables (mostly attributable to DEME) are mainly covered by Credendo. Expected losses on construction contracts are adequately recorded in the balance sheet item 'Construction contracts' (Note 15).

The turnover of Rent-A-Port, primarily active in Vietnam, derives from (i) the sale of acquired rights over developed sites (industrial zones), (ii) the provision of utilities (electricity and water) and (iii) of maintenance and management services in those industrial zones:

- The compensation for the sale of acquired rights over developed sites, usually varying from 40 to 50 years, is largely paid in advance (80% to 100%) by the customers of the Rent-A-Port group. Once the land is delivered to the customer, the risks and rewards of the land use rights are transferred.
- The charges for the provision of utilities, maintenance and management services are invoiced on a monthly basis, and given the wide spread of customers, the credit risk is fairly limited.

Private Banking

We refer to Note 14 for more details regarding the credit risk of Bank Van Breda.

Real Estate & Senior Care

- The other receivables relate to the advances that Nextensa grants to its real estate project companies.
- Referring to the above description of the credit risk management, under normal circumstances the impairments on trade receivables are limited at Nextensa.

AvH & Growth Capital and Intercompany eliminations

- the full consolidation of Agidens and Biolectric Group with their respective trade receivables.
- financing provided by AvH & subholdings to, among others, Green Offshore in the context of the development of the Rentel and SeaMade wind farms and to Rent-A-Port (development of port-related industrial zones in Vietnam) has been eliminated in the consolidation.

In 2022, no customer accounted for more than 10% of group revenue.

2. Liquidity risk and capital management

The financial debts, after intercompany elimination, relate to the following segments:

(€ 1,000)	2022			2021		
	Financial debt - ST	Financial debt - LT	Net financial debt	Financial debt - ST	Financial debt - LT	Net financial debt
Marine Engineering & Contracting	278,640	1,016,861	601,511	529,567	721,091	524,132
Private Banking (IFRS 16 leases)	2,613	4,854	-17,048	2,516	5,673	-37,173
Real Estate & Senior Care	117,668	634,932	721,493	383,659	700,141	1,010,472
Energy & Resources	0	0	-642	0	0	-576
AvH & Growth Capital	3,735	10,026	-396,956	46,727	11,970	20,759
Intercompany	0	-34,840	-34,840	-750	-18,976	-19,726
Total	**402,656**	**1,631,833**	**873,517**	**961,720**	**1,419,899**	**1,497,889**

DEME's liquidity risk is limited by spreading the financing over several banks and by preference over the long term. DEME has major credit and guarantee lines with a whole string of international banks. Certain ratios (covenants) were agreed in the loan agreements with the relevant banks which DEME must observe. This was the case at year end 2022. In addition, it has a commercial paper programme to cover short-term financial needs. DEME predominantly invests in equipment with a long life which is depreciated over several years. For that reason, DEME seeks to schedule a substantial part of its debts over a long term. DEME converted all its long-term financing into sustainability-linked loans in February 2022 (we refer to the sustainability report p. 69 for more details).

CFE finances its construction and real estate development activities with bank loans, medium term notes and commercial paper. During the second quarter of 2022, CFE set up new credit lines that incorporate sustainability criteria. The bond of 30 million euros that matured at year-end 2022 was repaid by BPI, CFE's real estate development subsidiary.

Both DEME and CFE had a substantial cash position (cash and cash equivalents) at year-end 2022.

The **Rent-A-Port** group is financed primarily by equity, bank and shareholder loans. Infra Asia Investment Hong Kong entered into a new roll-over facility for a total amount of 35 million USD (in addition to the existing 10 million USD), replacing the 29,2 million euros and 1,8 million USD bond loans which were redeemed early per 3 May 2022.

Rent-A-Port increased its stake in IAI by 32.6% to 94% in the first quarter of 2022. Rent-A-Port paid for this transaction at the beginning of July 2022 thanks to additional shareholder loans from AvH and CFE.

Nextensa has the necessary long-term credit facilities and backup lines for its commercial paper to cover present and future investment needs. Those credit facilities and backup lines serve to hedge the financing risk. The liquidity risk is limited by having the financing spread over several financial counterparties and by tapping various sources of funding, as well as by diversifying the expiration dates of the credit facilities.

On November 20, 2019, Nextensa closed a private placement of bonds with seven-year maturity and a fixed annual coupon of 1.95% for an amount of 100 million euros (with a final maturity on November 28, 2026). Its subsidiary, Extensa Group, had previously closed two private placements for an amount of 45 million euros (fixed interest rate of 3.00% and fully repaid on maturity date June 29, 2022) and of 40 million euros (fixed interest rate 3.38% and maturing on June 5, 2024). The amounts drawn down on the bilateral bank loans were 491.5 million euros in the long term and 44.5 million euros in the short term at year-end 2022.

The financial debts reported by the AvH & Growth Capital segment are entirely attributable to **Agidens** and **Biolectric Group**. The debts of Agidens relate to the financing of the main building, the leases of cars and a straight loan regarding working capital management. The financial debts of Biolectric relate to its headquarters, the acquisition loan, its working capital and the biogas installations that remain in ownership of Biolectric so to operate them and to sell the electricity produced to farmers.

Thanks to the divestments realised in 2022 (Manuchar and Anima), the commercial paper programme was fully repaid, and **AvH (and subholdings)** has a net cash position of 498.7 million euros (see Note 6. Segment information Cash flow statement for more details).

AvH disposes of confirmed credit lines (280 million euros), spread over different banks.

Several fully consolidated companies have agreed on certain ratios (covenants) in their credit agreements and these were respected end on December, 31 2022.

The evolution of the financial debts and the net financial debt position is further explained in Note 19 Financial debts.

3. Financial derivatives for hedging the interest rate risk, currency risk and commodity risk

(€ 1,000)	Notional amount 2022	Book value 2022	Notional amount 2021	Book value 2021
I. Interest rate hedges				
Assets				
Fair value hedges - Bank Van Breda	870,000	88,251	40,000	568
Cash flow hedges	1,269,235	82,695	0	0
Hedging instruments that do not meet the requirements of cash flow hedging	185,000	7,732	140,000	684
Accrued interest		0		0
Total		**178,677**		**1,252**
Liabilities				
Fair value hedges - Bank Van Breda	25,000	-399	745,000	-28,687
Cash flow hedges	0	0	930,226	-20,454
Hedging instruments that do not meet the requirements of cash flow hedging	15,000	-23	280,000	-5,599
Accrued interest		0		0
Total		**-422**		**-54,740**
II. Currency hedges				
Assets	198,298	2,549	183,934	2,043
Liabilities	1,148,935	-84,188	1,354,132	-35,295
		-81,639		**-33,252**
III. Commodity risks				
Assets		2,044		2,651
Liabilities		-1,175		-314
		869		**2,337**
Reconciliation with consolidated balance sheet		**Asset side**		**Asset side**
Non-current hedging instruments		158,911		1,816
Current hedging instruments		24,359		4,129
		183,270		**5,945**
		Liability side		**Liability side**
Non-current hedging instruments		-53,892		-74,034
Current hedging instruments		-31,893		-16,315
		-85,785		**-90,348**

3.1 Interest rate risk

The interest rate risk within the **CFE** group is managed according to the type of activity. The Contracting activities are characterized by an excess of cash which partially compensates the real estate commitments. Cash management is mainly centralized through the cash pooling. **DEME** enters into substantial financing for the acquisition of dredging vessels. DEME uses interest rate swaps to achieve the best possible balance between financing costs and the volatility of the financial results.

The **Rent-A-Port** group is financed primarily by equity, bank and shareholder loans. Infra Asia Investment Hong Kong entered into a new roll-over facility for a total amount of 35 million USD (in addition to the existing 10 million USD). 50% of the interest rate risk on this credit facility is hedged by a forward interest rate swap.

The hedging policy of **Nextensa** is to ringfence the interest rate risks for approximately 75% of the financial debt for a period of 4-5 years and approximately 50% for the following 5 years. The hedge ratio for the investment portfolio at year-end 2022 is 74%, compared to 67% at year-end 2021. As of December 31, 2022, the weighted residual maturity of the loan portfolio allocated to the investment property evolved from 2.98 years at year-end 2021 to 2.85 years at year-end 2022. The weighted residual maturity of the hedging products decreased from 3.98 years (year-end 2021) to 3.52 years at year-end 2022.

The financial debts of the **AvH & Growth Capital** segment entirely consist of the debt entered into by Agidens and Biolectric regarding offices, the car park and the funding of working capital. No interest hedging contracts were outstanding at the 2022 year end.

Sensitivity analysis for the interest rate risk
If Euribor rises by 50 base points this will mean an interest charge increase of 0.9 million euros (CFE), negligible due to almost 100% hedge ratio (DEME), 0.9 million euros (Nextensa), 0.1 million euros (Agidens) and 0.1 million euros (Biolectric). AvH (& subholdings) is debt-free. However, this does not take into account the impact we would observe on the assets.

3.2 Wisselkoersrisico

Given the international character of its business operations and the execution of contracts in foreign currency, **DEME** is exposed to currency risks. DEME's transactional foreign currency risk arises from commercial flows denominated in currencies other than the euro. However, 79% of DEME's revenues (2021: 62%) related to transactions expressed in euros and, as such, represented the largest portion of DEME's revenues realised. Turnover in foreign currency related to a.o.: US dollar, Singapore dollar, Indian rupee, British pound, Danish krone, Brazilian Real and the Uruguayan peso. DEME's expenses are also predominantly in euro, except for contracts that are carried out in non-euro countries. The residual foreign currency risk is assessed on a case-by-case basis and, if necessary, DEME uses forward-exchange contracts to hedge its residual foreign currency risk on projected net commercial flows denominated in currencies other than the euro.

In the case of **CFE**, most operations take place within the eurozone; nevertheless, exposure to foreign currency fluctuations (mainly Polish Zloty) is limited as much as possible.

Rent-A-Port primarily operates in Southeast Asia and is essentially exposed to an exchange rate risk relating to the US dollar and the Vietnamese dong. Since the subsidiaries of Rent-A-Port mainly effect purchases and sales in local currencies, the group's exposure to exchange rate fluctuations in commercial transactions is limited in a natural way. The translation of the functional currency (USD) into euros upon consolidation embodies an exchange rate risk.

Nextensa operates in Belgium, Luxembourg and Austria, and is therefore not subject to exchange risks.

The exchange rate risk of **Bank Van Breda** is limited, as the bank only operates in Belgium and the nature of its clients is such that it does not hold any significant own currency position.

Agidens, with its worldwide operations, has a (limited) exchange rate exposure to the US dollar and Swiss franc, and hedges its currency risk by using the same currency as much as possible for the income and expenses in question (natural hedging). If necessary, a currency swap is concluded with approved and reputable counterparties. **Biolectric** has a limited GBP exposure through its branch in the United Kingdom The strategy of **AvH** to look towards emerging markets resulted in investments in Indian rupees (Sagar Cements, the Healthquad I and II Funds and Medikabazaar) and in US Dollar (the Venturi Partners Fund I and Convergent Finance). This risk is not hedged as it concerns long term investments.

The remaining fully consolidated participations are not subject to significant exchange rate risks since they mainly operate in the eurozone.

Various non-fully consolidated participations such as Delen Private Bank, SIPEF and Verdant Bioscience, as well as Turbo's Hoet Groep and others, operate to a significant extent outside the eurozone. This may give rise to greater risks as a result of geopolitical developments or events.

The exchange rate risk in each of these cases is followed up and controlled at the level of the participation itself.

The exchange rate risk at **Delen Private Bank** is limited to the foreign currency subsidiaries (JM Finn and to a lesser extent Delen Suisse). The net exposure to the British Pound is currently limited as the impact of any exchange rate fluctuation on the JM Finn equity is neutralized by an opposite impact on the liquidity obligation on the remaining 7% minority stake in JM Finn. At **SIPEF** the majority of the costs are incurred abroad (in Indonesia and Papua New Guinea), whereas sales are realised in USD. This is a structural risk that is not hedged by the company and is therefore considered as a general business risk. Transactional risks are generally limited by short payment terms, and translation differences are limited by making the functional currency and reporting currency the same as much as possible. **Turbo's Hoet Groep**, finally has developed a significant level of activity in Eastern Europe. Turbo's Hoet Groep realizes its turnover in those markets on the basis of local currency. Although Turbo's Hoet Groep tries to pass on the impact of any depreciations in those local currencies to the final customer, market conditions do not always allow it. Turbo's Hoet Group has subsidiaries in Russia and Belarus that are active in the sale and servicing of trucks. In the course of 2022, THG limited its exposure to those markets.

Some of the main exchange rates that have been used to convert the balance sheets and results of the foreign entities into euro.

Conversion from foreign currency to Euro	Closing rate	Average rate
Australian Dollar	0.6366	0.6570
British Pound	1.1303	1.1717
Brazilian Real	0.1768	0.1835
Egyptian Pound	0.0378	0.0498
Danish Krone	0.1345	0.1345
Indian Rupee	0.0113	0.0121
Polish Zloty	0.2135	0.2139
Singapore Dollar	0.6974	0.6876
Taiwan Dollar	0.0306	0.0319
US Dollar	0.9344	0.9462
Vietnamese Dong	0.00003957	0.00004058

The table below gives an overview of the relevant financial instruments used at DEME and to a lesser extent CFE:

(€ 1,000)							Notional value
	USD US Dollar	SGD Singapore Dollar	PLN Polish Zloty	GBP GB Pound	EGP Egyptian Pound	Other	Total
Term purchases	110,362	73,464	0	7,510	0	6,963	**198,298**
Term sales	1,100,913	0	28,375	6,104	5,670	7,873	**1,148,935**

(€ 1,000)							Fair value
	USD US Dollar	SGD Singapore Dollar	PLN Polish Zloty	GBP GB Pound	EGP Egyptian Pound	Other	Total
Term purchases	463	-580	0	-91	0	-12	**-221**
Term sales	81,342	0	298	-177	369	-414	**81,418**

Sensitivity to the currency risk - DEME 2022

(€ 1,000)	Impact of the sensitivity calculation-depreciation of 5% of the euro	Impact of the sensitivity calculation-appreciation of 5% of the euro
Balance sheet impact (+ is debit / - is credit)		
Non-current interest-bearing debts (+ current portion due in the year) after hedge accounting	0	0
Net short-term financial debts after hedge accounting	4,309	-3,899
Outstanding trade receivables & payables	11,871	-11,871

Sensitivity to the currency risk - DEME 2021

(€ 1,000)	Impact of the sensitivity calculation-depreciation of 5% of the euro	Impact of the sensitivity calculation-appreciation of 5% of the euro
Balance sheet impact (+ is debit / - is credit)		
Non-current interest-bearing debts (+ current portion due in the year) after hedge accounting	0	0
Net short-term financial debts after hedge accounting	2,593	-2,346
Outstanding trade receivables & payables	18,894	-18,894

3.3 Commodity risk

Commodity risks are also linked to DEME, which hedges against oil price fluctuations by entering into forward contracts.

Note 13: Financial assets and liabilities

1. Financial assets and liabilities per category

(€ 1,000)	Fair value		Book value	
	2022	2021	2022	2021
Financial assets				
Financial assets : shares - Fair value through P/L (FVPL)	249,656	225,541	249,656	225,541
Financial assets : bonds - Fair value through OCI (FVOCI)	502,908	507,529	502,908	507,529
Financial assets : shares - Fair value through OCI (FVOCI)	263	259	263	259
Financial assets - at amortised cost	0	20,005	0	20,005
Receivables and cash				
Financial fixed assets - receivables and warranties	189,875	158,687	189,875	158,687
Other receivables	127,871	146,332	127,871	146,332
Trade debtors	719,214	628,710	719,214	628,710
Cash and cash equivalents	1,160,972	883,730	1,160,972	883,730
Banks - receivables from credit institutions & clients	6,780,990	7,479,264	6,940,242	7,110,893
Banks - changes in fair value of the hedged credit portfolio	-89,733	25,705	-89,733	25,705
Hedging instruments	183,270	5,945	183,270	5,945

(€ 1,000)	Fair value		Book value	
	2022	2021	2022	2021
Financial liabilities				
Financial liabilities valued at amortised cost				
Financial debts				
Bank loans	1,577,488	1,571,727	1,613,885	1,552,702
Bonds	139,348	248,960	139,348	246,164
Surbordinated loans	677	97,344	677	95,152
Lease debts	151,959	185,713	151,959	185,712
Other financial debts	128,621	301,887	128,621	301,887
Other debts				
Trade payables	1,136,241	1,145,112	1,136,241	1,145,112
Advances received	72,539	101,080	72,539	101,080
Amounts payable regarding remuneration and social security	210,608	220,085	210,608	220,085
Other amounts payable	110,391	98,411	110,391	98,411
Banks - debts to credit institutions, clients & securities	6,792,663	7,059,336	6,834,644	7,038,871
Hedging instruments	85,785	90,348	85,785	90,348

'Banks - changes in fair value of the hedged credit portfolio' appear in Bank Van Breda's balance sheet under liabilities when the item shows a negative balance, as was the case at the end of 2022. However, the cumulative fair value adjustments - regardless of the balance - always relate to the hedged customer loans (which are included in asset heading 'Banks - receivables from credit institutions & clients’). The book value of the 'Banks - debts to credit institutions, clients & securities' has been adjusted by 89,733 ('000) euros in the above table for this purpose."

(€ 1,000)	2022			2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Financial assets : shares - Fair value through P/L (FVPL)	152,405		97,251	173,254		52,287
Financial assets : bonds - Fair value through OCI (FVOCI)	502,908			507,529		
Financial assets : shares - Fair value through OCI (FVOCI)			263			259
Financial assets - at amortised cost		0			20,005	
Receivables and cash						
Banks - receivables from credit institutions & clients		751,761	6,029,229		1,362,479	6,116,785
Banks - changes in fair value of the hedged credit portfolio			-89,733			25,705
Hedging instruments		183,270			5,945	
Financial liabilities						
Financial debts						
Bank loans		1,577,488			1,571,727	
Bonds		139,348		29,899	219,061	
Surbordinated loans		677			97,344	
Lease debts		151,959			185,713	
Banks - debts to credit institutions, clients & securities		6,792,663			7,059,336	
Hedging instruments		85,785			90,348	

The fair values must be classified in three levels according to the valuation hierarchy of IFRS 13, depending on the type of input used for the valuation of financial instruments:

- Parameters for **level 1 instruments** are unadjusted quoted prices in active markets for identical assets and liabilities. No valuation technique (model) is used. In level 1, we find all financial assets (valued at fair value, with incorporation of value changes in the unrealised results) with a public listing in an active market.
- Parameters for **level 2 instruments** are prices quoted for similar assets and liabilities in active markets, or data based on or supported by observable market data. A valuation technique (model) is used, based on observable parameters such as:
    - the actual value of the future cashflows (discounted cashflow model)
    - the comparison with the current or recent fair value from another similar instrument
    - the determination of prices by third parties, provided that the price is in line with alternative observable parameters.

We find the following financial assets and liabilities in level 2:

- Cash and assets with central banks: because these assets have a very short term, the fair value is equated with the book value.
- Receivables from credit institutions and financial liabilities valued at amortised cost: the fair value of the above financial instruments is determined as the current value of future cash flows based on the applicable swap interest rate and the assumptions below:
    - Commercial margins are taken into account when repricing;
    - No account is taken of a percentage of credit losses.
- Derivatives held for trading purposes and for hedging purposes: the fair value of these instruments is also determined as the current value of future cash flows based on the applicable swap interest rate.

- Parameters for **level 3 instruments** are non-observable data for determining the fair value of an asset or liability. In this case, use is made of a valuation technique (model) with (partly) non-observable parameters.

We find the following financial assets in level 3:

- Some financial assets (valued at fair value with value changes included in the unrealised results) for which no public listing is available.
- Loans and advances to customers, valued at amortised cost: the fair value thereof is determined as the current value of future cash flows based on the applicable swap interest rate and the assumptions below:
    - Commercial margins are taken into account when repricing;
    - A percentage of early repayments and cap options is taken into account;
    - No account is taken of a percentage of credit losses.

The fair value of the securities in the **investment portfolio** of the Group is determined on the basis of the listing on the public market (level 1). The same applied to the **bond** issued by BPI (2021). The bonds issued by Nextensa and Rent-A-Port (2021) are reported under level 2.

The above table gives no fair value information for financial assets and liabilities that are not measured at fair value, such as receivables and warranties, other receivables and payables, trade receivables and trade payables, advance payments, amounts payable regarding remuneration and social security, and cash and cash equivalents, since their carrying amount is a reasonable approximation of their fair value.

2. Financial assets: at fair value through OCI or through P/L

(€ 1,000)	Financial fixed assets - FVPL	Investments - FVPL	Investments - FVOCI	Investments - at amortised cost	Investments - Total
Financial assets : at fair value through OCI or through P/L - financial year 2021					
Financial assets: opening balance at fair value	**131,391**	**51,155**	**475,164**	**20,003**	**546,322**
Financial assets - carrying amount (including accumulated fair value adjustments through P/L - FVPL)	131,391	51,155	463,025	20,003	534,183
Financial assets - adjustment to fair value			11,246		11,246
Financial assets - accrued interest			893		893
Additions	24,453	66	88,967	107,601	196,635
Additions through business combinations	0	0	0	0	0
Actuarial return		0	-1,108	-100	-1,208
Disposals (-)	-14,971	-7,770	-48,253	-107,500	-163,523
Disposals through business disposals (-)	0	0	0	0	0
Increase (decrease) through changes in fair value (FVPL)	36,338	4,739		0	4,739
Increase (decrease) through changes in fair value (FVOCI)			-8,347		-8,347
Impairment losses recognized in the income statement (-)			0		0
Foreign currency exchange increase (decrease)	140	-1	1,505	1	1,505
Transfer from (to) other items	0	0	0	0	0
Other increase (decrease)	0	0	-140	0	-140
Financial assets: ending balance at fair value	**177,351**	**48,190**	**507,788**	**20,005**	**575,982**
Financial assets - carrying amount (including accumulated fair value adjustments through P/L - FVPL)	177,351	48,190	504,139	20,005	572,334
Financial assets - adjustment to fair value (FVOCI)			2,895		2,895
Financial assets - accrued interest			753		753

(€ 1,000)	Financial fixed assets - FVPL	Investments - FVPL	Investments - FVOCI	Investments - at amortised cost	Investments - Total
Financial assets : at fair value through OCI or through P/L - financial year 2022					
Financial assets: opening balance at fair value	**177,351**	**48,190**	**507,788**	**20,005**	**575,982**
Financial assets - carrying amount (including accumulated fair value adjustments through P/L - FVPL)	177,351	48,190	504,139	20,005	572,334
Financial assets - adjustment to fair value			2,895		2,895
Financial assets - accrued interest			753		753
Additions	33,058	15,028	172,660	107,486	295,174
Additions through business combinations	0	0	0	0	0
Actuarial return			-731		-731
Disposals (-)	-618	-15,254	-120,595	-127,500	-263,349
Disposals through business disposals (-)	0	0	0	0	0
Increase (decrease) through changes in fair value (FVPL)	1,402	-6,636		0	-6,636
Increase (decrease) through changes in fair value (FVOCI)			-58,551		-58,551
Impairment losses recognized in the income statement (-)			0		0
Foreign currency exchange increase (decrease)	8	0	2,173	0	2,173
Transfer from (to) other items	-2,872	0	0	0	0
Other increase (decrease)	0	0	427	10	437
Financial assets: ending balance at fair value	**208,328**	**41,328**	**503,171**	**0**	**544,498**
Financial assets - carrying amount (including accumulated fair value adjustments through P/L - FVPL)	208,328	41,328	557,646	0	598,974
Financial assets - adjustment to fair value (FVOCI)			-55,655		-55,655
Financial assets - accrued interest			1,180		1,180

The **Financial assets at fair value through Profit&Loss** include the non-consolidated participations of "AvH & Growth Capital" (mainly investments with a focus on Southeast Asia/India and life sciences) and the investment portfolio of "AvH & Subholdings". These are the main components of this item, along with the 9.6% interest that Nextensa holds in Retail Estates.

The recognition of these assets at fair value made, on balance, a negative contribution of 5.2 million euros to the results in 2022. In "Real Estate & Senior Care", the value of the Retail Estates shares at Nextensa was decreased by 12.7 million euros in accordance with the evolution of the share price during 2022. In "AvH & Growth Capital", an upward value adjustment of 13.8 million euros was recognised on the non-consolidated participations of AvH Growth Capital, while the revaluation at fair value of AvH's investment portfolio resulted in a negative value adjustment of 6.6 million euros.

During 2022, AvH invested 24.9 million euros in the further expansion of its "Growth Capital" portfolio with focus on Life Sciences and India/Southeast Asia, mainly in Health Quad II, Medikabazaar, Venturi Fund I and the new participations in Convergent Finance and AstriVax.

The "**investments-FVOCI**" and "**investments at amortised cost**" are largely attributable to Bank Van Breda, and relate to transactions realized as part of its Asset & Liability management (ALM).

(€ 1,000) Financial fixed assets at Fair value through P/L	Interest% 2022 (fully diluted)	Interest% 2021 (fully diluted)	Valuation - Level	Fair value in Profit & Loss 2022	Fair value in Profit & Loss 2021
Marine Engineering & Contracting					
Small stakes			Level 3		
Fair value	**5,036**	**6,890**		**0**	**0**
Real Estate & Senior Care					
Retail Estates	9.6%	9.6%	Level 1	-12,702	16,621
Small stakes			Level 3	305	
Fair value	**83,782**	**97,215**		**-12,397**	**16,621**
AvH & Growth Capital					
Life Sciences					
AstriVax	5.8%		Level 3		
Biotalys	11.9%	11.9%	Level 1		
Epics Therapeutics (Bio Cap Invest)	29.5%	29.5%	Level 3		
Indigo Diabetes	11.9%	9.1%	Level 3		
MRM Health	15.9%	17.2%	Level 3		
OncoDNA	9.8%	9.8%	Level 3		
Life Sciences - Fair value	40,150	40,620		-5,383	12,956
India / South-East Asia					
Convergent Finance	3.1%		Level 3		
HealthQuad Fund I	36.3%	36.3%	Level 3		
HealthQuad Fund II	11.0%	10.0%	Level 3		
Medikabazaar (direct)	8.9%	8.7%	Level 3		
Venturi Fund I	11.1%	20.0%	Level 3		
Venturi Partners / Venturi I Capital	10.0%	10.0%	Level 3		
India / South-East Asia - Fair value	69,346	27,973		19,183	5,190
Other					
Baarbeek	100.00%	100.00%	Level 3		
Hofkouter	65.00%		Level 3		
Invest BW.	25.0%	25.0%	Level 3		
Koffie Rombouts	4.0%	5.0%	Level 3		
Pluralis	2.1%	2.1%	Level 3		
Pribinvest	78.8%	78.8%	Level 3		
Other - Fair value	10,014	4,654		0	1,571
Subtotal AvH & Growth Capital	**119,510**	**73,246**		**13,800**	**19,716**
Fair value - Total	**208,328**	**177,351**		**1,402**	**36,338**

The investments consist of (€ 1,000):	Number of shares	Fair value
Investment portfolio Bank Van Breda		503,171
Funds managed by Delen Private Bank		29,295
Ageas	278,284	11,527
Other		506
		544,498

The breakdown per segment of the fair value of the investments is as follows (€ 1,000):	Fair value
Private Banking (Bank Van Breda)	503,171
AvH & Growth Capital	41,325
Marine Engineering & Contracting	2
Real Estate & Senior Care	0
Energy & Resources	0
	544,498

Credit risk of the investment portfolio Bank Van Breda

The risk profile of the investment portfolio has for years now deliberately been kept very low. The investment portfolio at year-end 2022 contains 99% government and government-guaranteed bonds with a minimum Aa3 rating (Moody's rating) and less than 1% shares and private equity.

The investment framework that is submitted annually for the approval of the board of directors of Bank Van Breda determines which investments can be made and the limits that apply. The following table shows the composition of the consolidated investment portfolio by rating and maturity.

Composition of the investment portfolio 31/12/2022	Rating		Remaining duration
Government bonds Aaa	40%	2023	19%
Government bonds Aa1	20%	2024	15%
Government bonds Aa2	9%	2025	7%
Government bonds Aa3	30%	2026	9%
Government bonds A2	0%	2027	7%
Corporate bonds and commercial paper & other	1%	> 2027	43%
		indefinite	1%

Note 14: Banks – receivable from credit institutions and clients

(€ 1,000)	Fair value		Book value	
	2022	2021	2022	2021
Loans and receivables to clients	5,939,496	6,116,786	6,188,490	5,748,252
Changes in fair value of the hedged credit portfolio	0	25,704	0	25,704
Loans and advances to banks	110,845	137,851	110,836	138,014
Cash balances with central banks	640,916	1,224,628	640,916	1,224,628
	6,691,257	**7,504,969**	**6,940,242**	**7,136,598**

(€ 1,000)	2022	2021
Loans and receivables to clients		
Finance lease	366,374	279,004
Investment credits and financing	2,815,391	2,670,776
Mortgage loans	2,617,715	2,438,038
Operating appropriations	404,040	371,689
Other	12,373	17,901
Subtotal - Gross loans and advances	**6,215,893**	**5,777,408**
Provisions Expected Credit Losses/write-offs	-27,403	-29,156
Loans and receivables to clients	**6,188,490**	**5,748,252**

The full consolidation of Bank Van Breda results in the inclusion of the specific banking receivables and debts in the balance sheet of AvH. These items have been grouped in order to keep the balance sheet as transparent as possible.

The loans and advances to clients comprise the following:

- loans granted to family entrepreneurs and the liberal professions at Bank Van Breda. The many entrepreneurs and practitioners of liberal professions who have become clients in previous years entrust an ever increasing share of their banking business to the bank;
- car financing provided by Van Breda Car Finance, a division of the bank.

The strong commercial performance of the bank explains the significant increase of loans and advances to clients.

Credit risk

The credit portfolio of Bank Van Breda is very widely spread throughout the local economic fabric of family businesses and liberal professions. The bank applies concentration limits per sector and maximum credit amounts per client. The credit portfolio of the Van Breda Car Finance division consists of car loans and car finance leases, and is very widely spread. Constant fine-tuning of the acceptance criteria and proactive debtor monitoring also give this portfolio a low risk profile.

The credit portfolio is divided into risk categories, each of which is monitored in its own specific way. The board of directors of Bank Van Breda periodically receives a report on credit facilities in the highest risk category.

Debts which become doubtful are transferred to the Litigation department. There are specific criteria for mandatory transfer when specific events arise with clients, borrowers or guarantors. For credit facilities in the highest risk category and for debts that become doubtful, it will be determined whether impairments are required.

The valuation rules (Note 1) offer an explanation of the methodology which Bank Van Breda uses under normal circumstances to determine the **expected credit losses (stage 1 and stage 2)** and the **impairments (stage 3)** for the whole credit portfolio.

Despite the very challenging environment for its clients due to the geopolitical tensions and the sharply increased inflation, Bank Van Breda did not report any significant losses on loans in 2022. The total provision for credit losses (including Expected Credit Losses or ECL) remains low at +0.02% of the average loan portfolio. In 2021, there was a net positive impact on the results due to the partial reversal of the so-called 'corona provision'. This proves the strong quality of the bank's credit portfolio as well as the resilience of its clients.

Internal rating per category – loans and advances to clients

Loans and advances to clients - internal rating per category	Stage 1		Stage 2		Stage 3	2022
(€ 1,000)	Individual	Collective	Individual	Collective		
Performing						
Low risk	2,599,257	0	19,099	15,313	0	2,633,669
Medium risk	2,348,294	0	361,644	59,268	0	2,769,205
High risk	328,614	0	372,495	19,408	0	720,516
Overdue	33,343	0	14,523	222	0	48,088
Non-performing						
Submitted to write off	0	0	0	0	44,416	44,416
Total	**5,309,507**	**0**	**767,760**	**94,210**	**44,416**	**6,215,893**

Loans and advances to clients - internal rating per category	Stage 1		Stage 2		Stage 3	2021
(€ 1,000)	Individual	Collective	Individual	Collective		
Performing						
Low risk	2,376,878	0	21,069	23,856	0	2,421,803
Medium risk	2,114,646	0	342,933	77,093	0	2,534,673
High risk	325,611	0	364,838	27,219	0	717,668
Overdue	33,601	0	15,380	649	0	49,629
Non-performing						
Submitted to write off	0	0	0	0	53,635	53,635
Total	**4,850,736**	**0**	**744,219**	**128,818**	**53,635**	**5,777,408**

Loans and advances to clients - evolution in 2022	Stage 1		Stage 2		Stage 3	Total
(€ 1,000)	Individual	Collective	Individual	Collective		
31/12/2021	**4,850,736**	**0**	**744,219**	**128,818**	**53,635**	**5,777,408**
Impact from collective staging	-25,592	25,592	38,017	-38,017	0	0
Recognition	1,612,423	0	163,399	4,838	4,280	1,784,939
Derecognition	-753,174	0	-122,768	-17,408	-12,247	-905,597
Repayments	-371,329	0	-51,094	-9,611	-7,568	-439,602
Transfers to stage 1	248,372	0	-247,216	0	-1,156	0
Transfers to stage 2	-244,345	-25,592	246,576	25,592	-2,231	0
Transfers to stage 3	-7,461	0	-3,289	0	10,751	0
Methodology modifications	-123	0	-84	0	-8	-215
Write offs	0	0	0	0	-1,040	-1,040
31/12/2022	**5,309,507**	**0**	**767,760**	**94,210**	**44,416**	**6,215,893**

Accumulated impairments	Stage 1		Stage 2		Stage 3	Total
(€ 1,000)	Individual	Collective	Individual	Collective		
31/12/2021	**-4,192**	**0**	**-1,926**	**-245**	**-22,792**	**-29,156**
Impact from collective staging	16	-16	-63	63	0	0
Recognition	-4,042	-8	-673	-1	-1,376	-6,100
Derecognition	1,266	0	484	6	1,524	3,280
Repayments	1,634	3	499	7	0	2,142
Transfers to Stage 1	-1,422	0	1,361	0	60	0
Transfers to Stage 2	164	24	-290	-24	126	0
Transfers to Stage 3	26	0	150	0	-176	0
Impact on ECL by Stage Transfer	1,249	0	-2,014	-83	-2,655	-3,502
Other adjustments to credit risk	528	-3	326	102	2,871	3,824
Methodology modifications	1	0	0	0	0	1
Model modifications	-32	0	101	0	0	69
Write-offs	0	0	0	0	2,039	2,039
31/12/2022	**-4,805**	**0**	**-2,045**	**-176**	**-20,377**	**-27,403**

Note 15: Inventories and construction contracts

(€ 1,000)	2022	2021
I. Inventories, net amount	**389,711**	**376,218**
Gross carrying amount	**391,376**	**378,412**
Raw materials and consumables	62,879	50,638
Goods in progress	63,361	55,600
Finished products	5,213	4,919
Goods purchased for sale	1,468	1,107
Immovable property acquired or constructed for resale	258,453	266,149
Prepayments	0	0
Depreciation and impairments (-)	**-1,664**	**-2,194**
Impairment on inventory through income statement during the financial year	38	1,056
Impairment on inventory reversed in the income statement during the financial year	185	0
II. Construction contracts		
Amounts due from (to) customers under construction contracts, net	**5,940**	**136,616**
Amounts due from customers under construction contracts	532,289	478,499
Amounts due to customers under construction contracts	-526,349	-341,883
Construction contracts on closing date		
Amount of contract costs incurred and recognized profits less losses	7,170,207	7,168,801
Amount of contract revenue	-7,164,266	-7,032,186
Prepayments received (CFE-DEME)	**-79,734**	**-107,147**

CFE's real estate development projects, Nextensa's landholdings, and the port-related developments in Vietnam by Rent-A-Port are the main components within '**Inventories**'.

CFE's inventories are essentially real estate projects developed by BPI and its fully consolidated participations.

The inventory of Nextensa consists mainly of the land bank of Tour & Taxis on which about 130,000 m² of mixed residential/offices can still be developed in the future on Zone A and B. The decrease of inventories in "Real Estate & Senior Care" reflects the lower inventory of development projects at Nextensa, although this is amply offset by a higher figure for projects in progress.

In 2022, Rent-A-Port accelerated the development of the DEEP C Industrial Zones in Haiphong (Vietnam). At present its affiliate Infra Asia Investments already owns a land portfolio of approximately 3,400 hectares near the new deep-sea port of Lach Huyen. This represents around 25% of all the available industrial land in northern Vietnam.

The **construction & project contracts** of CFE, DEME and Agidens are valued according to the 'Percentage of Completion'-method, whereby results are recognized in accordance with the progress of the work. Expected losses are immediately recognized as an expense through in the income statement.

The execution of projects always entails a certain operational risk, but also means that certain estimates of profitability need to be made at the end of such a project. This risk is inherent to the activity, as well as the risk of disagreements with customers over divergent costs or changes in execution and the collection of these receivables. DEME is involved, both as claimant and as defendant, in discussions with customers about the financial consequences of deviations in the execution of contracting projects. In a small number of cases they may result in lawsuits. In so far as the consequences of such lawsuits can be reliably estimated, provisions are made for this in the accounts.

The current construction contracts of CFE will generate a turnover of 961 million euros in the next years, of which 471 million euros is estimated in 2023. DEME estimates the pace of execution of its current contracts as follows: 55% in 2023, followed by 20% in 2024, 15% in 2025 and 10% after that.

Nextensa's real estate development projects are also contained in this balance sheet item, as the results of the pre-sold entities that are still under construction are also recognized according to the 'Percentage of Completion' method. On the Tour & Taxis site, all 319 apartments in the 4 buildings of Park Lane phase I were completed in 2022. Of this phase, 5 apartments and 4 ground-floor retail spaces were still available at year-end 2022.

The progress of the work is defined based on the expenditures versus the estimated cost price of the entire project.

Note 16: Minorities

(€ 1,000)	Minority %		Minority share in the AvH balance sheet		Minority share in the profit for the period	
	2022	2021	2022	2021	2022	2021
I. Marine Engineering & Contracting						
CFE - DEME (1)		37.90%		740,856		59,045
DEME Group (1)	37.88%		769,598		43,831	
CFE (1)	37.88%		68,995		10,648	
Rent-A-Port (Infra Asia Investments) (2)	18.94%	18.95%	20,365	49,324	3,164	957
II. Private Banking						
Bank Van Breda (3)	21.25%	21.25%	141,372	141,694	13,199	12,936
III. Real Estate & Senior Care						
Nextensa	41.47%	41.47%	358,602	333,989	29,473	30,172
IV. AvH & Growth Capital						
Agidens	15.02%	15.02%	3,392	3,464	-74	807
Other			6,499	8,447	1,666	1,328
Total			**1,368,824**	**1,277,774**	**101,907**	**105,246**

(1) On June 29, 2022, the Extraordinary General Meeting of Shareholders of CFE approved the partial demerger of CFE. On that date, CFE contributed its 100% participation in DEME to a new company, DEME Group, and transferred the shares of that company to its shareholders. The DEME Group shares were then listed on Euronext Brussels on June 30, 2022. Accordingly, as of June 30, 2022, CFE and DEME Group are separately listed companies. The partial demerger of CFE did not change AvH's economic interest in DEME/CFE: the only change is that, as of June 30, 2022, AvH holds shares directly in the listed companies DEME Group (62.12%) and CFE (62.12%), whereas before that date DEME was a 100% participation of the listed company CFE, in which AvH held a 62.12% participation. Consequently, this partial demerger has no consequences for the reporting of DEME (Group) by full consolidation in the consolidated financial statements of AvH.

(2) In December 2021, Rent-A-Port concluded an agreement to acquire an additional 32.6% stake in IAI, which brought its total participation to 94%. The closing of the transaction took place in the first quarter of 2022. AvH/CFE's direct stake in Rent-A-Port remained unchanged.

(3) In 2018 the shareholder structure of Delen Private Bank and Bank Van Breda was simplified. AvH now holds, via the 100%-affiliate FinAx, a direct stake of 78.75% in Delen Private Bank, equity accounted directly.

Summarized income statement – 2022

(€ 1,000)	DEME Group (1)	CFE (1)	Bank Van Breda	Rent-A-Port	Nextensa	Agidens
Revenue	2,654,725	1,167,221	194,602	58,027	135,999	59,745
Profit (loss) from operating activities	155,236	42,358	90,048	14,827	51,165	487
Finance result	-24,311	-217		-3,822	-8,511	-444
Profit (loss) before tax	146,752	47,359	90,048	14,885	86,828	43
Profit (loss) of the period	115,391	38,398	68,325	9,732	71,208	-492
At the level of the individual company	**115,391**	**38,398**	**68,325**	**9,732**	**71,208**	**-492**
- Minority interests	2,671	-36	0	1,629	-102	0
- Share of the group	112,720	38,434	68,325	8,104	71,310	-492
At the level of AvH (a)	**111,313**	**28,166**	**67,005**	**9,732**	**71,989**	**-492**
- Minority interests	43,831	10,648	13,199	3,164	29,473	-74
- Share of the group	67,482	17,518	53,806	6,569	42,516	-418

(a) Including a limited number of consolidation adjustments

Summarized income statement – 2021

(€ 1,000)	CFE - DEME		Bank Van Breda	Rent-A-Port	Nextensa	Agidens
Revenue	3,635,953		184,193	50,527	65,174	74,807
Profit (loss) from operating activities	196,668		84,792	6,167	53,116	7,112
Finance result	-11,451			-2,819	11,828	-424
Profit (loss) before tax	195,035		84,792	6,881	64,944	6,688
Profit (loss) of the period	152,766		65,193	3,858	53,355	5,410
At the level of the individual company	**152,766**		**65,193**	**3,858**	**53,355**	**5,410**
- Minority interests	2,757		15	279	111	
- Share of the group	150,008		65,178	3,578	53,244	5,410
At the level of AvH (a)	**151,167**		**64,263**	**3,858**	**53,842**	**5,410**
- Minority interests	59,045		12,936	957	30,172	807
- Share of the group	92,122		51,328	2,900	23,670	4,602

(a) Including a limited number of consolidation adjustments

Summarized statement of comprehensive income – 2022

(€ 1,000)	DEME Group (1)	CFE (1)	Bank Van Breda	Rent-A-Port	Nextensa	Agidens
At the level of the individual company	**218,416**	**54,249**	**22,374**	**12,095**	**87,639**	**-504**
Profit (loss) of the period	115,391	38,398	68,325	9,732	71,208	-492
- Minority interests	2,671	-36	0	1,629	-102	0
- Share of the group	112,720	38,434	68,325	8,104	71,310	-492
Other comprehensive income	103,025	15,851	-45,951	2,363	16,431	-12
- Minority interests	498					
- Share of the group	102,527	15,851	-45,951	2,363	16,431	-12
At the level of AvH	**213,840**	**33,651**	**20,365**	**12,095**	**88,420**	**-504**
Profit (loss) of the period	111,313	28,166	67,005	9,732	71,989	-492
- Minority interests	43,831	10,648	13,199	3,164	29,473	-74
- Share of the group	67,482	17,518	53,806	6,569	42,516	-418
Other comprehensive income	102,528	5,485	-46,640	2,363	16,431	-12
- Minority interests	38,850	2,080	-9,911	448	6,815	-2
- Share of the group	63,678	3,405	-36,729	1,915	9,617	-10

Summarized statement of comprehensive income – 2021

(€ 1,000)	CFE - DEME		Bank Van Breda	Rent-A-Port	Nextensa	Agidens
At the level of the individual company	**177,382**		**60,359**	**8,151**	**65,642**	**5,146**
Profit (loss) of the period	152,766		65,193	3,858	53,355	5,410
- Minority interests	2,757		15	279	111	0
- Share of the group	150,008		65,178	3,578	53,244	5,410
Other comprehensive income	24,616		-4,834	4,294	12,287	-264
- Minority interests	88					
- Share of the group	24,528		-4,834	4,294	12,287	-264
At the level of AvH	**175,783**		**59,026**	**8,151**	**66,434**	**5,146**
Profit (loss) of the period	151,167		64,263	3,858	53,842	5,410
- Minority interests	59,045		12,936	957	30,172	807
- Share of the group	92,122		51,328	2,900	23,670	4,602
Other comprehensive income	24,616		-5,237	4,294	12,592	-264
- Minority interests	11,570		-1,113	814	11,690	-36
- Share of the group	13,046		-4,124	3,480	903	-227

Summarized balance sheet – 2022

(€ 1,000)	DEME Group (1)	CFE (1)	Bank Van Breda	Rent-A-Port	Nextensa	Agidens
Non-current assets	2,969,289	372,143	5,134,536	109,734	1,471,663	18,529
Current assets	1,540,489	685,936	2,522,491	150,831	296,738	28,784
Non-current liabilities	1,015,460	209,731	882,087	104,858	693,493	6,895
Current liabilities	1,718,053	623,822	6,100,799	55,709	225,393	17,830
Equity	1,776,265	224,526	674,141	99,998	849,516	22,589
- Group Share	1,753,947	224,653	674,141	83,514	838,798	22,589
- Minority interests	22,318	-127	0	16,483	10,718	0
Dividend distributed to minority interests	-504	0	-5,525	0	-10,212	0

Summarized balance sheet – 2021

(€ 1,000)	CFE - DEME		Bank Van Breda	Rent-A-Port	Nextensa	Agidens
Non-current assets	2,863,509		4,719,074	98,891	1,433,991	19,407
Current assets	2,436,490		3,072,728	155,796	461,971	30,921
Non-current liabilities	914,184		727,751	54,540	630,533	7,803
Current liabilities	2,429,789		6,385,592	74,402	474,956	19,457
Equity	1,956,026		678,459	125,746	790,473	23,068
- Group Share	1,936,335		678,459	79,555	779,970	23,068
- Minority interests	19,691		0	46,191	10,503	0
Dividend distributed to minority interests	-9,594		-2,486	-1,770	-21,778	-82

Note 17: Lease

1. Lessor

Bank Van Breda is active in the sector of car finance and finance leasing of cars via its division Van Breda Car Finance. We refer to Note 14 for more information.

2. Lessee

(€ 1,000)	2022	2021
Assets		
Tangible assets	**148,174**	**179,290**
Land and buildings	92,710	130,674
Plant, machinery and equipment	17,969	9,919
Furniture and vehicles	37,495	38,696
Investment property	**2,309**	**4,181**
Total - Assets	**150,483**	**183,471**
Liabilities		
Equity - group share	**-1,476**	**-2,242**
Financial debts	**151,959**	**185,712**
Non-current lease debts	112,180	149,514
Current lease debts	39,778	36,198
Total - Liabilities	**150,483**	**183,471**

As a result of the application of IFRS 16 Leases, the group recognized on December 31, 2022 a right-of-use asset of 150.5 million euros and a lease obligation of 152.0 million euros, of which 92% is attributable to DEME and CFE. The decrease of 33 million euros is mainly explained by investments (60 million euros) on the one hand and the sale of Anima (40 million euros), depreciation expense (43 million euros) and divestments (6 million euros) on the other.

We refer to:

- Acquisitions of right-of-use assets during 2022 amounted to 59.9 million euros (Note 9 Tangible assets).
- Cashflow statement (Note 6. Segment information).

There are no material leases concluded at reporting date that did not commence as of December 31, 2022. The amount of renewal options and termination options not reflected in the lease liabilities is immaterial.

(€ 1,000)	2022	2021
Income statement		
Reversal of rental charges	44,588	38,922
Depreciation	-43,995	-36,859
Interest expenses	-2,036	-2,508

The depreciation cost primarily relates to land and buildings. The expenses related to short-term lease contracts and low value lease contracts are considered immaterial. There are no expenses incurred which relate to variable lease payments. Income derived from sub-leasing right-of-use assets is considered immaterial.

Note 18: Provisions

(€ 1,000)	Warranty provisions	Legal proceeding provisions	Environmental provisions	Provisions for restructuring	Provisions for contractual obligations	Provisions for negative equity method values	Other provisions	Total
Provisions - financial year 2021								
Provisions, opening balance	**16,990**	**7,859**	**0**	**3,309**	**8,269**	**10,758**	**37,072**	**84,257**
Additional provisions	1,409	393	0	1,059	209	0	9,628	12,698
Increase of existing provisions	0	0	0	0	20	0	571	590
Increase through business combinations	0	16	0	0	0	0	0	16
Amounts of provisions used (-)	-2,060	-905	0	-2,435	-2,712	0	-8,093	-16,205
Reversal of unused amounts of provisions (-)	-61	0	0	0	-18	0	-2,737	-2,815
Decrease through business disposals (-)	-253	0	0	0	0	0	0	-253
Foreign currency exchange increase (decrease)	-13	-13	0	0	0	0	-42	-68
Transfer from (to) other items	0	-1,000	0	0	0	1,837	1,776	2,613
Other increase (decrease)	0	0	0	0	0	0	-14	-14
Provisions, ending balance	**16,012**	**6,349**	**0**	**1,933**	**5,768**	**12,595**	**38,162**	**80,819**

(€ 1,000)	Warranty provisions	Legal proceeding provisions	Environmental provisions	Provisions for restructuring	Provisions for contractual obligations	Provisions for negative equity method values	Other provisions	Total
Provisions - financial year 2022								
Provisions, opening balance	**16,012**	**6,349**	**0**	**1,933**	**5,768**	**12,595**	**38,162**	**80,819**
Additional provisions	6,545	1,480	0	659	11,342	0	1,448	21,475
Increase of existing provisions	670	10	0	0	0	0	0	679
Increase through business combinations	0	0	0	0	0	0	0	0
Amounts of provisions used (-)	-1,884	-733	0	-155	-4,142	0	-3,461	-10,373
Reversal of unused amounts of provisions (-)	0	-13	0	0	-552	0	-2,945	-3,510
Decrease through business disposals (-)	0	-42	0	0	0	0	-25	-67
Foreign currency exchange increase (decrease)	-33	0	0	0	0	0	-107	-140
Transfer from (to) other items	37,378	0	0	0	0	4,080	2,754	44,212
Other increase (decrease)	0	0	0	0	0	0	-2,827	-2,827
Provisions, ending balance	**58,688**	**7,051**	**0**	**2,437**	**12,416**	**16,675**	**33,000**	**130,268**

The significant increase in warranty provisions is explained by the reclassification of the warranty provisions at DEME (previously included in trade payables) and increased business operations.

The acquisition of control over CFE at year-end 2013 gave rise to the recognition of a contingent liability for risks of 60.3 million euros in connection with CFE’s construction and real estate development activities. In the course of 2014-2021, 47.8 million euros (group share 28.9 million euros) was reversed because the risks in question at CFE were either no longer present or were reported in CFE’s own financial statements. The balance of 12.5 million euros (group share 7.6 million euros) remained unchanged in 2022.

When disposing of participating interests and/or activities, AvH and its subholdings are regularly required to provide certain warranties and representations. These may give rise to claims - legitimate or otherwise - from buyers for compensation on that basis. In 2022, AvH constituted provisions totalling 10.7 million euros for two cases. Although AvH believes that in both instances it has a solid case, the maximum amount that might be claimed was provided.

‘Provisions for negative equity method consolidation values’ increased by 4.1 million euros.

Following the conclusion of an agreement, Bank Van Breda was able to reverse 2.9 million euros of the provision it had constituted in previous years.

The other evolutions are largely attributable to variations within CFE's accounts.

Several group companies of AvH (such as DEME, CFE, Agidens...) are actively involved in the execution of projects. This always entails a certain operational risk, but also means that certain estimates of profitability need to be made at the end of such a project. This risk is inherent to the activity, as well as the risk of disagreements with customers over divergent costs or changes in execution and the collection of these receivables. DEME is involved, both as claimant and as defendant, in discussions with customers about the financial consequences of deviations in the execution of contracting projects. In a small number of cases they may result in lawsuits. In so far as the consequences of such lawsuits can be reliably estimated, provisions are made for this in the accounts.

Following contingent assets and liabilities are related to DEME:

- In December 2022, the Chamber of Indictment at the Court of Appeal of Ghent decided to refer certain companies of the DEME-group to court.

  The decision follows a judicial investigation carried out in respect of the circumstances in which a contract was awarded in the framework of a negotiated procedure to Mordraga, a Russian former joint venture company of the DEME-group, for the execution of dredging works in the port of Sabetta (Russia) in April 2014. The works were carried out during the summer months of 2014 and 2015.

  The judicial investigation was initiated after a complaint filed by a competitor, to whom the aforementioned contract was not awarded.

  DEME emphasizes that the Chamber of Indictment has only decided on the referral to court. This means that none of the parties involved have yet had the opportunity to submit substantive arguments regarding the charges brought by the Public Prosecutor.

  In the current circumstances, it is therefore premature to speculate on the outcome of these proceedings. In light of the foregoing, DEME cannot for the time being make a reliable assessment of the possible financial impact of the pending investigation.

- In 2018, the Group was involved in a litigation against Rijkswaterstaat in the Netherlands related to the execution of the Juliana Canal widening project. Based on the available information, DEME cannot make a reliable assessment of the financial consequences of this litigation. Despite discussions about the execution of the Juliana Canal widening project taking place with the client Rijkswaterstaat, the issue has not been settled yet.
- DEME is involved in legal proceedings initiated by the Dutch Waterboard (het Waterschap Vallei en Veluwe) against a consortium of which DEME is a member, due to allegedly unauthorized activities on the project Eemdijk. The outcome of the aforementioned pending legal proceedings is not expected to have a material impact.

Note 19: Financial debts

(€ 1,000)	< 1 year	1 year < 5 years	> 5 years	Total 2022	< 1 year	1 year < 5 years	> 5 years	Total 2021
				Remaining term				Remaining term
I. Financial debts								
Bank loans	280,710	1,134,375	198,800	**1,613,885**	527,129	917,939	107,634	**1,552,702**
Bonds	0	139,348	0	**139,348**	74,819	171,345	0	**246,164**
Subordinated loans	0	677	0	**677**	33,527	59,995	1,630	**95,152**
Lease debts	39,778	67,946	44,234	**151,959**	36,198	73,329	76,184	**185,712**
Other financial debts	82,168	46,453	0	**128,621**	290,047	11,615	226	**301,887**
Financial debts - Total	**402,656**	**1,388,799**	**243,034**	**2,034,489**	**961,720**	**1,234,224**	**185,675**	**2,381,618**
Cash and cash equivalents				**-1,160,972**				**-883,730**
Net financial debt	**402,656**	**1,388,799**	**243,034**	**873,517**	**961,720**	**1,234,224**	**185,675**	**1,497,889**

(€ 1,000)	2022			2021		
	Financial debt - ST	Financial debt - LT	Net financial debt	Financial debt - ST	Financial debt - LT	Net financial debt
Marine Engineering & Contracting	278,640	1,016,861	601,511	529,567	721,091	524,132
Private Banking (IFRS 16 leases)	2,613	4,854	-17,048	2,516	5,673	-37,173
Real Estate & Senior Care	117,668	634,932	721,493	383,659	700,141	1,010,472
Energy & Resources	0	0	-642	0	0	-576
AvH & Growth Capital	3,735	10,026	-396,956	46,727	11,970	20,759
Intercompany	0	-34,840	-34,840	-750	-18,976	-19,726
Total	**402,656**	**1,631,833**	**873,517**	**961,720**	**1,419,899**	**1,497,889**

(€ 1,000)	
Financial debts at 31-12-2021	**2,381,618**
Movements in the Cashflow statement (Cash flow from financial activities)	
Increase of financial debts	593,858
(Decrease) of financial debts	-824,484
Non-cash movements	
- Changes in consolidation scope - acquisitions	-106
- Changes in consolidation scope - divestments	-162,905
- IFRS 16 Leases - tangible assets	49,675
- IFRS 16 Leases - investment property	-2,155
- Impact of exchange rates	-1,012
- Others	0
Financial debts at 31-12-2022	**2,034,489**

We refer to 'Note 12. Financial risk management and financial derivatives' for more details regarding the liquidity risk and capital management of the fully consolidated subsidiaries.

The financial debts are attributable to the fully consolidated participations. Those participations are, taking into account their own creditworthiness, responsible for obtaining market terms from lenders. The participation should also assess on a case-by-case basis whether debt instruments, subject to variable interest rates and/or foreign currency fluctuations, require hedging so as to retain an acceptable residual risk.

The decrease of **financial debts** by 347.1 million euros is attributable for 162.9 million euros to the disposal of Anima, for 230.6 million euros to debt repayment, and for 47.5 million euros to additional (non-cash) IFRS 16 lease debts.

Following the prospectus, DEME performed a reclassification (from subordinated loans to bank loans), which explains the decrease in subordinated loans.

When cash and cash equivalents are taken into account, the **net financial debt position** actually decreased by 624.4 million euros:

- CFE was able to reduce its debt position by 64.1 million euros thanks to a higher operating cash flow and the dividend received from DEME.
- The disposal of Anima reduced the net financial debt by 157.1 million euros.
- The divestments enabled Nextensa to reduce its financial debt by 164.4 million euros.
- AvH's divestments led to a net reduction by 46.4 million euros (the commercial paper programme, for instance, was repaid in full). The net increase of the cash position resulting from the divestments is situated in the cash and cash equivalents.
- By contrast, DEME's net financial debt position increased by 127.8 million euros in 2022 as a result of 483.9 million euros in investments. The same applies to Rent-A-Port with, among other things, its additional 32.6% stake in Infra Asia Investments.

Both Nextensa and CFE repaid matured bonds in 2022. Other financial debts decreased significantly. This is due primarily to the reduction by DEME, Nextensa and AvH of short-term financial debts issued in the form of commercial paper.

Financial covenants

DEME: bilateral loans and long term credit facilities are subject to specific covenants. At December 31, 2022 DEME complies with the solvency ratio (>25%), the debt/EBITDA ratio (<3), and the interest cover ratio (>3), that were agreed upon within the contractual terms of the loans received.

CFE: the credit facilities are subject to specific covenants that take into account criteria such as financial debt and the ratio of debt to equity or fixed assets, as well as cash flow. These covenants were fully honoured as of December 31, 2022.

Rent-A-Port: the credit facilities are subject to specific covenants that take into account criteria such as financial debt and the ratio of debt to equity or total assets. These covenants were fully honoured as of December 31, 2022.

Nextensa: the financial institutions grant loans to Nextensa on the basis of the company's reputation and various financial and other covenants. Failure to honour these covenants may result in the early cancellation of these loans. The loans received contain conventional covenants. The company was in compliance with all covenants as of year-end 2022.

(€ 1,000)	2022	2021
II. Amounts payable (or the portion thereof), which are guaranteed by real guarantees given or irrevocably promised on the assets of the enterprises included in the consolidation		
Bank loans	230,604	323,602
Bonds	0	30,612
Lease debts	0	0
Other financial debts	0	0
Total	**230,604**	**354,213**

The debts guaranteed by real guarantees given mainly relate to the concessions-activity of Rent-A-Port, the real estate projects by Nextensa and the real estate assets of the residential care centres of Anima (in 2021). The disposal of Anima in 2022 explains the significant decrease.

Rent-A-Port: its subsidiary Infra Asia Investment Hong Kong entered into a new roll-over facility for a total amount of 35 million USD (in addition to the existing 10 million USD), replacing the 29,2 million euros and 1,8 million USD bond loans which were redeemed early per 3 May 2022.

Nextensa : In the context of various development projects, Nextensa provided pledges as security for financial debt amounting to 181.7 million euros.

Note 20: Banks – debts to credit institutions, clients and securities

(€ 1,000)	Fair value		Book value	
	2022	2021	2022	2021
Debts to credit institutions and central banks	**116,334**	**424,484**	**116,379**	**425,353**
Debts to clients	**6,504,730**	**6,378,531**	**6,553,495**	**6,368,123**
- of which subordinated	*560*	*10,234*	*560*	*9,883*
Securities including bonds	**171,599**	**256,321**	**164,769**	**245,395**
- of which subordinated	*47,155*	*50,745*	*40,236*	*40,216*
Banks - changes in fair value of the hedged credit portfolio	**89,733**	**0**	**89,733**	**0**
	6,882,396	**7,059,336**	**6,924,377**	**7,038,871**

(€ 1,000)	2022	2021
Debts to credit institutions and central banks		
Current accounts / overnight deposits	104,845	13,869
Deposits with agreed maturity	11,534	16,531
ECB TLTRO III	0	394,847
Accrued interests	0	106
Total	**116,379**	**425,353**
Debts to clients		
Current accounts / overnight deposits	4,197,238	4,218,578
Deposits with agreed maturity	1,248,652	1,045,537
Special deposits	56,798	64,876
Regulated deposits	1,050,247	1,029,249
Subordinated certificats	560	9,883
Total	**6,553,495**	**6,368,123**
Securities including bonds		
Debt certificates	124,533	205,178
Subordinated bonds	40,236	40,216
Total	**164,769**	**245,395**
Banks - changes in fair value of the hedged credit portfolio	**89,733**	**0**
Total debts to credit institutions, clients and securities	**6,924,377**	**7,038,871**

The full consolidation of Bank Van Breda results in the recording of specific bank receivables and debts in the balance sheet of AvH. These items were grouped for maximum transparency of the balance sheet.

Liquidity risk Bank Van Breda

Liquidity risk is the risk that the bank has insufficient funds available, or is unable to release funds quickly enough and at a reasonable cost to meet its short-term commitments. The commercial banking activities are the main source of liquidity risk. A bank's sources of funding traditionally have a shorter maturity than the financed assets, resulting in a maturity mismatch. The liquidity management of Bank Van Breda constantly monitors this mismatch and works out a financing strategy to confine it within the guidelines that are set out in a liquidity control framework. In this area, too, the bank pursues a deliberately low risk profile. Bank Van Breda maintains a solid and high-quality liquidity buffer to absorb fluctuations in the treasury position. This buffer stood at 1,252 million euros at year end 2022 and consists primarily of cash, placed at the ECB, and a highly liquid portfolio of bonds.

The bank's financing mix is very stable, with the deposits of the core clients as the main source of funding. The core clients use the bank for their investments and everyday banking transactions. The bank also closely watches the loan-to-deposit ratio and applies strict limits to this ratio between client credit portfolio and client deposits, which at year-end 2022 stood at 94%. Dependence on external institutional financing is kept to a minimum and in 2022 accounted for only 2.5% of total assets.

Two liquidity ratios were introduced in the Basel regulations and the CRR/CRD IV directive:

- The LCR (Liquidity Coverage Ratio) is a criterion for the liquidity position under an acute stress scenario over 30 days. It requires financial institutions to hold sufficient high-quality liquid assets. The regulator imposes a limit of at least 100%.
- The NSFR (Net Stable Funding Ratio) contrasts the available amount of stable funding with the required amount of stable funding over a one-year period. The Basel III-guidelines impose a limit of at least 100% as from 2018.

At year-end 2022, those ratios stood at 138% (according to LCR Delegated Act 2015/61) and 131% (according to CRR2) respectively. Both ratios are well above the lower limit of 100% that is imposed by the regulatory authority.

The still generous liquidity position decreased in 2022, primarily due to the repayment of 400 million euros of TLTRO loans and a credit increase that was greater than the deposit increase.

The bank's liquidity risk is monitored constantly by means of proactive treasury management, within the lines defined by the Asset & Liability Management and the investment framework. For its liquidity management, the bank uses, among other things, liquidity gap reports, ratio analysis and short- and long-term volume prognoses.

In the following table the assets and liabilities are grouped by maturity period and internal assumptions for deposits without maturity date were taken into account.

(€ 1,000)	< 1 month	1-3 months	3-12 months	1-5 years	5-10 years	> 10 years	Indefinite
31/12/2022							
Assets	1,078,000	161,000	900,000	2,903,000	1,816,000	652,000	39,000
Liabilities	-1,000,000	-790,000	-1,925,000	-1,675,000	-1,101,000	-343,000	-51,000
Derivatives	1,000	2,000	16,000	55,000	23,000	0	0
Liquidity Gap	**79,000**	**-627,000**	**-1,009,000**	**1,283,000**	**738,000**	**309,000**	**-12,000**
31/12/2021							
Assets	1,686,000	209,000	870,000	2,764,000	1,588,000	553,000	39,000
Liabilities	-981,000	-929,000	-2,460,000	-1,447,000	-925,000	-286,000	-63,000
Derivatives	-1,000	-2,000	-7,000	-14,000	-4,000	0	0
Liquidity Gap	**704,000**	**-722,000**	**-1,597,000**	**1,303,000**	**659,000**	**267,000**	**-24,000**

Interest rate risk Bank Van Breda

Interest rate risk can be defined as the extent to which the results or value of a financial transaction are affected by a change in market interest rates. Applied to a financial institution, interest rate risk is the extent to which the (interest) earnings and/or fair value of this institution is liable to be adversely affected by a change in market interest rates.

The bank opts to keep the interest rate risk at a relatively low level:

- The bank uses hedging instruments to correct the mismatch. This is done with a combination of interest rate swaps (which convert variable interest rate commitments into fixed rate commitments) and options (which provide protection against a rise in interest rates above given levels).
- Equity value sensitivity is the exposure of the company's economic value to unfavourable interest rate fluctuations. Earnings sensitivity is the exposure of the bank's (interest) earnings to those same unfavourable interest rate fluctuations. Its intensity can be seen in the duration gap. By this is meant the difference in duration of all assets and duration of all liabilities (mismatch), the duration being the weighted average of the maturities of a set of fixed-interest securities.

Equity value sensitivity and earnings sensitivity are monitored by means of scenario analyses that take account of changing market conditions, enabling the impact of stress scenarios to be analysed. This equity value and earnings sensitivity is measured using the Basis Point Value (BPV) methodology which shows the value change of the portfolio being analyzed when confronted with an increase in interest rates over the entire curve.

Impact of an immediate increase of the yield curve with 100 base points (1%) on:	2022	2021
The interest result	2,827	4,907
(earnings sensitivity)		
The faire value of the equity	-53,698	-47,409
(equity value sensitivity) (= BPV)		

For the interest gap analysis both balance sheet and off balance sheet products are grouped together per period of maturity. In this way the mismatch structure becomes visible.

(€ 1,000)	≤ 1 month	1-3 months	3-12 months	1-5 years	5-10 years	> 10 years	Indefinite
31/12/2022							
Assets	1,143,000	307,000	957,000	2,916,000	1,625,000	546,000	48,000
Liabilities	-1,045,000	-789,000	-1,943,000	-1,662,000	-1,056,000	-338,000	-38,000
Derivatives	325,000	570,000	-60,000	-370,000	-410,000	-55,000	0
Interest Gap	**423,000**	**88,000**	**-1,046,000**	**884,000**	**159,000**	**153,000**	**10,000**
31/12/2021							
Assets	1,786,000	414,000	1,126,000	2,775,000	1,210,000	345,000	48,000
Liabilities	-979,000	-931,000	-2,457,000	-1,491,000	-894,000	-295,000	-37,000
Derivatives	270,000	515,000	-80,000	-355,000	-310,000	-40,000	0
Interest Gap	**1,077,000**	**-2,000**	**-1,411,000**	**929,000**	**6,000**	**10,000**	**11,000**

Note 21: Taxes

1. Recognized deferred tax assets and liabilities

(€ 1,000)	Assets 2022	Liabilities 2022	Net 2022	Assets 2021	Liabilities 2021	Net 2021
Intangible assets	0	21,132	-21,132	27	26,470	-26,443
Tangible assets	23,365	37,683	-14,318	26,979	68,382	-41,403
Investment property	0	33,726	-33,726	167	34,768	-34,601
Financial fixed assets	0	1,626	-1,626	0	4,802	-4,802
Investments	13,953	0	13,953	-686	0	-686
Employee benefits	17,648	705	16,943	16,134	867	15,267
Provisions	4,878	464	4,414	4,563	7,613	-3,050
Financial derivative instruments	1,057	21,216	-20,159	1,533	-4,942	6,474
Working capital items	43,099	65,556	-22,457	59,500	63,394	-3,893
Tax losses and tax credits / deduction for investment	71,450	-9,852	81,302	68,841	-12,726	81,567
Set-off	-20,621	-20,621	0	-26,778	-26,778	0
Total	**154,829**	**151,635**	**3,195**	**150,279**	**161,849**	**-11,570**

Deferred taxes are mainly due to the revaluation of assets and liabilities as a result of business combinations. The Group regularly assesses its uncertain tax positions. In accordance with IFRIC 23, and where appropriate, provisions are made which are recorded under the deferred tax liabilities.

The management of DEME periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. These provisions for uncertain tax positions (UTP) are booked as a deferred tax liability. In this regard, management considers UTP's individually, based on an approach which provides the best prediction of the resolution of the uncertainties with the tax authority. For 2022 (and 2021) each UTP has been measured using the most likely single amount. Currently, the major UTP's relate to ongoing tax litigations in the Philippines, India, and Nigeria.

The item 'Set-off' reflects the set-off between deferred tax assets and liabilities per entity at DEME.

2. Unrecognized deferred tax assets

(€ 1,000)	2022	2021
Unrecognized receivables following tax losses	118,286	145,645
Other unrecognized deferred tax assets (1)	0	0
Total	**118,286**	**145,645**

(1) The other unrecognized deferred tax assets principally concern amounts whose recuperation is restricted in time and dependent upon the extent to which taxable results can be achieved within this period. Claims which stem from the reclamation of unapplied taxable fixed income surplus are not mentioned in this overview.

Unrecognized deferred tax assets are largely attributable to DEME and CFE.

3. Current and deferred tax expenses (income)

(€ 1,000)	2022	2021
Current income tax expense, net		
Current period tax expense	-89,723	-90,272
Adjustments to current tax of prior periods	4,395	5,199
Total	**-85,328**	**-85,073**
Deferred taxes, net		
Origination and reversal of temporary differences	3,154	4,787
Additions (use) of tax losses	245	920
Other deferred taxes	-150	-83
Total	**3,250**	**5,624**
Total current and deferred tax (expenses) income	**-82,078**	**-79,449**

4. Reconciliation of statutory tax to effective tax

(€ 1,000)	2022	2021
Profit (loss) before taxes	889,590	591,659
Profit (loss) of participations accounted for using the equity method (-)	-243,874	-255,191
Profit (loss) before taxes, excluding result from participations accounted for using the equity method	645,716	336,469
Statutory tax rate (%)	25.00%	25.00%
Tax expense using the statutory tax rate	**-161,429**	**-84,117**
Tax effect of rates in other jurisdictions	427	-468
Tax effect of tax-exempt revenues	99,041	39,386
Tax effect of non-deductible expenses	-15,029	-18,573
Tax effect of tax losses	-4,930	-5,393
Tax effect from (under) or over provisions in prior periods	-2,847	-9,765
Other increase (decrease)	2,689	-518
Tax expense using the effective tax rate	**-82,078**	**-79,449**
Profit (loss) before taxes	889,590	591,659
Profit (loss) of participations accounted for using the equity method (-)	-243,874	-255,191
Profit (loss) before taxes, excluding result from participations accounted for using the equity method	645,716	336,469
Effective tax rate (%)	**12.71%**	**23.61%**

The income taxes increased slightly to 82.1 million euros relative to last year. In the assessment of this figure in relation to the profit before tax, at least the following should be taken into account:

i. the contribution from the equity-accounted investments is reported on the basis of the net result, in other words, after the taxes borne by those entities.

ii. In 2022, a substantial part of the result consisted of gains on the disposal of participations which AvH held over the long term and are exempt from tax.

If the total tax expense of 82.1 million euros is compared with just the pre-tax profit after adjustment for the above elements, the tax rate would be 27.2%.

Note 22: share based payment

1. Equity settled stock option plan AvH as of 31 December 2022

Grant date	Number options accepted	Number options exercised	Number options expired	Balance	Exercise price (€)	Exercise period
2015	50,500	-46,500		4,000	100.23	01/01/2019 - 05/01/2023
2016	40,500	-3,000		37,500	130.95	01/01/2020 - 03/01/2024
2017	46,000	0		46,000	128.30	01/01/2021 - 12/01/2025
2018	46,000	0	-500	45,500	148.64	01/01/2022 - 11/01/2026
2019	46,000	0		46,000	132.52	01/01/2023 - 14/01/2027
2020	23,750	0		23,750	141.09	01/01/2024 - 13/01/2028
2021	55,000	0		55,000	124.67	01/01/2025 - 14/01/2029
2022	59,350	0		59,350	166.35	01/01/2026 - 13/01/2030
	367,100	**-49,500**	**-500**	**317,100**		

AvH’s stock option plan, which was approved in March 1999, is intended to provide long-term motivation for executive directors, members of the executive committee and management whose activities are essential to the success of the group. The options give them the right to acquire a corresponding number of shares in Ackermans & van Haaren.

The remuneration committee is responsible for monitoring this plan and selecting the beneficiaries. The options are provided free of charge and their exercise period is 8 years.

The total value of the outstanding options of 2015-2022 (measured at the fair value when granted) amounts to 8.9 million euros and is calculated by an external party according to an adjusted Black & Scholes model of which the main components are:

Year of grant	Share price (€)	Dividend yield	Volatility	Interest rate	Estimated expected lifetime	Black & Scholes Value (€)
2015	101.35	2.19%	19.00%	0.47%	7.79	13.76
2016	131.95	1.28%	23.00%	0.59%	7.79	27.72
2017	129.40	1.40%	23.00%	0.34%	7.79	25.70
2018	149.20	1.30%	20.00%	0.68%	7.79	27.32
2019	135.50	1.43%	20.40%	0.52%	7.90	24.92
2020	141.80	1.77%	21.00%	-0.01%	7.90	22.43
2021	129.50	1.35%	24.00%	-0.36%	7.90	26.59
2022	174.30	1.00%	22.00%	0.25%	7.90	38.20

Movement schedule - Stock options	2022	2021
Opening balance	**306,250**	**304,750**
Number of options accepted	59,350	55,000
Number of options exercised	-48,500	-53,500
Number of options expired	0	0
Ending balance	**317,100**	**306,250**

In 2022, 59,350 new stock options were granted with an exercise price of 166.35 euros per share. The fair value when granted was fixed at 2.3 million euros and is recorded in the profit and loss account over the vesting period of 4 years. In 2022 48,500 options were exercised (weighted average stock price of 157.04 euros).

At the end of 2022, the total number of outstanding stock options was 317,100. To hedge this obligation AvH had a total of 317,100 shares in portfolio at the end of 2022.

2. Cash settled stock option plans at consolidated subsidiaries of AvH

The beneficiaries of the option plans of Delen Private Bank, Bank Van Breda, Agidens and Turbo's Hoet Groep have a put option on the respective parent companies FinAx/Promofi and AvH Growth Capital (these companies have call options and a pre-emption right to prevent the shares from being transferred to third parties).

These option plans concern shares which are not listed on a stock exchange and whose value is determined in the option plan. The valuation of the option price is (depending on the option plan) based on the growth of the equity, a multiple on the growth of the consolidated profit or a market valuation of the company.

These option plans are accounted for in accordance with IFRS 2, and as such a liability is recorded in the balance sheet. The liabilities are reviewed as a result of an exercise, a regranting or modification of the parameters. These in- or decreases of the liability result respectively in a loss or profit in the income statement.

The total liability of the option plans of the fully consolidated subsidiaries as of 31 December 2022 amounts to 15,0 million euros, included in the other non-current liabilities

3. Treasury shares

Treasury shares as part of the stock option plan	2022	2021
Opening balance	**345,250**	**343,750**
Acquisition of treasury shares	20,350	55,000
Disposal of treasury shares	-48,500	-53,500
Ending balance	**317,100**	**345,250**

In 2022, AvH has purchased 20,350 treasury shares in order to hedge options for the benefit of staff. Over the same period, beneficiaries of the share option plan exercised options on 48,500 AvH shares. On December 31, 2022, options were outstanding on a total of 317,100 AvH shares. In order to hedge this obligation, AvH owned the same number of treasury shares on the same date.

Treasury shares as part of the liquidity contract	2022	2021
Opening balance	**1,842**	**6,467**
Acquisition of treasury shares	347,174	211,979
Disposal of treasury shares	-345,510	-216,604
Ending balance	**3,506**	**1,842**

In addition, 347,174 AvH shares were purchased and 345,510 shares were sold in 2022 in the context of the contract that AvH entered into with Kepler Cheuvreux in order to support the liquidity of the AvH share. These transactions are initiated entirely autonomously by Kepler Cheuvreux, but as they take place on behalf of AvH, the net purchase of 1,664 AvH shares has an impact on AvH's equity. On December 31, 2022, the number of treasury shares in the portfolio in the context of this liquidity agreement amounts to 3,506.

Treasury shares as part of the share buyback programme	2022	2021
Opening balance	**0**	**0**
Acquisition of treasury shares	70,633	0
Disposal of treasury shares	0	0
Ending balance	**70,633**	**0**

Additionally, in October 2022, AvH announced the start of a share buyback programme of up to 70.0 million euros. The programme started on October 5, 2022 and will in principle run until the annual meeting of May 22, 2023, unless the maximum amount has been invested prior to that date. In pursuance of this plan, 70,633 shares have been purchased for a total amount of 9.6 million euros as at December 31, 2022.

Note 23: Rights and commitments not reflected in the balance sheet

1. Rights and commitments not reflected in the balance sheet, excluding CFE-DEME

(€ 1,000)	2022	2021
Amount of personal guarantees, given or irrevocably promised by the enterprises included in the consolidation, as security for debts or commitments	635,278	315,063
Amount of real guarantees, given or irrevocably promised by the enterprises included in the consolidation on their own assets, as security for debts and commitments of enterprises included in the consolidation	303,463	588,793
Goods and values, not disclosed in the balance sheet, held by third parties in their own name but at risk to and for the benefit of the enterprise	0	0
Commitments to acquire fixed assets	96,816	177,449
Commitments to dispose of fixed assets	312,230	291,336
Rights and commitments not reflected in the balance sheet of banks (Bank Van Breda)		
- Loan commitments	610,220	489,579
- Financial guarantees	49,465	52,181
- Repo transactions + collateral	2,000	401,700

The personal guarantees in 2022 are represented by 48.3 million euros in guarantees for Nextensa real estate projects and 1.2 million euros in guarantees for Agidens projects. The balance of 585.8 million euros mainly concerns guarantees entered into by AvH & subholdings relating to the sale of participations. The amount of personal guarantees given increased as a result of the sale of Anima.

The real guarantees concern 181.7 million euros in guarantees put up by Nextensa regarding the financing of its activities in land and real estate development and 113.5 million euros in the scope of Rent-A-Port development projects. The 337.5 million euros in guarantees given by Anima at year-end 2021 for real estate financing have been derecognised from the off-balance sheet commitments as a result of the deconsolidation of Anima. On balance, there remains 3.8 million euros from Agidens (financing of the headquarter) and 4.5 million euros from Biolectric (regarding the acquisition loan).

The commitments to acquire fixed assets concern options as part of stock option plans or options as part of shareholders' agreements for a total of 96.8 million euros. The agreement signed by Rent-A-Port at year-end 2021 to acquire an additional 32.6% stake in IAI was executed in 2022.

The commitments to dispose of fixed assets are for call options (including conditional options) on the assets of AvH & Growth Capital for the amount of 312.2 million euros.

The off-balance-sheet commitments of Bank Van Breda consist primarily of the unused part of loans/credit lines granted. Bank guarantees, security loans and documentary credits have also been granted to clients. These off-balance-sheet commitments are also taken into account in the assessment of the credit risk.

Bank Van Breda has also given certain real guarantees on its own behalf: in 2022, the TLTRO loan from the ECB was repaid, thus ending the pledging of bonds from the investment portfolio.

2. Rights and commitments not reflected in the balance sheet CFE-DEME

(€ 1,000)	2022	2021
Commitments		
Amount of real guarantees, given or irrevocably promised by the enterprises included in the consolidation on their own assets, as security for debts and commitments of enterprises included in the consolidation	0	18,281
Bank and insurance guarantees for commitments of enterprises included in the consolidation	1,623,964	1,653,213
Other commitments given	35,869	4,870
Total	**1,659,833**	**1,676,364**
Rights		
Bank guarantees received as security for commitments to enterprises included in the consolidation	180,335	310,905
Other commitments received	4,308	3,677
Total	**184,643**	**314,582**

Bank and insurance guarantees relate to guarantees given in connection with the performance of construction contracts. Guarantees are also given in the context of tenders. The real guarantees of DEME worth 18.3 million euros were released in 2022 as a result of the early repayment of financing of the fleet. The ‘Other commitments given’ refer to the ‘progress guarantee’ (Breyne Act) at CFE.

Note 24: Employment

1. Average number of persons employed

	2022	2021
Employees	5,732	6,836
Workers	3,771	4,074

2. Personnel charges

(€ 1,000)	2022	2021
Remuneration and social charges	-795,125	-846,764
Pension expenses (defined contribution and defined benefit plans)	-23,112	-22,998
Share based payment	-2,045	-7,928
Total	**-820,282**	**-877,690**

The sale of Anima resulted in a 15% decrease in headcount and 7% decrease in total personnel charges. On balance, headcount increased by 2%, mainly at DEME, and personnel charges increased by 1%.

AvH, AvH Growth Capital en AvH Singapore count for 38 employees. A pro forma headcount of 21,453 is cited in the section '2022 at a glance' (page 8). This pro forma figure comprises the staff of all participations held by the AvH group, and therefore deviates from the average headcount reported above which is based on the IFRS consolidation, which was drawn up on the basis of the consolidation scope reported in Note 2 and 3. In this pro forma presentation, all exclusive control interests are incorporated in full and the other interests proportionally.

Note 25: Raw materials, consumables, services and subcontracted work

(€ 1,000)	2022	2021
Raw materials and consumables used	-2,260,861	-2,088,071
Changes in inventories of finished goods, raw materials & consumables	48,720	-4,154
General and administrative expenses, including subcontracted work	-637,231	-581,717
Total	**-2,849,372**	**-2,673,943**

These costs vary according to the turnover, but also depend on a number of other factors, including and more specifically in the case of DEME/CFE, the nature of the work performed (execution only, EPC, …) and its contractual structure (subcontractors, sole contractor or joint ventures, …).

Note 26: Pension liabilities

(€ 1,000)	2022	2021
Defined benefit pension plans	-72,038	-76,668
Other pension obligations (early retirement)	-5,164	-5,376
Total pension obligations	**-77,202**	**-82,044**
Total pension assets	**2,820**	**3,467**

Defined benefit pension plans

(€ 1,000)	2022	2021
1. Amounts as recorded in the balance sheet		
Net funded defined benefit plan (obligation) asset	-69,218	-73,201
Present value of wholly or partially funded obligations (-)	*-289,860*	*-358,746*
Fair value of plan assets	*220,642*	*285,545*
Defined benefit plan (obligation) asset, total	**-69,218**	**-73,201**
Liabilities (-)	-72,038	-76,668
Assets	2,820	3,467
Movements in plan assets (obligations) as recorded in the balance sheet		
Net defined benefit plan asset (obligation) recorded in the balance sheet, opening balance	-73,201	-73,049
Increase (decrease) from business combinations/disposals	0	0
Net defined benefit cost recorded in the income statement	-22,034	-21,382
Net defined benefit cost recorded in 'Other Comprehensive Income'	3,338	687
Contributions from employer / employee	22,515	20,336
Other increase (decrease)	164	208
Net defined benefit plan asset (obligation) recorded in the balance sheet, ending balance	-69,218	-73,201
2a. Net cost recorded in the income statement	**-22,034**	**-21,382**
Current service cost	-21,659	-21,031
Interest cost	-3,269	-1,663
Interest income on plan assets (-)	2,679	1,394
Past service cost	216	-82
2b. Net cost recorded in 'Other Comprehensive Income'	**3,338**	**687**
Actuarial gains/(losses) recognised in 'Other Comprehensive Income'	80,252	7,189
Return on plan assets, excluding interest income (-)	-75,978	-6,455
Exchange differences	0	0
Other	-935	-48
3a. Movements in defined benefit plan obligations		
Defined benefit plan obligations recorded in the balance sheet, opening balance	**-358,746**	**-368,346**
Increase as a result of business combinations	0	0
Decrease as a result of business disposals	0	3,167
Current service cost	-21,659	-21,031
Interest cost	-3,269	-1,663
Contributions from employee	-922	-913
Benefit payments (-)	11,900	20,265
Remeasurement (gains)/losses (net)	80,252	7,189
of which: actuarial (gains)/losses on DBO arising from changes in demographic assumptions	*325*	*-7,449*
of which: actuarial (gains)/losses on DBO arising from changes in financial assumptions	*102,473*	*17,788*
of which: actuarial (gains)/losses on DBO arising from experience	*-22,546*	*-3,150*
Past service cost	0	0
Exchange differences	170	0
Other increase (decrease)	2,414	2,586
Defined benefit plan obligations recorded in the balance sheet, ending balance	**-289,861**	**-358,746**
3b. Movements in plan assets		
Fair value of the plan assets, opening balance	**285,545**	**295,297**
Increase as a result of business combinations	0	0
Decrease through business disposals	0	-3,054
Return on plan assets excluding interest income	-75,978	-6,455
Interest income on plan assets	2,679	1,394
Contributions from employer / employee	23,327	21,249
Benefit payments (-)	-11,900	-20,265
Exchange differences	-170	0
Other increase (decrease)	-2,860	-2,621
Fair value of the plan assets, ending balance	**220,642**	**285,545**

4. Principal actuarial assumptions		
Discount rate used	3.5%	0.9%
Expected rate of salary increase	3.7%	3.4%
Inflation	2.2%	1.9%
Mortality tables	MR/FR	MR/FR

5. Other information		
Term (in years)	13.84	15.74
Average actual return on plan assets	-25.16%	-1.71%
Expected contribution in next financial year	20,534	17,750

6. Sensitivity analysis		
Discount rate		
25 base point increase	-3.8%	-4.7%
25 base point decrease	2.4%	2.9%
Expected rate of salary increase		
25 base point increase	1.0%	0.8%
25 base point decrease	-2.1%	-2.8%

AvH took out 'defined benefit' as well as 'defined contribution' pension plans. These plans are underwritten by insurers in class 21 (life insurance policies with guaranteed interest rate).

Belgian law requires that employers guarantee a minimum yield of 3.25% on their own contributions to defined contribution plans; this applies to all payments made up to 31/12/2015 and until retirement age. On January 1, 2016, the Act of December 18, 2015 came into effect. The WAP (Law on Supplementary Pensions) yield guaranteed by the employer is a 'variable' interest rate, linked to the yield on the bond market which will be defined each year as of January 1 on the basis of a formula specified in the Law on Supplementary Pensions. For the periods 2017 up to 2022, the guaranteed yield was 1.75%.

The guarantee which the employer offers under the Law on Supplementary Pensions is a secondary guarantee: the employer only has to make up the difference if the yield guaranteed by the insurer on plan assets is lower than the legally guaranteed yield.

In accordance with IAS 19R, an actuarial calculation is carried out according to the Projected Unit Credit method for the defined benefit plans. The plan assets are measured at the discounted value of the reserves, taking into account the interest rates guaranteed by the insurers. Actuarial gains and losses are reported as other comprehensive income in the equity (see the item 'Actuarial gains and losses on defined benefit pension plans' in the statement of changes in consolidated equity).

The decrease in retirement obligations is related to the evolution in the macro-economic environment and more specifically to the evolution of the interest rates and the inflation. Per December 31, 2022, the discount rate increased to 3.5% compared to 0.9% at the end of 2021. This resulted in a very negative return on assets on the one hand and in a significant gain in the remeasurement of retirement benefit plan obligations due to change in financial assumptions on the other hand. The net positive effect was only slightly impacted by the increase of the inflation rate from 1.9% to 2.2%.

Note 27: Related parties

1. Related parties, excluding CFE – DEME

(€ 1,000)	Financial year 2022				Financial year 2021			
	Subsidiaries	Associated participations	Other related parties	TOTAL 2022	Subsidiaries	Associated participations	Other related parties	TOTAL 2021
I. Assets with related parties - balance sheet								
Financial fixed assets	**0**	**4,128**	**0**	**4,128**	**0**	**11,449**	**0**	**11,449**
Receivables and warranties: gross amount	0	4,128	0	4,128	0	11,449	0	11,449
Receivables and warranties: impairments	0	0	0	0	0	0	0	0
Amounts receivable	**21,705**	**11,966**	**4**	**33,675**	**6,913**	**7,932**	**4**	**14,848**
Trade debtors	17	0	4	20	499	21	4	524
Other receivables: gross amount	21,689	11,966	0	33,654	6,414	9,891	0	16,305
Other receivables: impairments	0	0	0	0	0	-1,981	0	-1,981
Banks - receivables from credit institutions & clients	**5,091**	**0**	**0**	**5,091**	**5,091**	**0**	**0**	**5,091**
Deferred charges & accrued income	**6,819**	**390**	**0**	**7,209**	**8,497**	**609**	**0**	**9,106**
Total	**33,616**	**16,484**	**4**	**50,103**	**20,501**	**19,989**	**4**	**40,494**
II. Liabilities with related parties - balance sheet								
Financial debts	**0**	**0**	**0**	**0**	**30,787**	**0**	**0**	**30,787**
Subordinated loans	0	0	0	0	0	0	0	0
Other financial debts	0	0	0	0	30,787	0	0	30,787
Other debts	**155**	**150**	**0**	**305**	**30**	**150**	**0**	**180**
Trade payables	152	0	0	152	12	0	0	12
Other amounts payable	3	150	0	153	18	150	0	168
Banks - debts to credit institutions, clients & securities	**79,614**	**0**	**0**	**79,614**	**151,033**	**0**	**0**	**151,033**
Accrued charges and deferred income	**0**	**0**	**0**	**0**	**1,209**	**0**	**0**	**1,209**
Total	**79,769**	**150**	**0**	**79,919**	**183,059**	**150**	**0**	**183,209**
III. Transactions with related parties - income statement								
Revenue	**65,972**	**125**	**3**	**66,100**	**61,872**	**445**	**3**	**62,319**
Rendering of services	2,887	35	3	2,925	2,232	75	3	2,311
Real estate revenue	20	0	0	20	48	0	0	48
Interest income of banking activities	0	0	0	0	0	0	0	0
Commissions receivable of banking activities	63,040	0	0	63,040	59,567	0	0	59,567
Revenue from construction contracts	0	0	0	0	0	0	0	0
Other operating revenue	25	90	0	115	25	369	0	394
Operating expenses (-)	**-173**	**0**	**0**	**-173**	**-88**	**0**	**0**	**-88**
Raw materials, consum., services & subcontracted work (-)	-173	0	0	-173	-88	0	0	-88
Interest expenses Bank Van Breda (-)	0	0	0	0	0	0	0	0
Impairment losses (-)	0	0	0	0	0	0	0	0
Financial result	**3,689**	**996**	**0**	**4,685**	**-832**	**1,568**	**0**	**736**
Interest income	3,689	996	0	4,685	1,118	1,568	0	2,686
Interest expenses	0	0	0	0	-1,950	0	0	-1,950

The loans that AvH (and subholdings) have granted to participations that are not fully consolidated are included in the above table. The interest rate charged for these intra-group loans is at arm’s length. The same applies for financing loans that Nextensa, Rent-A-Port and Green Offshore grant to their equity-method participations (or receive from them, as is the case at Rent-A-Port).

Through the full consolidation of Bank Van Breda and the inclusion of Delen Private Bank using the equity method, the commercial paper of Bank Van Breda held by Delen Private Bank (71.8 million euros) and the time deposits (7.8 million euros) are reported as a debt of Bank Van Breda to a related party.

2. Transactions with related parties – CFE – DEME

- Ackermans & van Haaren (AvH) owns 15,725,684 shares of CFE and DEME Group as a result is the primary shareholder of both companies with 62.12% of the total number of shares.
- Under the service contracts which DEME and CFE concluded with AvH (in 2001 and 2015 respectively), amounts were paid of 1.3 million euros and 0.6 million euros respectively.
- Transactions with related parties concerned mainly transactions with companies in which CFE and DEME have a joint control or a significative influence. These transactions are concluded at arm's length.

(€ 1,000)	2022	2021
Assets with related parties CFE-DEME	**213,973**	**144,286**
Non current financial assets	162,467	109,788
Trade and other receivables	45,190	29,043
Other current assets	6,316	5,455
Liabilities with related parties CFE-DEME	**48,296**	**35,781**
Other non current liabilities	13,666	15,061
Trade and other liabilities	34,630	20,720

(€ 1,000)	2022	2021
Revenues and expenses with related parties CFE-DEME	**281,050**	**229,758**
Revenue and revenue from auxiliary activities	303,068	242,452
Purchases and other operating expenses	-28,822	-17,505
Net financial income/(expense)	6,804	4,811

3. Remuneration

(€ 1,000)	2022	2021
Remuneration of the directors		
Tantièmes at the expense of AvH	630	605
Remuneration of the members of the executive committee		
Fixed remuneration	3,548	3,079
Variable remuneration	6,798	3,395
Share based payment	1,862	1,059
Group and hospitalisation insurance	572	367
Benefits in kind (company car)	38	33

4. The auditor EY received following fees related to:

(€ 1,000)	AvH	Subsidiaries (1)	Total 2022	AvH	Subsidiaries (1)	Total 2021
The statutory mandate	71	3,227	3,298	66	2,562	2,628
Special missions						
- Other control missions	0	331	331	14	212	226
- Tax advice	6	416	422	6	419	425
- Other missions than statutory	9	86	95	8	70	79
Total	**86**	**4,060**	**4,146**	**94**	**3,263**	**3,358**

(1) Including jointly controlled subsidiaries accounted for using the equity method.

Note 28: Earnings per share

1. Continued and discontinued operations

(€ 1,000)	2022	2021
Net consolidated result, group share (€ 1,000)	708,655	406,814
Weighted average number of shares (1)	33,127,739	33,148,250
Earnings per share (€)	**21.39**	**12.27**
Net consolidated result, group share (€ 1,000)	708,655	406,814
Weighted average number of shares (1)	33,127,739	33,148,250
Impact stock options	34,772	34,242
Adjusted weighted average number of shares	33,162,510	33,182,491
Diluted earnings per share (€)	**21.37**	**12.26**

2. Continued activities

(€ 1,000)	2022	2021
Net consolidated result from continuing operations, group share (€ 1,000)	705,834	406,964
Weighted average number of shares (1)	33,127,739	33,148,250
Earnings per share (€)	**21.31**	**12.28**
Net consolidated result from continuing operations, group share (€ 1,000)	705,834	406,964
Weighted average number of shares (1)	33,127,739	33,148,250
Impact stock options	34,772	34,242
Adjusted weighted average number of shares	33,162,510	33,182,491
Diluted earnings per share (€)	**21.28**	**12.26**

(1) Based on number of shares issued, adjusted for treasury shares in portfolio

Note 29: Proposed and distributed dividends

A dividend of EUR 3.10 per share will be proposed for approval to the ordinary general meeting of shareholders which will take place on 22 May 2023.

1. Determined and paid out during the year

(€ 1,000)	2022	2021
Dividend on ordinary shares distributed in:		
- Final dividend 2021: 2.75 euros per share	-91,085	-77,890

2. Proposed for approval by the general meeting of May 22, 2023

(€ 1,000)	
Dividend on ordinary shares:	
- Final dividend 2022: 3.10 euros per share (1)	-103,840

(1) Maximum amount of dividend, based upon the total number of shares, without taking into account the treasury shares.

3. Dividend per share (€)

	2022	2021
Gross	3.1000	2.7500
Net (witholding tax 30%)	2.1700	1.9250

Note 30: Major events after balance sheet date

Early February 2023, after a successful collaboration of more than 30 years, AvH sold its 50% participation in Telemond to the German family Maas, its long-term partner. This sale earned AvH a cash revenue of 55 million euros and a capital gain of 19 million euros.

AvH is proud to have been selected as one of the 20 companies in the new BEL ESG Index, which was launched by Euronext on February 15. This sustainability index monitors the 20 companies listed in Brussels with the best ESG practices (Environmental, Social & Governance). This selection acknowledges AvH for the way in which it develops its ESG policy and takes related initiatives.

Statutory Auditor's report

Independent auditor's report to the general meeting of Ackermans & van Haaren NV for the year ended December 31, 2022.

In the context of the statutory audit of the Consolidated Financial Statements of Ackermans & van Haaren NV (the "Company") and its subsidiaries (together the "Group"), we report to you as statutory auditor. This report includes our opinion on the consolidated statement of the financial position as at 31 December 2022, the consolidated statement of income and consolidated statement of comprehensive income, the realized and un-realized results, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended 31 December 2022 and the disclosures (all elements together the "Consolidated Financial Statements") and includes as well our report on other legal and regulatory requirements. These two reports are considered as one report and are inseparable.

We have been appointed as statutory auditor by the shareholders' meeting of 23 May 2022, in accordance with the proposition by the Board of Directors following recommendation of the Audit Committee. Our mandate expires at the shareholders' meeting that will deliberate on the Consolidated Financial Statements for the year ending 31 December 2024. We performed the audit of the Consolidated Financial Statements of the Group during 22 consecutive years. As a result of the legislation regarding the rotation of audit offices, we need to resign as statutory auditor of the company after the audit of the accounting year ending on 31 December 2023.

Report on the audit of the Consolidated Financial Statements 2022

Unqualified opinion

We have audited the Consolidated Financial Statements of Ackermans & van Haaren NV, that comprise of the consolidated statement of the financial position as at 31 December 2022, the consolidated statement of income and consolidated statement of comprehensive income , the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended for the year ended 31 December 2022 and the disclosures, which show a consolidated balance sheet total of € 17,676,517,(000) and of which the consolidated income statement shows a profit for the year (attributable to the owners of the Company) of € 708,655,(000).

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

Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the "Our responsibilities for the audit of the consolidated financial statements" section of our report.

We have complied with all ethical requirements that are relevant to our audit of the Consolidated Financial Statements in Belgium, including those with respect of independence.

We have obtained from the Board of Directors and the officials of the Company the explanations and information necessary for the performance of our audit and we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current reporting 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 consequently we do not provide a separate opinion on these matters.

1. Revenue recognition and contract accounting (Marine Engineering & Contracting)

Companies concerned: DEME and CFE

- Description of the key audit matter

For the majority of its contracts (hereafter the "contracts" or the "projects"), the Group recognizes revenue and profit on the stage of completion based on the proportion of contract costs incurred for the work performed to the balance sheet date, relative to the estimated total costs of the contract at completion. The recognition of revenue and profit therefore relies on estimates in relation to the forecast total costs on each contract. Cost contingencies may also be included in these estimates to take account of specific uncertain risks, or disputed claims against the Group, arising within each contract. The revenue on contracts may also include variations and claims, which are recognized on a contract-by-contract basis when the additional contract revenue can be measured reliably.

Revenue recognition and contract accounting often involves a high degree of judgment due to the complexity of projects, uncertainty about costs to complete and uncertainty about the outcome of discussions with clients on variation orders and claims. This is a key audit matter because there is a high degree of risk and related management judgement in estimating the amount of revenue and associated profit or loss to be recognized, and changes to these estimates could give rise to important variances.

- Summary of audit procedures performed

- We obtained an understanding of the process related to the contract follow up, the revenue and margin recognition and when applicable the provisions for losses at completion, and we assessed the design and the implementation of the related key internal controls, including management review controls.
- Based on quantitative and qualitative criteria, we selected a sample of contracts has been selected to challenge the most significant and complex project estimates. For this testing we gained an understanding of the current status and history of the projects and discussed the judgments inherent to these projects with senior executive and financial management. We analyzed the differences

with prior project estimates and assessed consistency with the developments of the project during the year.

- Determination of the proper calculation of the percentage of completion and the related revenue and margin recognized for a sample of projects.
- We compared the financial performance of projects against budget and historical trends.
- We completed site visits for certain projects observed the stage of completion of these projects and discusses with site personnel the status and complexities of the project that could impact it's total forecasted cost.
- We analyzed correspondence with customers : around variations and claims and assessed whether this information is consistent with the estimates made by the management.
- We Inspected selected contracts for key clauses. We identified relevant contractual clauses impacting the (un)bundling of contracts, delay penalties, bonuses or success fees and we assessed whether these key clauses have been appropriately reflected in the amounts recognized in the Consolidated financial statements.

- Reference to information or notes in the Consolidated Financial statements

The methodology applied in recognizing revenue and contract accounting is set out in note 1 (IFRS valuation rules) and note 15 (Inventories and construction contracts) to the Consolidated Financial Statements.

2. Uncertain tax positions (Marine Engineering & Contracting)

Company concerned: DEME

- Description of the key audit matter

DEME operates its global business across a variety of countries subject to different tax regimes. The taxation of its operations can be subject to judgements and might result in diverging views of local tax authorities and that may span multiple years to get resolved. Where the amount of tax payable is uncertain, management establishes an accrual based on its best estimate of the probable amount to settle the liability. Management exercises significant judgement in assessing the liability for uncertain tax positions at balance sheet date and changes to these estimates could give rise to important variances.

- Summary of audit procedures performed

- We obtained an understanding of the process in respect of accounting for (deferred) taxes and assessed the design and the implementation of the related controls.
- We assessed the estimated probability of the identified tax risk and challenged management's estimate of the potential outflows trough management inquiry and inspection of a review of the supporting documentation (changes in tax legislation, correspondence with tax authorities and tax advisors, available rulings).
- We involved our tax professionals to assist us to evaluate management's assumptions and application of relevant tax laws and regulations in assessing of the Group's uncertain tax positions.

- Reference to information or notes in the Consolidated Financial **statements**

Refer to note 1 (IFRS valuation rules) and note 21 (Taxes).

3. Revenue recognition and valuation of inventories and construction contracts (Marine Engineering & Contracting, Real Estate & Senior Care)

Companies concerned: CFE and Nextensa

- Description of the key audit matter

The valuation of the land positions and the incurred constructions costs for residential property developments are based on the historical cost or lower net realizable value. The assessment of the net realizable values involves assumptions relating to future market developments, permit decisions of governmental bodies, discount rates and future changes in costs and selling prices. These estimates involve various terms and are sensitive to scenarios and assumptions used and involve as such significant management judgement. Risk exists that potential impairments of inventories are not appropriately accounted for in the Consolidated Financial Statements.

Revenues and results are recognized to the extent that components (housing units) have been sold and based on the percentage of completion of the development. The recognition of revenue and profit therefore relies on estimates in relation to the forecasted total costs on each project.

This often involves a high degree of judgement due to the complexity of projects and uncertainty about costs to complete. This is a key audit matter because there is a high degree of risk associated with estimating the amount of revenue and related profit to be recognized for the period and changes to these estimates could give rise to important variances.

- Summary of audit procedures performed

- We obtained an understanding of the process related to the contract follow up, the revenue and margin recognition, and we assessed the design and the implementation of the related key internal controls, including management review controls.
- We have selected a sample of project developments and verified the costs incurred to date, relating to land purchases and work in progress. We also recalculated the percentage of completion at balance sheet date, agreed sales values to contracts, and verified the accuracy of the revenue recognition formula.
- We performed an assessment of the calculations of net realizable values and challenged the reasonableness and consistency of the assumptions and model used by management.
- We evaluated the financial performance of specific projects against budget and historical trends, specifically in view of assessing the reasonableness of the costs to complete

- Reference to information or notes in the Consolidated Financial statements

Refer to note 1 (IFRS valuation rules) and note 15 (inventories and construction contracts)

4. Specific allowances for loans and advances to customers (Private banking)

Company concerned: Bank Van Breda

- Description of the key audit matter

The net portfolio of loans and advances to customers amounted to € 6,188 million as at 31 December 2022. Loans and advances to customers are measured at amortized cost, net of the allowance for loan losses (€ 28.86 million, including committed loans not (yet) recognised in the balance sheet).

Certain aspects of the accounting for allowance for loan losses require significant judgement by management, such as the identification of loans and advances to customers that are deteriorating, the assessment of objective evidence for impairment, the value of collateral and the estimation of the recoverable amount.

The use of different modeling techniques and assumptions can lead to considerably different estimates of impairments for credit losses.

Due to the significance of loans and advances to customers and the related estimation uncertainty, the valuation of loans and advances to customers is considered as a key audit matter.

- Summary of audit procedures performed

The following audit procedures were performed, amongst others:

- Assessing the design and evaluation of the operating effectiveness of controls around the valuation and accuracy of loans and advances and collateral data, the determination of risk ratings and the process for identifying arrears and the management thereof.
- Performing risk assessment aimed at identifying higher risk portfolios, including an assessment of management's own portfolio stress tests.
- Credit file reviews on a sample basis to test the recoverability of loans and advances to customers. By doing so, challenging the probability of realization, and valuation of collateral and other possible sources of repayment.
- Evaluation of the most important input variables and assumptions for the models used for the determination of impairment of loans and advances to customers calculated on a collective basis and testing of the arithmetic accuracy of the models.
- Comparing Management's key assumptions against the understanding of the relevant industries and business environments.
- Assessing whether disclosures appropriately reflected the exposure to credit risk, including controls over identification and disclosure of forborne loans, collateral valuation and sensitivity of key assumptions.

- Reference to information or notes in the Consolidated Financial statements

Refer to note 1 (IFRS valuation rules) and note 14 (Banks – receivables from credit institutions and clients)

5. Valuation of the investment properties (Real Estate & Senior Care)

Companies concerned: Nextensa

- Description of the key audit matter

As per 31 December 2022 the Group presents Investment property for a total amount of € 1,279 million on its balance sheet.
In accordance with the accounting policies and IAS 40 standard "Investment property", investment property is valued at fair value, and the changes in the fair value of investment property are recognized in the income statement.
The fair value of investment properties belongs to the level 3 of the fair value hierarchy defined within the IFRS 13 standard "Fair Value Measurement". Some parameters used for valuation purposes are based on data that can be observed to a limited extent (discount rate, future occupancy rate, …) and therefore require judgment of management.
The audit risk appears in the valuation of these investment properties and is therefore a key audit matter.

- Summary of audit procedures performed

The group uses external appraisers to make an estimate of the fair value of the investment properties of the Group, with the support of internal real estate valuation specialists, the valuation reports were evaluated. More precisely we have:

- assessed the objectivity, the independence and the competence of the external appraisers,
- tested the integrity of source data (contractual rentals, maturities of the rental contracts, …) used in their calculations and reconciled with underlying contracts,
- and assessed the models and assumptions used in their reports (discount rates, future occupancy rates, …).

- Reference to information or notes in the Consolidated Financial statements

Assessment of the appropriateness of the information on the fair value of the investment properties disclosed in note 1 (IFRS valuation rules) and note 10 (Investment property at fair value) of the Consolidated Financial Statements.

6. Valuation of financial instruments (multiple segments)

- Description of the key audit matter

Different companies within the group use interest rate swaps (IRS) to hedge its interest rate risk on its variable rate debts. The measurement of the derivatives at fair value is an important source of volatility of the result and/or the shareholders' equity. As a matter of fact. In accordance with IFRS 9 "Financial Instruments: Recognition and Measurement", these derivatives are valued at fair value (considered to belong to the level 2 of the fair value hierarchy defined by IFRS 13 "Fair Value Measurement"). The changes in fair value are recognized in the income statements except for those IRS for which the Company applies hedge accounting ("cash-flow hedging"), which allows to classify most of the changes in fair value in the caption of the shareholders' equity ("Hedge reserves"). The audit risk appears on the one hand in the complexities involved in determining the fair value of these derivatives and on the other hand in the correct application of hedge accounting for the IRS contracts that were classified by the Group as cash flow hedges and are therefore a key audit matter.

- Summary of audit procedures performed

- We have compared the fair values of the derivatives with the values communicated by the counterparties and the credit risk adjustments calculated by an external specialist.
- We have assessed the most important assumptions and the calculations performed by this external specialist.
- Regarding the correct application of hedge accounting , we have evaluated the effectiveness tests performed by the external specialist involved by the Group and we have compared the volume of derivatives subject to hedge accounting with the volume of the variable rate debts projected on the future accounting years in order to identify any potential over hedging any potential overhedging which could potentially jeopardize the application of hedge accounting.
- Assessment of the appropriateness of the information on the financial instruments disclosed in note 12 (Financial risk management and financial derivatives) to the Consolidated Financial Statements.

7. Goodwill

- Description of the key audit matter

As per 31 December 2022 the Group presents goodwill for a total amount of € 320 million on its balance sheet.
The impairment analysis is yearly performed by management based on different factors such as (i) stock exchange share prices, (ii) equity values, (iii) discounted cash flow analysis ("DCF analysis") of the underlying participations based on forecasts approved by the board of directors of the companies and (iv) sales prices based on ongoing negotiations. This requires assessment and valuation of the assumptions used by management, such as the underlying recoverable value of the participation. The determination of the future cash flows of the cash generating units ("CGU") and of the used discount rate is complex and subjective. Changes in these assumptions can result in material deviations in the value-in-use calculations, which influences the potential impairment loss to be recorded on goodwill.

- Summary of audit procedures performed

- Review of management's process to identify the impairment indicators.
- Assessing management's method to determine the recoverable value of each of the investments, along with the related goodwill to ensure this follows the IFRS guidelines.

- Assessing the appropriateness of the assumptions used by management to determine the recoverable value (with the help of internal specialists) as well as the impact of COVID-19 on these assumptions
- Comparison of the operational cash flows with historical figures and trends.
- Assessing the reasonableness of future cash flows used in the valuation exercise on goodwill based on the historical results, the business plan available and the evaluation of the historical accuracy of the assumptions used by management.
- Checking whether the future cash flows were based on a business plan approved by the board of directors.
- Performing of mathematical accuracy checks of the valuation model.
- Assessment of the sensitivity analysis performed by management.

Assessment of the appropriateness of the information on the financial instruments disclosed in note 1 (IFRS valuation rules – principles of consolidation) and note 8 (Goodwill) to the Consolidated Financial Statements.

8. Risks of the companies accounted for under the equity method

• Description of the key audit matter

A large number of companies are accounted for using the equity method in the Consolidated Financial Statements of the Group. Per 31 December 2022 this amounts to € 1,845 million in the balance sheet and they contribute for € 244 million in the consolidated result of the year. The information on participations accounted for using the equity method is included in note 11 to the Consolidated Financial Statements.

The risks exists that key audit matters are related to those companies which are significant to the Consolidated Financial Statements of the Group.

Delen Private Bank has acquired clientele, as a result of several acquisitions, which are included under intangible fixed assets, the majority of the purchased clientele is considered as intangible assets with an indefinite useful life. The statistical data from the past show that only a limited part of the purchased clientele has a definite useful life. With each acquisition of clientele, on the basis of the statistics, it is determined how much of the purchased clientele is to be considered as an intangible fixed asset with a certain useful life, which is amortized pro rata over this useful life. The remainder is not amortized. Management conducts an annual impairment analysis on the basis of its own developed model for both clientele with a definite and indefinite useful life, whereby the purchased clientele is subdivided per group office.

The valuation of the purchased clientele is complex and requires estimates from the management. The valuation of the clientele is based on the assets entrusted by the clientele (Assets under management, hereinafter "AuMs") that represents the purchased clientele on which a factor is applied.

A change in these parameters or the use of erroneous data would have an important impact on the valuation of the purchased clientele.

For these reasons, the valuation of the activated, acquired clientele is a key audit matter.

• Summary of the procedures performed

With regard to the valuation of the activated, acquired clientele of Delen Private Bank, the following audit procedures were carried out:

- Assessment of the division of the existing clientele within the group per office and discussion of any changes in relation to previous periods.
- Assessment of the parameters used (such as AuMs and factors), the methodology and the model used in accordance with IAS 36.
- Analysis of the breakdown of purchased customers per office.
- Verification of the factors used in the model with market data and reconciliation of the AuMs with the accounting inventories and of the applied market value with the market data.
- Sensitivity analysis on the most important assumptions, which is mainly the cost-income ratio.
- Recalculation of the recorded depreciation on the clientele with a certain useful life.
- Assessment of the adequacy and completeness of note 11 (companies accounted for using the equity method) of the Consolidated Financial Statements.

With respect to the key audit matters in the balance sheets of the companies accounted for using the equity method, the following audit procedures were performed, amongst others:

- Communication of clear audit instructions to the component auditors indicating the possible key audit matters, specific audit risks, audit procedures to be performed according to the materiality levels determined.
- Detailed review of the reported deliverables by the component auditors.
- Critical evaluation of the used audit approach in accordance with the international auditing standards.
- Discussion on the key audit matters with the component auditor and assessment of the reported clarifications.
- Assessment of the adequacy and completeness of note 11 (companies accounted for using the equity method) of the Consolidated Financial Statements.

Responsibilities of the Board of Directors for the preparation of the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of the Consolidated Financial Statements that give a true and fair view in accordance with IFRS and with applicable legal and regulatory requirements in Belgium and for such internal controls relevant to the preparation of the Consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of Consolidated Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, and provide, if applicable, information on matters impacting going concern, The Board of Directors should prepare the financial statements using the going concern basis of accounting, unless the Board of Directors either intends to liquidate the Company or to cease business operations, or has no realistic alternative but to do so.

Our responsibilities for the audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance whether the Consolidated Financial Statements are free from material misstatement, whether due to fraud or error, and to express an opinion on these Consolidated Financial Statements based on our audit. Reasonable assurance is a high level of assurance, but not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and 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.

In performing our audit, we comply with the legal, regulatory and normative framework that applies to the audit of the Consolidated Financial Statements in Belgium. However, a statutory audit does not provide assurance about the future viability of the Company and the Group, nor about the efficiency or effectiveness with which the board of directors has taken or will undertake the Company's and the Group's business operations. Our responsibilities with regards to the going concern assumption used by the board of directors are described below.

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

- identification and assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, the planning and execution of audit procedures to respond to these risks and obtain audit evidence which is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material misstatements resulting from fraud is higher than when such misstatements result from errors, since fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining insight in the system of internal controls that are relevant for the audit and with the objective to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluating the selected and applied accounting policies, and evaluating the reasonability of the accounting estimates and related disclosures made by the

Board of Directors as well as the underlying information given by the Board of Directors;

- conclude on the appropriateness of the Board of Directors' use of the going-concern basis of accounting, and based on the audit evidence obtained, whether or not a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's or 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 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 audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going-concern;
- evaluating the overall presentation, structure and content of the Consolidated Financial Statements, and evaluating whether the Consolidated Financial Statements reflect a true and fair view of the underlying transactions and events.

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

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the audits of the subsidiaries. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities.

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

From the matters communicated with the Audit Committee within the Board of Directors, 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 the law or regulations prohibit this.

Report on other legal and regulatory requirements

Responsibilities of the Board of Directors

The Board of Directors is responsible for the preparation and the content of the Board of Directors' report on the Consolidated Financial Statements, the non-financial information attached to the Board of Directors' report, and other information included in the annual report.

Responsibilities of the auditor

In the context of our mandate and in accordance with the additional standard to the ISAs applicable in Belgium, it is our responsibility to verify, in all material respects, the Board of Directors' report on the Consolidated Financial Statements, the non-financial information attached to the Board of Directors' report, and other information included in the annual report, as well as to report on these matters.

Aspects relating to Board of Director's report and other information included in the annual report

In our opinion, after carrying out specific procedures on the Board of Directors' report, the Board of Directors' report is consistent with the Consolidated Financial Statements and has been prepared in accordance with article 3:32 of the Code of companies and associations.

In the context of our audit of the Consolidated Financial Statements, we are also responsible to consider whether, based on the information that we became aware of during the performance of our audit, the Board of Directors' report and other information included in the annual report, being:
- 2022 at a glance - page 8;
- Activity report - page 80;
- Key figures 2022 – appendix

contain any material inconsistencies or contains information that is inaccurate or otherwise misleading. In light of the work performed, there are no material inconsistencies to be reported.

The non–financial information required by article 3:32, § 2, of the Code of companies and associations has been included in the Board of Directors' report on the Consolidated Financial Statements. The Company has prepared this non-financial information based on the Global Reporting Initiative ("GRI") reporting framework. However, we do not comment on whether this non-financial information has been prepared, in all material respects, in accordance with the GRI reporting framework.

Independence matters

Our audit firm and our network have not performed any services that are not compatible with the audit of the Consolidated Financial Statements and have remained independent of the Company during the course of our mandate.

The fees related to additional services which are compatible with the audit of the Consolidated Financial Statements as referred to in article 3:65 of the Code of companies and associations were duly itemized and valued in the notes to the Consolidated Financial Statements.

Other communications

This report is consistent with our supplementary declaration to the audit committee as specified in article 11 of the regulation (EU) nr. 537/2014.

Diegem, March 30, 2023

EY Bedrijfsrevisoren BV

Statutory auditor, Represented by

Christel Weymeersch - Partner*

** Acting on behalf of a BV/SRL*

23CW0100

Statutory Annual Accounts

In accordance with article 3:17 CCA, the statutory annual accounts of Ackermans & van Haaren, are presented in short form. In accordance with article 3:10 and 3:12 CCA, the full annual accounts, the annual report of the board of directors and the report of the statutory auditor are filed with the National Bank of Belgium.

The statutory auditor has given an unqualified opinion regarding the statutory accounts.

The annual accounts, the annual report of the board of directors and the report of the statutory auditor are available at the registered office of the company upon simple request.

The statutory annual accounts are prepared in accordance with the Belgian General Accounting Principles.

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Balance sheet - assets

(€ 1,000)	Note	2022	2021	2020
Fixed assets		**2,091,261**	**2,076,142**	**1,916,677**
I. Formation expenses				
II. Intangible assets		**64**	**28**	**0**
III. Tangible assets	(1)	**8,861**	**8,994**	**9,331**
A. Land and buildings		7,227	7,559	6,024
C. Furniture and vehicles		1,634	1,435	1,450
D. Leasing and other similar rights		0	1	2
E. Other tangible assets		0	0	1,856
F. Assets under construction and advanced payments				
IV. Financial assets		**2,082,336**	**2,067,120**	**1,907,346**
A. Affiliated enterprises	(2)	1,769,748	1,781,619	1,638,098
1. Participating interests		1,734,908	1,762,644	1,618,215
2. Amounts receivable		34,840	18,976	19,883
B. Other enterprises linked by participating interests	(3)	271,112	259,568	252,080
1. Participating interests		271,112	259,568	252,080
2. Amounts receivable		0	0	0
C. Other financial assets		41,476	25,933	17,168
1. Shares		41,474	25,925	17,160
2. Amounts receivable and cash guarantees		2	8	8
Current assets		**476,316**	**138,067**	**122,669**
V. Amounts receivable after more than one year		**0**	**0**	**10,000**
A. Trade receivables				
B. Other amounts receivable		0	0	10,000
VI. Stocks and contracts in progress				
A. Stocks				
1. Raw materials and consumables				
2. Work in progress				
3. Finished goods				
4. Goods purchased for sale				
5. Immovable property acquired or constructed for resale				
6. Advance payments				
B. Contracts in progress				
VII. Amounts receivable within one year		**14,535**	**63,986**	**54,585**
A. Trade receivables		1,235	1,224	1,199
B. Other amounts receivable	(4)	13,300	62,762	53,386
VIII. Investments	(5)	**420,823**	**54,975**	**51,592**
A. Treasury shares		47,731	40,385	38,504
B. Other investments and deposits		373,092	14,590	13,088
IX. Cash at bank and in hand		**38,259**	**17,882**	**5,216**
X. Deferred charges and accrued income		**2,699**	**1,224**	**1,276**
Total assets		**2,567,577**	**2,214,209**	**2,039,346**

Balance sheet - liabilities

(€ 1,000)	Note	2022	2021	2020
Equity	(6)	**2,328,644**	**2,062,930**	**1,920,565**
I. Capital		**2,295**	**2,295**	**2,295**
A. Issued capital		2,295	2,295	2,295
B. Uncalled capital (-)				
II. Share premium account		**111,612**	**111,612**	**111,612**
III. Revaluation surplus				
IV. Reserves		**136,656**	**123,576**	**115,258**
A. Legal reserve		248	248	248
B. Reserves not available for distribution		47,766	40,420	38,539
1. Own shares		47,731	40,385	38,504
2. Other		35	35	35
C. Untaxed reserves				
D. Reserves available for distribution		88,642	82,908	76,471
V. Profit carried forward		**2,078,081**	**1,825,447**	**1,691,399**
Loss carried forward (-)				
VI. Investment grants				
Provisions and deferred taxation		**10,742**	**0**	**0**
VII. A. Provisions for liabilities and charges		**10,742**	**0**	**0**
1. Pensions and similar obligations		0	0	0
2. Taxation				
3. Major repairs and maintenance				
4. Other liabilities and charges	(7)	10,742		
B. Deferred taxation				
Creditors		**228,191**	**151,279**	**118,781**
VIII. Amounts payable after more than one year		**0**	**0**	**1**
A. Financial debts		0	0	1
B. Trade debts				
C. Advances received on contracts in progress				
D. Other amounts payable				
IX. Amounts payable within one year		**227,571**	**150,979**	**118,616**
A. Current portion of amounts payable after more than one year		0	1	1
B. Financial debts	(8)	113,857	53,506	36,758
1. Credit institutions				
2. Other loans		113,857	53,506	36,758
C. Trade debts		1,162	727	225
1. Suppliers		1,162	727	225
E. Taxes, remuneration and social security		6,586	3,868	2,357
1. Taxes		53	73	127
2. Remuneration and social security		6,533	3,795	2,230
F. Other amounts payable	(9)	105,966	92,878	79,275
X. Accrued charges and deferred income		**620**	**300**	**164**
Total liabilities		**2,567,577**	**2,214,209**	**2,039,346**

Income statement

(€ 1,000)	Note	2022	2021	2020
Charges				
A. Interests and other debt charges		218	36	176
B. Other financial charges		1,023	1,067	1,041
C. Services and other goods		14,748	10,350	8,826
D. Remuneration, social security costs and pensions		3,017	2,585	2,279
E. Other operating charges		282	259	213
F. Depreciation of and other amounts written off on formation expenses, intangible and tangible assets		692	682	651
G. Amounts written off	(10)	1,355	11,011	4,540
1. Financial assets		0	0	1,571
2. Current assets		1,355	11,011	2,969
H. Provisions for liabilities and charges	(7)	10,742	0	0
I. Loss on disposal of	(11)	2,316	46,479	7,183
1. Intangible and tangible assets		8	0	0
2. Financial assets		0	18,469	4,097
3. Current assets		2,307	28,010	3,086
J. Extraordinary charges		0	0	0
K. Income taxes		96	84	147
L. Profit for the period		370,748	234,382	10,321
M. Transfer to the untaxed reserves				
N. Profit for the period available for appropriation		370,748	234,382	10,321
Appropriation account				
A. Profit to be appropriated		2,196,195	1,925,781	1,852,459
1. Profit for the period available for appropriation		370,748	234,382	10,321
2. Profit brought forward		1,825,447	1,691,399	1,842,138
Total		**2,196,195**	**1,925,781**	**1,852,459**

Income statement

(€ 1,000)	Note	2022	2021	2020
Income				
A, Income from financial assets		127,759	116,124	23,572
1. Dividends	(12)	126,035	114,687	22,116
2. Interests		1,230	599	544
3. Tantièmes		493	838	912
B. Income from current assets		2,461	2,191	1,878
C. Other financial income		119	0	0
D. Income from services rendered		1,938	2,030	1,995
E. Other operating income		198	359	377
F. Write back to depreciation of and to other amounts written off intangible and tangible assets				
G. Write back to amounts written off	(10)	701	46,764	7,009
1. Financial assets		0	20,004	7,003
2. Current assets		701	26,760	6
H. Write back to provisions for liabilities and charges		0	0	0
I. Gain on disposal of	(13)	271,777	139,467	196
1. Tangible and intangible assets		27	14	5
2. Financial assets		271,350	139,022	18
3, Current assets		399	431	172
J, Extraordinary income		275	0	348
K. Regularisation of income taxes and write back to tax provisions		11		
L. Loss for the period		0	0	0
M. Transfer from untaxed reserves				
N. Loss for the period available for appropriation		0	0	0
Appropriation account				
C. Transfers to capital and reserves		13,080	8,317	5,504
3. To other reserves		13,080	8,317	5,504
D. Result to be carried forward		2,078,081	1,825,447	1,691,399
1. Profit to be carried forward		2,078,081	1,825,447	1,691,399
F. Distribution of profit		105,035	92,017	155,556
1. Dividends		103,840	91,085	154,703
2. Tantièmes		836	630	605
3. Profit premium for employees		358	302	248
Total		**2,196,195**	**1,925,781**	**1,852,459**

Balance sheet

Assets

1. Tangible assets mainly comprise the buildings and furnishing of the real estate located in Antwerp at Begijnenvest 113 and at Schermersstraat 44, where Ackermans & an Haaren has its registered office.

2. Financial fixed assets - Affiliated enterprises: the decrease of 27.7 million euros relative to 2021 is mainly attributable to the sale of Anima. At the end of 2022, Van Laere, a subsidiary of CFE, sold 65% of its stake in Hofkouter (the company whose sole property is Van Laere's former head office and workshops in Zwijndrecht) to AvH.

3. Financial fixed assets - Other enterprises linked by participating interests: in 2022, 10.7 million euros was invested in increasing the participation in SIPEF to 36.81%.

4. The other amounts receivable within one year consist mainly of recoverable taxes and short-term financing to group companies.

5. The movements in the item 'Investments' are explained by the cash revenue from the sale of Anima, the movement of the position in treasury shares and the value adjustments on the investment portfolio of AvH.

Liabilities

6. AvH's shareholders' equity increased by 265.8 million euros compared to year-end 2021 (both figures include the dividend proposed to the general meeting of shareholders). This increase is primarily the result of the profit for the year of 370.7 million euros less a proposed dividend of 3.10 euros gross per share, to a total (maximum) amount of 103.8 million euros. These statutory financial statements already take account of this maximum amount by way of payable dividend (see other amounts payable). The final dividend amount will be determined on the basis of the number of shares that are entitled to a dividend, i.e. without the treasury shares that are not entitled to a dividend.

7. The increase of provisions is part of the warranties and representations provided by AvH when disposing of participations and/or operations. In 2022, AvH constituted provisions totalling 10.7 million euros for two cases. Although AvH believes that in both instances it has a solid case, the maximum amount that might be claimed was provided.

8. AvH had no external short-term financial debt as of December 31, 2022. The balance corresponds to deposits received from subholdings.

9. The other amounts payable as at December 31, 2022 include the dividend payment proposed to the general meeting of shareholders of 104 million euros.

Income statement

Charges

10. The impairment losses primarily relate to adjustments made in order to align the carrying value of the investment portfolio to its market value at December 31, 2022.

11. Capital losses were recorded on the sale of treasury shares under the stock option plan and as part of the liquidity programme.

Income

12. AvH received 126.0 million euros in dividends from its direct participations.

13. A capital gain of 271.0 million euros was realised on the disposal of Anima. In 2021, no significant capital gains had been realised.

Sustainability report: annex

1. GRI-content index

AvH has reported the information cited in this GRI content index for the period January 1, 2022 to December 31 2022 with reference to the GRI Standards (cfr. GRI 1: Foundation 2021).

GRI standard	Disclosure	Location
GRI 2: General Disclosures (edition 2021)	2-1 Organizational details	Legal name: Ackermans & van Haaren (See 'Cover') Nature of ownership: listed on Euronext Brussels (BEL20) and with solid family ties (See 'Mission') Legal status: Public limited company (See 'Cover' at the back – reference to 'NV') Location head office: Antwerp (See 'Cover' at the back) Countries of operation: See '2022 at a glance - Economic footprint of the AvH group', operations in Europe, India and Southeast Asia
	2-2 Entities included in the organization's sustainability reporting	Reporting perimeter: See 'Sustainability report: 7.3. ESG reporting and reference models; section Reporting perimeter'
	2-3 Reporting period, frequency and contact point	Reporting period: identical to financial reporting (= 2022, See 'cover') Frequency: annually Contact person: See 'contact' on last page
	2-4 Restatements of information	No 'restatements' for the previous reporting period
	2-5 External assurance	No
	2-6 Activities, value chain and other business relationships	Sector: independent, diversified group (See 'Mission') Description value chain: - See 'Sustainability report: 1. Your partner for sustainable growth' - See 'Activity report' with overview per segment and company - See 'Note 2 from the Financial Statements: Subsidiaries and jointly controlled subsidiaries' - See 'Note 3 from the Financial Statements: Associated participating interests' Other business relations: See 'Note 27 from the Financial Statements: Financial assets' Significant changes compared to previous reporting period: See 'Note 4 from the Financial Statements: Business combinations & disposals'
	2-7 Employees	See 'Sustainability report: 5. AvH as a sustainable company' (total headcount at end of the reporting period, by region & m/f)
	2-8 Workers who are not employees	- Members of the executive committee have a status as self-employed - One IT consultant (Filip Portael) works on an independent basis
	2-9 Governance structure and composition	See 'Corporate governance statement: 1. General and 2. Board of Directors'. There is no presence of underrepresented social groups on the Board of Directors.
	2-10 Nomination and selection of the highest governance body	See 'Corporate governance charter: 2.3.2. (Re)nomination procedure': www.avh.be/sites/avh/files/2023-02/avh-corporate-governance-charter-2022-nl.pdf See 'Corporate governance statement: 5. Nomination committee' See 'Corporate governance statement: 2. Board of Directors - 7. Diversity policy'
	2-11 Chair of the highest governance body	See 'Corporate governance statement: 2. Board of Directors - 2.1. Composition'
	2-12 Role of the highest governance body in overseeing the management of impacts	See 'Corporate governance statement: 2. Board of Directors - 2.4. Activity report'
	2-13 Delegation of responsibility for managing impacts	Not applicable
	2-14 Role of the highest governance body in sustainability reporting	See 'Sustainability report: 7.2. Internal organisation '

	2-15 Conflicts of interest	See 'Corporate governance statement: 2. Board of Directors - 2.5. Code of conduct regarding conflicts of interest'
	2-16 Communication of critical concerns ('whistleblower')	See 'Corporate governance statement: 2. Board of Directors - 8.3.1 Control assessment'
	2-17 Collective knowledge of the highest governance body	See 'Sustainability report: 7.2. Internal organisation'
	2-18 Evaluation of the performance of the highest governance body	See 'Corporate governance charter: 2.10. Assessment': www.avh.be/sites/avh/files/2023-02/avh-corporate-governance-charter-2022-nl.pdf See 'Corporate governance statement: 2. Board of Directors'
	2-19 Remuneration policies	See 'Remuneration report: 7.4. Wage tension and 7.5. Gender pay gap'
	2-20 Process to determine remuneration	See 'Corporate governance charter: 2.9 Remuneration policy, 3.3. Remuneration committee and 4.6.Remuneration policy executive committee': www.avh.be/sites/avh/files/2023-02/avh-corporate-governance-charter-2022-nl.pdf See 'Remuneration report' See minutes 'Annual General Meeting'
	2-21 Annual total compensation ratio	See 'Remuneration report'
	2-22 Statement on sustainable development strategy	See 'Sustainability report: 1. Your partner for sustainable growth'
	2-23 Policy commitments	The following policy commitments have been approved at board level: - Investment exclusion policy: See 'Sustainability report: 3.2. Responsible investment policy – Exclusion policy' and link: https://www.avh.be/sites/avh/files/2023-02/avh-exclusion-policy-uk.pdf - Integrity code: See 'Sustainability report: 3.2. Responsible investment policy – Integrity code' and link: https://www.avh.be/sites/avh/files/2023-02/avh-integriteitscode-2022-uk.pdf - ESG policy: See 'Sustainability report: 7. ESG policy and methodology of AvH
	2-24 Embedding policy commitments	Idem 2-23
	2-25 Processes to remediate negative impacts	See Integrity policy: https://www.avh.be/sites/avh/files/2023-02/avh-integriteitscode-2022-uk.pdf
	2-26 Mechanisms for seeking advice and raising concerns	See Integrity policy: https://www.avh.be/sites/avh/files/2023-02/avh-integriteitscode-2022-uk.pdf
	2-27 Compliance with laws and regulations	No fines or non-monetary sanctions
	2-28 Membership associations	Belgian Venture Capital & Private Equity Association (BVA) and Invest Europe
	2-29 Approach to stakeholder engagement	See 'Sustainability report: 7.1 Focus on material topics – stakeholders dialogue'
	2-30 Collective bargaining agreements	See 'Sustainability report: 5.2 Talent development': AvH complies with the applicable sectoral CLAs and even goes further in certain respects
GRI 3: Material Topics (edition 2021)	3-1 Process to determine material topics	See 'Sustainability report: 7.1 Focus on material topics'
	3-2 List of material topics	See 'Sustainability report: 7.1 Focus on material topics'
	3-3 Management of material topics	See 'Sustainability report: 7.1 Focus on material topics'
Material topic - Responsible ownership		
ESG policy at portfolio companies	No relevant GRI indicators	Not applicable
GRI 305: Emissions (edition 2016)	305-3 Other indirect (Scope 3) CO_2 emissions (= companies in investment portfolio)	See 'Sustainability report: 4.3 CO_2 emissions investment portfolio '
	305-5 Reduction of CO_2 emissions	Idem 305-3
Material topic - Corporate governance		
Corporate governance charters and relevant portfolio companies	No relevant GRI indicators	Not applicable
Corporate governance AvH NV and subholdings	See GRI indicators 2-9 to 2-18 above	Idem 2-9 till 2-18
Material topic - Business ethics		
GRI 205: Anti-corruption (edition 2016)	205-2 Communication and training about anti-corruption policies and procedures	See 'Sustainability report: 3.2 Responsible investment policy: Integrity policy'

Material topic - Financial resilience and long term return		
GRI 201: Economic Performance (edition 2016)	201-1 Direct economic value generated and distributed	See 'Sustainability report: 3. AvH as a responsible investor'
	201-2 Financial implications and other risks and opportunities due to climate change	See 'Annual report of the Board of Directors - II. Consolidated annual accounts – Risks at the level of Ackermans & van Haaren'
Material topic - Talent development		
GRI 401: Employment (edition 2016)	401-1 New employee hires and employee turnover	See 'Sustainability report: 5. AvH as a sustainable company'
GRI 404: Training and Education (edition 2016)	404-1 Average hours of training per year per employee	See 'Sustainability report: 5. AvH as a sustainable company' (expressed in days)
	404-2 Programs for upgrading employee skills and transition assistance programs	See 'Sustainability report: 5. AvH as a sustainable company'
	404-3 Percentage of employees receiving regular performance and career development reviews	See 'Sustainability report: 5. AvH as a sustainable company'
GRI 405: Diversity and Equal Opportunity (edition 2016)	405-1 Diversity of governance bodies and employees	- See 'Corporate governance statement: 7. Diversity policy' - See 'Sustainability report: 5.2 Talent development'
Material topic – Innovation		
Innovation policy at portfolio companies	No relevant GRI indicators	Not applicable
Other		
GRI 305: Emissions (edition 2016)	305-1 Direct (Scope 1) CO$_2$ emissions	See 'Sustainability report': 5.3 Direct impact on environment and social aspects'
	305-2 Energy indirect (Scope 2) CO$_2$ emissions	See 'Sustainability report: 5.3 Direct impact on environment and social aspects'
	305-5 Reduction of CO$_2$ emissions	See 'Sustainability report: 5.3 Direct impact on environment and social aspects'

2. CO$_2$-footprint

The table below summarizes AvH's CO$_2$ footprint according to the accounting consolidation perimeter. This includes AvH (including its sub holdings) and the fully consolidated participations. For more information, see Note 2 to the Consolidated Financial Statements - section 1 Fully consolidated subsidiaries. The disclosed figures do not include Anima.

CO$_2$-footprint scope 1 & 2 (in ton CO$_2$ -eq) Based on the accounting consolidation scope	**2022**			**2021**			**2020**		
	Scope 1	**Scope 2**	**Total**	**Scope 1**	**Scope 2**	**Total**	**Scope 1**	**Scope 2**	**Total**
AvH (Headquarter)	202	57	259	197	32	229	192	30	222
DEME	652,000	1,000	653,000	832,000	800	832,800	659,000	1,000	660,000
CFE	13,914	1,395	15,309	14,570	1,919	16,489	15,812	1,872	17,684
Bank Van Breda	1,455	15	1,470	1,372	16	1,388	1,681	0	1,681
Nextensa	110	6	116	128	0	128	98	40	138
Other	1,848	790	2,638	1,323	66	1,389	1,088	62	1,150
Total CO$_2$ emissions	**669,529**	**3,263**	**672,792**	**849,590**	**2,833**	**852,423**	**677,871**	**3,004**	**680,875**

3. EU-Taxonomy

The tables below show the information to be disclosed in the context of the EU Taxonomy reporting obligation. Turnover, capex and Opex were determined according to generally accepted accounting principles

3.1 Turnover

			Substantial contribution criteria							DNSH criteria ('Does Not Significantly Harm')										
Economic activities (€ 1,000) 2022	**Codes**	**Absolute turnover**	**Proportion of turnover %**	**Climate change mitigation %**	**Climate change adaptation %**	**Water and marine resources %**	**Circular economy %**	**Pollution %**	**Biodiversity and ecosystems %**	**Climate change mitigation Y/N**	**Climate change adaptation Y/N**	**Water and marine resources Y/N**	**Circular economy Y/N**	**Pollution Y/N**	**Biodiversity and ecosystems Y/N**	**Minimum safeguards Y/N**	**Taxonomy- aligned % of turnover, year N %**	**Taxonomy- aligned % of turnover, year N-1 %**	**Category (enabling activity or) E**	**Category (transitional activity) T**
A. Taxonomy-eligible activities																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
Electricity generation from wind power	D35.11	649,370	15.1	15.1	0.0						Y	Y	Y	Y	Y	N	15.1			
Construction of new buildings	F41.1	154,140	3.6	3.6	0.0						Y	Y	Y	Y	Y	N	3.6			
Infrastructure for rail transport	F42.12	39,161	0.9	0.9	0.0						Y	Y	Y	Y	Y	N	0.9		E	
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	F42	15,143	0.4	0.4	0.0						Y	Y	Y	Y	Y	N	0.4		E	
Electricity generation from bioenergy	D35.11	11,584	0.3	0.3	0.0						Y	Y	Y	Y	Y	N	0.3			
Renovation of existing buildings	F41	6,928	0.2	0.2	0.0						Y	Y	Y	Y	Y	N	0.2			T
Installation, maintenance and repair of renewable energy technologies	F42	6,298	0.1	0.1	0.0						Y	Y	Y	Y	Y	N	0.1		E	
Acquisition and ownership of buildings	L68	5,164	0.1	0.1	0.0						Y	Y	Y	Y	Y	N	0.1			
Installation, maintenance and repair of energy efficiency equipment	F42	3,230	0.1	0.1	0.0						Y	Y	Y	Y	Y	N	0.1		E	
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	F42	984	0.0	0.0	0.0						Y	Y	Y	Y	Y	N	0.0		E	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**892,002**	**20.7**	**20.7**	**0.0**												**20.7**			

			Substantial contribution criteria							DNSH criteria ('Does Not Significantly Harm')										
Economic activities (€ 1,000)	Codes	Absolute turnover	Proportion of turnover	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy- aligned % of turnover, year N	Taxonomy- aligned % of turnover, year N-1	Category (enabling activity or)	Category (transitional activity)
2022			%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A. Taxonomy-eligible activities																				
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Construction of new buildings	F41.1	573,996	13.3																	
Renovation of existing buildings	F41	125,298	2.9																	
Electricity generation from wind power	D35.11	80,442	1.9																	
Infrastructure for rail transport	F42.12	73,560	1.7																	
Acquisition and ownership of buildings	L68	52,688	1.2																	
Infrastructure enabling low-carbon road transport and public transport	F42.11	31,148	0.7																	
Computer programming activities	J62.01	28,206	0.7																	
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**965,340**	**22.4**																	
Total (A.1 + A.2)		**1,857,341**	**43.2**														**20.7**		**1.5**	**0.2**
B. Taxonomy - non-eligible activities																				
Turnover of Taxonomy-non-eligible activities (B)		**2,444,276**	**56.8**																	
Total (A + B)		**4,301,617**	**100.0**																	

3.2 Capex

			Substantial contribution criteria							DNSH criteria ('Does Not Significantly Harm')										
Economic activities (€ 1,000) 2022	Codes	Absolute capex	Proportion of capex %	Climate change mitigation %	Climate change adaptation %	Water and marine resources %	Circular economy %	Pollution %	Biodiversity and ecosystems %	Climate change mitigation Y/N	Climate change adaptation Y/N	Water and marine resources Y/N	Circular economy Y/N	Pollution Y/N	Biodiversity and ecosystems Y/N	Minimum safeguards Y/N	Taxonomy- aligned % of capex, year N %	Taxonomy- aligned % of capex, year N-1 %	Category (enabling activity or) E	Category (transitional activity) T
A. Taxonomy-eligible activities																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
Electricity generation from wind power	D35.11	274,971	45	45	0						Y	Y	Y	Y	Y	N	45			
Acquisition and ownership of buildings	L68	8,056	1	1	0						Y	Y	Y	Y	Y	N	1			
Construction of new buildings	F41.1	7,659	1	1	0						Y	Y	Y	Y	Y	N	1			
Electricity generation from bioenergy	D35.11	599	0	0	0						Y	Y	Y	Y	Y	N	0			
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	F42	221	0	0	0						Y	Y	Y	Y	Y	N	0		E	
Renovation of existing buildings	F41	101	0	0	0						Y	Y	Y	Y	Y	N	0			T
Installation, maintenance and repair of renewable energy technologies	F42	92	0	0	0						Y	Y	Y	Y	Y	N	0		E	
Installation, maintenance and repair of energy efficiency equipment	F42	47	0	0	0						Y	Y	Y	Y	Y	N	0		E	
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	F42	14	0	0	0						Y	Y	Y	Y	Y	N	0		E	
Capex of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**291,760**	**47.4**	**47.4**	**0.0**												**47.4**			
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Acquisition and ownership of buildings	L68	22,398	3.6																	
Renovation of existing buildings	F41	13,722	2.2																	
Construction of new buildings	F41.1	9,186	1.5																	
Infrastructure for rail transport	F42.12	4,826	0.8																	
Infrastructure enabling low-carbon road transport and public transport	F42.11	469	0.1																	
Computer programming activities	J62.01	419	0.1																	
Capex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**51,020**	**8.3**																	
Total (A.1 + A.2)		**342,780**	**55.7**														**47.4**		**0.1**	**0.0**
B. Taxonomy - non-eligible activities																				
Capex of Taxonomy-non-eligible activities (B)		**273,116**	**44.3**																	
Total (A + B)		**615,896**	**100.0**																	

3.3 Opex

The Opex, as defined in the scope of the EU Taxonomy, comprises a restrictive list of non-capitalised costs. As the participations draw up their annual financial statements on the basis of IFRS, they are already to a large extent contained in the capex. The eligible and aligned Opex under the definition of the EU Taxonomy is reported as 0.

				Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')										
Economic activities (€ 1,000) 2022	Codes	Absolute opex	Proportion of opex %	Climate change mitigation %	Climate change adaptation %	Water and marine resources %	Circular economy %	Pollution %	Biodiversity and ecosystems %	Climate change mitigation Y/N	Climate change adaptation Y/N	Water and marine resources Y/N	Circular economy Y/N	Pollution Y/N	Biodiversity and ecosystems Y/N	Minimum safeguards Y/N	Taxonomy- aligned % of opex, year N %	Taxonomy- aligned % of opex, year N-1 %	Category (enabling activity or) E	Category (transitional activity) T
A. Taxonomy-eligible activities																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
Opex of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.0	0.0	0.0	0.0												0.0			
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Opex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0.0	0																	
Total (A.1 + A.2)		0.0	0														0.0		0.0	0.0
B. Taxonomy - non-eligible activities																				
Opex of Taxonomy-non-eligible activities (B)		0.0	100.0																	
Total (A + B)		0.0	100.0																	

Lexicon

ESG terminology

- **BACA** (Belgian Alliance for Climate Action)**:** a platform for Belgian organisations that want to reduce their CO_2 emissions, show climate ambition and use SBTi (Science Based Targets initiative) to define their goals.

- **BREEAM** (Building Research Establishment Environmental Assessment Method): international sustainability benchmark and standard for the optimal realisation (new construction) or renovation (buildings in use) and exploitation of buildings with a minimal environmental impact, based on scientifically substantiated sustainability metrics and indices encompassing a range of environmental issues, such as energy and water use assessment, the impact on health and well-being, pollution, transport, materials, waste, ecology and management processes.

- **Circularity**: the reuse of raw materials, components and products after their useful life so that their value can be preserved.

- **CSR**: corporate social responsibility.

- **CO2 emissions - scope 1**: all direct emissions from sources that are owned or controlled by the company (e.g. combustion of fuel and natural gas).

- **CO2 emissions - scope 2**: all indirect emissions from the production of electricity that is purchased by the company. Scope 2 emissions physically occur in the installation where the electricity is generated.

- **CO2 emissions – scope 3**: indirect emissions from activities of a company, such as emissions from the production of sourced products (upstream) or from products, services or projects sold by the company (downstream).

- **Corporate governance**: organisation & processes of the managing bodies that define the strategy and monitor its implementation.

- **Diversity, equity & inclusion** or DEI: this relates to the involvement of different views and avoiding discrimination, by promoting diversity in various areas, such as gender, religious beliefs or background, and to the implementation of a policy of inclusion.

- **DNSH (Do No Significant Harm)**: the concept of 'avoiding significant harm' that is used in the EU Taxonomy as one of the conditions to classify an activity as 'green'.

- **(% of) Shareholders' equity**: calculation method to indicate what percentage of the assets managed by AvH meet certain standards of the ESG policy. It involves determining what share the assets in question represent in the consolidated shareholders' equity of AvH (group share).

- **eNPS: employee Net Promoter Score**: this can be calculated by asking employees one question: How likely are you to recommend us as an employer to a friend or colleague? To answer, the respondent can enter a score from 0 to 10. The scores are divided into three groups: Promoters: respondents who have given a score 9 or 10; "Neutrals": respondents who have given a score 7 or 8; Critics: respondents who have given a score 0 to 6. The score is calculated as follow: eNPS = % promoters - % critics.

- **ESG**: Environment, Social & Governance.

- **ESG policy**: statement setting out the company's approach to environmental, social and governance aspects, along with the plan to accomplish this mission, as well as the indicators used to measure progress made.

- **ESG material participation**: there are four ESG material participations (DEME, Delen Private Bank, Bank Van Breda and SIPEF) which are closely monitored from an ESG perspective within the ESG policy pursued by AvH.

- **ESG stewardship**: the influence that investors exert on participations to maximise the overall long-term economic, social and environmental value.

- **EU Taxonomy**: regulations that determine which investments can be classified as 'green' and which contribute to the realisation of the EU Green Deal. The classification is based on technical screening criteria (TSC) and minimum criteria for the avoidance of significant harm (DNSH).

- **Financial resilience and long term return**: healthy balance sheet structures, with business plans and strategies that make it possible to achieve a fair return in the long term and enable the investments required for that purpose.

- **GRI (Global Reporting Initiative)**: an international organisation that draws up guidelines for sustainability reporting.

- **Innovation policy**: statement setting out a company's innovation approach, and how it seeks to achieve objectives, taking into account their long-term impact on profitability.

- **Integrity code**: statement that may comprise the following integrity aspects: anti-corruption policy and procedures, human rights policy, whistle-blower policy and procedures, compliance policy and practices (e.g. where relevant anti-money-laundering, know your customer (KYC), etc.).

- **KPI**: Key Performance Indicator.

- **Material** (in materiality matrix): an aspect that (i) can have a significant positive or negative financial impact on the activities or the shareholders' equity of a company, of which (ii) a stakeholder expects that it is carefully managed with high priority.

- **Human rights**: the rights as enshrined in the Universal Declaration of Human Rights.

- **NPS (Net Promoter Score)**: this can be determined by putting one question to the client: *How likely are you to recommend us to a friend or colleague?* The respondent can reply by assigning a score from 0 to 10. The scores are divided into three groups: Promoters: respondents who gave a score of 9 or 10; Neutrals: respondents who gave a score of 7 or 8; Critics: respondents who gave a score of 0 to 6. The score is calculated as follows: NPS = % promoters - % critics.

- **Reporting**: relates to financial and non-financial reporting, with emphasis on material aspects.

- **Risk management**: structured handling of risks (by audit & control, procedures, manuals, committees, etc.).

- **RSPO (Roundtable on Sustainable Palm Oil)**: an independent organisation that develops global standards for the production of sustainable palm oil.

- **SASB (Sustainability Accounting Standards Board)**: an international organisation that sets guidelines for businesses on relevant sustainability reporting to investors.

- **SBTi (Science Based Targets initiative)**: an initiative that defines best practices in the area of CO2 emission reductions and targets in line with the goals of the Paris Climate Agreement.

- **SDGs (Sustainable Development Goals)**: Sustainable Development Goals of the United Nations that constitute a call for action to promote prosperity and at the same time protect the planet against climate change. They encompass strategies that support economic growth and address social needs (education, health, social protection and employment, etc.).

- **SFDR (Sustainable Finance Disclosure Regulation)**: regulation concerning the disclosure of information on sustainability in the financial sector. The idea is to improve the disclosure of information to investors on the sustainability impact of investment policies and investment decisions.

- **Talent development**: taking care of the human capital needed for the proper functioning of the company concerned (recruitment, training, personal development, appraisal, well-being, etc.), where the talents of staff members can emerge and be used in the best possible way.

- **TSC (Technical Screening Criteria)**: technical screening criteria defined for each economic activity in the EU Taxonomy, and used to determine whether a particular activity can be classified as 'green'.

- **UN PRI (United Nations Principles of Responsible Investment)**: framework of the United Nations that focuses on a responsible investment policy as shareholder, where ESG factors are taken into account in order to achieve proper returns by managing risks and opportunities.

- **Responsible shareholding**: structured monitoring as a shareholder of ESG aspects in participations (e.g. defining and monitoring an ESG strategy and related processes).

- **Responsible investment policy**: investing with a view to a sustainable mix of activities. This means that investments are first examined in terms of whether the company is active in a sector that AvH wishes to invest in, whether in sensitive sectors it scores well on relevant ESG aspects, and whether it is active in a sector that has a positive impact on ESG goals. It may also lead to divestments from companies.

- **Value creation**: the average growth (CAGR) of the consolidated shareholders' equity (group share), including dividends, measured over a certain period of time.

Financial and legal terminology

- **Cost-income ratio**: the relative cost efficiency (cost versus income) of the banking activities (EBA definition).

- **Common Equity Tier1 capital ratio (CET1)**: the regulatory core capital buffer held by banks to offset any losses.

- **EBIT**: Earnings before interest and taxes.

- **EBITDA**: EBIT plus depreciation and amortisation on fixed assets

- **ESEF**: the European Single Electronic Format is an electronic reporting format in which issuers on EU regulated markets must prepare their annual financial reports.

- **Rental yield based on fair value**: rental yield is only calculated on buildings in operation, excluding the projects and the assets held for sale.

- **Net financial position**: cash & cash equivalents and short-term investments minus short- and long-term financial debt.

- **Return on equity (ROE)**: the relative profitability of the group, more particularly the amount of net income returned as a percentage of shareholders' equity.

- **SPV (Special Purpose Vehicle)**: a company in which a project or part of a project is contained.

- **TLTRO (Targeted longer-term refinancing operations)**: an ECB instrument that encourages banks to provide loans to businesses and consumers.

- **Real estate portfolio**: the outstanding capital employed equals the sum of the shareholders' equity and the net financial debt of the real estate division.

- **CCA**: Code of Companies and Associations.

- **XBRL**: An electronic language, specifically designed for the exchange of financial reporting over the Internet.

General information regarding the company and the capital

General information regarding the company

Registered office - registration details

Begijnenvest 113, 2000 Antwerp, Belgium
0404.616.494
RPR Antwerp - Department Antwerp
Email adress : info@avh.be
Website : https://www.avh.be

Incorporation date, last amendment bylaws

The company was incorporated on 30 December 1924 by notarial deed, published in full in the Annexes to the Belgian Official Gazette of 15 January 1925 under number 566. The bylaws have been modified several times and for the last time by notarial deed of 9 November 2020, published by excerpt in the Annexes to the Belgian Official Gazette of 25 November 2020, under number 20356891, with a supplementary excerpt published in the Annexes to the Belgian Official Gazette of 16 December 2020, under number 20361786.

Duration of the company

Indefinite

Legal form, applicable law

Limited liability company under Belgian law.

Statutory purpose

The statutory purpose of the company includes the following:

(a) the project study, supervision and management of all kinds of public and private works, mainly in the field of construction in general, as well as the organization and administration of all companies or businesses and assistance to them in all forms;

(b) the contracting of all sea- and land based public or private works in the area of construction and, in particular, all kinds of sea- and river-based works, major irrigation activities and the canalization of waterways, major dewatering and pumping works, dredging, drilling, sounding, wellsinking, drainage, the building of permanent structures, digging, and the general contracting of construction works, as well as the re-floating of boats and ships;

(c) sea- and land-based prospecting for industrial extraction, mainly of crude oil or natural gas, as well as mineral products in general;

(d) the operation, production, processing, distribution, purchase, sale and transport of all products derived from industrial extraction;

(e) the acquisition, operation, development and transfer of land, real estate and any property entitlement;

(f) the acquisition, the operation and the realization, in any form whatever, of intellectual property rights, licenses and concessions;

(g) the acquisition of an interest or participation, by way of subscription, contribution, merger, cooperation, financial intervention or in any other way, in any company, enterprise, operation or association in Belgium or abroad, already existing or still to be incorporated;

(h) the management, development and realization of these interests or participations;

(i) involvement, directly or indirectly, in the management, control or dissolution of any company, enterprise, business or association in which it has a an interest or participation;

(j) providing assistance and support in all possible management matters to the board of directors and the management of companies, enterprises, businesses or associations in which it has an interest or participation, and in general, performing all acts constituting entirely or partially, directly or indirectly, holding activities.

The company may carry out all civil, commercial, industrial and financial activities as well as activities relating to real and movable property that are linked, directly or indirectly, to its statutory purpose or that may enhance the realization thereof. The company may provide securities or guarantee in favor of companies, enterprises, businesses or associations in which it has an interest or participation, act as representative or agent, provide advances, credit facilities and mortgages or other securities. The company's activities may be carried out both abroad and in Belgium.

Consultation of documents regarding the company

The statutory and consolidated annual accounts of the company are deposited with the National Bank of Belgium. A coordinated version of the company bylaws can be consulted with the clerk of the Business Court of Antwerp - Division Antwerp. The annual financial report is sent to the registered shareholders and to anyone who so requests. The coordinated version of the company bylaws and the annual financial report are also available on the company's website (www.avh.be).

General information regarding the company's capital

Subscribed capital

The subscribed capital is 2,295,277.90 euros. The capital is fully paid-up and is represented by 33,496,904 shares without nominal value.

Capital increases

The most recent capital increase was decided upon on 11 October 1999, as part of the merger through acquisition of Belcofi NV by Ackermans & van Haaren NV.

Authorized capital

In accordance with the decision of the extraordinary general meeting dated 9 November 2020, the board of directors is authorized to increase the capital in one or more instalments with a maximum (aggregate) amount of 500,000 euros (excluding issuance premium) and this in accordance with the terms and conditions set forth in the special report of the board of directors prepared in accordance with article 7:199 CSA.

The board of directors can use this authorization for a period of five years from 25 November 2020.

The board of directors can also make use of the authorized capital in case of a public takeover bid on securities issued by the company, in accordance with the provisions and within the limits of article 7:202 CSA. The board of directors is allowed to use this authorization in case the notification of a public takeover bid by the Financial Services and Markets Authority to the company is received not later than three years as from 9 November 2020.

The authorizations can be renewed in accordance with legal provisions.

Capital increases decided pursuant to these authorizations will be carried out in accordance with the modalities specified by the board of directors, including among others by contribution in cash or in kind, with or without share premium, by incorporation of, distributable or non-distributable, reserves and share premiums and profits carried forward, with or without the issuance of new shares with or without voting rights, below, above or at par value, in accordance with the mandatory rules prescribed by the CCA.

The board of directors may use this authorization to issue, subordinated or non-subordinated, convertible bonds, subscription rights, bonds with subscription rights or other securities, in accordance with the conditions set out in the CCA.

The board of directors is authorized, when exercising its powers under the authorized capital, to limit or cancel the statutory preferential subscription right of the shareholders in the interest of the company, including in favor of one or more specific persons or of members of the personnel of the company or of its subsidiaries.

Nature of the shares

The fully paid-up shares as well as other securities of the company may exist as registered or dematerialized securities. Each holder may, at any time and at his/her/its own expenses, request the conversion of his/her/its paid in securities into another form, within the limits of the law.

The securities are indivisible vis-à-vis the company which can suspend the rights of any share regarding which disputes would arise as to the ownership, usufruct or naked ownership. Co-owners, usufructuaries and bare-owners must be represented by a common authorized representative and notify the company accordingly.

In case of usufruct, the usufructuary shall exercise all the rights attached to the shares, and the bare-owners of the share shall be represented vis-à-vis the company by the usufructuary, except with respect to (the exercise of) the preferential subscription right, which belongs to the bare owner(s). This rule applies except as otherwise provided in an agreement between the parties or in a will. In that case, the bare owner(s) and the usufructuary(ies) must notify the company in writing of such an arrangement.

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Contact

Questions can be asked by phone on +32 3 231 87 70 or by e-mail dirsec@avh.be to the attention of John-Eric Bertrand, Piet Dejonghe or Tom Bamelis.

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The digital version of this annual report can be consulted at www.avh.be

Dit jaarverslag is ook verkrijgbaar in het Nederlands.
The Dutch version of this document should be considered as the official version.

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Concept and design

Mission to Mars nv (www.missiontomars.agency)

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Financial calendar

May 17, 2023	Interim statement Q1 2023
May 22, 2023	General meeting
August 31, 2023	Half-year results 2023
November 23, 2023	Interim statement Q3 2023

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