



# INTERMEDIARY REPORT

AS OF JUNE 30, 2021

## CONTENTS

<b>I.</b>	<b>Interim management report</b> .....	<b>2</b>
A.	Highlights.....	2
B.	Projects overview .....	6
<b>II.</b>	<b>Interim condensed consolidated financial statements</b> .....	<b>10</b>
A.	Condensed consolidated statement of profit and loss and other comprehensive income (in thousand EUR) .....	10
B.	Condensed consolidated statement of financial position (in thousand EUR) .....	11
C.	Condensed consolidated statement of cash flows (in thousand EUR) .....	12
D.	Condensed consolidated statement of changes in equity (in thousand EUR).....	13
E.	Notes to the interim condensed consolidated financial statements .....	14
<b>III.</b>	<b>Statement of the responsible persons</b> .....	<b>36</b>
<b>IV.</b>	<b>Auditor's report</b> .....	<b>37</b>

## I. Interim management report

### A. Highlights

#### **SOLID RESULTS FOR IMMOBEL IN H1 2021**

#### **NET PROFIT UP BY 37%**

Thanks to a strong commercial uptake across all markets, ImmoBel strengthens its position within the European real estate sector.

- Compared to the first half of 2020, ImmoBel saw its net profit increase by 37% to EUR 30 million – a level similar to the net profit for the whole of 2020 of EUR 33 million – despite revenues being slightly lower in H1 2021.
- Residential sales remain strong in all markets. In Belgium, both the sale of Part A of the Key West project and the sale of 129 student accommodation units within the Brouck’R mixed development project<sup>1</sup> illustrate the continued institutionalization of the Brussels residential property market. In Luxembourg, ImmoBel strengthened its leadership position with the successful commercial launch of the Canal 44 and River Place projects. The company also launched several residential projects in France.
- The company also witnessed strong rental and investor activity for its office business. This uptake can be attributed to the “downsizing and upgrading” trend in the international office market as a result of the health crisis. A 12-year lease agreement was signed with Total Energies and a 9-year lease agreement was signed with a top tier US financial institution for their respective new Belgian headquarters in the MULTI building. The BREEAM Outstanding<sup>2</sup> Commerce 46 building in the European quarter in Brussels was sold to Allianz.
- ImmoBel significantly strengthened its real estate investment management business in H1 2021. In addition to the joint acquisition of a high-quality mixed-use commercial and office building in the centre of Paris with Goldman Sachs Asset Management, ImmoBel acquired an approx. 4,500 sqm office property located in the Paris-Opera district together with Pictet Alternative Advisors.
- To date ImmoBel has obtained permits for projects representing a sales value of EUR 490 million<sup>3</sup>, of which EUR 300 million for projects for which permits are final.
- ImmoBel has further secured its future growth with new acquisitions for an amount of EUR 575 million, growing the GDV<sup>4</sup> of its portfolio to EUR 5.4 billion. ImmoBel’s continuous growth strategy is enabled by its solid cash position of EUR 146 million and strong balance sheet.
- ImmoBel intends to maintain its dividend policy of increasing the dividend between 4% and 10% on yearly basis.
- During H1 2021, ImmoBel defined its overall sustainability approach and priorities. In addition, the company is in the process of defining its own overarching sustainability framework – shaping its vision for the city of tomorrow. This approach is already being translated into action through various projects such as MULTI, the first CO<sub>2</sub>-neutral office building in Brussels.

<sup>1</sup> Both sales are still subject to obtaining final and irrevocable permits

<sup>2</sup> Design Stage

<sup>3</sup> This includes a permit for Bussy Saint Georges in Paris for EUR 54 million in sales in July

<sup>4</sup> Sales value or gross development value: the expected total future turnover of the respective projects

## Financials – net profit up by 37%

The table below provides the key consolidated figures for H1 2021 (in EUR million):

<b>Results</b>	<b>30/06/21</b>	<b>30/06/20</b>	<b>Difference</b>
Revenues	183.8	213.9	-14%
EBITDA <sup>5</sup>	36.7	34.6	6%
Net profit Group share	29.9	21.9	37%
Net profit per share (EUR/share)	3	2.43	23%

  

<b>Balance sheet</b>	<b>30/06/21</b>	<b>31/12/20</b>	<b>Difference</b>
Inventory <sup>6</sup>	1.210,0	1.140,8	6%
Equity Group share	510,2	491,9	4%
Net financial debt	626,6	603,9	4%

Despite an increase in residential revenues, lower office revenue recognition leads to slightly lower H1 2021 revenues. Nevertheless, Immobel saw its net profit increase substantially by 37% to EUR 29.9 million and its EBITDA by 6% to EUR 36.7 million. Revenues were mainly driven by strong residential sales in all markets and the sale of an office in Brussels. That latter sale strongly increased profitability. The net debt position, GDV of the portfolio and inventory all grew proportionally following new acquisitions during H1 2021.

## Strong commercial uptake across all markets

Residential sales remain strong in every market. The leading residential rental property specialist Home Invest Belgium purchased part A of the **Key West** project. Furthermore, Quares Student Housing acquired 129 student accommodation units in the **Brouck'R** mixed development project. Both sales illustrate the continued **institutionalization of the Brussels property market**. This is a positive development leading to a higher-quality and more sustainable offering within the real estate market. **Immobel Home**, Immobel's strategic business focusing on suburban residential development in Belgium, also witnessed strong sales and expects to outperform its objectives for 2021 by 20%. As a consequence of the health crisis, the demand for second and suburban homes increased in Immobel markets, creating this strong commercial uptake.

Immobel further strengthened its leadership position in the Luxembourg market with the successful commercial launch of the **Canal 44** and **River Place** projects. Both projects solidify Immobel's portfolio in Luxembourg, adding 108 new high-end residential units in two prime locations in Luxembourg. Immobel is also building on its substantial expansion efforts in France. In particular, the company launched the commercialization of three new residential projects in Île-de-France.

The company also witnessed strong rental and investor activity for its office business. The strong uptake is due to the "downsizing and upgrading" trend, a positive international development that is characterized by optimizing and

<sup>5</sup> EBITDA (Earnings Before Interest, Depreciation and Amortization) refers to the operating result before amortization, depreciation and impairment of assets (as included in Administration Costs)

<sup>6</sup> Inventory refers to Investment property, investments in joint ventures and associates, advances to joint ventures and associates, Inventories and Contract assets.

enhancing existing office spaces to accommodate new demands in relation to remote and flexible working. Building on the successful 15-year lease agreement signed with bpost back in 2019, a 12-year lease agreement was signed with Total Energies and a 9-year lease agreement was signed with a top-tier US financial institution for their new Belgian headquarters in the **MULTI** building. In addition to being the first CO<sub>2</sub>-neutral office building in Brussels, **MULTI** focuses strongly on circularity, given that 89% of the existing materials are being reused. Allianz purchased the BREEAM Outstanding<sup>7</sup> and CO<sub>2</sub>-neutral **Commerce 46** building in the European quarter in Brussels. Both buildings demonstrate Immobel's leading role as a front-runner in sustainable development projects in Europe's capital and beyond.

## Rebound in permitting activities

To date Immobel has obtained permits for projects representing a sales value of EUR 490 million<sup>8</sup>, of which EUR 300 million for projects for which permits are final. In the West Flanders city of **Tielt**, Immobel has obtained planning permission for the development of 200 units at a sales value of EUR 65 million. In **Éghezée** near Namur, Immobel will create a new, sustainable residential area consisting of 168 residential units, including 118 houses and 50 apartments, at a sales value of EUR 57 million. Additional permits were obtained in France: the 8,700 m<sup>2</sup> office project **Montrouge** in Paris, a residential project in **Montévrain** at a sales value of EUR 18 million, and another residential project in **Bussy-Saint-Georges** at a sales value of EUR 54 million. In Brussels, Immobel obtained a building permit for the development of the **Brouck'R** project, with a sales value of EUR 88 million. Brouck'R is a unique mixed development project that combines offices, shops, a hotel, apartments, and student accommodation. It aims to attract a diverse audience and bring back a dynamic edge to one of the most historic neighbourhoods in Brussels. In addition, Immobel obtained a permit for the **Îlot Saint Roch** project, a 31,500m<sup>2</sup> residential project in the centre of Nivelles.

With regard to the activities of the Immobel Belux Office Development Fund, Immobel introduced a building permit application for the renovation of the **Isala** building in Brussels. The Isala building aspires to become one of Europe's most sustainable buildings thanks to a nearly-zero carbon footprint, an energy-positive goal and a strong focus on strengthening biodiversity and the well-being of end users.

Permitting activity improved compared to last year. However, a few projects have encountered delays. Some permits expected in the second half of the year might now only be obtained in 2022. These delays are nevertheless expected to be largely compensated by the strong residential sales and by the office activities, supporting Immobel's results in 2022.

## Growth-focused acquisitions and investments

Immobel's balance sheet remains strong with EUR 146 million of cash and a stable debt ratio of 57%. To date, Immobel has acquired new projects in Brussels, Paris and Luxembourg for EUR 575 million in sales value<sup>9</sup>, bringing the total GDV of portfolio to EUR 5.4 billion GDV.

Immobel has significantly strengthened its **Real Estate Investment Management** business. In this context, Immobel and Goldman Sachs Asset Management jointly acquired a high-quality mixed-use commercial and office building in the centre of Paris. Also in Paris, Immobel and Pictet Alternative Advisors acquired an office property of approx. 4,500 sqm located in the Paris-Opera district.

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<sup>7</sup> Design Stage

<sup>8</sup> This includes a permit for Bussy-Saint-Georges in Paris for 54 MEUR in sales value in July

<sup>9</sup> On our own balance sheet and for third parties. This includes the acquisitions secured in July of an iconic mixed-use project in Paris, two residential projects in Brussels and the Sabam project in Brussels

In May, Immobel achieved a strategic milestone for its Real Estate Investment Management business with the successful first closing of the **Immobel BeLux Development Fund**. An aggregate equity commitment of EUR 80 million was raised to invest up to EUR 230 million in office development projects in both Belgium and Luxembourg. In July, the Fund reached an agreement with **Sabam** for the acquisition<sup>10</sup> of its headquarters in the European quarter in Brussels, the Fund's third acquisition following the first two investments in 2021: the **Scorpio** office building in Luxembourg and the major redevelopment of the head office of **Total Energies** in Brussels.

Finally, in June, Immobel was included in the **Morgan Stanley Capital International (MSCI) Global Small Cap Index**. The inclusion in the MSCI Global Small Cap Index is indicative of Immobel's sustained results in recent years.

## Facing societal challenges for the cities of tomorrow

During H1 2021, Immobel defined its overall sustainability approach and priorities: the company initiated a co-creation process with internal and external stakeholders alike to define its own sustainability framework, shaping its vision for **the city of tomorrow** and its CSR engagements. Immobel developed a Green Financing Framework as an extension of all sustainability and environmental actions the company undertakes. Immobel is currently in the process of defining both the Group low-carbon roadmap and a roadmap to impact biodiversity positively. In addition, Immobel became a member of **Madaster** Belgium – a platform that stores up-to-date information on the financial and circular value, disassembly and reuse potential of the materials and products utilized in real estate assets – and is participating in the Global Real Estate Sustainability Benchmark (GRESB) evaluation.

Immobel's enhanced sustainability approach is already being translated into action through various projects such as the Isala building – which aspires to become one of Europe's most sustainable buildings – and MULTI, the first CO<sub>2</sub>-neutral office building in Brussels.

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<sup>10</sup> In the form of option agreements

## B. Projects overview

Overview of the main projects in the ImmoBel Group portfolio as at 30 June 2021  
(in order of the project's surface area).

### Belgium

Project	Surface (m <sup>2</sup> )	Location	Use	Construction	Completion	Share ImmoBel
Slachthuissite	240,000	Antwerp	Residential	Q3 2021	2030+	30%
SNCB / NMBS	200,000	Brussels	Mixed	Q1 2023	Q2 2034	40%
Universalis Park 3	100,000	Brussels	Mixed	Q4 2025	Q4 2030	50%
Cours Saint-Michel	84,200	Brussels	Mixed	Q1 2023	Q1 2026	50%
Oxy	68,800	Brussels	Mixed	Q1 2023	Q2 2025	50%
Key West	61,300	Brussels	Mixed	Q2 2023	Q2 2029	50%
Panorama	58,100	Brussels	Mixed	Q2 2023	Q1 2028	40%
Ciney	46,600	Ciney	Residential	Q4 2023	Q2 2035	100%
Multi	45,755	Brussels	Offices	Q1 2019	Q1 2022	50%
Theodore	45,350	Brussels	Mixed	Q1 2022	Q3 2024	50%
Brouck'R	38,000	Brussels	Mixed	Q2 2022	Q3 2024	50%
Lebeau	36,100	Brussels	Mixed	Q1 2023	Q3 2025	100%
Möbius II	34,000	Brussels	Offices	Q2 2019	Q3 2021	50%
Îlot Saint-Roch	31,500	Nivelles	Residential	Q3 2021	Q1 2027	100%
Eghezée	29,600	Eghezée	Residential	Q3 2022	Q1 2028	100%
Tielt	28,900	Tielt	Residential	Q2 2022	Q1 2026	100%
Oostakker	27,000	Oostakker	Residential	Q2 2023	Q2 2027	50%
Isala	26,000	Brussels	Offices	Q4 2022	Q4 2024	100%
O'Sea (phase 3)	24,247	Ostend	Residential	Q2 2022	Q2 2024	100%
O'Sea (phase 2)	24,000	Ostend	Mixed	Q3 2019	Q4 2022	100%
Lalys	23,400	Astene	Residential	Q3 2020	Q4 2024	100%
Cala	20,098	Liège	Offices	Q3 2018	Q4 2020	30%
Plateau d'Erpent	19,297	Erpent	Residential	Q2 2018	Q4 2022	50%
Beveren	15,000	Beveren	Residential	Q1 2023	Q1 2025	50%
Commerce 46	13,550	Brussels	Offices	Q2 2020	Q3 2022	100%

Domaine du Fort	12,739	Barchon	Residential	Q3 2020	Q4 2025	100%
The Woods	9,861	Hoeilaart	Offices	Q4 2020	Q3 2021	100%
Sabam	9,000	Brussels	Offices	Q3 2023	Q3 2025	100%
Les Cinq Sapins	8,800	Wavre	Residential	Q1 2019	Q1 2024	100%
Royal Louise	8,000	Brussels	Residential	Q4 2017	Q1 2021	100%
Crown	5,500	Knokke	Residential	Q2 2020	Q4 2022	50%

## France

Project	Surface (m²)	Location	Use	Construction	Completion	Share Immoebel
Rueil-Malmaison	28,000	Rueil-Malmaison	Mixed	Q3 2023	Q4 2026	100%
Aubervilliers Fort Ilot A	18,181	Aubervilliers	Residential	Q3 2021	Q1 2024	50%
17/27 rue Chateaubriand	14,481	Savigny-sur-Orge	Residential	Q4 2021	Q4 2023	100%
Golf	13,159	Bussy-Saint-Georges	Residential	Q4 2021	Q4 2023	100%
TBD	11,405	Créteil	Residential	2023	2025	26%
Esprit Ville	10,072	Chelles	Residential	Q4 2018	Q3 2021	100%
Paris 14 / Montrouge	9,200	Paris	Offices	Q1 2022	Q4 2023	100%
Aubervilliers Fort Ilot B	8,545	Aubervilliers	Residential	Q4 2021	Q4 2023	50%
Esprit Verde	6,949	Bessancourt	Residential	Q2 2020	Q2 2022	50%
TBD	6,770	Le Perreux sur Marne	Residential	Q4 2022	Q4 2020	60%
Les Notes Florales	6,181	Combs-La-Ville	Residential	Q4 2017	Q2 2021	100%
Le Conti	6,090	Le Plessis-Trevisé	Residential	Q3 2018	Q3 2021	50%
Les Terrasses du Canal	6,059	Aubervilliers	Residential	Q4 2018	Q1 2022	100%
TBD	6,029	Osny	Residential	Q2 2022	Q3 2023	100%
L'Aquila	5,879	La Garenne-Colombes	Residential	Q3 2019	Q2 2024	100%
Saint-Antoine	5,713	Paris	Mixed	Q1 2022	Q3 2024	100%
TBD	5,658	Neuilly sur marne	Residential	Q2 2022	Q3 2024	100%
Buttes Chaumont / Crimée	5,341	Paris	Mixed	Q3 2022	Q4 2024	50%
Le Clos Mazarine	5,193	Chilly Mazarin	Residential	Q3 2022	Q4 2021	100%
Angle JJ Rousseau - Tivoli	5,191	Houilles	Residential	Q2 2022	Q4 2021	100%
Les Jardins d'Elisabeth	4,952	Aubergenville	Residential	Q4 2019	Q3 2024	10%
Hélios	4,870	Drancy	Residential	Q1 2019	Q3 2023	100%
Richelieu	4,839	Paris	Offices	Q3 2022	Q2 2021	46%
Horizon Nature	4,804	Montévrain	Residential	Q3 2021	Q4 2023	100%
Le Fleurilege	4,685	Croissy-sur-Seine	Residential	Q4 2018	Q1 2022	50%
TBD	4,416	Othis	Residential	Q4 2021	Q1 2023	100%
Les Terrasses de l'Orge	3,849	Epinay-Sur-Orge	Residential	Q3 2020	Q1 2022	100%
Villa Colomba	3,264	Charenton-le-Pont	Residential	Q3 2018	Q4 2024	100%

TBD	3,000	Pantin	Offices	Q1 2022	Q1 2022	100%
32 rue Saint Léger	2,970	Saint-Germain-en-Laye	Residential	Q1 2021	Q2 2024	60%
Les Terrasses de Montmagny	2,879	Montmagny	Residential	Q2 2019	Q4 2024	100%
TBD	2,713	Romainville	Residential	Q4 2022	Q4 2024	100%
Villa du Petit Bois	2,705	Eaubonne	Residential	Q3 2020	Q1 2024	100%

## Luxembourg

Project	Surface (m <sup>2</sup> )	Location	Use	Construction	Completion	Share ImmoBel
Infinity	33300	Luxembourg	Mixed	Q4 2017	Working & Shopping: Q4 2019 Living: Q1 2021	100%
Polvermillen	27022	Luxembourg	Mixed	Q3 2022	Q2 2025	100%
Laangfur	25500	Luxembourg	Mixed	Q2 2026	Q1 2030	100%
Kiem	23300	Luxembourg	Mixed	Q3 2023	Q2 2025	70%
Schoettermarial	22430	Luxembourg	Mixed	Q1 2027	Q2 2029	50%
Mamer	13800	Mamer	Residential	Q3 2023	Q2 2025	100%
Livingstone - Lot2a	13660	Luxembourg	Mixed	Q3 2018	Q1 2021	33%
Livingstone - Lot1	12683	Luxembourg	Mixed	Q3 2020	Q2 2023	33%
Rue de Hollerich	11500	Luxembourg	Mixed	Q2 2023	Q2 2026	100%
Livingstone - Lot2b	9697	Luxembourg	Mixed	Q4 2018	Q2 2021	33%
River Place	7891	Luxembourg	Mixed	Q3 2021	Q2 2024	100%
Canal 44	6234	Esch-sur-Alzette	Mixed	Q2 2022	Q3 2024	100%
Thomas	5567	Strassen	Offices	Q3 2027	Q1 2029	100%
Nova	4200	Luxembourg	Offices	Q1 2021	Q4 2022	100%
Scorpio	3693	Luxembourg	Offices	Q1 2026	Q2 2027	100%



## Poland

Project	Surface (m <sup>2</sup> )	Location	Use	Construction	Completion	Share Immobil
Granary Island	75633	Gdansk	Mixed	Phase 1: Q1 2017 Phase 2: Q4 2020	Phase 1: Q4 2019 Phase 2: Q2 2024	90%
Central Point	19100	Warsaw	Offices	Q2 2018	Q3 2021	50%

## Germany

Project	Surface (m <sup>2</sup> )	Location	Use	Construction	Completion	Share Immobil
Eden	20000	Frankfurt	Residential	Q3 2019	Q1 2022	90%

## Spain

Project	Surface (m <sup>2</sup> )	Location	Use	Construction	Completion	Share Immobil
Four Seasons Marbella Resort	77193	Marbella	Leisure	Q3 2023	Q3 2028	50%

## II. Interim condensed consolidated financial statements

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

	NOTES	30/06/2021	30/06/2020
<b>OPERATING INCOME</b>		<b>183 769</b>	<b>213 913</b>
Revenues	7	178 447	208 034
Other operating income	8	5 322	5 879
<b>OPERATING EXPENSES</b>		<b>-153 080</b>	<b>-185 995</b>
Cost of sales	9	-141 723	-171 291
Cost of commercialisation	10	- 237	- 6
Administration costs	11	-11 121	-14 698
<b>SALE OF SUBSIDIARIES</b>		<b>2</b>	<b>133</b>
Gain (loss) on sales of subsidiaries	12	2	133
<b>JOINT VENTURES AND ASSOCIATES</b>		<b>3 271</b>	<b>5 613</b>
Share of result of joint ventures and associates, net of tax	13	3 271	5 613
<b>OPERATING PROFIT AND INCOME AND EXPENSES FROM ASSOCIATES AND JOINT VENTURES AFTER TAX</b>		<b>33 962</b>	<b>33 664</b>
Interest income		2 313	3 227
Interest expense		-2 590	-5 319
Other financial income		666	1 017
Other financial expenses		-3 184	-2 990
<b>NET FINANCIAL COSTS</b>	14	<b>-2 796</b>	<b>-4 065</b>
<b>PROFIT FROM CONTINUING OPERATIONS BEFORE TAXES</b>		<b>31 167</b>	<b>29 599</b>
Income taxes	15	- 693	-7 304
<b>PROFIT FROM CONTINUING OPERATIONS</b>		<b>30 473</b>	<b>22 295</b>
<b>PROFIT OF THE PERIOD</b>		<b>30 473</b>	<b>22 295</b>
Share of non-controlling interests		561	417
<b>SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>		<b>29 912</b>	<b>21 878</b>
<b>PROFIT FOR THE PERIOD</b>		<b>30 473</b>	<b>22 295</b>
<b>Other comprehensive income - items subject to subsequent recycling in the income statement</b>		<b>- 183</b>	<b>2 726</b>
Currency translation		- 183	2 726
<b>Other comprehensive income - items that are not subject to subsequent recycling in the income statement</b>			
Actuarial gains and losses (-) on defined benefit pension plans			
Deferred taxes			
<b>TOTAL OTHER COMPREHENSIVE INCOME</b>		<b>- 183</b>	<b>2 726</b>
<b>COMPREHENSIVE INCOME OF THE PERIOD</b>		<b>30 290</b>	<b>25 021</b>
Share of non-controlling interests		561	417
<b>SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>		<b>29 729</b>	<b>24 604</b>
<b>NET PROFIT PER SHARE (€) (BASIC AND DILUTED)</b>	16	<b>3,00</b>	<b>2,43</b>
<b>COMPREHENSIVE INCOME PER SHARE (€) (BASIC AND DILUTED)</b>	16	<b>2,98</b>	<b>2,74</b>

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

ASSETS	NOTES	30/06/2021	31/12/2020
<b>NON-CURRENT ASSETS</b>		<b>472 572</b>	<b>448 370</b>
Intangible assets		495	582
Goodwill	17	43 789	43 789
Property, plant and equipment		1 848	1 388
Right-of-use assets		4 061	4 390
Investment property	18	195 302	197 149
Investments in joint ventures and associates	19	113 713	106 195
Other non-current financial assets		500	175
Advances to joint ventures and associates		91 034	76 644
Deferred tax assets	20	19 756	16 369
Other non-current assets		2 074	1 689
<b>CURRENT ASSETS</b>		<b>1 020 809</b>	<b>982 768</b>
Inventories	21	666 878	683 121
Trade receivables	22	27 674	33 168
Contract assets	23	126 351	57 251
Tax receivables		3 290	3 450
Other current assets	24	33 919	37 269
Advances to joint ventures and associates		16 702	20 399
Other current financial assets		49	49
Cash and cash equivalents	25	145 947	148 059
<b>TOTAL ASSETS</b>		<b>1 493 382</b>	<b>1 431 137</b>

EQUITY AND LIABILITIES	NOTES	30/06/2021	31/12/2020
<b>TOTAL EQUITY</b>		<b>512 771</b>	<b>494 490</b>
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>		<b>510 210</b>	<b>491 922</b>
Share capital		97 257	97 256
Retained earnings		410 613	392 143
Reserves		2 341	2 524
<b>NON-CONTROLLING INTERESTS</b>		<b>2 560</b>	<b>2 568</b>
<b>NON-CURRENT LIABILITIES</b>		<b>530 674</b>	<b>609 602</b>
Employee benefit obligations		603	603
Deferred tax liabilities	20	38 915	37 301
Financial debts	25	490 705	571 139
Derivative financial instruments	25	451	560
<b>CURRENT LIABILITIES</b>		<b>449 938</b>	<b>327 045</b>
Provisions		1 587	2 114
Financial debts	25	281 853	180 810
Trade payables	26	88 610	60 927
Contract liabilities	27	16 107	3 896
Tax liabilities		8 194	7 110
Other current liabilities	28	53 586	72 188
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1 493 382</b>	<b>1 431 137</b>

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

	NOTES	30/06/2021	30/06/2020 (represented *)
Operating income		183 769	213 913
Operating expenses		-153 080	-185 995
Amortisation, depreciation and impairment of assets	11	2 726	968
Change in provisions		- 527	-1 256
<b>CASH FLOW FROM OPERATIONS BEFORE CHANGES IN WORKING CAPITAL</b>		<b>32 888</b>	<b>27 630</b>
Change in working capital	29	-15 074	45 636
<b>CASH FLOW FROM OPERATIONS BEFORE PAID INTERESTS AND PAID TAXES</b>		<b>17 814</b>	<b>73 266</b>
Paid interests		-8 490	-5 127
Interest received		2 313	3 227
Other financing cash flows		-2 518	-1 324
Paid taxes		-1 218	-3 388
<b>CASH FROM OPERATING ACTIVITIES</b>		<b>7 901</b>	<b>66 654</b>
Acquisitions of intangible, tangible and other non-current assets		-3 626	- 184
Sale of intangible, tangible and other non-current assets		- 47	
Repayment of capital and advances by joint ventures		13 850	6 306
Acquisitions, capital injections and loans to joint ventures and associates	19	-32 696	-60 883
Dividends received from joint ventures and associates	19	3 896	7 458
Disposal of subsidiaries		2	9 792
<b>CASH FROM INVESTING ACTIVITIES</b>		<b>-18 621</b>	<b>-37 511</b>
Increase in financial debts	25	78 374	96 653
Repayment of financial debts	25	-57 765	-73 073
Sale of treasury shares		16 416	50 671
Gross dividends paid		-28 417	-26 637
<b>CASH FROM FINANCING ACTIVITIES</b>		<b>8 608</b>	<b>47 614</b>
<b>NET INCREASE OR DECREASE (-) IN CASH AND CASH EQUIVALENTS</b>		<b>-2 112</b>	<b>76 757</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD</b>		<b>148 059</b>	<b>156 147</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF PERIOD</b>		<b>145 947</b>	<b>232 904</b>

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

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

	CAPITAL	RETAINED EARNINGS	ACQUISITION RESERVE	CURRENCY TRANSLATION	RESERVE FOR DEFINED BENEFIT PLANS	HEDGING RESERVES	EQUITY TO BE ALLOCATED TO OWNERS OF THE COMPANY	NON CONTROL-LING INTERESTS	TOTAL EQUITY
<b>2021</b>									
Balance as at 01-01-2021	97 256	280 997	111 705	2 147	377	- 560	491 922	2 568	494 490
Before treasury shares	97 256	280 997	124 869	2 147	377	- 560	505 086	2 568	507 654
Treasury shares	-	-	-13 164	-	-	-	-13 164	-	-13 164
Comprehensive income for the year	-	29 912	-	- 183	-	-	29 729	561	30 290
Dividends and other beneficiaries paid	-	-27 942	-	-	-	-	-27 942	- 477	-28 419
Cash flow hedging	-	-	-	-	-	63	63	-	63
Scope changes	-	-	-	-	-	-	-	- 92	- 92
Transactions on treasury shares	-	4 545	11 871	-	-	-	16 416	-	16 416
Other changes	-	- 113	89	-	-	46	22	-	22
Changes in the year	-	6 402	11 960	- 183	-	109	18 288	- 8	18 280
Balance as at 30-06-2021	97 256	287 399	123 665	1 964	377	- 451	510 210	2 560	512 771
Before treasury shares	97 256	287 399	124 869	1 964	377	- 451	511 414	2 560	513 974
Treasury shares	-	-	-1 204	-	-	-	-1 204	-	-1 204

	CAPITAL	RETAINED EARNINGS	ACQUISITION RESERVE	CURRENCY TRANSLATION	RESERVE FOR DEFINED BENEFIT PLANS	HEDGING RESERVES	EQUITY TO BE ALLOCATED TO OWNERS OF THE COMPANY	NON CONTROL-LING INTERESTS	TOTAL EQUITY
<b>2020</b>									
Balance as at 01-01-2020	97 256	258 344	70 321	55	175	-	426 151	2 011	428 162
Before treasury shares	97 256	258 344	124 869	55	175	-	480 699	2 011	482 710
Treasury shares	-	-	-54 548	-	-	-	-54 548	-	-54 548
Comprehensive income for the year	-	21 878	-	2 511	-	-	24 389	632	25 021
Dividends and other beneficiaries paid	-	-26 551	-	-	-	-	-26 551	- 86	-26 637
Scope changes	-	- 23	-	-	-	-	- 23	23	-
Transactions on treasury shares	-	13 920	36 751	-	-	-	50 671	-	50 671
Other changes	-	124	-	-	-	-	124	-	124
Changes in the year	-	9 348	36 751	2 511	-	-	48 610	569	49 179
Balance as at 30-06-2020	97 256	267 692	107 072	2 566	175	-	474 761	2 580	477 341
Before treasury shares	97 256	267 692	124 869	2 566	175	-	492 558	2 580	495 138
Treasury shares	-	-	-17 797	-	-	-	-17 797	-	-17 797

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

As at June 30, 2021, 265 562 treasury shares have been sold during the current year for an amount of EUR 16 416 thousand which includes a realized net gain of EUR 4 545 thousand.

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

On June 30, 2021 the treasury shares, resulting from the merger with ALLFIN, remain valued at the share price on June 29, 2016, which was the date of the merger.

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

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

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

### **Note 1. Basis of preparation**

Immobel (hereafter named the "Company") is a limited company incorporated in Belgium. The address of its registered office is Rue de la Régence 58 at 1000 Brussels. The interim condensed consolidated financial statements as at and for the six months ended 30 June 2021 have been prepared in accordance with accounting standard IAS 34, Interim Financial Reporting, as adopted in the European Union, and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2020 ('last annual financial statements'). They do not include all of the information required for a complete set of financial statements prepared in accordance with IFRS Standards. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

These interim financial statements were authorised for issue by the Company's board of directors on September 9, 2021

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

Except as described below, the accounting policies applied in these interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended December 31, 2020.

#### **Standards and interpretations applicable for the annual period beginning on or after January 1, 2021**

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

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

#### **Standards and interpretations issued but not yet applicable for the annual period beginning on or after January 1, 2021**

The Group has not anticipated the following standards and interpretations, which are not mandatory as at June 30, 2021:

- Amendments to IAS 8 Definition of Accounting Estimate beginning on or after 1 January 2023, but not yet endorsed in the EU)
- IFRS 17 Insurance Contracts (applicable for annual periods beginning on or after 1 January 2023, but not yet endorsed in the EU)
- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (applicable for annual periods beginning on or after 1 January 2023, but not yet endorsed in the EU)
- Amendments to IAS 16 Property, Plant and Equipment: Proceeds before Intended Use (applicable for annual periods beginning on or after 1 January 2022, but not yet endorsed in the EU)
- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts - Cost of Fulfilling a Contract (applicable for annual periods beginning on or after 1 January 2022, but not yet endorsed in the EU)
- Amendments to IFRS 3 Business Combinations: Reference to the Conceptual Framework (applicable for annual periods beginning on or after 1 January 2022, but not yet endorsed in the EU)

- Annual Improvements to IFRS Standards 2018–2020 (applicable for annual periods beginning on or after 1 January 2022, but not yet endorsed in the EU)

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

## Impact of the COVID-19 crisis on the situation as of June 30, 2021

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

### General business performance

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

### Impairment losses on non-financial assets

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

Immobel Group identified neither evidence nor triggering events that would require asset impairment decisions and refers to the impairment test carried out as per note 13 of the Group's last annual consolidated Financial Statements as at and for the year ended December 31, 2020 and concluded that no impairment charge needs to be recognised in the current year against goodwill.

### Valuation of financial assets and expected credit losses

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

### Valuation of inventories

With regard to the inventories (projects to be developed), the assumptions used to assess the recoverability of the project under development have been consistently reviewed and updated based on the most recent market data, without significant impact. No write-downs have been identified as per June 30, 2021.

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

Financial risks have been monitored carefully.

As a buffer against this market conditions the company has a cash position of EUR 146 million at the end of June 2021, available corporate lines of EUR 76 million, non-issued Commercial Paper for an amount of EUR 26,5 million and EUR 633 million of confirmed project finance lines of which EUR 343 million were used.

Liquidity risk and trends in interest rate and exchange rate markets, have been reviewed and the related information has been updated based on data available at June 30, 2021 – see note 25.

### **Deferred tax assets**

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

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

### **Provisions**

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

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

The financial impacts of the crisis were rather limited, except in terms of pace of sales, which slowed down, and progress on construction sites.

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

### **Subsequent events**

Given the uncertainties related to the health crisis and the constantly changing environment, the Group paid particular attention to events that occurred during the period from June 30, 2021 until the approval of the financial statements by the Board of Directors – see note 32.

### **Going concern**

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

## **Note 3. Main accounting judgements and estimates**

Due to COVID-19 related developments in the economic and financial environment, the Group stepped up its risk oversight procedures, mainly in measuring financial assets and performing impairment tests.

The estimates used by the Group, among other things, to test for impairment and to measure provisions, take into account this environment and the sharp market volatility.

The main accounting judgments and estimates are identical to those given on page 93 (Consolidated Accounts) of the Annual Report 2020. They mainly concern the deferred tax assets, investment property, impairment of assets, provisions, projects in inventory and construction contracts.

## **Note 4. Main risks and uncertainties**

The Immobel Group faces the risks and uncertainties inherent to the property development sector as well as those associated with the economic situation and the financial world.

The Board of Directors considers that the main risks and uncertainties included in page 46 and following (Management Report) of the Annual Report 2020 and page 93-94 are still relevant for the remaining months of 2021.

We refer to note 2 for an update about the COVID-19 crisis.



## Note 5. Scope of consolidation

The number of entities included in the scope of consolidation evolves as follows:	31/12/2021	31/12/2020
Subsidiaries - Global method of consolidation	138	137
Joint Ventures - Equity method	53	53
Associates - Equity method	6	3
<b>TOTAL</b>	<b>197</b>	<b>193</b>

"The following changes have been noted during the first half year of 2021:

Entries in the scope of consolidation:

- Belux Office Development Feeder CV, 30,46% owned
- Infinito Holding, 100% owned
- Office Fund Carry SRL, 100% owned
- Office Fund GP SRL, 100% owned
- Gutenberg I, 100% owned
- Gutenberg II, 100% owned
- Gutenberg III, 100% owned
- Gutenberg IV, 100% owned
- Immo Othis 1, 100% owned
- 77 Richelieu, 10% owned
- Founerbond, 100% owned
- ImmoBel Belux Development Fund SCSP, 22,61% owned

Exit from the scope of consolidation:

- Livingstone, previously 100% owned

Mergers:

- NP\_Croissance, NP\_Developpement, NP\_Expansion, NP\_Expansion Rive Gauche have merged with ImmoBel France
- Beiestack Holding have merged with Beiestack S.A.
- Argent Residential et Rigoletto have merged with 't Zout Construct

## Note 6. Operating segment – Financial information by business segment

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

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

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

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

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

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

<b>INCOME STATEMENT</b>	<b>30/06/2021</b>	<b>30/06/2020</b>
<b>OPERATING INCOME</b>	<b>216 064</b>	<b>238 504</b>
Revenues	207 076	229 587
Other operating income	8 988	8 917
<b>OPERATING EXPENSES</b>	<b>-178 676</b>	<b>-203 522</b>
Cost of sales	-165 829	-188 931
Cost of commercialisation	- 378	-1 219
Administration costs	-12 469	-13 372
<b>SALE OF SUBSIDIARIES</b>	<b>2</b>	<b>133</b>
Gain (loss) on sales of joint ventures and associates	2	133
<b>JOINT VENTURES AND ASSOCIATES</b>	<b>29</b>	<b>6</b>
Share in the net result of joint ventures and associates	29	6
<b>OPERATING RESULT</b>	<b>37 419</b>	<b>35 121</b>
Interest income	1 900	2 785
Interest expense	-4 888	-5 327
Other financial income / expenses	-1 707	-2 134
<b>FINANCIAL RESULT</b>	<b>-4 695</b>	<b>-4 676</b>
<b>RESULT FROM CONTINUING OPERATIONS BEFORE TAXES</b>	<b>32 724</b>	<b>30 445</b>
Income taxes	-2 987	-8 151
<b>RESULT FROM CONTINUING OPERATIONS</b>	<b>29 737</b>	<b>22 295</b>
<b>RESULT OF THE PERIOD</b>	<b>29 737</b>	<b>22 295</b>
Share of non-controlling interests	- 175	417
<b>SHARE OF IMMOBEL</b>	<b>29 912</b>	<b>21 878</b>

	<b>REVENUES</b>	<b>OPERATING RESULT</b>	<b>REVENUES</b>	<b>OPERATING RESULT</b>
	<b>30/06/2021</b>	<b>30/06/2021</b>	<b>30/06/2020</b>	<b>30/06/2020</b>
Belgium	121 833	32 204	150 946	31 660
Luxembourg	14 559	4 179	16 159	3 897
France	42 688	-2 950	33 751	-2 299
Germany	27 303	4 141	5 251	- 358
Poland	693	- 25	23 480	2 293
Spain		- 129		- 72
<b>TOTAL CONSOLIDATED</b>	<b>207 076</b>	<b>37 419</b>	<b>229 587</b>	<b>35 121</b>

STATEMENT OF FINANCIAL POSITION	30/06/2021	31/12/2020
<b>NON-CURRENT ASSETS</b>	<b>437 986</b>	<b>420 271</b>
Intangible and tangible assets	2 343	2 021
Goodwill	43 789	43 789
Right-of-use assets	4 061	4 390
Investment property	291 967	294 494
Investments and advances to associates	63 886	46 945
Deferred tax assets	23 335	19 813
Other non-current assets	8 605	8 819
<b>CURRENT ASSETS</b>	<b>1 432 236</b>	<b>1 356 329</b>
Inventories	1 000 858	997 161
Trade receivables	30 262	39 327
Tax receivables and other current assets	226 864	145 363
Cash and cash equivalents	174 253	174 478
<b>TOTAL ASSETS</b>	<b>1 870 222</b>	<b>1 776 600</b>
<b>TOTAL EQUITY</b>	<b>510 938</b>	<b>492 907</b>
<b>NON-CURRENT LIABILITIES</b>	<b>607 718</b>	<b>731 077</b>
Financial debts	560 531	685 169
Deferred tax liabilities	46 584	44 745
Other non-current liabilities	603	1 163
<b>CURRENT LIABILITIES</b>	<b>751 566</b>	<b>552 616</b>
Financial debts	450 049	291 112
Trade payables	113 367	83 177
Tax payables and other current liabilities	188 150	178 327
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1 870 222</b>	<b>1 776 600</b>

FINANCIAL POSITION ITEMS	NON-CURRENT SEGMENT ASSETS	CURRENT SEGMENT ASSETS	UNALLOCATED ITEMS <sup>1</sup>	CONSOLIDATED
Belgium	208 131	941 667		1149 798
Luxembourg	48 212	259 873		308 085
France	91 851	23 539		115 390
Germany	1	47 476		47 477
Poland	252	15 249		15 500
Spain	2	24 349		24 351
Unallocated items <sup>1</sup>			209 620	209 620
<b>TOTAL ASSETS</b>	<b>348 448</b>	<b>1 312 154</b>	<b>209 620</b>	<b>1 870 222</b>

FINANCIAL POSITION ITEMS	SEGMENT LIABILITIES	UNALLOCATED ITEMS <sup>1</sup>	CONSOLIDATED
Belgium	886 530		886 530
Luxembourg	190 119		190 119
France	112 151		112 151
Germany	40 972		40 972
Poland	41 751		41 751
Spain	24 855		24 855
Unallocated items <sup>1</sup>		62 906	62 906
<b>TOTAL LIABILITIES</b>	<b>1 296 378</b>	<b>62 906</b>	<b>1 359 284</b>

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

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

INVENTORIES AND INVESTMENT PROPERTY	30/06/2021	31/12/2020
Belgium	745 134	761 788
Luxembourg	250 017	245 067
France	139 143	139 603
Germany	62 814	61 875
Poland	59 928	49 367
Spain	35 791	33 955
<b>TOTAL INVENTORIES AND INVESTMENT PROPERTY</b>	<b>1 292 825</b>	<b>1 291 655</b>

#### RECONCILIATION TABLE

	30/06/2021		
	Operating Segment	Adjustments	Published Information
Revenues	207 076	-28 629	178 447
Operating result	37 419	-3 457	33 962
Total balance sheet	1 870 222	-376 841	1 493 382

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

## Note 7. Revenues

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

Cross-analysis by type of project and by geographical zone	Offices	Residential	Landbanking	30/06/2021
Belgium	63 514	34 673	9 794	107 981
Luxembourg	2 696	2 809		5 506
France	767	36 063		36 831
Germany		27 303		27 303
Poland	135	693		827
<b>Total</b>	<b>67 112</b>	<b>101 542</b>	<b>9 794</b>	<b>178 447</b>

Cross-analysis by type of project and by geographical zone	Offices	Residential	Landbanking	30/06/2020
Belgium	98 746	32 299	8 769	139 814
Luxembourg	3	10 136		10 139
France		29 200		29 200
Germany		5 260		5 260
Poland	306	23 315		23 621
<b>Total</b>	<b>99 055</b>	<b>100 210</b>	<b>8 769</b>	<b>208 034</b>

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

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

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

### Sales of office buildings

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

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

As of June 30, 2021, the project "Commerce 46" is now considered upon progress of completion.

No other "Office" contract meets the criteria which would allow gradual transfer of control.

### Residential project sales

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

- Belgium / Luxembourg / France / Germany: upon progress of completion based on costs incurred (Breyne Act or equivalent);
- Poland: when the performance obligation is fulfilled (at the signing of the final act, once the sold unit has been delivered).

## Landbanking

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

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

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

	Timing of revenue recognition		
	Point in time	Over time	30/06/2020
<b>OFFICES</b>	99 055		99 055
<b>RESIDENTIAL</b>	23 316	76 894	100 210
Residential unit per project - Breyne Act or equivalent		76 894	76 894
Residential unit per project - Other	23 316		23 316
<b>LANDBANKING</b>	8 769		8 769
<b>TOTAL TURNOVER</b>	131 140	76 894	208 034

## Note 8. Other operating income

Break down as follows :

	30/06/2021	30/06/2020
Rental income on projects awaiting future development	4 782	2 012
Other income (recoveries of taxes and withholdings, miscellaneous invoicing...)	540	3 867
<b>TOTAL OTHER OPERATING INCOME</b>	<b>5 322</b>	<b>5 879</b>

Rental income fully relates to leased properties awaiting future development and which are presented as investment properties.

## Note 9. Cost of sales

Cost of sales is allocated as follows per geographical area:

	30/06/2021	30/06/2020
Belgium	-77 978	-109 581
Luxembourg	-4 778	-8 349
France	-35 501	-27 987
Germany	-22 746	-5 234
Poland	- 693	-20 140
Spain	- 27	
<b>TOTAL COST OF SALES</b>	<b>-141 723</b>	<b>-171 291</b>

As well as for the revenues, the main contributors in terms of cost of sales are the projects Commerce 46 and O'Sea in Belgium and Eden Tower Frankfurt in Germany.

## Note 10. Cost of commercialisation

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

Cost of commercialization is allocated as follows per geographical area:

Cost of commercialisation is allocated as follows per geographical area:

	30/06/2021	30/06/2020
Belgium	- 268	- 71
France	31	65
<b>TOTAL COST OF COMMERCIALISATION</b>	<b>- 237</b>	<b>- 6</b>

## Note 11. Administration costs

Break down as follows :

	30/06/2021	30/06/2020
Personnel expenses	-4 380	-5 720
Amortisation, depreciation and impairment of assets	-2 726	- 968
Other operating expenses	-4 014	-8 010
<b>TOTAL ADMINISTRATION COSTS</b>	<b>-11 121</b>	<b>-14 698</b>

### PERSONNEL EXPENSES

	30/06/2021	30/06/2020
Salaries and fees of personnel and members of the Executive Committee	-6 327	-5 506
Project monitoring costs capitalized under "inventories"	4 526	1 899
Salaries of the non-executive Directors	- 595	-1 213
Social security charges	-1 806	-1 115
Pension costs	- 69	
Other	- 109	215
<b>TOTAL PERSONNEL EXPENSES</b>	<b>-4 380</b>	<b>-5 720</b>

### AMORTISATION, DEPRECIATION AND IMPAIRMENT OF ASSETS

	30/06/2021	30/06/2020
Amortisation of intangible and tangible assets, and of investment property	-2 726	-1 013
Write down on trade receivables		45
<b>TOTAL AMORTISATION, DEPRECIATION AND IMPAIRMENT OF ASSETS</b>	<b>-2 726</b>	<b>- 968</b>

### OTHER OPERATING EXPENSES

	30/06/2021	30/06/2020
Services and other goods	-4 509	-8 172
Other operating expenses	- 315	-1 094
Provisions	809	1 256
<b>TOTAL OTHER OPERATING EXPENSES</b>	<b>-4 014</b>	<b>-8 010</b>

Main components of services and other goods:

	30/06/2021	30/06/2020
Service charges of the registered offices <sup>1</sup>	- 250	- 763
Third party payment, including in particular the fees paid to third parties and related to the turnover	-2 555	-5 063
Other services and other goods, including company supplies, advertising, maintenance and repair expense of properties available for sale awaiting for development	-1 704	-2 346
<b>TOTAL SERVICES AND OTHER GOODS</b>	<b>-4 509</b>	<b>-8 172</b>

## Note 12. Gain (loss) on sales of joint ventures and associates

The net gain realized breaks down as follows:

	30/06/2021	30/06/2020
Sale price of subsidiaries	2	9 792
Book value of sold or liquidated investments		-9 659
<b>GAIN ON SALES OF SUBSIDIARIES</b>	<b>2</b>	<b>133</b>

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

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

	30/06/2021	30/06/2020
Operating result	6 658	8 264
Financial result	-1 953	- 653
Income taxes	-1 434	-1 998
<b>RESULT OF THE PERIOD</b>	<b>3 271</b>	<b>5 613</b>

Further information related to joint ventures and associates are described in note 19.

## Note 14. Net Financial costs

The financial result breaks down as follows:

	30/06/2021	30/06/2020
Cost of gross financial debt at amortised cost	-8 490	-8 842
Activated interests on projects in development	5 899	3 232
Fair value changes		291
Interest income	2 313	3 227
Other financial income and expenses	-2 518	-1 973
<b>FINANCIAL RESULT</b>	<b>-2 796</b>	<b>-4 065</b>

The decrease of the financial result is mainly due to an increase of capitalized interests.

## Note 15. Income taxes

Income taxes are as follows:

	30/06/2021	30/06/2020
Current income taxes for the current year	-3 370	-6 776
Current income taxes for the previous financial years	904	- 425
Deferred taxes on temporary differences	1 773	- 103
<b>TOTAL OF TAX EXPENSES RECOGNIZED IN THE STATEMENT OF COMPREHENSIVE INCOME</b>	<b>- 693</b>	<b>-7 304</b>
Current taxes	-2 466	-7 201
Change in tax receivables / tax payables	1 248	3 813
<b>PAID INCOME TAXES ( STATEMENT OF CASH FLOW)</b>	<b>-1 218</b>	<b>-3 388</b>

The low effective tax rate is due to the deal structure of the sales and the recognition of additional deferred tax assets following the increased probability of sufficient taxable profit against which these specific assets can be utilized.

## Note 16. Earnings per share

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

Basic earnings per share are determined using the following information:

	30/06/2021	30/06/2020
<b>Net result of the period</b>	<b>29 912</b>	<b>21 878</b>
<b>Comprehensive income of the period</b>	<b>29 729</b>	<b>24 604</b>
Weighted average share outstanding		
Ordinary shares as at 1 January	9 997 356	9 997 356
Treasury shares as at 1 January	- 292 527	-1 212 179
Treasury shares disposed	265 562	816 686
<b>Ordinary shares as at 30 June</b>	<b>9 970 391</b>	<b>9 601 863</b>
<b>Weighted average ordinary shares outstanding</b>	<b>9 961 154</b>	<b>8 992 120</b>
<b>Net result per share</b>	<b>3,003</b>	<b>2,433</b>
<b>Comprehensive income per share</b>	<b>2,984</b>	<b>2,736</b>



## Note 17. Goodwill

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

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

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

	30/06/2021	31/12/2020
<b>ACQUISITION COST AT THE END OF THE PREVIOUS PERIOD</b>		
Acquisition of ImmoBel France	43 789	
<b>ACQUISITION COST AT THE PERIOD END</b>	43 789	43 789
<b>IMPAIRMENT AT THE END OF THE PREVIOUS PERIOD</b>		
Impairment of the period		
<b>IMPAIRMENT AT THE PERIOD END</b>		
<b>NET CARRYING AMOUNT AS AT 30 JUNE 2021 / 31 DECEMBER 2020</b>	43 789	43 789

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

	30/06/2021	31/12/2020
France	43 789	43 789
<b>NET CARRYING AMOUNT AS AT 30 JUNE 2021 / 31 DECEMBER 2020</b>	43 789	43 789

ImmoBel Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired. ImmoBel Group identified neither evidence nor triggering events that would require asset impairment decisions and refers to the impairment test carried out as per note 13 of the Group's last annual consolidated Financial Statements as at and for the year ended December 31, 2020 and concluded that no impairment charge needs to be recognised in the current year against goodwill.

## Note 18. Investment property

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

	30/06/2021	31/12/2020
<b>ACQUISITION COST AT THE END OF THE PREVIOUS YEAR</b>	199 415	87 838
Entry in consolidation scope		127 088
Disposal/exit from the consolidation scope		-6 040
Net carrying value of investment property transferred from/to inventories	- 90	-9 471
<b>ACQUISITION COST AT THE END OF THE PERIOD</b>	199 325	199 415
<b>DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE PREVIOUS YEAR</b>	-2 266	-6 715
Depreciations	-1 821	-1 591
Depreciations and impairment cancelled following disposal/exit from the consolidation scope	64	6 040
<b>DEPRECIATIONS AND IMPAIRMENT AT THE END OF THE PERIOD</b>	-4 023	-2 266
<b>NET CARRYING AMOUNT AS AT 30 JUNE</b>	195 302	197 149

The carrying amount of the investment property at June 30, 2021 amounts to EUR 195,3 million.

## Note 19. Investments in joint ventures and associates

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

	30/06/2021	31/12/2020
Investments in joint ventures	100 957	98 663
Investments in associates	12 756	7 532
<b>TOTAL INVESTMENTS INCLUDED IN THE STATEMENT OF FINANCIAL POSITION</b>	<b>113 713</b>	<b>106 195</b>
	30/06/2021	31/12/2020
Share in the net result of joint ventures	4 199	7 987
Share in the net result of associates	- 928	7
<b>SHARE OF JOINT VENTURES AND ASSOCIATES IN THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME</b>	<b>3 271</b>	<b>7 994</b>

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

	30/06/2021	31/12/2020
<b>VALUE AS AT 1 JANUARY</b>	<b>106 195</b>	<b>55 899</b>
Share in result	3 271	
Acquisitions and capital injections	8 153	7 994
Scope changes		44 214
Dividends received from joint ventures and associates	-3 896	9 660
Disposals or liquidation of joint ventures and associates		-10 533
Repayment of capital		
Currency translation		-1 039
Other changes	- 10	
<b>CHANGES FOR THE PERIOD</b>	<b>7 518</b>	<b>50 296</b>
<b>VALUE AS AT 30 JUNE 2021 / 31 DECEMBER 2020</b>	<b>113 713</b>	<b>106 195</b>

Among the new incorporated companies, the main contribution to the capital injections are related to ImmoBel Belux Office Development Fund SCSP for about EUR 5 Million and Richelieu for EUR 1 Million as well as approximatively the same amount as advances.

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

NAME	% INTEREST		BOOK VALUE OF THE INVESTMENTS		SHARE IN THE COMPREHENSIVE INCOME	
	30/06/2021	31/12/2020	30/06/2021	31/12/2020	30/06/2021	31/12/2020
Bella Vita	50%	50%	60	54	6	- 16
Boralina Investments, S.L.	50%	50%	- 891	-2 884	- 7	
Brouckère Tower Invest	50%	50%	29 440	29 059	382	386
CBD International	50%	50%	-1 666	-1 431	- 183	508
Château de Beggen	50%	50%	11	17	- 7	
Cityzen Holding	50%	50%	- 20	- 19	- 1	- 7
Cityzen Hotel	50%	50%	742	564	178	55
Cityzen Office	50%	50%	1 893	1 546	347	164
Cityzen Residence	50%	50%	719	561	158	78
CP Development Sp. z o.o.	50%	50%	- 245	- 59	- 229	23
CSM Development	50%	50%	24	24		- 5
CSM Properties	50%	50%	3 826	3 900	- 74	291
Debrouckère Development	50%	50%	501	548	- 48	- 68
Debrouckère Land (ex-Mobius I)	50%	50%	90	102	- 12	67
Debrouckère Leisure	50%	50%	2 282	2 310	- 28	- 15
Debrouckère Office	50%	50%	3 738	3 770	- 32	20
Gateway	50%	50%	321	322	- 1	- 3
Goodways SA	50%	50%	3 236	3 237	- 1	- 63
Ilot Ecluse	50%	50%	165	165		- 3
Immo PA 33 1	50%	50%	1 290	1 272	19	- 35
Immo PA 44 1	50%	50%	682	683	- 1	- 13
Immo PA 44 2	50%	50%	2 424	2 385	39	416
Immobel Marial SàRL	50%	50%	- 31	8	- 39	2
Key West Development	50%	50%	431	471	- 40	- 52
Les Deux Princes Develop.	50%	50%	-1 712	-1 755	43	1 075
Livingstone Retail S.à.r.l.	33%	33%		4	- 1	
M1	33%	33%	4 852	5 603	2 576	2 993
M7	33%	33%	132	132		46
Mobius II	50%	50%	8 121	8 121		- 50
NP_AUBER	50%	50%	- 98	- 89	- 9	- 100
NP_AUBER_VH	50%	50%	816	681	135	207
NP_AUBERVIL	50%	50%	- 17	- 17		- 2
NP_BESSANC2	50%	50%	294	149	144	219
NP_BESSANCOU	50%	50%	257	185	- 14	202
NP_CHARENT1	50%	50%	11	34	- 24	- 24
NP_CRETEIL	50%	50%	- 1	- 1		- 1
NP_EPINAY	50%	50%	12	- 49	61	44
NP_VAIRES	50%	50%	1 001	1 417	237	416
ODD Construct	50%	50%	905	682	223	665
PA_VILLA	51%	51%	- 40	- 40		7
Plateau d'Erpent	50%	50%	1 332	838	494	668
RAC3	40%	40%	3 333	3 264	70	135
RAC4	40%	40%	1 365	1 331	33	438
RAC4 Developt	40%	40%	1 571	1 587	- 17	- 2
RAC5	40%	40%	5 553	5 451	102	192
RAC6	40%	40%	2 173	2 168	5	206
Surf Club Marbella Beach, S.L.	50%	50%	19 769	19 855	- 86	- 775
Surf Club Spain Invest Property SL	50%	50%	- 91	- 61	- 30	23
Unipark	50%	50%	4 077	4 063	14	30
Universalis Park 2	50%	50%	-1 709	-1 627	- 82	- 156
Universalis Park 3	50%	50%	-2 358	-2 249	- 108	- 192
Universalis Park 3AB	50%	50%	1 971	1 967	5	- 4
Universalis Park 3C	50%	50%	418	418		- 4
<b>TOTAL JOINT VENTURES</b>			<b>100 957</b>	<b>98 663</b>	<b>4 199</b>	<b>7 987</b>
Immobel Belux Office Development Fund SCSP	22%		5 152			
DHR Clos du Château	33%	33%	135	106	29	90
Elba Advies						
Graspa Development						
RICHELIEU	10%		1 001			
ULB Holding	60%	60%	-5 466	-5 363	- 103	- 210
Urban Living Belgium	30%	30%	11 934	12 789	- 854	128
<b>TOTAL ASSOCIATES</b>			<b>12 756</b>	<b>7 532</b>	<b>- 928</b>	<b>7</b>
<b>TOTAL JOINT VENTURES AND ASSOCIATES</b>			<b>113 713</b>	<b>106 195</b>	<b>3 271</b>	<b>7 994</b>

## Note 20. Deferred Taxes

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

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

	DEFERRED TAX ASSETS		DEFERRED TAX LIABILITIES	
	30/06/2021	31/12/2020	30/06/2021	31/12/2020
Tax losses	16 455	18 202		
Revenue recognition	3 455	2 115	39 134	41 380
Financial debts				
Fair value of financial instruments	40	40	4	4
Other items	- 33	21	- 62	- 74
Netting (net tax position per entity)	- 161	-4 009	- 161	-4 009
<b>TOTAL</b>	<b>19 756</b>	<b>16 369</b>	<b>38 915</b>	<b>37 301</b>
<b>VALUE AS AT 1 JANUARY</b>		<b>16 369</b>		<b>37 301</b>
Scope changes				
Deferred tax recognised in the consolidated statement of comprehensive income		3 387		1 614
<b>VALUE AS AT 30 JUNE</b>		<b>19 756</b>		<b>38 915</b>

## Note 21. Inventories

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

Allocation of inventories by geographical area is as follows:

	30/06/2021	31/12/2020
Belgium	280 504	311 038
Luxembourg	204 345	196 192
France	91 710	92 290
Germany	62 814	61 875
Poland	26 979	21 396
Spain	526	331
<b>TOTAL INVENTORIES</b>	<b>666 878</b>	<b>683 121</b>

The inventories break down as follows:

	30/06/2021	31/12/2020
<b>INVENTORIES AS AT 1 JANUARY</b>	<b>683 121</b>	<b>694 580</b>
Net book value of investment property transferred from/to inventories	-1 810	9 471
Purchases of the year	373	10 976
Developments	314 467	271 981
Disposals of the year	-338 336	-300 766
Borrowing costs	5 899	3 684
Scope changes	-11	-6 805
Write-off	3 175	
<b>CHANGES FOR THE PERIOD</b>	<b>-16 243</b>	<b>-11 459</b>
<b>INVENTORIES AS AT 30 JUNE 2021 / 31 DECEMBER 2020</b>	<b>666 878</b>	<b>683 121</b>

At 30 June 2021, the project Commerce 46 is mainly contributing to the changes in inventory.

Break down of the movements by geographical area :	Purchases/Developments	Disposals	Borrowing costs	Scope changes	Transfer of the net book value	Net
Belgium	148 779	-184 469	4 287	-10	880	-30 533
Luxembourg	16 604	-10 740	1 805		484	8 153
France	96 548	-96 404	-723			-580
Germany	23 844	-23 439	534	-1		938
Poland	16 424	-10 838	-3			5 583
Spain	12 640	-12 445				195
<b>Total</b>	<b>314 838</b>	<b>-338 335</b>	<b>5 899</b>	<b>-11</b>	<b>1 365</b>	<b>-16 243</b>

The value of the stock to be recovered in:

12 months	237 879
> 12 months	428 999
Breakdown of the stock by type:	
Without permit	458 832
In development	208 832

## Note 22. Trade receivables

Trade receivables refer to the following geographical area:

	30/06/2021	31/12/2020
Belgium	11 422	7 206
Luxembourg	3 725	2 404
France	2 152	13 116
Germany	7 330	8 050
Poland	2 844	240
Spain	201	2 152
<b>TOTAL TRADE RECEIVABLES</b>	<b>27 674</b>	<b>33 168</b>

The analysis of the delay of payment arises as follows:	30/06/2021	31/12/2020
Due < 3 months	3 757	9 388
Due > 3 months < 6 months	1 910	845
Due > 6 months < 12 months	2 094	2 389
Due > 1 year	1 389	1 248

## CREDIT RISK

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

At June 30, 2021, there is no concentration of credit risk with a sole third party. The maximum risk amounts to the book value of the receivables. However, within the meaning of IFRS 9, there is no expected credit loss that can be deemed significant at that date.

The impairments recorded on trade receivables evolve as follows:

The recorded impairments of the trade receivables are as follows:

	30/06/2021	31/12/2020
<b>BALANCE AT 1 JANUARY</b>	<b>542</b>	<b>473</b>
Additions	133	69
Discounts		
<b>MOVEMENTS OF THE PERIOD</b>	<b>133</b>	<b>69</b>
<b>BALANCE AT 30 JUNE 2021 / 31 DECEMBER 2020</b>	<b>675</b>	<b>542</b>

## Note 23. Contract assets

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

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

	30/06/2021	31/12/2020
Belgium	73 952	9 315
Luxembourg		7 610
France	24 225	21 108
Germany	28 174	19 218
<b>TOTAL CONTRACT ASSETS</b>	<b>126 351</b>	<b>57 251</b>

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

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

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

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

At 30 June 2021, the consideration of the project Commerce 46 upon progress of completion is mainly contributing to the change of contract assets.

## Note 24. Other current assets

The components of this line item are:

	30/06/2021	31/12/2020
Other receivables	26 806	30 435
of which : advances and guarantees paid		
taxes (other than income taxes) and VAT receivable	18 987	17 589
receivable upon sale (escrow account)	115	3 075
other	7 704	9 771
Deferred charges and accrued income	7 112	6 834
of which: on projects in development	2 798	190
other	4 314	6 644
<b>TOTAL OTHER CURRENT ASSETS</b>	<b>33 919</b>	<b>37 269</b>

## Note 25. Information related to the net financial debt

The Group's net financial debt is the balance between the cash and cash equivalents and the financial debts (current and non current). It amounts to EUR -626 611 thousand as at June 30, 2021 compared to EUR -603 890 thousand as at December 31, 2020.

	30/06/2021	31/12/2020
Cash and cash equivalents	145 947	148 059
Non current financial debts	490 705	571 139
Current financial debts	281 853	180 810
<b>NET FINANCIAL DEBT</b>	<b>-626 611</b>	<b>-603 890</b>

The Group's gearing ratio (net financial debt / equity) is 122,2% as at June 30, 2021, compared to 122,1% as at December 31, 2020. There is no significant change in net financial debt with the exception of the presentiaon of the bond drawdown for a nominal amount of EUR 100 million maturing on May 31, 2022.

### Cash and cash equivalents

Cash deposits and cash at bank and in hand amount to EUR 145 947 thousand compared to EUR 148 059 thousand at the end of 2020, representing a decrease of EUR 2 112 thousand. The breakdown of cash and cash equivalents is as follows:

	30/06/2021	31/12/2020
Term deposits with an initial duration of maximum 3 months		
Cash at bank and in hand	145 947	148 059
<b>AVAILABLE CASH AND CASH EQUIVALENTS</b>	<b>145 947</b>	<b>148 059</b>

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

## Financial debts

Financial debts increase with EUR 20 609 thousand, from EUR 751 949 thousand at December 31, 2020 to EUR 772 558 thousand at June 30, 2021. The components of financial debts are as follows:

	30/06/2021	31/12/2020
Bond issues:		
Bond issue maturity 31-05-2022 at 3.00% - nominal amount 100 MEUR		99 709
Bond issue maturity 17-10-2023 at 3.00% - nominal amount 50 MEUR	49 806	50 000
Bond issue maturity 17-10-2025 at 3.50% - nominal amount 50 MEUR	50 000	50 000
Bond issue maturity 14-04-2027 at 3.00% - nominal amount 75 MEUR	75 000	75 000
Lease contracts	2 295	2 872
Credit institutions	313 604	293 558
<b>NON CURRENT FINANCIAL DEBTS</b>	<b>490 705</b>	<b>571 139</b>
Bond issues:		
Bond issue maturity 31-05-2022 at 3.00% - nominal amount 100 MEUR	100 000	
Credit institutions	177 095	175 131
Lease contracts	1 580	1 614
Bonds - not yet due interest	3 178	4 065
<b>CURRENT FINANCIAL DEBTS</b>	<b>281 853</b>	<b>180 810</b>
<b>TOTAL FINANCIAL DEBTS</b>	<b>772 558</b>	<b>751 949</b>
Financial debts at fixed rates	274 806	274 709
Financial debts at variable rates	466 511	473 175
Bonds - not yet due interest	3 178	4 065
Amount of debts guaranteed by securities	464 989	468 690
Book value of Group's assets pledged for debt securities	587 234	816 694

Financial debts evolve as follows:

	30/06/2021	31/12/2020
<b>FINANCIAL DEBTS AS AT 1 JANUARY</b>	<b>751 949</b>	<b>707 071</b>
repaid liabilities related to lease contracts	-2 295	-2 872
contracted debts	74 339	303 861
repaid debts	-50 092	-252 905
Movements bonds - not yet due interest	-5 085	-7 406
not yet due interest on other loans	4 036	4 005
Amortization of deferred debt issue expenses	- 293	195
<b>CHANGES FOR THE PERIOD</b>	<b>20 609</b>	<b>44 878</b>
<b>FINANCIAL DEBTS AS AT 30 JUNE / 31 DECEMBER 2020</b>	<b>772 558</b>	<b>751 949</b>

All the financial debts are denominated in EUR.

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

As at June 30, 2021, IMMOBEL is entitled to use undrawn Corporate credit lines of EUR 76 million, non-issued Commercial Paper for an amount of EUR 26,5 million and EUR 633 million of confirmed project finance lines of which EUR 343 million were used.

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

At June 30, 2021, the book value of Group's assets pledged to secure the corporate credit and the project financing credits amounts to EUR 587 million.

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

DUE IN THE PERIOD	UP TO 1 YEAR	1 TO 2 YEARS	2 TO 3 YEARS	3 TO 4 YEARS	4 TO 5 YEARS	AFTER 5 YEARS	Total
Bonds	100 000		50 000		50 000	75 000	275 000
Project Financing Credits	128 095	129 833	92 504	35 289	12 513	16 355	414 589
Corporate Credit lines	25 500	2 000	2 500	23 000			53 000
Commercial paper	23 500						23 500
Lease contracts	1 580	1 770	525				3 875
Interests not yet due and amortized costs	3 178	- 394	- 190				2 594
<b>TOTAL AMOUNT OF DEBTS</b>	<b>281 853</b>	<b>133 209</b>	<b>145 339</b>	<b>58 289</b>	<b>62 513</b>	<b>91 355</b>	<b>772 558</b>



## INTEREST RISK

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

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

	30/06/2021	31/12/2020
<b>DERIVATIVES NOT DESIGNATED AS HEDGING INSTRUMENTS</b>		
Interest rate swaps		
<b>DERIVATIVES DESIGNATED AS HEDGING INSTRUMENTS</b>		
Interest rate swaps - cash flow hedges	451	560
<b>TOTAL</b>	<b>451</b>	<b>560</b>
<b>CHANGE IN FAIR VALUE OF THE DERIVATIVE FINANCIAL INSTRUMENTS</b>		
<b>SITUATION AT 1 JANUARY</b>	<b>560</b>	<b>291</b>
Changes during the period in the consolidated result	- 63	- 291
Changes during the period in other comprehensive income	- 46	560
<b>SITUATION AT 30 JUNE / 31 DECEMBER 2020</b>	<b>451</b>	<b>560</b>

The increase in interest rate would result in an annual increase of the interest charge on debt of EUR 1 163 thousand per 1%-increase for about 25% of the variable part of the debt and maximum EUR 1 744 thousand in total for about 75% of the variable part of the debt to the extent the applicable EURIBOR-rate stands at 0%. Given that current applicable EURIBOR-rates are below 0% the impact of such increase would be even lower than these respective amounts.

### Information on fair value of financial instruments

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

The fair value of financial instruments is determined as follows:

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

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

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

	Level of the fair value	Amounts recognized in accordance with IFRS 9				
		Carrying amount 30/06/2021	Amortized cost	Fair value through profit or loss	Fair value 30/06/2021	Cash flow hedging 30/06/2021
<b>ASSETS</b>						
Cash and cash equivalents	Level 1	145 947	145 947		145 947	
Other non-current financial assets	Level 1	4 757		4 757	4 757	
Other non-current assets	Level 2	2 074	2 074		2 074	
Trade receivables	Level 2	27 674	27 674		27 674	
Contract assets	Level 2	133 745	133 745		133 745	
Other operating receivables	Level 2	145 098	145 098		145 098	
Other current financial assets	Level 1	49		49	49	
<b>TOTAL</b>		<b>459 344</b>	<b>454 538</b>	<b>4 806</b>	<b>459 344</b>	
<b>LIABILITIES</b>						
Interest-bearing debt	Level 1 & 2	772 558	772 558		772 558	
Trade payables	Level 2	88 610	88 610		88 610	
Contract liabilities	Level 2	14 769	14 769		14 769	
Other operating payables	Level 2	66 190	66 190		66 190	
Derivative financial instruments	Level 2	451		451		451
<b>TOTAL</b>		<b>942 578</b>	<b>942 128</b>	<b>451</b>	<b>942 128</b>	<b>451</b>

## INVESTMENT GRADE

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

## LIQUIDITY RISK

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

## FINANCIAL COMMITMENTS

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

These commitments are taking into account the equity, the net financial debt and its relation with the equity and the inventories. At June 30, 2021, as for the previous years, the Group was in conformity with all these financial commitments.

## RISK OF FLUCTUATION IN FOREIGN CURRENCIES

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

## Note 26. Trade payables

This account is allocated by geographical area as follows:

	30/06/2021	31/12/2020
Belgium	41 576	29 181
Luxembourg	10 434	6 449
France	11 497	9 764
Germany	9 271	4 295
Poland	11 806	7 190
Spain	4 025	4 048
<b>TOTAL TRADE PAYABLES</b>	<b>88 610</b>	<b>60 927</b>

## Note 27. Contract liabilities

The contract liabilities, arising from the application of IFRS 15, relate to the following geographical areas:

	30/06/2021	31/12/2020
Belgium	1 734	2 362
Luxembourg	1 707	
France	12 665	1 534
<b>TOTAL CONTRACT LIABILITIES</b>	<b>16 107</b>	<b>3 896</b>

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

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

At 30 June 2021, contract liabilities have been mainly impacted by the projects Infinity Living in Luxembourg and mainly Bezons 2 – Le Belair, Drancy1, Leplessis Trevisse, Les Terrasses de Montmagny and Saint Germain en Laye 2 in France.

## Note 28. Other current liabilities

The components of this account are:

	30/06/2021	31/12/2020
Payroll related liabilities	3 002	3 578
Taxes (other than income taxes) and VAT payable	13 492	16 240
Advances on sales	2 712	2 181
Advances from joint ventures and associates	27 276	28 544
Accrued charges and deferred income	2 626	3 305
Acquisition price payable	2 038	2 038
Other	2 440	16 302
<b>TOTAL OTHER CURRENT LIABILITIES</b>	<b>53 586</b>	<b>72 188</b>

Other current liabilities mainly consist of the non-eliminated balance of advances received from joint ventures and associates as well as VAT and other tax liabilities.

## Note 29. Change in working capital

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

	30/06/2021	30/06/2020
Inventories, including acquisition and sales of entities and investment property that are not considered as investing activities	17 113	40 268
Other current assets	-79 014	37 495
Other current liabilities	46 827	-32 127
<b>CHANGE IN WORKING CAPITAL</b>	<b>-15 074</b>	<b>45 636</b>

At 30 June 2021, the project Commerce 46 is mainly contributing to the change of working capital.

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

Due to intrinsic character of its activity, Real Estate Development, the results of the first half year 2021 cannot be extrapolated over the whole year.

These results depend on the final transactions before December 31, 2021.

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

Actuals related to the first semester 2021 and forecast 2021 show that the management assessment related to the going concern of the company remains appropriate and confirms the Group's good perspectives.

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

No significant event that may change the financial statements occurred from the reporting date on June 30, 2021 up to September 9, 2021 when the financial statements were approved by the Board of Directors.

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

The related party transactions described in Note 29 of the Notes to the Consolidated Financial Statements as at December 31, 2020 have not changed significantly at the end of June 2021.

## **III. Statement of the responsible persons**

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

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

## IV. Auditor's report



### **Statutory auditor's report to the board of directors of Immobel NV on the review of the interim condensed consolidated financial statements as at June 30, 2021 and for the 6-month period then ended**

#### **Introduction**

We have reviewed the accompanying condensed consolidated statement of financial position of Immobel NV as at June 30, 2021, the condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the 6-month period then ended, and notes to the interim financial information ("the condensed consolidated interim financial information"). The board of directors is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

#### **Scope of Review**

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of the interim condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements as at June 30, 2021 and for the 6-month period then ended are not prepared, in all material respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union.

Antwerp, September 9, 2021

KPMG Bedrijfsrevisoren - Réviseurs d'Entreprises  
Statutory Auditor  
represented by



Filip De Bock  
Bedrijfsrevisor / Réviseur d'Entreprises