



2022 ANNUAL REPORT

nextensa.

PLACES
YOU PREFER

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- This annual financial report of Nextensa dated 31 March 2023 on the financial statements per 31 December 2022 has been filed as a universal registration document with the FSMA (as the competent authority under regulation (EU) 2017/1129) without prior approval in accordance with Article 9 of that regulation.¹
- The legally required content of the annual report is incorporated in chapter 4 Annual Report, which also contains non-compulsory information. We combine the annual report on the statutory financial statements with the annual report on the consolidated financial statements. Other reports and the websites we refer to do not form part of the annual report.
- By Nextensa group, we or the group we refer to the consolidated entity, i.e. the company Nextensa NV including all companies included in the consolidation scope. By Nextensa or the Company, we only refer to that company.
- The annual financial report is available in a Dutch ESEF (European Single Electronic Format) version, a Dutch PDF version and an English PDF version. The Dutch ESEF version is the original version and the other versions are unofficial versions. Should there nevertheless be differences between the different language and format versions, the Dutch ESEF version takes precedence.
- This report has been prepared in accordance with the GRI Advanced Service. The GRI content index, approved by GRI, can be found in the annexes of chapter 10.
- This annual financial report contains no restatements of information included in previous annual financial reports.²

¹ 2-3-c Publication date of the report
² 2-4-a Organisations shall report restatements of information

1. PROFILE & STRATEGY



MISSION¹

Nextensa² is a next generation real estate investor and developer that operates in Belgium, the Grand Duchy of Luxembourg and Austria.³ We develop lively and healthy sites and buildings that we harmoniously anchor in the urban fabric. We anticipate on trends and known as no other how we can convert opportunities into valuable growth moments for all stakeholders. We stand out due to our sustainable urban development with a positive impact. We therefore create places you prefer: ground-breaking places where it is good to live, work, meet, shop and enjoy.

¹ 2-6 Activities, value chain and other business relationships

² 2-1-a Legal name of the organisation

³ 2-1-d Countries of operation

VISION

Lead by example

Nextensa is an influential, progressive and responsible real estate player that realises projects with a social added value. Both on a social and ecological level. Our ambition is clear: lead by example. We do this based on a transparent 'Environmental, Social and Governance' vision. The foundation of this vision is to contribute to the Sustainable Development Goals (SDG), especially the SDG 7, 11, 12 and 13 without negatively impacting others.



Our mission is to create **PLACES YOU PREFER** based on three pillars:

1 (Re)Developing Climate Adaptive Buildings

Nextensa develops projects and invests in buildings that make every effort to limit their energy consumption to a minimum. The energy that we use is renewable. Fossil fuels are no longer an option. When we buy products or decide about materials, we always check how we can limit our carbon footprint. We implement a water-saving management by focusing on reduction and reuse. Nextensa strives to integrate innovations and new technologies, enabling the optimisation and efficiency of processes and projects.

2 Creating Sustainable Societies

Nextensa creates sustainable societies by developing lively and healthy neighborhoods which offer a mixed selection of functions. In these 15-minute neighborhoods, you will find everything you need within a short walk. Car traffic is surplus to requirement and soft mobility is given the upper hand. This means that there is more room for a green site layout which, in turn, contributes towards the recovery of biodiversity on site. We make room for culture and art integration. For all our development projects, we aim for the highest possible sustainability certificate.

3 Investing in Human Capital

Nextensa develops and Nextensa takes advantage of opportunities that make all internal and external stakeholders grow. Our people are our greatest assets. The people we work with take care of our greatest added value. We go for social partnerships and sustainable initiatives that strengthen our communities from the inside. Nextensa facilitates exchanges, synergies and cocreation by means of partnerships in a B2B and a B2C setting.

STRATEGY

Nextensa is a leading Belgian real estate investor and developer. We uncover opportunities and turn them into valuable growth for all stakeholders. We combine recurrent rental income from real estate investments with the added value potential of development activities in which authenticity and sustainability have the highest priorities. Based on a progressive point of view on sustainability, we build a new concept regarding what a city has to offer its citizens.

Our multidisciplinary team consists of passionate real estate professionals who have the in-house expertise to control the entire cycle of a real estate project. Ranging from the purchase to the final management while implementing sustainable development. While bearing this cycle in mind, we draw out a strategy that focuses on the development of properties that optimize our sustainable investment portfolio. At the same time, we work on regular disinvestments to generate an added value within our

portfolio. We make our returning revenue flow continue thanks to leases, rental contracts and residential sales. Always based on a thoroughly thought-out ESG vision that we consistently apply in all our core activities.

Acquisitions & investments

Nextensa focuses on investments in urban environments. We go for a combination of sustainable projects at prime locations and large-scale mixed real estate opportunities in the city center. Our preference is to renovate existing structures to realize mixed-use projects. We prioritize soft mobility and embrace the sustainable options that Smart Mobility offers us.

Developments & project management

Nextensa has as its basic principle becoming carbon neutral for the complete life cycle of developments. We focus on the efficient use of, by preference, locally produced renewable energy. In addition, we try to limit our water consumption to a minimum. We use existing facilities for rainwater recovery and investigate the options to filter waste water so that we can reuse it. Our choices in relation to materials and technologies are innovative and well-

considered. We develop healthy buildings that contribute to the well-being of our customers. Whenever possible, we create green and various spaces that benefit the quality of life and biodiversity of our projects. We also focus on innovation on both a technological and process-based level.

Asset and real estate management

Nextensa interacts with its tenants, lessees and residents through a decisive ESG vision. We support them in their ambitions to generate a positive impact. We build sustainable communities in and around our buildings. We set up Energy Communities to facilitate the local exchange of too much generated solar energy. Furthermore, we cultivate partnerships with innovative companies that focus on sustainable technologies. To conclude, we equip our portfolio with monitoring systems that we can use to closely monitor and optimize the energy and water consumption of our buildings and sites.

VALUES

Every day, Nextensa builds on a *passionate* team that is all about autonomy and *trust*. Always with a clear *focus on the end result*.

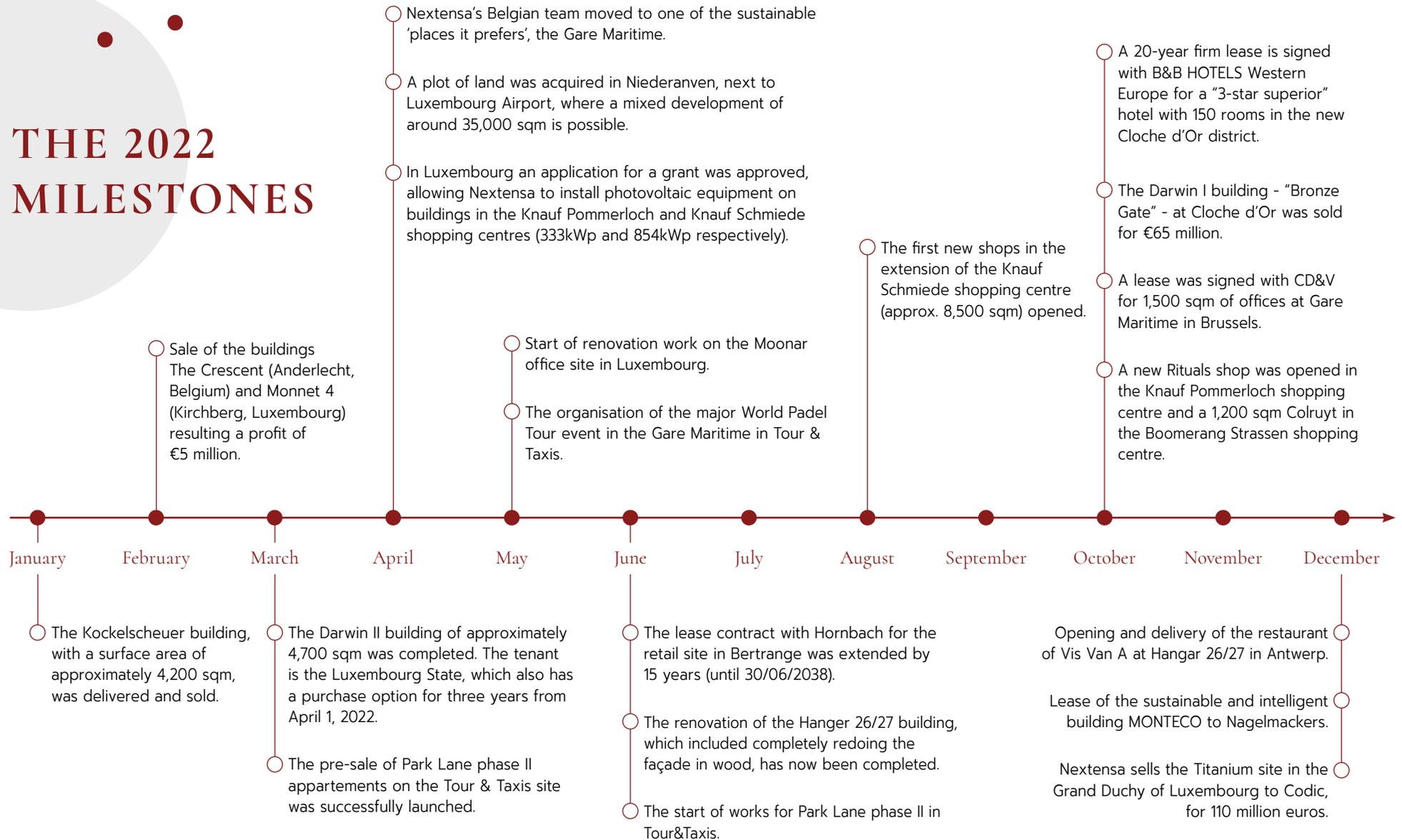
More than wanting to manage our people, we want to *inspire* them. We believe in their know-how and their intrinsic motivation *to be the difference*.

By focusing to the utmost on the *personal development* of everybody's potential, we can together *excel* in our area of expertise.

Cloche d'Or - Luxembourg



THE 2022 MILESTONES



2. LETTER TO SHAREHOLDERS



We might best describe 2022 as a captivating year. A year in which the expected advantages of the merger between Extensa and Leasinvest to create Nextensa became tangible for the first time. We rolled out our new vision and positioned ourselves as a sustainable player with a well-thought-out vision of ESG on the real estate market. In doing so, we were able to draw on the flexibility that comes with renouncing REIT (GVV/SIR) status. As the year progressed it became clear that the course we are steering with Nextensa – marked by a clear focus on urban developments that bring together diverse functions in a sustainable way – is the right one.

We see that even more clearly when we look at the many challenges that we have addressed this past year: the global economic impact of the war in Ukraine, unprecedentedly high energy prices, rising inflation that is felt throughout society. All these challenges have led to huge changes to the market dynamics of the financial real estate world. A climate developed in which Nextensa was able to distinguish itself by proactively anticipating the constantly changing circumstances. We scrutinized our investment portfolio in 2022, leading to handsome gains totalling €28.3 million with the sale of a number of buildings, including Titanium and Monnet in Luxembourg. As a consequence, our debt ratio decreased from 48.6% to 42.6% and we will continue to steer this course. This enables us to invest in new opportunities in the future and strengthen our balance sheet.

We note that through active asset management the value of real estate holds up strongly with almost no declines in value to be taken in our portfolio. The capital gains we bring out on divestitures illustrate the robustness of our net asset value.

Tour & Taxis in Brussels once again set the tone as a mixed city centre project with European allure. Brisk sales of more than 120 apartments in Park Lane phase II show that all parameters are correct. The mixed-use and operational character of this site demonstrates Nextensa's unique know-how in managing such sites.

Luxembourg has been a defining market for Nextensa for 16 years and the successful office leases at Cloche d'Or as well as the project at Moonar confirm our confidence in this market.

Even in these challenging times, Nextensa is looking ahead optimistically. We continue to steer a course as a sustainable developer/investor in projects that add value to society. In doing so, we are committed to developing (and redeveloping) sites with untapped potential in our portfolio. We aim to fully realize that potential as we continue to unlock the latent added value of these sites. We will also work further on reducing our debt. We have set ourselves the goal of permanently strengthening our balance sheet to respond to profitable development opportunities in 2023 and beyond.

In Luxembourg, at Cloche d'Or, we are betting on the recovery of the office market. At the beginning of 2023, another new lease was signed for a total area of 8,300 m² for the White House and Emerald buildings, which will be delivered at the end of 2023. We are also starting construction there of a hotel building, leased by B&B HOTELS, whose completion is scheduled for 2025.

In Belgium work continues on Park Lane phase II at Tour & Taxis. Lake Side, the last phase in the Brussels urban renewal project, is also starting to take shape. Spread over 17 buildings, with a combined potential floor space of around 136,000sqm, Lake Side will accommodate apartments, co-living spaces, offices, public facilities and retail. The permit application will be submitted in spring 2023. Hôtel des Douanes is also set to be renovated and prepared for lease. The structure will be retained, but the building will be enhanced with sustainable improvements and a clear vision on circularity. An approach you could say is Nextensa's trademark.

These are just a small selection of the activities and projects through which Nextensa creates places you prefer. Places that take city living to the next level. Bustling, liveable sites that we harmoniously integrate into the urban fabric.

Drawn up in Brussels on 31/03/2023

MICHEL VAN GEYTE

Chief executive officer



PIET DEJONGHE

Chairman of the Board of Directors



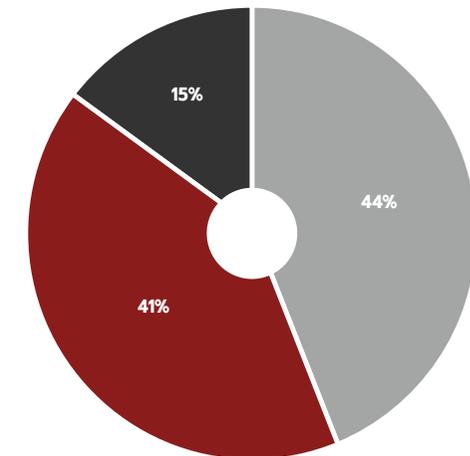


3.

KEY FIGURES

THE KEY FIGURES AS AT 31 DECEMBER 2022

The consolidated direct real estate portfolio of Nextensa NV at the end of 2022 comprises 34 buildings (including the re-developments of investment properties) with a total lettable surface area of 475,136 sqm. The real estate portfolio is geographically spread across the Grand Duchy of Luxembourg (41%), Belgium (44%) and Austria (15%).



● Belgium
● GD Luxembourg
● Austria

KEY FIGURES INVESTMENT PORTFOLIO ⁽¹⁾	31/12/2022	31/12/2021
Fair value investment portfolio (€ 1,000) ⁽²⁾	1,278,716	1,407,919
Fair value investment properties, incl. participation Retail Estates (€ 1,000) ⁽²⁾	1,362,499	1,504,404
Investment value investment properties (€ 1,000) ⁽³⁾	1,294,968	1,439,107
Rental yield based on fair value ^{(4) (5)}	5.30%	5.20%
Rental yield based on investment value ^{(4) (5)}	5.24%	5.08%

¹ The investment portfolio comprises the buildings in operation, the re-developments of investment properties, the assets held for sale as well as buildings presented as financial leasing under IFRS.

² Fair value: the investment value as determined by an independent real estate expert and from which transaction costs have been deducted. Fair value is the carrying amount under IFRS. The fair value of Retail Estates was determined based on the share price on 31/12/2022.

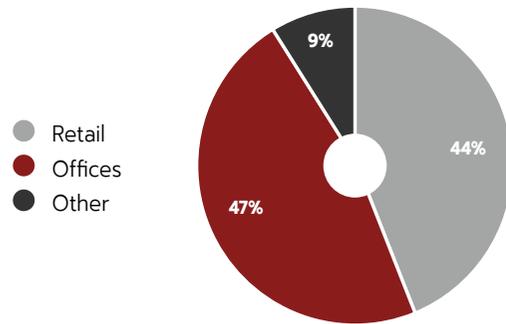
³ The investment value is the value as determined by an independent property expert and from which mutation costs have not yet been deducted.

⁴ Fair value and investment value estimated by real estate experts Cushman & Wakefield (BeLux) and Oerag (Austria).

⁵ Only buildings in operation are taken into account for calculating the rental yield and occupancy rate, excluding the re-developments of investment properties and the assets held for sale.

The fair value of the real estate portfolio amounts to € 1.28 billion at the end of 2022 compared to € 1.41 billion at the end of 2021. This decrease is explained by the sale of a couple of buildings during 2022.

Consequently, the company held 47% offices in portfolio, 44% retail and 9% others at the end of 2022 (compared to 51% offices, 39% retail and 10% others at the end of 2021).



The pipeline of development projects in Belgium and Luxembourg is as follows:

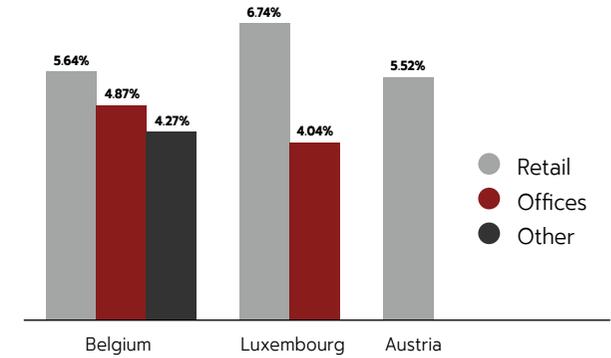
PROJECT DEVELOPMENT

	UNDER CONSTRUCTION		PERMITS OBTAINED		IN STUDY	
	Belgium	Luxembourg	Belgium	Luxembourg	Belgium	Luxembourg
Residential	36,520 sqm	29,287 sqm	N/A	32,401 sqm	93,000 sqm	12,000 sqm
Offices	N/A	14,000 sqm	N/A	4,479 sqm	37,500 sqm	79,566 sqm

TOTAL: 167,020 sqm 171,733 sqm

The overall direct and indirect real-estate portfolio (including the participation in REIT Retail Estates NV) reached a fair value of € 1.36 billion by the end of 2022.

The rental yield of the properties under management in operation, based on the fair value, amounts to 5.30% (compared to 5.20% at the end of 2021), and based on the investment value of 5.24% (compared to 5.08% at the end of last year).



KEY FIGURES BALANCE SHEET	31/12/2022	31/12/2021
Fair value investment portfolio (€ 1,000)	1,278,716	1,407,919
Fair value investment properties, incl. participation Retail Estates (€ 1,000)	1,362,499	1,504,404
Investment value investment properties (€ 1,000)	1,294,968	1,439,107
Net asset value group share (€ 1,000)	838,798	779,970
Net asset value group share per share	83.86	78.00
Closing rate at balance sheet date	51.90	77.80
Financial debt ratio (financial debts/total assets)	42.56%	48.56%
Net financial debt	721,493	853,333
Average duration credit lines (years) - investment portfolio	2.85	2.98
Average duration hedges (years)	3.52	3.98
Hedge ratio - investment portfolio	74%	67%

KEY FIGURES INCOME STATEMENT	31/12/2022	31/12/2021
Rental income (€ 1,000)	67,400	65,174
Income from development projects (€ 1,000)	22,243	15,373
Average funding cost - investment portfolio	2.18%	2.07%
Net result group share (€ 1,000)	71,310	53,244
Net result group share per share (number of shares at closing date)	713	5.32

4.

ANNUAL REPORT



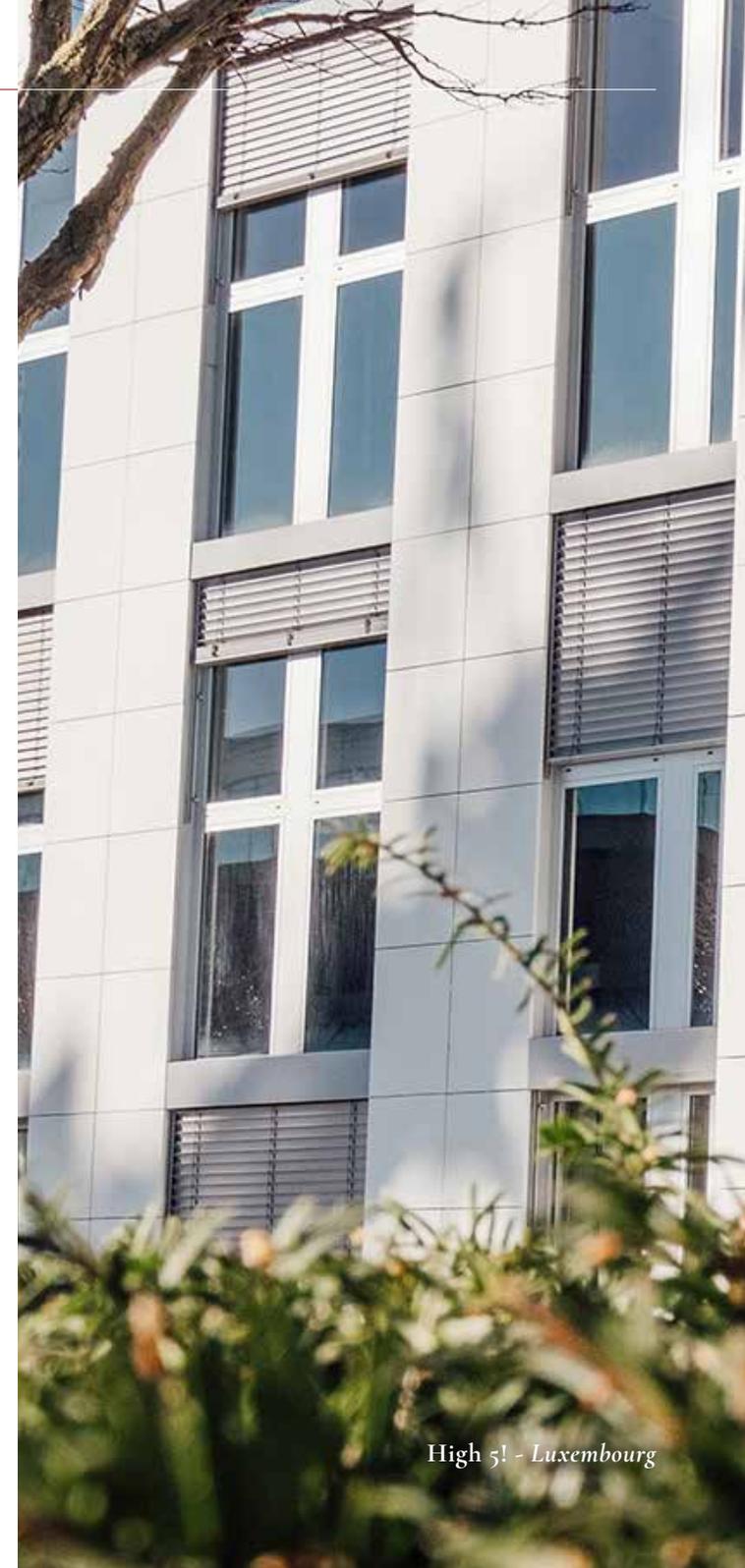
Monteco - Belgium

ACTIVITY REPORT

During the financial year 2022

HIGHLIGHTS 2022

- **Result:** Net income of €71.3 million or €7.18 per share entitled to dividends.
- **Active financial management:** Decrease in the financial debt ratio from 48.6% at the end of 2021 to 42.6% at the end of 2022. As a result of the successful hedging policy, the average financing cost in the current interest rate environment increases only slightly from 2.07% to 2.18%.
- **Solid investment portfolio:** Rental income increased by €2.2 million compared to last year and amounts to €67.4 million at the end of 2022. Only slight devaluation of investment properties by 0.90% of fair value. A number of important new leases and lease renewals were concluded.
- **Successful rotation with nice capital gains:** The disposals of the Titanium (LUX), Monnet (LUX) and The Crescent (BE) buildings generate a capital gain of €28.3 million.
- **Innovative developments:** Park Lane phase II on Tour & Taxis continues to score. Since the commercialization of this residential project, an apartment is reserved every 2.3 days, resulting in already more than 120 reservations or sales in 2022. Strong contribution from office developments at Cloche d'Or: sales of the Kockelscheuer and Darwin I "Bronze Gate" buildings and rentals of Darwin II, B&B HOTELS, Emerald and White House.
- **Focus on sustainability:** Our ambitious and committed vision to contribute to the net zero carbon was demonstrated last year by the renovation and development projects of Park Lane, Moonar, Monteco and Hôtel des Douanes.



Building the future and reshaping cities

Tour & Taxis: the perfect example of a 15-minute neighbourhood. Combining historic buildings and new developments, the site is a true “place you prefer,” a pioneering place where it is good to live, work, shop and enjoy.

The Tour & Taxis site was able to position itself as one of the most important **event venues** in Brussels in 2022. Last year, the site welcomed a large number of visitors to temporary events such as the Realty real estate fair and the World Padel Tour, to long-term exhibitions at the Sheds or to conferences at Maison de la Poste.

The **occupancy rate of offices** on the Tour & Taxis site (Gare Maritime and Royal Depot) is now 90%. In 2022, Unicef (900 sqm) and Polestar (610 sqm) established their offices in the Gare Maritime and CD&V signed a lease for about 1,500 sqm. The Royal Depot is fully leased, thanks to a number of important lease renewals that could be concluded last year.

Meanwhile, the **retail occupancy rate** on the Tour & Taxis site (Gare Maritime and Royal Depot) is 56%. At the end of 2022, Lab9 (579 sqm) and Wever & Ducre (165 sqm) signed a lease agreement. They will open a store in the Gare Maritime in 2023.

Furthermore, on site, the **Hôtel des Douanes** is being prepared for lease. This multi- or single-tenant building will soon accommodate 6,500 sqm of offices and meeting rooms and will once again become a paragon of sustainability. The individuality 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.

In addition, the **new residential neighborhood “Park Lane”** continues to be in full development.

- All 319 apartments in the 4 buildings of Park Lane phase I were completed in 2022 and the Anima residential care center at the beginning of Park Lane opened its doors. Of this phase, 5 apartments and 4 ground-level retail spaces are still available.
- In June, construction began on the Park Lane Phase II project, consisting of 11 compact buildings and 346 apartments. More than 120 apartments of this project have already been reserved or sold, which means that

an apartment of this project is sold every 2.3 days since commercialization.

Furthermore, the **Lake Side project** is also beginning to take shape. Lake Side represents the final phase of the large-scale urban development at Tour & Taxis. The project covers about 136,000 sqm of apartments, coliving, offices, public facilities and retail spread over 17 buildings. The permit for this project will be submitted in the spring of 2023.

Access to the site has also been greatly improved. In late September, the Suzan Daniel Bridge opened, connecting the site for buses, trams, pedestrians and cyclists with the North District. Works for the new tram line that will pass over the bridge in the future will normally begin in late 2023. This tram will connect the Tour & Taxis site with the North Station and Central Station.

Cloche d'Or: the development of a new urban district in Luxembourg City in joint venture with Luxembourg developer Promobe.

In 2022, once again a large number of companies decided to locate themselves at Cloche d'Or, in **office buildings** developed by Nextensa and Promobe.

- During January 2022, the Kockelscheuer office building, with a surface area of about 4,200 sqm, was delivered and sold for 48 million euros. The building was fully pre-let to Regus.
- Then, at the end of March 2022, the Darwin II office building (approx. 4,700 sqm) was delivered. The tenant is the Luxembourg government, which also has a 3-year purchase option from April 1, 2022. The building was taken into use during Q2 2022.
- At the end of September 2022, the Darwin I office building - "Bronze Gate" - was provisionally delivered. In early October 2022, this Bronze Gate building was sold for 65 million euros to the Luxembourg real estate investor REInvest Asset Management S.A. This building of approximately 5,040 sqm is fully leased to atHome Group, specialized in online platforms for the sale of real estate and vehicles, and the international law firm CMS DeBacker Luxembourg.

- Currently, there are still two office buildings under construction. The first, Emerald, has an area of 6,800 sqm and is already 43% pre-let to a law firm. Additionally, a lease agreement was signed in early 2023, which increases the occupancy rate to 70%. The construction work is proceeding according to plan, and completion is expected at the end of the summer of 2023.
- Right next to the Emerald building, construction work has also started for another office building of 6,500 sqm, called White House. This building was leased to the same international company as the Emerald building in early 2023. Completion is expected in early 2024.

But also in terms of **residential developments**, the Cloche d'Or site welcomed a large number of new residents in 2022.

- The residential developments consist of several subprojects.
- During 2022, all the apartments of the Îlot D-Sud subproject (155 apartments) were delivered. This subproject has been completely sold except for 11 retail units on the ground floor.
- The Îlot D-Nord subproject is on schedule for gradual delivery during 2023. Meanwhile, the last 12 apartments out of a total of 194 are being commercialized.
- The sales of the D5-D10 subproject (185 apartments and 18 ground-floor retail units) were delayed due to the economic situation. Nevertheless, it was decided in the

second half of the year to start construction work. This allowed a number of reservations to be valorized by the end of 2022, and the first 26 notary deeds were passed. Currently, 46 apartments out of 185 are reserved or have already been sold. Delivery is expected in the course of 2024.

In mid-September, a 20-year fixed-term lease agreement was also signed with **B&B HOTELS** for the development of a 150-room hotel. The permit process is currently ongoing and works are expected to start in the first half of 2023 with an expected delivery early 2025. The arrival of a hotel at the Cloche d'Or site will contribute to a further diversification of functions, in addition to the office, retail, and residential buildings already present.

Unlocking the hidden values and strengthening the balance sheet

The focus within Nextensa in 2022 was on crystalizing some of the latent capital gains within its portfolio and strengthening its balance sheet.

The **divestments** of the Titanium (LUX), Monnet (LUX) and The Crescent (BE) buildings generated a capital gain of €28.3 million.

- In November 2021, Nextensa and Codic already signed a sale 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 sale price was 110 million euros. Rental income from the Titanium building in 2022 still fully contributed to the 2022 net income.

- 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 sqm and is fully leased to several solid tenants.
- In early 2022, the leasehold rights of The Crescent building were sold to private investors DES / De Weer. The Crescent is a 15,000 sqm office building located on the Erasmus Campus in Anderlecht and had already been in the portfolio since 2002. Originally built for L'Oréal, the building was extensively converted into a "serviced office building" in 2011.
- As a result of these sales, the debt ratio decreases from 48.6% to 42.6%.

The Moonar site (LUX) is another example of how Nextensa aims to crystallize capital gains within its portfolio. This site, which has been in the portfolio for many years, is currently being thoroughly **redeveloped** in order to create higher rental values on these buildings.

- Moonar is a campus close to the airport with a full range of services for tenants and attention to landscaping that makes it possible to hold outdoor meetings. The office park consists of 5 buildings, the first of which - "Building D" - will be fully renovated (windows and

glazing, false ceilings, HVAC, plumbing, etc.) by February 2023. Buildings A and B will be completed by mid-2023, and renovation of the remaining part of the site will be completed by the end of 2023.

- Several discussions are ongoing with potential new tenants and with several existing tenants, who have indicated an interest in returning to their renovated offices at a higher rent.

Luxembourg is key

The main part of Nextensa's business consists of the investment, rental and development activities in Luxembourg.

In terms of rentals, the **Knauf shopping centers in Pommerloch and Schmiede** stand out.

The expansion of the shopping center in Schmiede (approx. 8,500 sqm) was completed in summer 2022. 8 new stores were officially opened to the public in September. Work is currently continuing on the new catering concept, consisting of a Grand Café and a Food Village, which will open during 2023. The New Yorker store expansion will open in the fall of 2023.

The Knauf Pommerloch shopping center has welcomed a number of new retailers over the past year, including Esprit, Arkades, Rituals and Tao Kids.

In terms of retail, the lease with **Hornbach** for the retail site located in Bertrange was also extended for 15 years.

In October, a Colruyt of 1,200 sqm has been opened in the **Boomerang Strassen shopping center**.



Towards a more sustainable future

Nextensa's sustainability mission is to create "places you prefer" by (re)developing climate-adaptive buildings, creating sustainable communities and investing in human capital.

In 2022, efforts to achieve this mission included the following initiatives:

EU-Taxonomy: In 2022, Nextensa launched an initial 'alignment assessment' of six pilot projects. These pilot projects (2 per activity namely investments, development of new buildings and renovations of existing buildings) show that Nextensa is setting the right priorities because they ensure that 25% can be classified as 'green' in 2022, mainly thanks to the rental income from Gare Maritime and the sale of Park Lane. Monteco is also aligned, the impact of which will be seen in next year's results. Nextensa will further extend the alignment assessments to the entire portfolio in 2023.

Charging infrastructure for electric vehicles: through a partnership with Tesla, 16 Superchargers were installed at 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: The PV installations at Tour & Taxis were expanded by 271 kWp. In Austria, a PV installation was installed on the Hornbach Baumarkt in Vienna. The subsidy application was approved in Luxembourg, allowing Nextensa to install PV systems on the buildings of the Knauf Pommerloch (333kWp) and Knauf Schmiede (854kWp) shopping centers in 2023.

Renovations: In the context of renovations, Nextensa is committed to minimizing energy use, using only renewable and green energy, and 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. In the renovation of Hangar 26/27 in Antwerp, the former wooden façade cladding was given a new life as façade cladding for a nearby office building.

Furthermore, the new Monteco office building was completed in early November 2022, after which Bank Nagelmackers moved its headquarters here. Monteco is the first wooden "fossil-fuel free" office building in the European district.

Energy Community: A pilot "Energy Community" project was launched at Tour & Taxis. Through this community, excess electrical energy generated by the photovoltaic panels on Gare Maritime can be used for the benefit of other users (including the apartments sold to households with modest incomes).

Green landscaping: On Tour & Taxis, ponds (3,300 sqm) were created to form the focal point of the green axis through the site. These ponds were filled last summer with 5,875 m³ of pumped groundwater from the construction pit of the Park Lane phase II project. In addition, the soil originating from this project, some 12,800 tons, was transported entirely by water. This is an equivalent of +/- 550 truckloads that have been replaced by boat transport.

These sustainability initiatives are discussed further in chapter 5.

Let us not forget about our presence in Austria

The Austrian investment portfolio includes 5 retail parks, which occupancy rate remains consistently at 100%.

In the course of 2022, a major renovation of Vösendorf Nordring 16-18 took place, during which the space leased to Pittarello was divided in half. The space thereby vacated will be occupied by Half Price in the course of 2023.

In Vösendorf Nordring 2-10, a tenant will return their space sometime in 2023. Advanced discussions are ongoing to rent out the same space under the same conditions after their departure.

Nordring 16 - Austria



EVENTS AFTER THE CLOSING OF FINANCIAL YEAR 2022

Nextensa and Promobe managed to secure a 9-year lease agreement with a triple AAA tenant for the White House building located in the new Cloche d'Or district in March 2023. The future tenant will occupy the entire White House building and the ground and first floor of the building next to it, Emerald, for a total area of 8,300 sqm. Both buildings will be delivered in the last quarter of 2023, after which they will be occupied in the first quarter of 2024.



COMMENTS ON THE CONSOLIDATED INCOME STATEMENT AND BALANCE SHEET

Key figures

The various sales of both investment properties and development projects led to a significant reduction of the debt. The net financial debt (financial debts incl. IFRS 16 minus cash) decreased from 874 MEUR at the end of 2021 to 722 MEUR at the end of 2022. As a result, the financial debt ratio fell from 48.6% to 42.6%. The relatively short remaining debt terms should also be seen in the light of this debt reduction: many credit lines are no longer needed and will therefore not be extended.

The average financing cost increased slightly from 2.07% at the end of 2021 to 2.18% at the end of 2022. Although interest rates increased significantly during 2022, hedging with derivatives ensures that this increase has only a minimal impact on the average financing cost. The hedge ratio amounts to 74 % at December 31, 2022, and the average duration is 3.5 years.

The equity (part of the group) increases from 780 MEUR to 839, MEUR or in terms per share, from EUR 78.0 to EUR 83.9/ share. The closing price of EUR 51.90 on December 30, 2022 implies a 38% discount.

The value of investment properties decreased compared to last year due to the sale of the Titanium (LUX), Monnet (LUX) and The Crescent (BE) buildings during 2022. These sales generated a capital gain of €28.3 million. On the other hand, there was a slight impairment of investment properties in the amount of €11.6 million, corresponding to only 0.90% of the total fair value. The average yield on investment properties increased from 5.20% at the end of 2021 to 5.30% at year-end 2022.

The main development activities in Luxembourg that contributed to the results in 2022 were the sale of the Kockelscheuer office building (approx. 4,200 m² - EUR 48 million), the Bronze Gate office building (approx. 5,040 m² - EUR 65 million), the rental of the Darwin II office building

(approx. 4,700 m²), and residential sales (îlot D-Sud, îlot D-Nord, and D5-D10). The contributions to the results from the Belgian development projects mainly consisted of phase I of the Park Lane project at Tour & Taxis. In 2022, all 319 apartments in the residential development of Park Lane phase I were completed, and construction and commercialization of the second phase of this project (36,520 m²) began. Of the 346 apartments in this phase II, more than 120 have already been reserved or sold. Phase II will be completed in 2025.

Consolidated financial statements

The operating result of the investment properties increased from €44.6 million over 2021 to €71.6 million in 2022. Higher rental turnover (+€2.2 million) was offset by lower property costs (-€2.2 million). Due to the expansion of investment properties with the former Extensa buildings, rental turnover increased by €4.6 million. On the other hand, sales of investment properties resulted in a rental loss of €4.4 million. Like-for-like rent increased by 2%. Against the rental loss of €4.4 million as a result of the sales, there was a realized capital gain on sales of investment properties of €28.3 million. The existing portfolio experienced a limited negative revaluation of €11.6 million (0.90%) in 2022. Other results on investment properties included mainly income from solar panels.

The operating result from development projects increased from €15.4 million in 2021 to €22.2 million for 2022. The revenue from development projects (€ 65.2 million) together with the costs of development projects (-€62.8 million) amount to € 2.4 million which is the contribution from the Belgian development projects, which in 2022 mainly consisted of Park Lane Phase I at Tour & Taxis. In addition, two retail units were also sold from the "Riva" project at Willebroekkaai in Brussels ("North District"). Although construction works are in progress on Parklane Phase II, no margin was recorded during 2022. The lines "Share of profit/loss of investees accounted for using the equity method" (€16.4 million) and "Other results of development projects" (€3.4 million) mainly include the contribution from the "Cloche d'Or" development project in Luxembourg.

Overheads represented €13.7 million in 2022 which is significantly higher than in 2021. This is largely due to the fact that Extensa Group's overhead costs were only consolidated for 6 months in 2021 versus a full year in 2022.

Financial income and expenses, excluding revaluations, increased compared to last year. On the income side, the main contribution comes from the dividend received from REIT Retail Estates, in which Nextensa holds a stake of just under 10%. Financing costs are higher mainly because of the higher average debt intake in 2022 (12 months Extensa Group vs. 6 months in 2021). Given the hedging policy, the average financing cost increased only slightly compared to last year (from 2.07% to 2.18%).

The variations in fair value of financial assets and liabilities are positive and amount to € 15.6 million. On the one hand, due to the rise in interest rates, there is a positive revaluation effect on non-effective derivatives of €28 million, which is partially offset by a negative revaluation of € 12 million on the participation in Retail Estates. This participation must be valued at the closing price at each balance sheet date.

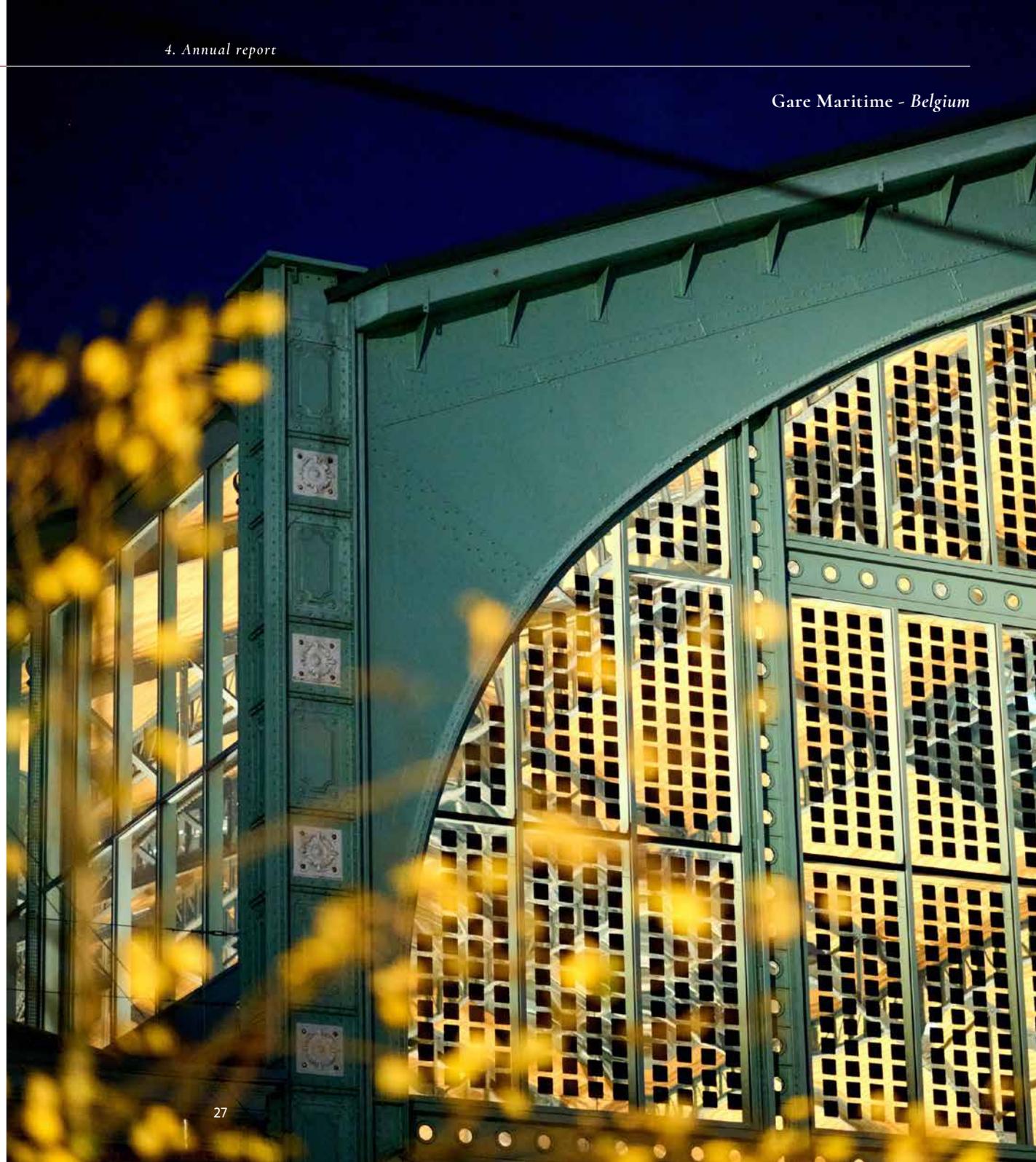
The result before tax amounts to €86.8 million. After taxes of €15.6 million, this results in a net result of €71.2 million, or €71.3 million net result part of the group. In terms of earnings per share, this corresponds to €7.13 on the total number of shares and to €7.18 per share entitled to dividends taking into account the 65,000 own shares held by Nextensa.

DIVIDEND

The board of directors proposes to the ordinary general meeting of shareholders to distribute a dividend to the shares entitled to dividends of gross €2.60 and net, free of withholding tax of 30%, €1.82 per share.

This dividend, subject to approval by the ordinary general meeting on May 15, 2023, will be paid against presentation of coupon no. 28 as from May 22, 2023.

The ex-date is May 18, 2023 and the record date is May 19, 2023.



OUTLOOK FOR FINANCIAL YEAR 2023

In 2022, the new 'Nextensa' vision could be further implemented and the flexibility provided by the 'ordinary listed company statute could be used.

The current investment portfolio was reviewed and certain buildings were therefore sold with a significant capital gain. For the year 2023, Nextensa foresees a continuation of this policy, allowing the debt reduction to continue and latent capital gains in the portfolio to crystallize. With this strengthened balance sheet, Nextensa can respond to interesting development opportunities in the coming year(s).

In 2023, there will also be a focus on the (re)development of a number of identified sites that Nextensa already has in its portfolio, allowing the full potential of these sites to be unlocked.

In terms of real estate development in Belgium, part of the margin on the Park Lane phase II project will be recognized during 2023.

At Cloche d'Or in Luxembourg, we are seeing a revival in the office market, where the lease of the entire White House building and an additional part of the Emerald building will lead to positive development results. Additionally, construction work on the hotel (leased by B&B Hotels) will begin in 2023, with completion expected in 2025.

Financing costs remain under control as a result of the hedging policy and due to the fact that the debt ratio will be further reduced. The lower debt ratio will also allow the company to respond to potential new investment or development opportunities as they arise.

CORPORATE GOVERNANCE STATEMENT

Principles

Nextensa applies the Belgian Corporate Governance Code 2020 ("Code 2020") as reference code. This Code is available on the website www.corporategovernancecommittee.be.

Code 2020 is based on the 'comply or explain' principle: Belgian listed companies may deviate from provisions constituting recommendations providing they give a satisfactory reason.

The company complied with the provisions of Code 2020 during the past financial year, with the exception of the following provisions:

Provision 7.6 of Code 2020 states that non-executive directors must receive part of their remuneration in the form of shares of the company.

The current version of the remuneration policy, as approved by the Company's ordinary general shareholders' meeting on 16 May 2022, applicable from 1 January 2022, provides the following in this regard: "Directors are invited but not required to hold shares in the Company. This deviation from principle 7.6 of the CGC 2020 is justified by the fact that the Company's policy adequately promotes a long-term perspective".

In addition, in the context of the functions they exercise in Ackermans & van Haaren, several directors are already exposed to the evolution of the value of the company, given the shares (options) in Ackermans & van Haaren they hold, the value of which depends partly on that of the company.

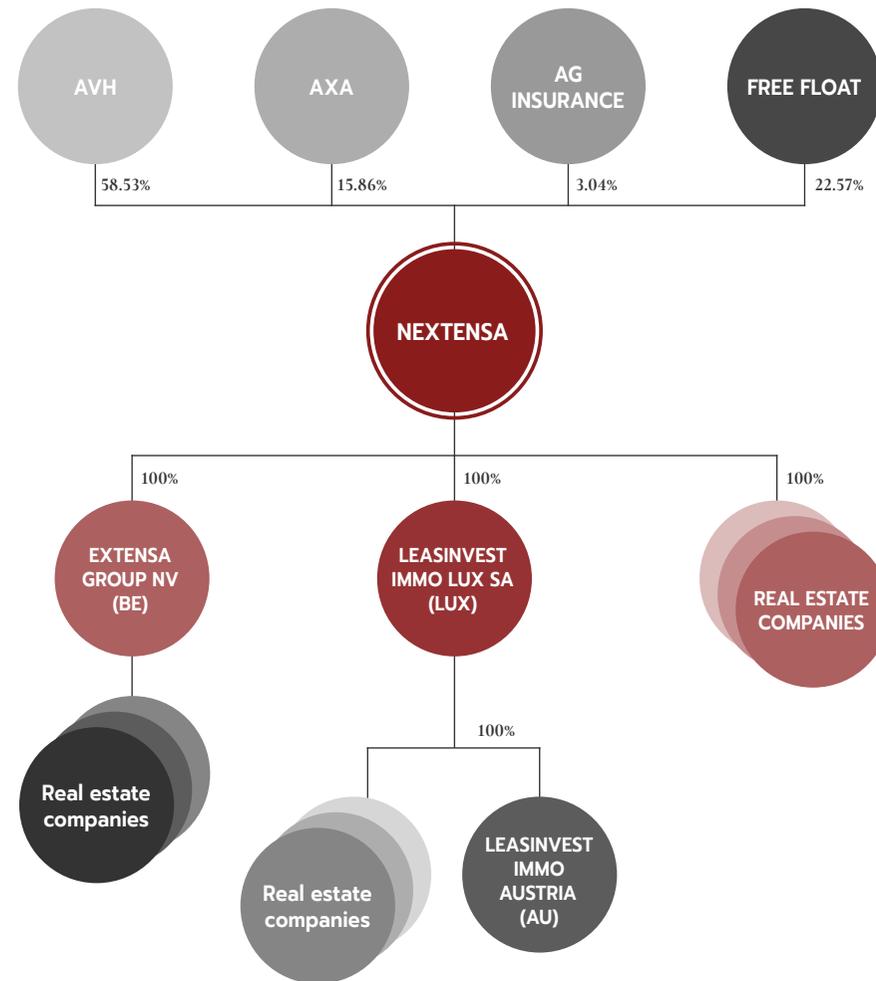
The Corporate Governance Charter, as last amended on 29 November 2021, aims to explain the main aspects of the company's governance policy, such as its governance structure and the terms of reference of the board, its committees and the executive committee.¹ In addition it describes the various preventive policies that the company applies with regard to market abuse, conflicts of interest and integrity. This Charter is based on the company's articles of association, the Code 2020 and the regulations applicable to the company, including the Code of Companies and Associations. The Corporate Governance Charter is available at www.nextensa.eu.

Group structure and shareholders

GROUP STRUCTURE

The control over the company is exercised by Ackermans & van Haaren NV (AvH), with registered office at Begijnenvest 113, 2000 Antwerp (more information: www.avh.be). In application of Article 74 §7 of the law of 1 April 2007 on takeover bids, Ackermans & van Haaren NV has duly communicated that it holds more than 30% of the securities with voting rights of the company.

The group structure at the end of 2022:



A portion of the shares in Nextensa are held as free float.²

¹ 2-10 Nomination and selection of the highest governance body

² 2-1-b Nature of ownership

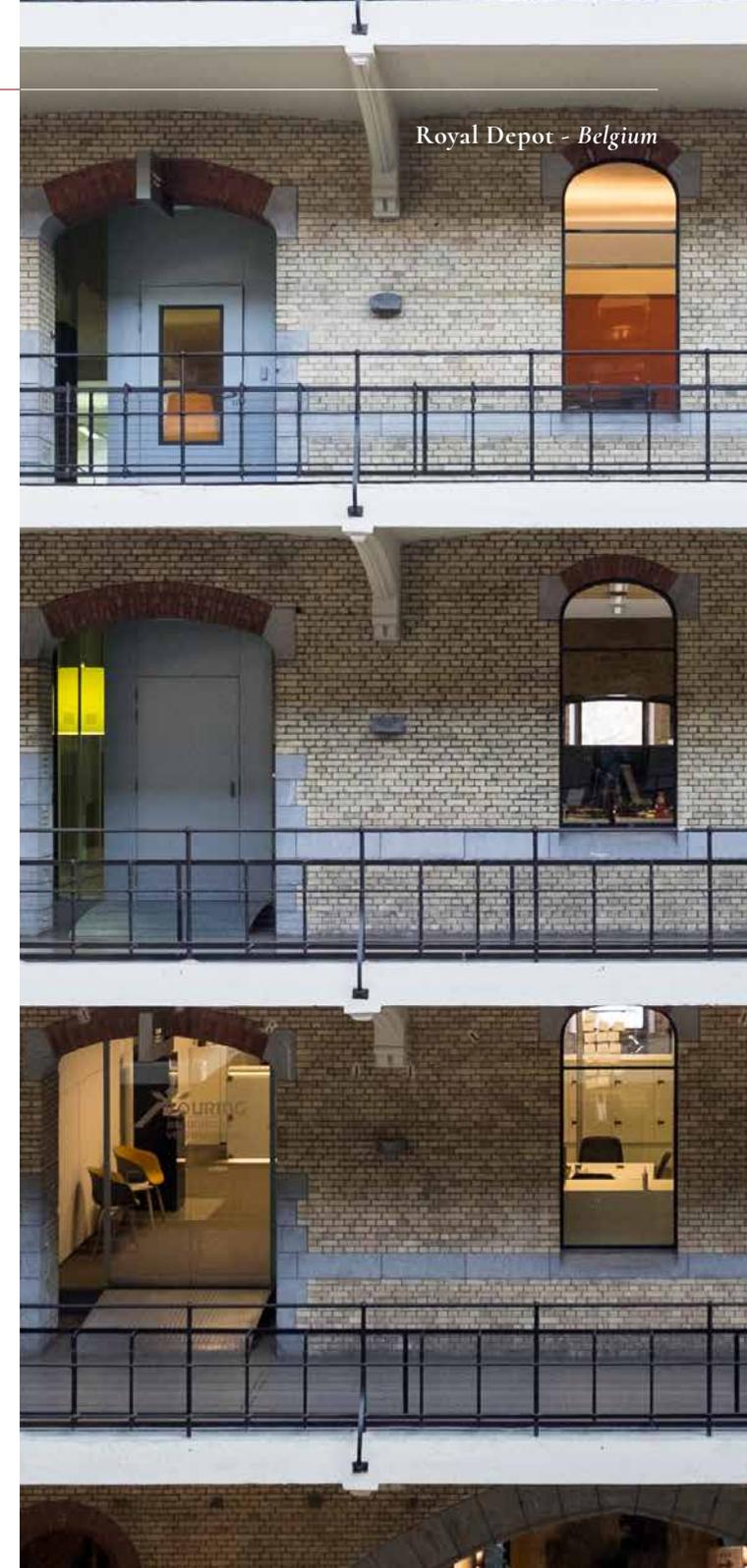
SHAREHOLDERS

The following table shows the shareholders of Nextensa that hold more than 3% of the total number of existing voting rights. Notifications in the context of the transparency legislation and control chains are available on the website.

DATE OF NOTIFICATION	NAME OF THE SHAREHOLDER	% VOTING RIGHTS
15 March 2022	Ackermans & Van Haaren	65.01%
26 July 2021	AG Insurance	2.58%
27 July 2021	AXA	13.44%

For more information on this we refer to www.nextensa.eu - investor relations - shareholders and transparency.

Since the fully paid-up shares registered in the name of the same shareholder in the register of registered shares continuously for at least two years confer double voting rights, the above percentage of voting rights of certain shareholders exceeds the percentage of shares in Nextensa held by them.



Governance structure and decision-making bodies

BOARD OF DIRECTORS

The company has been a public limited liability company with (collegial) board of directors under the Code of Companies and Associations since 19 July 2021³.

Term of office

Directors are appointed by the general meeting of shareholders for a maximum term of four years and may be reappointed. They may be removed at any time by the general meeting of shareholders.⁴

Competences

The board of directors has the most extensive powers to perform all actions that are necessary or conducive to the attainment of the company's corporate purpose, except for those operations which by virtue of the law or the Articles of Association are reserved to the general meeting of shareholders.⁵

The CEO, Michel Van Geyte (via Midhan BV), is charged with the day-to-day management of the company, under the responsibility and supervision of the board of directors.

Composition

The composition of the board of directors of Nextensa NV ensures that the company is managed in its best interests.

The current composition of the board of directors of Nextensa is as follows^{6,7,8}:

	DATE END OF MANDATE
Piet Dejonghe President, non-executive director Representative of Ackermans & van Haaren	18/05/2026
Midhan BV, permanently represented by Michel Van Geyte Managing director CEO Nextensa	18/05/2026
Dirk Adriaenssen Non-executive director Independent director	18/05/2026
Brain@Trust BV, permanently represented by Marcia De Wachter Non-executive director Independent director	15/05/2023
Colette Dierick Non-executive director Independent director	15/05/2023
SoHo BV, permanently represented by Sigrid Hermans Non-executive director Independent director	15/05/2023
An Herremans Non-executive director Representative of Ackermans & van Haaren	18/05/2026
Hilde Delabie Non-executive director Representative of Ackermans & van Haaren	18/05/2026

³ 2-1-b Legal form

⁴ 2-9-c-iii Tenure of the members of the governance body

⁵ 2-9-b The committees of the highest governance body that are responsible for decision making on and overseeing the management of the organisation's impacts on the economy, environment and people.

⁶ 2-9-c-i Executive and non-executive members

⁷ 2-9-c-ii Independence

⁸ 2-9-c-viii Stakeholder representation

The board of directors consists of at least three independent directors, who comply with the criteria provided in Article 7:87 of the Code of Companies and Associations and in provision 3.5 of Code 2020.

In accordance with provision 5.5 of Code 2020, non-executive directors do not occupy more than five offices as director of listed companies.

The board of directors appoints from among its members a chair recognised for his or her professionalism, independence of mind, coaching capacities, ability to build a consensus and communication and deliberation skills.

The chair is responsible for leading the meetings of the board of directors and for ensuring the effectiveness of the board of directors in all its aspects. In particular, he/she takes all necessary measures with a view to ensuring a climate of trust within the board of directors, in which there is room for open discussions and constructive criticism.

The role of the chair is further described in the Company's Corporate Governance Charter (Article 2.6).

Current composition of the board of directors:*



PIËT DEJONGHE

(° 1966)

**Non-executive director
Chair of the board of directors
Chair of the nomination & remuneration committee**

Current function:⁹

Co-chair of the executive committee of Ackermans & van Haaren NV, Begijnenvest 113, 2000 Antwerp.

Mr Dejonghe holds a master's degree in law (KUL), a postgraduate degree in business administration (KUL) and a master of business administration from INSEAD. Since 1995, he is active at Ackermans & van Haaren NV, where he currently holds the position of co-CEO and co-chair of the executive committee. Previously, he was successively a lawyer at Loeff Claeys Verbeke (Allen & Overy) and a consultant at Boston Consulting Group.

Mandates in companies outside the Nextensa Group at 31 December 2022 and in the five previous financial years:

Aannemingsmaatschappij CFE NV, Ackermans & van Haaren NV, Anfima NV, AvH Growth Capital NV, Baloise Belgium NV, Bank J.Van Breda & C° NV, Bâtiments et Ponts Construction SA, Bio Cap Invest SA, BPC Group SA, BPI Real Estate Belgium NV, BPI Real Estate Luxembourg S.A., Brinvest NV, CFE Contracting NV, CFE Infra NV, CLE S.A., Delen Private Bank NV, Delen Private Bank Luxembourg S.A., Dredging, Environmental & Marine Engineering NV, **DEME GROUP NV, Distriplus NV, FinAx NV, Finaxis NV, GB-INNO-BM NV, GIB Corporate Services NV, Green Offshore NV, HDP Charleroi SA, MBG NV, Mobix Engema NV, Mobix Stevens NV, Profimolux S.A., , Rent A Port NV, Van Laere NV, Voltis NV¹⁰**

Charity mandates:

SOS Kinderdorpen België VZW.

Start date of mandate at LREM: 18 August 2016
Start date of mandate at Nextensa: 19 July 2021
End date of mandate at Nextensa: 18 May 2026
Number of Nextensa shares held: 0

* In the list of mandates in other companies, terminated mandates are indicated with a '°'; listed companies are indicated in bold

⁹ 2-11 Chair of the highest governance body is not a senior executive at Nextensa

¹⁰ 2-9-c-iv Number of other significant positions held by each member, and the nature of the commitments



MICHEL VAN GEYTE

(° 1966)

Executive director

Michel Van Geyte holds a master's degree in applied economics and a postgraduate degree in real estate studies from the Catholic University of Leuven and a master's degree in corporate finance from Vlerick Business School. Michel Van Geyte has worked for the group since August 2004. First as commercial manager (COO) and since 2018 as CEO, following the retirement of the former CEO. He has more than 20 years of experience in real estate. Since 2009, M. Van Geyte also teaches several courses related to real estate, at the Catholic University of Leuven.

Mandates in companies outside the Nextensa Group at 31 December 2022 and in the five previous financial years:

Retail Estates NV, Care Property Invest NV, alumni board postgraduate degree in real estate studies, Belgian Luxembourg Council of Shopping Centers vzw (BLSC), Midhan BV, ULI Belgium.¹¹

Start date of mandate at LREM: 19 March 2013
 Start date of mandate at Nextensa: 19 July 2021
 End date of mandate at Nextensa: 18 May 2026
 Number of Nextensa shares held: 685

¹¹ 2-9-c-iv Number of other significant positions held by each member, and the nature of the commitments



DIRK ADRIAENSSEN

(° 1970)

Independent director – Non-executive director
Member of the nomination and remuneration committee

Current function:

Director of companies.

Mr Adriaenssen holds a master's degree in law from the Free University of Brussels and a postgraduate degree in real estate studies from the Catholic University of Leuven, after which he attended a Leadership Programme in Switzerland at the IMD in Lausanne and participated in the Real Estate Program in Oxford. He has over 25 years of experience in retail and office real estate in Belgium, Luxembourg, Switzerland, Austria and central Europe (Redevco, Retail Estates, Mitiska and ProWinko).

Mandates in companies outside the Nextensa Group at 31 December 2022 and in the five previous financial years:

Redevco CH & CE, Redevco Liegenschaftsverwaltungs GmbH, Immoca Wirtschafts- gütervermietungsgesellschaft m.b.H., MITI Wirtschaftsgüter Vermietungsgesellschaft m.b.H., Arioso MH77 Liegenschaftsverwaltungs GmbH, Arioso GmbH, Redevco (Suisse) SA, Redevco Switzerland Asset Management Services AG, V Prime Properties Korlátolt Felelősségű Társaság, Redevco, Seratos Expert SRL, Redevco, Jotta Wirtschaftsgütervermietungsgeschellschaft mbH, Redevco RWP SA, Redevco RWP Villeneuve SA.¹²

Start date of mandate at LREM: 22 May 2018
 Start date of mandate at Nextensa: 19 July 2021
 End date of mandate at Nextensa: 18 May 2026
 Number of Nextensa shares held: 0

¹² 2-9-c-iv Number of other significant positions held by each member, and the nature of the commitments



MARCIA DE WACHTER

(° 1953)

**Independent director – non-executive director via Brain@Trust BV
Member of the audit committee**

Current function:

Director of Brain@Trust BV, Varenslaan 41, 3090 Overijse.

Ms De Wachter holds a Masters and PhD in applied economics from the University of Antwerp and also obtained a Master of Arts in Economics degree from the University of Chicago. She holds an Executive Master in Consulting for Change from INSEAD, Fontainebleau. She obtained various certificates including from the International Directors Program (INSEAD) and from the IPSIS institute in Zurich. From 1988 to 2018, she was part of the National Bank of Belgium where she was a member of the executive committee since 1999.

**Mandates in companies outside the Nextensa Group at 31 December 2022 and in the five previous financial years:
Nationale Bank van België, MeDirect Group, MeDirect Belgium.¹³**

Start date of mandate at LREM: 20 May 2019
Start date of mandate at Nextensa: 19 July 2021
End date of mandate at Nextensa: 15 May 2023
Number of Nextensa shares held: 0

¹³ 2-9-c-iv Number of other significant positions held by each member, and the nature of the commitments



COLETTE DIERICK

(° 1960)

Independent director – non-executive director

Current function:

Director of companies.

Ms Dierick holds a degree in civil engineering (specialisation in construction) from Ghent University. She had been active in the banking sector for more than 30 years, mainly at ING, first in Belgium and from 2016 to 2022 in Luxembourg, as CEO of ING Luxembourg SA.

**Mandates in companies outside the Nextensa Group at 31 December 2022 and in the five previous financial years:
ING Luxembourg SA, Pensioenfonds ING Luxembourg ASBL, ING Lease Luxembourg SA, Bourse de Luxembourg SA, ABBL, Erastys BV, Patronale Groep NV, Patronale Life NV, Xior Student Housing NV.¹⁴**

Start date of mandate at LREM: 20 May 2019
Start date of mandate at Nextensa: 19 July 2021
End date of mandate at Nextensa: 15 May 2023
Number of Nextensa shares held: 0

¹⁴ 2-9-c-iv Number of other significant positions held by each member, and the nature of the commitments



SIGRID HERMANS

(° 1970)

**Independent director – non-executive director via SOHO BV
Chair of the audit committee and member of the nomination and remuneration committee**

Current function:

CFO L.I.F.E. NV, Mechelsesteenweg 271/ bus 2.1, 2018 Antwerp.

Ms Hermans holds a degree in applied economic sciences at the University of Antwerp and is a certified auditor, she also took a course in Fiscal Sciences at the Fiscale Hogeschool (KUL/Odisee). After her audit experience at PWC, she joined Mitiska in 1998 where she served as CFO, before joining the L.I.F.E. group (real estate company specialised in residential projects, student accommodation and co-working).

Mandates in companies outside the Nextensa Group at 31 December 2022 and in the five previous financial years:

SOHO BV, NOLITA BV*, Life NV, Life.be NV, Lammp NV*, Montevideo Assets NV, Himmos Living NV, HS Immo, Land for Life NV, Sunshine Invest NV, Fosbury and Sons BXL Forêt de Soignes NV, Fosbury and Sons Clarisse NV, Fosbury and Sons Montevideo NV, Fosbury and Sons NV, Life Stay Iberia SL, Real NV*, Third Place NV, Palais 48 NV, FIVE POINTS BV*, MITISKA NV*, MITISKA REIM NV*, FBDT Helixir sas, Intercora Property SRL, Peppercorn 7 doo, Peppercorn 8 doo, OIY Czech sro, OCHM Invest sro, UZM Czech sro, Golden Smile System SL*, Peppercorn 5 Sp zoo, Peppercorn 6 Sp zoo, Rent Polska Sp zoo.¹⁵

Start date of mandate at LREM: 20 May 2019
Start date of mandate at Nextensa: 19 July 2021
End date of mandate at Nextensa: 15 May 2023
Number of Nextensa shares held: 0

¹⁵ 2-9-c-iv Number of other significant positions held by each member, and the nature of the commitments



AN HERREMANS

(° 1982)

**Non-executive director
Member of the audit committee**

Current function:

member of the executive committee of Ackermans & van Haaren NV, Begijnenvest 113, 2000 Antwerp.

Ms Herremans studied commercial engineering (Catholic University Leuven) and obtained a master's degree in financial management from Vlerick Management School. She started her career as a consultant at Roland Berger (2006 - 2011), and then worked as Corporate Business Development manager and Strategy Office manager at Barco (2011 - 2014). She joined Ackermans & van Haaren in 2014 and joined the executive committee from 1 September 2021.

Mandates in companies outside the Nextensa Group at 31 December 2022 and in the five previous financial years:

Aannemingsmaatschappij CFE NV, Ackermans & van Haaren NV, Agidens International NV, Anima NV*, AvH Growth Capital NV, Baarbeek Immo NV, Agidens Infra Automation NV*, Bio Cap Invest NV, BPI Real Estate NV, HPA NV*, Indigo Diabetes NV, OncoDNA NV, Sofinim Lux S.A., Turbo's Hoet Group NV, Turbo's Hoet Group Finance NV, VMA NV.¹⁶

Start date of mandate at Nextensa: 16 May 2022
End date of mandate at Nextensa: 18 May 2026
Number of Nextensa shares held: 0

¹⁶ 2-9-c-iv Number of other significant positions held by each member, and the nature of the commitments



HILDE DELABIE

(° 1968)

**Non-executive director
Member of the audit committee**

Current position:

Senior business controller Ackermans & van Haaren NV,
Begijnenvest 113, 2000 Antwerp.

Ms Delabie holds a master's degree in economic sciences from the Catholic University of Leuven and a postgraduate degree in business economics from the Universite Catholique of Louvain-La-Neuve. She started her career at Deloitte as an auditor and has worked at Ackermans & van Haaren as a group controller since 1998.

**Mandates in companies outside the Nextensa Group at
31 December 2022 and in the five previous financial years:**

/

Start date of mandate at Nextensa: 16 May 2022

End date of mandate at Nextensa: 18 May 2026

Number of Nextensa shares held: 0



Changes in directors' mandates during financial year 2022

As of 1 January 2022, the director representing Axa, Wim Arousseau, resigned as director.

At the company's ordinary general shareholders' meeting of 16 May 2022, the mandates of Jan Suykens, Starboard BV (permanently represented by Eric Van Dyck) and Granvelle Consultants & C° BV (permanently represented by Jean-Louis Appelmans) expired. During this meeting it was also decided to (re)appoint the following directors until the ordinary general shareholders' meeting of 2026: An Herremans, Hilde Delabie, Dirk Adriaenssen, Piet Dejonghe and Midhan BV, permanently represented by Michel Van Geyte.

At present, the company is therefore managed by a board of directors consisting of the 8 aforementioned directors.

Activity report of the board of directors

The board of directors strives to create sustainable value for the company, by determining its strategy, providing effective, responsible and ethical leadership and supervising its performance. In order to pursue this sustainable value creation effectively, the board of directors develops an inclusive approach that balances the legitimate interests and expectations of shareholders and other stakeholders.¹⁷

As well as carrying out the aforementioned general activities, the board of directors of the company met seven times during the financial year 2022 to discuss in essence the following items:

- the further development of the company's strategy and its further geographical extension in Belgium, the Grand Duchy of Luxembourg and Austria, with the associated investments and divestments and important renovations and redevelopments;
- the integration of the former Extensa assets within the group;
- monitoring of the debt and hedging ratios;
- optimisation of the corporate structure in Belgium and Luxembourg;
- discussion and analysis of budgets and outlook;
- the renewal and re-negotiation of current bank credits and credit lines within the framework of the funding strategy and control of associated derivatives;
- the supervision of the policy and functioning of the effective management, besides supervising the functioning of the internal control systems;
- the operational and financial reporting, among which drawing up the press releases and the annual and half-yearly financial reports;
- developing the ESG policy¹⁸;
- operational issues, identified by the executive committee, that deserve the attention of the board of directors.¹⁹

The minutes of the meetings present a summary of the deliberations, specify the decisions taken and mention any reservations of certain directors. The minutes are held at the seat of the company.

Majorities

Resolutions of the board of directors are validly passed with a simple majority of votes cast by directors present or duly represented. The decisions of the board of directors may be taken by unanimous written decision of the directors.

Evaluation

Once every five years, the board of directors assesses whether the chosen governance structure is still appropriate.

The evaluation of the composition and functioning of the board of directors and its consultative committees takes place every three years. If necessary, the advice of external professionals may be sought for this²⁰. Such an evaluation also takes into account the size of the board of directors, its composition and functioning and that of the consultative committees, and the interaction with the CEO and the executive committee if applicable, in order to check whether all important subjects are sufficiently prepared and discussed. The last evaluation of the board's composition and functioning took place in early 2023.

Once a year, the non-executive directors, also evaluate the relationship between the board of directors on the one hand and the CEO and, where appropriate, the executive committee on the other.

¹⁷ 2-12-a Role of the highest governance body in overseeing the management of impacts

¹⁸ 2-12-a Role of the highest governance body in overseeing the management of impacts

¹⁹ 2-16-a Communication of critical concerns

²⁰ 2-18-b Independence and frequency of evaluations

At the end of the term of the mandate of each director, an evaluation is made of the director concerned, taking account of his/her attendance at the meetings and his/her engagement and constructive involvement in deliberations and decisions.

This evaluation procedure can lead to changes in the composition of the board of directors, proposals for the nomination of new directors or non-re-nomination of current directors.²¹

Secretary

The board of directors and its committees are assisted by the company secretary. This position is currently held by Anouk Kerkhofs, Corporate Legal Counsel.

CONSULTATIVE COMMITTEES

In accordance with Articles 7:98, 7:99 and 7:100 of the Code of Companies and Associations, the board of directors currently has two consultative committees that assist it in the execution of its responsibilities in accordance with the principles of Code 2020 and further explained in the Corporate Governance Charter.²²

The consultative committees have a purely advisory function. They are in charge of examining specific matters and formulating advice to the board of directors.

After notifying the chair, each consultative committee may, as far as it considers it useful, appoint one or more external advisers or experts, at the company's expense, to support it in the exercise of its mission.

A meeting of an advisory committee can be validly held only if the majority of its members are present. A member of an advisory committee who is unable to attend a meeting may give a special proxy to another member of this committee. A member of an advisory committee may represent only one other member of the committee.

The committees always strive to take decisions by unanimity. If no consensus is possible for a particular decision, the decision will be taken by simple majority.

Audit Committee

The audit committee supports the board of directors in fulfilling its monitoring responsibilities for control in the broadest sense, including risk.

The audit committee sees to it that the company's financial reporting presents a truthful, sincere and clear view of the company's situation and prospects and checks in particular the annual and interim financial statements before they are published. The committee also checks to see that the company's accounting standards and valuation rules are correctly and consistently applied.

At least once a year the audit committee evaluates the internal control and risk management systems to ensure that the main risks have been properly identified, managed and disclosed.²³

The audit committee also evaluates and monitors the independence of the statutory auditor and makes recommendations regarding internal and external audits. The audit committee also supervises the nature and extent of the statutory auditor's non-audit services.

The tasks of the audit committee are carried out in accordance with Article 7:99, §4 of the Code of Companies and Associations.

The oversight mission of the audit committee and the related reporting duty relates to the company and its subsidiaries.

²¹ 2-18-c Actions taken in response to the evaluations, including changes to the composition of the highest governance body and organizational practices

²² 2-9-a governance structure, including committees of the highest governance body; 2-9-c Composition of the highest governance body

²³ 2-16 Communication of critical concerns

The audit committee was composed as follows during the past financial year until 16 May 2022:

1. SoHo BV, permanently represented by Sigrid Hermans, chair,
2. Piet Dejonghe, non-executive director,
3. Brain@Trust BV, permanently represented by Marcia De Wachter, independent director.

Since 16 May 2022 the audit committee has been composed as follows:

1. SoHo BV, permanently represented by Sigrid Hermans, chair,
2. Hilde Delabie, non-executive director,
3. An Herremans, non-executive director,
4. Brain@Trust BV, permanently represented by Marcia De Wachter, independent director.

All members of the audit committee have the collective competences as regards the activities of the company and have the necessary expert knowledge in the area of accounting and audit thanks to their level of education and to their experience in the area.

The audit committee met four times during 2022. The agenda items discussed included the following:

- quarterly financial reporting;
- risk management, internal control and regulation;
- monitoring of the company's debt and hedge ratios.

Unless the audit committee decides otherwise, the CEO and the CFO have the right to attend meetings of the audit committee, as indeed they did in this past financial year.

Nomination and remuneration committee

The nomination and remuneration committee ensures that the nomination process is handled objectively and professionally and assists the board with the remuneration of its members and those of the executive committee and makes recommendations regarding the remuneration policy, evaluates on a yearly basis the performance of the executive committee and the execution of the strategy of the company. The other tasks of this committee are defined in the Corporate Governance Charter (Article 3.3.2) and in Article 7:100, §5 of the Code of Companies and Associations.

The nomination and remuneration committee consists exclusively of non- executive directors and the majority of its members are independent directors, in accordance with Article 7:100 of the Code of Companies and Associations and provision 4.19 of Code 2020. The directors in this committee have the necessary expertise in the field of remuneration policy.

The nomination and remuneration committee was composed as follows during the past financial year until 16 May 2022:

1. Jan Suykens, chair,
2. Starboard BV, permanently represented by Eric Van Dyck, independent director,
3. SoHo BV, permanently represented by Sigrid Hermans, independent director.

Since 16 May 2022 the nomination and remuneration committee has been composed as follows:

1. Piet Dejonghe, chair,
2. SoHo BV, permanently represented by Sigrid Hermans, independent director,
3. Dirk Adriaenssen, independent director.

Unless the nomination and remuneration committee decides otherwise, the CEO is entitled to attend its meetings, which happened during the past financial year.

The nomination and remuneration committee met two times in 2022. The agenda items discussed included the following:

- the remuneration policy;
- the evaluation of the performances of the executive management and of the CEO in particular, on the basis of the agreed KPIs and targets;
- the composition of the board of directors and the Executive Committee.

Committee of independent directors

The committee of independent directors is composed of all independent directors on the board of directors.

The committee is chaired by one of its members, in principle, the member having most seniority in his/her function and intervenes in the situations defined in Article 7:97 of the Code of Companies and Associations.

No meetings of the committee of independent directors took place during the 2022 financial year.

DAY-TO-DAY MANAGEMENT - EXECUTIVE COMMITTEE

Day-to-day management

Since 19 July 2021 the day-to-day management of Nextensa NV has been exclusively entrusted to Michel Van Geyte as managing director of Nextensa NV.

Since 16 May 2022, Michel Van Geyte exercises this function through his management company, Midhan BV.

Executive committee

On 22 October 2021, following the renunciation of the BE-REIT status and the transformation of the company from a limited partnership by shares with a statutory manager into a public limited company with a collegial board of directors, the company's board of directors resolved to establish a committee called the executive committee which in essence is charged with deliberating on the general management of the company under the leadership of the CEO. The executive committee consists of the following persons:

Michel Van Geyte (Chief Executive Officer), through Midhan BV

See above for CV.

- Number of Nextensa shares held: 685

Tim Rens (Chief Financial Officer), through Montevini BV

Tim Rens (°1981) has worked as CFO of the company since 1 May 2017. He is a company auditor and has over 12 years of experience in audit with Deloitte, of which four years as Senior Audit Manager, inter alia for BE-REITs. He acts a director of various Nextensa NV subsidiaries.

- Number of Nextensa shares held: 750

Olivier Vuylsteke (Chief Investment Officer), through Wimas BV

Olivier Vuylsteke (°1981) has been working at Nextensa since 12 June 2017, initially as Asset & Investment manager for the Belgian portfolio, and meanwhile as CIO. He is an architect by education and started in 2007 in the capital markets team at JLL (then King Sturge) and has been since his move to CBRE Global Investors in 2010, more than 12 years of experience in asset & investment management. He acts as director of various subsidiaries of Nextensa NV.

- Number of Nextensa shares held: 0

Peter De Durpel (Chief Operations Officer), through Durabel Consulting BV

After studying civil engineering at the Royal Military Academy, Peter De Durpel (°1968) started his professional career with the Infrastructure Department of the Ministry of Defence. After that he spent 15 years with real estate consultant Bopro, holding various management positions. In 2015 Peter joined Extensa Group as COO and now holds the same position with Nextensa. He acts as director for various subsidiaries of Nextensa NV.

- Number of Nextensa shares held: 200

The agreements between the company and the members of the executive committee are of indefinite duration and contain the usual provisions on non-competition and confidentiality.

The CEO and the other members of the executive committee may unilaterally terminate their respective agreements subject to 6 months' notice. The company may unilaterally terminate this agreement subject to 12 months' notice.²⁴

External representation

The board of directors represents the company vis-à-vis third parties and in law as plaintiff or defendant.

Nextensa itself is a member of the Urban Land Institute (ULI), the Professional Association of the Belgian Real Estate Sector (BVS), the Belgian Luxembourg Retail and Shopping Centre Council (BLSC) and the European Public Real Estate Association (EPRA).²⁵

²⁴ 2-19-a-iii Termination payments

²⁵ 2-28 Membership associations

Diversity Policy

The principles of equal opportunities, diversity and inclusion are of essential importance to Nextensa and are anchored in the organisation's business rules and values, as reflected in its Code of Ethics and Corporate Governance Charter.

As regards diversity, the company applies the provisions of Article 7:86 of the Code of Companies and Associations regarding gender diversity at the level of the board of directors and the recommendations of Code 2020 in striving for diversity and complementarity in the profiles of its advisory and decision-making bodies.

Nextensa is convinced that respect for diversity within its bodies encompasses several facets, and consequently rather than focusing on any one particular aspect it pays constant attention to the necessary complementarity as regards skills, experience, personalities and profiles in the composition of those bodies, as well as the professional expertise and integrity required for the performance of these functions. The objective is put into practice by the board of directors and the nomination and remuneration committee by means of an evaluation of the existing and missing skills, knowledge and experience prior to the search for people with suitable profiles for each vacancy.

In this regard the board of directors sees to it that all management and consultative bodies are composed as optimally as possible of members from different age groups and with different kinds of experience and skills.²⁶

Nextensa is convinced that these principles of diversity are not exclusively confined to its governance bodies but must be applied throughout the organisation. Thus in addition to the required professional skills and the diversity criteria imposed by law, great attention is constantly paid to diversity in all its forms, in the selection of employees, so as to bring about a complementary team with a good spread in terms of gender, age, education, cultural background, etc. In order to promote diversity and inclusion in the workplace even more, measurable objectives have been developed to close the gender gap in management positions. In 2022 the ratio of male to female employees in the whole organisation stood at 45 to 37. The board of directors currently consists of 5 women and 3 men.²⁷

Compliance

INTEGRITY POLICY²⁸

The company's integrity code is an important part of its corporate governance and has been set up to emphasise the importance of ethical and responsible business conduct.

This code creates a general (behavioural) framework with a number of general principles and ethical guidelines, applicable to every member of the company bodies and every employee of the Nextensa Group. In addition, contractors and partners of the Group are also expected to observe and respect the principles of this code of integrity, and to commit to extend these legal and ethical standards to their own supply chain.

This policy covers various aspects, including compliance with applicable laws and regulations regarding market abuse, non-corruption, professional secrecy, human rights, compliance with the principles around diversity and inclusion and conducting business in a socially responsible manner. The compliance officer monitors compliance with the integrity code and answers questions about its application.²⁹

²⁶ 2-9-c governance structure

²⁷ 2-9-c-v Description of the composition of the highest governance body and its committees by: gender

²⁸ 2-23 Policy commitments

²⁹ 2-26 Mechanisms for seeking advice and raising concerns

Anouk Kerkhofs, Corporate Legal Counsel, exercises the position of compliance officer at Nextensa.

The integrity code is established by the board of directors and all employees receive and sign a copy when they are hired. All existing and new employees also receive regular information sessions on the Codes and Charters applicable to them.³⁰

The integrity code was last updated on 10 November 2022.

CODE OF CONDUCT ON FINANCIAL TRANSACTIONS³¹

The board of directors has disclosed its rules of conduct on financial transactions in its Dealing Code. This Dealing Code sets out Nextensa's internal policy on preventing the abuse of inside information and other forms of market abuse.

The board of directors set up these rules to avoid any unlawful use of inside information by employees, or even the possibility of creating such an impression.

The Code provides a procedure regarding transactions in financial instruments of Nextensa to be carried out by directors, members of the executive committee or by employees.

The compliance officer monitors compliance with the Dealing Code and answers questions on its application.³²

The Dealing Code is established by the board of directors and all employees receive and sign a copy when they are hired. Existing and new employees also receive information sessions on a regular basis on the Codes and Charters applicable to them.³³

The Dealing Code was last updated on 19 July 2021.

INNOVATION POLICY

The company's innovation policy aims to create a framework defining the strategy and process around innovation within Nextensa. The aim of this policy is to formally integrate innovation and new technologies within Nextensa's structure and thereby optimise its processes, project development, asset management and customer satisfaction. After all, Nextensa believes that innovation and technology bring new opportunities to light and can lead to sustainable growth for all stakeholders.

The innovation policy was formally set up and approved by the board of directors in 2022, after innovative initiatives and technologies had already been implemented within the group for many years.

In line with this policy, the board of directors will be informed annually about ongoing innovation initiatives. These initiatives will be selected and monitored by an internally established innovation committee.

SUSTAINABLE PURCHASING POLICY

In 2023, Nextensa's sustainable purchasing policy for suppliers and service providers, as well as the due diligence process, will be further formalised and implemented. The sustainable purchasing policy contains the key principles of Nextensa's integrity code and has been drafted in line with the Building Research Establishment Assessment Method (BREEAM) requirements on responsible use of materials and the principles included in EU taxonomy.

The BREEAM standards (the world's leading method for the sustainability assessment of master planning projects, infrastructure and buildings) reflect the environmental, social and economic performance of assets throughout the entire life cycle of the developed environment, from new construction to commissioning and renovation. When assessing the suppliers and service providers that will be collaborated with and selected, Nextensa will therefore carry out social and environmental due diligence processes and score the suppliers as required by the BREEAM methodology.

The aim of the EU taxonomy is to help identify economic activities that contribute substantially to one of the six EU environmental objectives, without harming the other five. Disclosures on the extent to which their activities contribute to the six environmental objectives are mandatory for all listed and large companies within the scope. EU Taxonomy includes technical screening criteria to contribute and not harm environmental objectives.

³⁰ 2-24 Embedding policy commitments

³¹ 2-23 Policy commitments

³² 2-26 Mechanisms for seeking advice and raising concerns

³³ 2-24 Embedding policy commitments

PROTECTION OF PERSONAL DATA

The General Data Protection Regulation came into force in 2018 and aims to protect individuals' fundamental right to protection of their personal data.

In this context, Nextensa has implemented a privacy policy covering all its activities. Specific data protection agreements have been concluded with suppliers, subcontractors, counterparties, etc. This privacy policy is regularly reviewed taking into account any relevant developments in operations or regulations.

CYBER SECURITY

Internal and external audits are carried out within Nextensa on a regular basis regarding the entirety of IT security risks. The findings, recommendations and risk mitigation action plan in this regard are discussed within the executive committee.

Internal control and risk management

Under the responsibility of the board of directors, the Company has adopted an internal control system in which it is supported by the statutory auditor and the audit committee.³⁴

The organisation of the internal control system in the Company originates from the COSO 2013 model.

The internal control comprises a set of means, activities, procedures and actions that are adapted to the specific characteristics of the Company and that contribute to controlling its activities, the efficiency of its operations and the efficient use of its resources, and allow it to adequately take into account important risks, whether they are operational or financial, or are related to compliance.

The internal control aims more specifically at:

- reliability and integrity of financial reporting;
- good and carefully organised management with well-defined targets;
- use of resources in an economically responsible and efficient way;
- establishing internal general policies, plans and procedures;
- compliance with laws and regulations.

The Chief Financial Officer (risk control) and the Corporate Legal Counsel (compliance) play a key role in this internal control and ensure that risk control and compliance are followed up.

As the main focus in 2022 was on the implementation of the existing internal procedures within the former Extensa operations, it was decided not to engage an independent internal audit function in 2022.

Other stakeholders

STATUTORY AUDITOR

The statutory auditor, appointed by the general meeting of shareholders, audits the annual accounts and the annual and half-yearly financial reports.

For the last 3 financial years and to date, this is Ernst & Young Bedrijfsrevisoren BV, with registered office at 1831 Diegem, De Kleetlaan 2 (company number - RLE Brussels 0446.334.711), registered with the Institute of Company Auditors under number B00160, the auditor being represented by Mr Joeri Klaykens.

The mandate of Ernst & Young Bedrijfsrevisoren expires after the ordinary general meeting to be held in 2024.

³⁴ 2-16 Communication of critical concerns

The annual remuneration of the auditor for the audit of the company's statutory and consolidated financial statements in respect of the 2022 financial year is EUR 70,824 (excluding VAT and out-of-pocket expenses).

The auditor's remuneration for auditing the annual accounts of the company's Belgian subsidiaries totals EUR 274,074

In addition, a total of EUR 22,308 (excluding VAT) in fees were paid to the statutory auditor for special assignments for Nextensa (i.e. legal reports in the context of, among others, EMIR and contribution in kind in Extensa Invest I which fees were approved by the audit committee in accordance with the procedure referred to in Article 3:64 of the Code of Companies and Associations).

The auditor's remuneration for the audit of the annual accounts of the company's foreign subsidiaries totals EUR 151,260 for the audit mandate and EUR 31,419 for statutory assignments regarding liquidations.

Agreements on the (fixed) fees for the company's statutory auditor are established contractually with the statutory auditor and, with regard to the fee for the audit mandate, are approved by the general meeting of shareholders.

REAL ESTATE EXPERTS

For the 2022 financial year, Nextensa has engaged two real estate experts: Gregory Lamarche (Cushman & Wakefield Belgium NV), for the valuation of the investment properties in Belgium and Luxembourg, and Örag for the valuation of the investment properties in Austria.

FINANCIAL SERVICES

During the past financial year, financial services were entrusted to Delen Private Bank as main paying agent within the framework of ESES (Euroclear Settlement for Euronext-zone Securities), for which a fee of EUR 25,028 (excluding VAT) was provided.

Knauf Schmiede - Luxembourg



Remuneration report

INTRODUCTION

The remuneration report has been drawn up in accordance with Article 3:6, §3 of the Code of Companies and Associations and Code 2020.

This report sets out the main principles of the company's remuneration policy and the manner in which they were applied over the past year. The current remuneration policy can be found at www.nextensa.eu.³⁵

The company's current remuneration policy was approved by the ordinary general shareholders' meeting on 16 May 2022 and applies from 1 January 2022.³⁶ At this meeting, it was decided to abolish the fixed remuneration of EUR 4 000 per year for the members of the audit committee and the nomination and remuneration committee. The company's previous remuneration policy was otherwise retained.

This remuneration report contains information on the remuneration of the board of directors and members of the company's executive committee.

The 2022 financial year is the first full year in which Nextensa has been able to implement its strategy as a mixed real estate investor and developer. The 2021 financial year was the year of major change for Leasinvest and Extensa with both companies merging into Nextensa. During the first half

of 2021, we were still talking about Leasinvest Real Estate, a BE-REIT. On 19 July, the BE-REIT status was abandoned and Nextensa emerged from the business combination with Extensa Group. This makes it difficult to compare the performance of the 2022 financial year with that of previous financial years. Indeed, this financial year is only the first year in which Extensa's results fully contribute to Nextensa Group's results.

The 2021 financial year was also an exceptional year in terms of the remuneration of Nextensa's non-executive directors. Given the business combination, there was an increased number of meetings of the board and its committees. This number was reduced in 2022, resulting in a lower total remuneration of the directors.

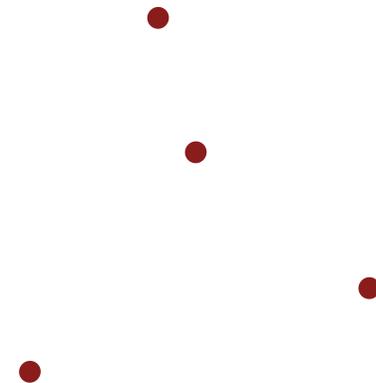
REMUNERATION OF THE DIRECTORS OF THE COMPANY

The non-executive directors are remunerated for their mandate as follows:

- Basic remuneration for non-executive directors: €22,000 p.a.
- Additional remuneration for the chair of the board of directors: €23,000 p.a.
- Additional remuneration for the chair of the audit committee: €4,000 p.a.
- Attendance fee for each attendance of a meeting of the board of directors, the audit committee or the nomination and remuneration committee: €2,500

All members of the board of directors are covered by a directors' civil liability policy ("D&O Insurance") for which the premium is paid by the Company. Non-executive directors do not receive any other benefits. They receive no performance-related remuneration such as bonuses or stock options and no benefits in kind or related to pension schemes. They are however reimbursed for normal justified disbursements and costs that they can show have been incurred in the performance of their mandate.

Executive directors receive no remuneration for the performance of their directors' mandate in Nextensa.



³⁵ 2-19-a Remuneration policies

³⁶ 2-20 Process to determine remuneration

OVERVIEW OF THE REMUNERATION OF THE COMPANY'S DIRECTORS IN 2022

	FIXED REMUNERATION			ATTENDANCE			ATTENDANCE FEE		TOTAL REMUNERATION (EXCL. VAT)
	Board of directors	Member AC	Member NRC	Board of directors	AC	NRC	Raad van bestuur	Comittees	
Piet Dejonghe	33,500	-	-	7/7	2/2	1/1	17,500	7,500	58,500
Dirk Adriaensen	22,000	-	-	7/7	-	-	17,500	2,500	42,000
Marcia De Wachter (through Brain@Trust BV)	22,000	-	-	6/7	4/4	-	15,000	10,000	47,000
Colette Dierick	22,000	-	-	6/7	-	-	15,000	-	37,000
Sigrid Hermans (through SoHo BV)	22,000	4,000	-	7/7	4/4	2/2	17,500	15,000	58,500
Hilde Delabie - director since 16/05/2022)	11,000	-	-	3/3	2/2	-	7,500	5,000	23,500
An Herremans - director since 16/05/2022)	11,000	-	-	3/3	2/2	-	7,500	5,000	23,500
Michel Van Geyte (through Midhan BV)	-	-	-	7/7	-	-	-	-	-
Jan Suykens - director until 16/05/2022	22,500	-	-	4/4	-	1/1	10,000	2,500	35,000
Eric Van Dyck (through Starboard BV) – director until 16/05/2022	11,000	-	-	3/4	-	1/1	7,500	2,500	21,000
Jean-Louis Appelmans (through Granvelle Consultants & C° BV) - director until 16/05/2022	11,000	-	-	3/4	-	-	7,500	-	18,500
TOTAAL									364,500

This table shows per director the remuneration to which they are entitled for the fulfilment of their mandate for financial year 2022. This remuneration will be paid, following approval of the annual accounts by the ordinary general shareholders' meeting scheduled for 15 May 2023.

The remuneration of Piet Dejonghe, An Herremans, Hilde Delabie and Jan Suykens will be paid to Ackermans & van Haaren NV pursuant to an agreement between them.

REMUNERATION OF THE CEO AND THE OTHER MEMBERS OF THE EXECUTIVE COMMITTEE³⁸

The remuneration of the CEO and the other members of the company's executive committee consists of four components: (i) fixed remuneration in cash, (ii) variable remuneration in cash (STI or short-term incentive), (iii) stock options (LTI or long-term incentive) and (iv) insurance and other benefits.

The board of directors determines the remuneration of the other members of the executive committee, at the proposal of the nomination and remuneration committee.³⁹ This remuneration is determined with a view to attracting, motivating and retaining the members of the executive committee, taking into account the size of the company and the individual responsibilities that each member of the executive committee is expected to fulfil, the relevant experience and skills required and the length of service. The analysis of the remuneration of the members of the executive committee by the nomination and remuneration committee is accompanied by benchmarking of other listed and non-listed real estate companies and other non-real estate companies of similar size and importance.

These components are assessed annually by the nomination and remuneration committee and benchmarked with market practices. The company strives to reach a motivating combination between a fixed remuneration in line with market practices and short- and long-term incentives at the level of the variable remuneration.

In view of the considerable changes that the company has undergone in 2021 in terms of both size and activities during the financial year last ended and the expansion of the executive management, at the end of 2021 an analysis was carried out of the remuneration of members of the executive committee. Based on this analysis the board of directors, at the proposal of the nomination and remuneration committee, resolved to increase the fixed remuneration of members of the executive committee as of 2022.

Fixed remuneration in cash

The fixed remuneration, which is indexed annually based on the health index.

Variable remuneration in cash

Variable remuneration is granted to members of the executive committee and is established on a discretionary basis by the board of directors.

The amount of variable remuneration is related to annual objectives and is established in the light of the actual achievement of:

- quantifiable criteria (which weigh 80% in the setting of this remuneration, such as the achievement of key financial targets, the completion of projects agreed in advance (e.g. issuance of a planning permission, successful completion of a (re-) development project, successful investments/divestments, EPS, occupancy rate)); and

- qualitative criteria (which weigh 20% in the setting of this remuneration, including ESG targets, interaction with the board of directors and staff and the staff members of the Company, evaluation of and by the staff for whom the manager is responsible, compliance with governance and agreed processes and procedures, improvement of internal processes, etc.).⁴⁰

The annual objectives are aligned with the company's strategy. The board of directors avoids setting criteria that might encourage the CEO and other members of the executive committee to give priority to short-term objectives that may influence their variable remuneration but may have a negative effect on the company in the medium and long term.

The percentage of variable remuneration may vary from year to year. For the CEO it is capped at 50% and for other members of the executive committee at 40% of annual fixed remuneration.

The main objectives that were considered when granting the variable remuneration for 2022 to the members of the Executive Committee were (i) the integration of Extensa within Leasinvest, both in terms of personnel culture and systems and procedures, (ii) the successful start-up of the divestment program, which led to a strengthening of the balance sheet, significant capital gains and a further reduction in the debt ratio, (iii) the follow-up of the development program in Luxembourg (own portfolio and Cloche d'Or), (iv) the preparation of the permit application

³⁸ 2-19-a-i fixed pay and variable pay

³⁹ 2-20-a-i Whether independent highest governance body members or an independent remuneration committee oversees the process for determining remuneration

⁴⁰ 2-18-a The process for evaluating the performance of the highest governance body

for Lake Side, the final phase of the development at Tour & Taxis, (v) the residential sales and (vi) the roll-out of the ESG strategy and the further stimulation of new innovative techniques, for a further sustainability of the portfolio.⁴¹

Stock options

The company's remuneration policy provides that a stock option plan may be granted to the CEO and other members of the executive committee as a long-term incentive. The purpose of the stock option plan is to reward its beneficiaries for their contribution to long-term value creation. The granting of stock options is not tied to pre-established and objectively measurable performance criteria. The board of directors decides on the granting of stock options to the members of the executive committee on the recommendation of the nomination and remuneration committee. The award is made in the context of the stock option plan approved by the board of directors in October 2021.

The main features of the stock option plan are: (i) the stock options are offered free of charge to beneficiaries; (ii) each option accepted gives the beneficiary the right to subscribe to one share of the Company with the same rights as the other, existing shares of the Company; (iii) the exercise price is established at the time of offering and is equal to the lower of the average closing price of the shares of the Company during the thirty calendar days prior to the date of the offer and the last closing price prior to the date of the offer; (iv) the stock options are not exercisable for a period of three calendar years following the year in which the offer is made (except in the case of death or reaching the legally pensionable age), or after

eight years have elapsed from the date of the offer; and (v) the stock options are not transferable except mortis causa. The option plan is in accordance with the provisions of the law of 26 March 1999.

Based on this stock option plan the board of directors offered 65,000 stock options to members of the company's executive committee, with the following characteristics:

	Number of options offered and accepted	Date of offer	Exercise price	Exercise period
Michel Van Geyte	30,000	29/11/2021	€ 71.50	01/01/2025 - 29/11/2027
Tim Rens	10,000	29/11/2021	€ 71.50	01/01/2025 - 29/11/2027
Olivier Vuylsteke	10,000	29/11/2021	€ 71.50	01/01/2025 - 29/11/2027
Peter De Durpel	15,000	11/08/2022	€ 62.00	01/01/2026 - 10/08/2028

Insurance and other benefits

The CEO benefits from a "defined contribution" type group insurance policy (supplementary pension). The other members of the executive committee do not enjoy this benefit.⁴²

The members of the executive committee do not enjoy any other benefits.

⁴¹ 2-19-b Objectives and performance in relation to the management of the organization's impacts on the economy, environment, and people.

⁴² 2-19-a-v Retirement benefits

Claw-back provisions⁴³

The agreements with the members of the executive committee provide the right of the company to reclaim any variable remuneration granted on the basis of inaccurate financial data.

During the past financial year, no use needed to be made of this claw-back mechanism.

For the financial year 2022, the following remuneration was provided on an individual basis to the CEO and the other members of the executive management:

in €	Fixed remuneration	Other benefits ⁴⁴	Variable remuneration	Group insurance	Total remuneration	Ratio fixed to variable remuneration
CEO						
Financial year 2022	425,000	N/A	170,000	5,571.08	620,571.08	68.5% vs 27.4%
Financial year 2021	343,000	N/A	100,000	25,883.95	468,883.95	77.5% vs 22.5%
Other members of the executive management						
Financial year 2022⁴⁵	700,000	N/A	165,000	N/A	865,000	80.9% vs 19.1%
Financial year 2021⁴⁶	526,853.52	32,316.27	140,000	20,186.88	719,356.67	79% vs 21%

EMPLOYEE REMUNERATION

The Nomination and Remuneration Committee takes note of the annual proposals concerning the global budget for increases (other than indexation) of the fixed remuneration of Nextensa Group staff (i.e. other than members of the Executive Committee), as well as the global budget for variable remuneration granted to staff and employees. The committee interacts in this regard with the CEO and at the same time keeps the board of directors informed of the main proposals mentioned above, on a global and not individual basis.⁴⁷

The ratio of the CEO's fixed remuneration to the lowest employee wage, expressed on a FTE basis, is 1 to 8.5.⁴⁸

⁴³ 2-19-a-iv Clawbacks
⁴⁴ Other benefits include the traditional benefits in kind - amongst which a company car, a smartphone, a tablet computer and hospitalisation insurance
⁴⁵ Remuneration of Tim Rens (Montevini BV), Olivier Vuylsteke (Wimas BV) and Peter De Durpel (Durabel Consulting BV)

⁴⁶ Remuneration of Tim Rens, Olivier Vuylsteke and Peter De Durpel (Durabel Consulting BV), taking into account the remuneration for the full 2021 financial year although the executive committee was only established in the second half of 2021

⁴⁷ 2-20-a-i Process for determining remuneration

⁴⁸ 2-21 Annual total compensation ratio

ANNUAL EVOLUTION OF GLOBAL REMUNERATION (IN %)

	2018 vs 2017	2019 vs 2017 ⁸	2020 vs 2019	2021 vs 2020	2022 vs 2021 ⁴⁹
Remuneration of non-executive directors					
Piet Dejonghe (remunerated since July 2021)	N/A	N/A	N/A	+100%	+77%
Dirk Adriaenssen (appointed on 22/05/2018)	N/A	+44%	-18%	+39%	-31%
Marcia De Wachter / Brain@Trust BV (appointed on 20/05/2019)	NVT	N/A	+48%	+29%	-32%
Colette Dierick (appointed on 20 May 2019)	N/A	N/A	+53%	+39%	-33%
Sigrid Hermans / SoHo BV (appointed on 20 May 2019)	N/A	N/A	+42%	+33%	-27%
Hilde Delabie (appointed on 16 May 2022)	N/A	N/A	N/A	N/A	N/A
An Herremans (appointed on 16 May 2022)	N/A	N/A	N/A	N/A	N/A
Total remuneration of the CEO⁵⁰ (since 15 May 2017 CO-CEO and since 22 May 2018, CEO)	+10%	+2%	-4%	-7%	+32%
Total average remuneration of the other members of the executive management⁵¹	N/A	N/A	+5%	+292%	+20%
Total average remuneration of the employees based on FTE^{52,53}	+12%	-18%	+2%	+15%⁵⁴	+3%
Performance of the company					
	31/12/2018	31/12/2019	31/12/2020	31/12/2021	31/12/2022
Investment portfolio occupancy rate	94.26%	90.46%	91.62%	89.09%	88.84%
Net result share group (€ 1,000)	38,194	49,900	7,683	53,244	71,310
Financial debt ratio	53.53%	54.78%	54.01%	48.56%	42.56%

⁴⁹ The differences between the remuneration in 2021 and 2022 are mainly due to the increased number of board meetings during 2021

⁵⁰ Michel Van Geyte & Midhan BV.

⁵¹ Only other members of the executive management within the company since financial year 2019. Since financial year 2021: executive committee consisting of three members (as well as the CEO)

⁵² This is the average salary cost for Nextensa. This cost includes gross salary (including double holiday pay and 13th month), group and hospitalisation insurance, laptop, mobile phone, company car, fuel card, bonus, meal vouchers, lump sum expenses. For this calculation, the wage cost of all employees of Nextensa's wholly-owned subsidiaries was taken into account

⁵³ 2-21 Annual total compensation ratio.

⁵⁴ To determine the total compensation of employees in 2021, the total compensation of employees of the Extensa group for the full financial year 2021 was taken into account

Related-party transactions - conflicts of interest⁵⁵

ARTICLE 7:96 CODE OF COMPANIES AND ASSOCIATIONS

In accordance with Article 7:96 of the Code of Companies and Associations, a director, if he/she has a direct or indirect interest of a patrimonial nature, which is contrary to the interest of the company as regards a decision or transaction that falls within the competence of the board of directors, must inform the other directors before the board of directors takes a decision. His statement and explanation of the nature of this conflict of interest shall be recorded in the minutes of the meeting of the board of directors taking the decision. The board of directors may not delegate this decision. The board of directors shall record in the minutes the nature of the decision or operation and its patrimonial consequences for the company and justify the decision taken. This section of the minutes shall be reproduced in full in the annual report.

The company's auditor must be informed. The director with a conflict of interest may not participate in the deliberations of the board of directors on such operations or decisions, nor in the vote in that regard.

The board of directors declares, to the best of its knowledge, that a conflict of interest in accordance with Section 7:96 of the Code of Companies and Associations occurred during the past financial year only at the meeting of the board of directors of the company held on 25 March 2022:

Michel Van Geyte declares, pursuant to Article 7:96 of the Code of Companies and Associations (CCA), to have an interest of a patrimonial nature that potentially conflicts with the interest of the Company in the context of the proposed approval of the terms of its service agreements (agenda item 5.5).

Agenda item 5.5: agreements (and remuneration) members executive committee

Following his aforementioned statement pursuant to Article 7:96 of the Code of Companies and Associations, Michel Van Geyte (and with him the other members of the Executive Committee) left the meeting at the start of the deliberations on this agenda item.

The chairman referred to the discussion of the contractual conditions and remuneration of the members of the executive committee at the board of directors' meeting of 22 October 2022 and to the drafts of the management agreements and the directors' agreements provided to them prior to this meeting.

The chairman of the nomination and remuneration committee commented on the proposals formulated by the committee to adjust the management agreements of the executive committee members.

The members were of the opinion that these agreements and the remuneration included in them were in line with the market and decided, on the proposal of the nomination and remuneration committee, to approve the remuneration of the members of the executive committee and the contractual conditions submitted to them.

ARTICLE 7:97 OF THE CODE OF COMPANIES AND ASSOCIATIONS

Where a listed company intends to carry out a transaction with a related company (subject to certain exceptions), Article 7:97 of the Code of Companies and Associations requires the establishment of an ad hoc committee of three independent directors, assisted by one or more independent experts if it considers this necessary; this committee must issue a reasoned opinion on the proposed transaction to the board of directors, which may take its decision only after taking note of this opinion. The auditor shall draw up a report on the veracity of the information contained in the opinion of the committee and in the minutes of the board of directors. The board of directors shall state in its minutes whether the procedure described above has been complied with and, if applicable, on what grounds the opinion of the committee is deviated from. The decision of the committee, an extract from the minutes of the meeting of the board of directors and the opinion of the auditor are included in a press release which is published as soon as the decision is taken or the transaction undertaken.

The conflict-of-interest procedure under section 7:97 of the CCA was not applied during the past financial year.

⁵⁵ 2-15-a The processes to ensure conflicts of interest are prevented and mitigated

CONFLICT OF INTERESTS PROCEDURE IN CORPORATE GOVERNANCE CHARTER

In its Corporate Governance Charter, the company has also provided a policy with regard to transactions with a director that do not fall under Article 7:96 of the Code of Companies and Associations.

Such a conflict of interest other than in the meaning of Article 7:96 of the Code of Companies and Associations exists in the event that (1) a person closely associated with the director has an interest of a patrimonial nature that is in conflict with a decision or transaction of the company or (2) a non- group company in which the director or a closely related person performs a board or management function has an interest of a patrimonial nature that is in conflict with a decision or transaction of the Company, unless this decision or transaction (i) gives rise to a conflict of interest in the meaning of Article 7:96 or 7:97 of the Code of Companies and Associations or (ii) concerns a customary transaction on normal market terms.

Where a director is involved in a conflict of interest other than in the meaning of Article 7:96 of the Code of Companies and Associations in relation to a matter which falls within the competence of the board of directors and on which it is required to take a decision, the director concerned shall inform the other members of the board of directors in advance. They then decide whether or not the director concerned should abstain from voting on the matter to which the conflict of interest relates. However, the director concerned may participate in the deliberations in such a case.

The Corporate Governance Charter makes each director particularly aware of conflicts of interest that may arise

between the company, its directors, its significant or controlling shareholder(s) and other shareholders.

A director proposed by an important or controlling shareholder must ensure that the interests and intentions of this shareholder are sufficiently clear and are made known to the board of directors in a timely manner.

The board of directors acts in such a way as to avoid a conflict of interest or the perception of such conflict whenever possible. Where there is a substantial conflict of interest, the board of directors carefully considers communicating as soon as possible about the procedure followed, the main considerations and the conclusions.⁵⁶

Where relevant, these provisions provided for in the Corporate Governance Charter also apply to members of the executive committee.

In the past financial year, this policy provided for in the Corporate Governance Charter did not have to be applied.

RULES WITH REGARD TO CONFIDENTIALITY

The Corporate Governance charter further details the confidentiality expected of directors with regard to information obtained in the performance of their office. The dealing code covers the confidentiality required in the case of insider or privileged information. The company's Integrity Code deals more specifically with the professional secrecy to which both members of the corporate bodies and members of staff are held within the framework of their functions.

Repurchase of own shares

Nextensa announced in December 2021 to start a share buy-back program of up to €4,800,000 in total to acquire up to 65,000 treasury shares within the limits of the (renewed) authorisation to buy back treasury shares, as granted by the extraordinary general meeting of shareholders on 19 July 2021. By 25 May 2022, these 65,000 treasury shares had been acquired and the buy-back program was terminated. €4,800,000 in total to acquire up to 65,000 treasury shares within the limits of the (renewed) authorisation to buy back treasury shares, as granted by the extraordinary general meeting of shareholders on 19 July 2021. By 25 May 2022, these 65,000 treasury shares had been acquired and the buy-back program was terminated.

The buy-back program aims to enable Nextensa to meet its obligations arising from share option plans for the benefit of Nextensa's executive committee.

The buy-back program was carried out by an independent broker in accordance with the applicable regulations regarding share buybacks.

As at 31 December 2022, the situation is as follows:

- Number of treasury shares repurchased: 65,000 (0.65%)
- Fractional value per share (rounded): 11.00 euros
- Average price per share (rounded): 70.63 euros
- Total investment value: 4,590,842.00 euros

⁵⁶ 2-15-b Disclosure of conflicts of interest

Research and development

During the past financial year, no specific research and development activities were carried out either by the company or by the companies that are part of its consolidation scope.

Factors likely to have an influence in the event of a takeover bid

Article 34 of the Royal Decree of 14 November 2007 on the obligations of issuers of financial instruments admitted to trading on a regulated market (hereinafter the "Royal Decree") requires them to list and, if necessary, explain the following elements in a management report, insofar as these elements are of a nature to have an effect in the event of a takeover bid.

STRUCTURE OF THE CAPITAL (article 34, 1° Royal Decree)

The company is a Belgian naamloze vennootschap or société anonyme (public limited liability company). Its capital is divided into 10,002,102 fully paid-up shares with voting right, without nominal value, each representing an equal share of the capital. There is only one class of shares.

LEGAL OR STATUTORY LIMITATIONS ON THE TRANSFER OF SECURITIES (article 34, 2° Royal Decree)

There are no legal or statutory limitations on the transfer of securities.

SHAREHOLDER STRUCTURE (article 34, 3° Royal Decree)

For the transparency notifications, please refer to the shareholders as set out in the Corporate Governance Statement. Nextensa has no shareholders which enjoy special control rights.

EMPLOYEE STOCK OPTION PLAN (article 34, 4° Royal Decree)

In October 2021 the company's board of directors approved a stock option plan for members of the executive committee. This stock option plan provides the possibility for the board of directors to also allocate stock options to selected employees. No use has yet been made of this option.

Each option accepted under this stock option plan entitles the beneficiary to subscribe to one share of the company with the same rights as the existing shares of the company.

LEGAL OR STATUTORY LIMITATIONS ON THE EXERCISE OF VOTING RIGHTS (article 34, 5° Royal Decree)

Each share with voting rights confers the right to one vote in the general meeting of shareholders. In accordance with Article 7:53 of the Code of Companies and Associations, fully paid up shares that have been registered in share register in the name of the same shareholder for at least two years without interruption confer a double voting right. The two-year term starts on the date on which the shares are registered nominatively in the share register.

Nextensa NV uses the LIFO (last in, first out) method to calculate the period of two successive years. For a given nominative shareholder the shares last acquired will be the first to be deducted from his or her global holding of nominative shares in the event of subsequent transfer or dematerialisation, unless the request for dematerialisation or the transfer documentation explicitly stipulates otherwise.

No other securities granting voting rights have been issued. There are no legal and statutory limitations on the execution of the voting rights.

SHAREHOLDER'S AGREEMENTS (article 34, 6° Royal Decree)

To Nextensa's knowledge, no shareholder agreements have been entered into.

RULES FOR NOMINATING AND REPLACING MEMBERS OF THE MANAGEMENT BODY AND FOR AMENDMENTS TO THE ARTICLES OF ASSOCIATION OF THE ISSUER (article 34, 7° Royal Decree)

The procedure applied for the (re-)nomination of a director is detailed in the Corporate Governance Charter (Article 2.1.4).

As to the existing agreements regarding the composition of the board of directors and the majority rules in force within the board of directors, we refer to the Corporate Governance Statement.

The general meeting of shareholders of the company can validly deliberate and decide upon an amendment to the Articles of Association only if shareholders in attendance or duly represented represent at least half of the registered capital, without prejudice to any more stringent legal provision that might apply.

An amendment to the Articles of Association is adopted only if at least three quarters of the votes attached to the shares present or represented are cast in favour, without prejudice to any more stringent legal provision that might apply.

POWERS OF THE MANAGING BODY, PARTICULARLY WITH REGARD TO THE POSSIBILITY OF ISSUING OR BUYING BACK SHARES (article 34, 8° Royal Decree)

The board of directors of Nextensa has certain powers regarding the right to issue or repurchase shares (see article in articles of association).

As regards the authorisation granted to the board of directors to proceed with the issue of shares, reference is made to Article 6 of the company's articles of association.

With regard to the authorisation granted to the board of directors to acquire (and alienate) the company's own securities, reference is made to Article 11 of the company's Articles of Association.

IMPORTANT AGREEMENTS TO WHICH THE ISSUER IS PARTY THAT COME INTO EFFECT, UNDERGO AMENDMENT OR COME TO AN END IN THE EVENT OF A CHANGE OF CONTROL OF THE ISSUER FOLLOWING A PUBLIC TAKEOVER BID (article 34, 9° Royal Decree)

It is customary to incorporate a "Change of control" clause in financing agreements allowing the bank to demand repayment of the loan if a change of control over the company has a material adverse effect on the company. The following banks incorporated such a clause relating to a change in control: ING Belgium NV, ING Luxembourg SA,

KBC Bank, BNP Paribas Fortis, Belfius Bank and Argenta Spaarbank. This clause is also present in the commercial paper programme (also called "short and medium treasury notes programme") concluded by the company on 22 September 2021 for €250 million.

Besides this, the agreement relating to the private placement of bonds issued on 20 November 2019 contains a similar clause entitling the investors concerned in certain circumstances to demand early repayment in the event of a change of control.

AGREEMENTS BETWEEN THE COMPANY AND ITS DIRECTORS OR EMPLOYEES PROVIDING FOR SEVERANCE PAYMENTS IN THE EVENT OF A TAKEOVER BID (article 34, 10° Royal Decree)

No agreements have been made between the company and its directors or employees providing for compensation in the event that, following a public takeover bid, directors resign or are dismissed without valid reason, or employees' employment is terminated

RISK FACTORS

This chapter contains the identified risks that could have a negative impact on Nextensa and also a description of the measures taken by Nextensa to anticipate them, mitigate their potential impact and turn them into opportunities. Doing business involves taking risks: it is not possible to eliminate the potential impact of all identified risks nor of any remaining risk that might be borne by Nextensa and, indirectly, by its shareholders. The global economic and financial environment and the current geopolitical context may amplify certain risks associated with Nextensa's operations. This overview of risks is based on the information known at the time of preparing this annual report and is only a reflection of the specific and most important risk factors facing the company.

This section deals with (i) risks related to market conditions and external economic factors, (ii) risks related to the company's 9.59% stake in the BE-REIT Retail Estates, (iii) property-related risks, (iv) operational risks and (v) financial risks.

Each of the following risks, individually or in combination, may adversely affect the company and the company's business, financial condition and results of operations, and therefore the value of the shares.

This section lists only the specific and most important risk factors for the company, according to their probability of materialisation and the estimated extent of their negative impact on the company. Within each category, the risk

factors considered most material based on an overall evaluation of the criteria in the annual report and in line with the company's assessment of the relevance of the risk are presented first. However, the order of the categories does not reflect an evaluation of the relevance of the categories themselves or the relative relevance of the risk factors within one category compared to the risk factors in another category. The order of the risk factors listed within each category after the first risk factor presented does not reflect an evaluation of the relative relevance of these other risk factors within the relevant category.

A. Risks associated with market conditions and external economic factors

The company's revenues depend to a large extent on the rental income generated from its investment portfolio and on the volume and exit value of its developments. In this respect, the company, and the real estate sector in general, is exposed to economic conditions and other events that affect the (type of) markets in which the investment and the developments are located.

A general slowdown in the company's markets or on a global scale, changes in the principal macroeconomic indicators, geopolitical environment or the economic cycle and economic conditions more generally, as well as a structural change in societal or customer behaviour could result in a lower demand for property space both in the investment property market and in the development market, as well as in certain or more real estate segments or locations within such markets, leading to a possible decrease in revenue for the company and in the overall value of the properties in the portfolio of the company. It also entails a higher risk of default of tenants, service providers, building contractors and other counterparties (see also risk factor D.2. Risks linked to the weakened financial situation of the tenants).

A.1.

Risks associated with reduced demand for retail and office real estate – impact on rental income of the investment portfolio

Risk description

The income of the company and the value of its investment portfolio are very much related to the type of real estate that makes up its portfolio (offices, retail and other (logistics, events, parkings) and its localization (Luxembourg, Belgium and Austria).

As of 31 December 2022, the investment portfolio represented approx. 72% of the total assets of the company (fair value of approx. EUR 1.43 billion). The fair value of the investment portfolio by type of real estate represents: offices (47%), retail (44%), other (9%, events, parkings, logistics) in Luxembourg (41%), Belgium (44%) and the retail market in Austria (15%).

You will find an overview of recent developments in the markets in which the company operates in chapter 7 “Real estate report” as well as a more detailed overview of the composition and location of the portfolio.

Potential impact

In the context of reduced demand, rental income and cash flow of the investment portfolio can be affected by rising vacancy rates, lower rents, and higher capex investments or other commercial concessions such as rent free periods to attract new tenants or to extend existing tenant relationships. This results in a direct negative effect on the company’s income and indirectly on the value of the investment portfolio held by the company.

The effect on the rental income of the company’s investment portfolio can be illustrated as follows: at 31 December 2022, a 1% decrease in rental income would lead to a 0.9% decrease in the company’s net income, where a 1% increase in rental vacancy would imply an approximate 1% fall in net income.

The fact that the retail investment portfolio has an average occupancy rate of 95.73% across Belgium, Luxembourg and Austria as of 31 December 2022 and is composed of 35% of tenants of essential stores and of predominantly larger retail brands that integrate a/o e-commerce into their business model make this retail portfolio more resilient to the reduced demand for retail real estate, in addition to the weighted average duration of the current commercial leases of 4.22 years.

The fact that the office investment portfolio also has an average occupancy rate of 85.64% across the three countries and the weighted average term of the leases for office space as at 31 December 2022 is 4.22 years, as a result of which this new way of working and the potentially reduced demand for office real estate will mainly have an impact with regard to the vacant office areas and the leases for offices that are contractually coming to an end in the short term.

Conclusion

The company believes that the probability of this risk is medium and that if this risk manifests itself the potential impact would be medium.

A.2.

Risks associated with reduced demand for residential and office real estate – impact on valuation of the developments

Risk description

As of 31 December 2022, the developments represented approx. 14% of the total assets of the company (book value of approx. EUR 242 million).

The division of the developments by country is as follows: Belgium (64%) and Luxembourg (36%) with focus on residential property (68%), office buildings (29%) and Other (3%; retail).

The residential and office markets depend on the confidence of, on the one hand, investors, i.e. the prospective purchasers of the properties developed by the company, and, on the other hand, private sector companies, households and public sector players, i.e. the prospective tenants of these properties. The residential market also depends on the financial means (equity and credit) households can devote to housing (purchase or rental).

Lower demand and investor appetite may result in lower sales prices and/ or additional investments to adapt projects, resulting in reduced returns and margins on developed projects.

It should be noted that this risk does not apply to those developments which are pre-sold to a third party but remains relevant for the other developments and any future development project the company may pursue.

Potential impact

A quantification of this risk can be made via the description of the different components included in the book value of approx. EUR 242 million.

- Contract assets (book value EUR 85 million) mainly relate to the quasi sold first residential phase on Cloche d'Or and the current residential project Park Lane II on Tour & Taxis (Risk Low)
- Developments Cloche d'Or (book value EUR 59 million) relate to the current residential and office development projects on the Cloche d'Or site: residential projects ('D South' and 'D Nord') and 4 office buildings under construction (of which 3 are pre-let and sold). The book value also includes the book value of the option rights on the land (exercise prices significantly lower than the prevailing market prices) (Risk Low)
- The development on Cloche d'Or is done in phases, with a limited impact on the net financial position and the balance sheet total. Grossfeld PAP SA has option rights on the land to be developed, the exercise prices of which are significantly lower than the prevailing market prices. These option rights will only be exercised after the necessary permits have been obtained and the construction will only be started in function of sufficient sales on plan (residential) and rented office buildings (Risk Low)

- Inventory (book value EUR 98 million) mainly concerns the development projects (Park Lane II, Lake side) and the land bank. We refer to section C.2 "developments - a variety of risks related to development strategy, permits and external factors during the construction phase" (Risk Medium)
- Business combination under common control (book value method): as a result of the book value method, the carrying amounts of the developments is lower than determined by the external valuation experts. (Risk Low)

The risk associated with reduced demand for residential and office real estate is therefore mainly limited to the assets included in the Inventory. We refer to risk factor C.2 "developments - a variety of risks related to development strategy, permits and external factors during the construction phase".

A.3.

Risks associated with reduced demand for retail real estate – 9.59% participation in the BE-REIT Retail Estates

Risk description

Indirectly, reduced retail demand also has an impact on the 9.59% participation held by Nextensa in the BE-REIT Retail Estates, given its main activity consists of renting out peripheral retail real estate. As of 31 December 2022, the participation in Retail Estates represented approx. 5% of the total assets of Nextensa (prior to the Transaction). As such, reduced demand and other circumstances and events affecting the real estate segment in which Retail Estates operates, the real estate sector as a whole and stock exchange markets in general, could result in a possible decrease in the Retail Estates share price, which in turn leads to a negative revaluation of the shareholding in Nextensa's income statement (see risk factor B).

Potential impact

For the potential impact of this risk reference is made to risk factor B.

Conclusion

The company believes that the probability of this risk is medium and that if this risk manifests itself the potential impact would be medium.

B. Risks associated with the 9.59% participation that the company holds in the BE-REIT Retail Estates

Risk description

As of 31 December 2022, Nextensa holds a 9.59% stake in Retail Estates NV, a BE-REIT that mainly holds peripheral retail property. This participation is considered to be a non-current financial asset that is measured at fair value (i.e. at the share price at balance sheet date) (i.e. EUR 62 per share as at 31 December 2022), where the value fluctuations are processed via the income statement in accordance with IFRS 9.

Retail Estates' share price may be affected by changes, developments or publications about Retail Estates or the niche market in which it operates; or more generally by certain political, economic, monetary or financial related factors impacting stock markets.

Potential impact

If the share price of Retail Estates falls, this decrease leads to a negative revaluation of the shareholding in Nextensa's income statement. On 31 December 2022, Nextensa owned approximately 1.3 million shares of Retail Estates, meaning that a decrease in the share price of EUR 10 per share results in a negative revaluation of approximately EUR 13 million, which in accordance with IFRS needs to be deducted in full from Nextensa's results as a financial loss (which amounted to EUR 12.7 million on 31 December 2022).

Retail Estates is a GVV and hence, subject to statutory minimum distribution obligations imposed by the applicable legislation. If Retail Estates would have decided not to pay a dividend during financial year 2021, this would have led to a EUR 6.2 million decrease in financial income for Nextensa for the financial year 2022.

Conclusion

The company believes that the probability of this risk is medium and that if this risk manifests itself the potential impact would be medium.



C. Real estate related risks

C.1.

Investment portfolio – risk related to external factors on which the company may have no control

Risk description

The fair value of the investment portfolio is subject to fluctuations due to inter alia exogenous factors on which the company may have no control, which may negatively impact the net result of the company.

The fair value of the company's investment portfolio is subject to fluctuations and is recognized in accordance with IAS 40. See chapter 7 "Real estate report" of this annual report and chapter 8 "Financial statements" for an overview of the investment portfolio of the company as of 31 December 2022 and" in respect of the valuation of the company's investment portfolio by the external real estate valuation expert.

These fluctuations are due to several factors. Some of these factors are exogenous on which the company may therefore have no control, such as:

- declining demand in the submarkets in which the company operates (see risk factor A.1);
- the occupancy rate (88.84% as at 31 December 2022 compared to 89.09% as at 31 December 2022 for the company's investment portfolio);
- changes in expected investment returns (yields); and
- changes to the transaction costs and/or the applicable tax regime of real estate transactions.

In addition, the valuation of the investment portfolio can also be influenced by a number of qualitative factors, such as:

- the average age of a building (at the end of December 2022, 43% of the investment portfolio consists of buildings that are more than 15 years old, 2% buildings that are between 10 and 15 years old, 26% buildings that are between 5 and 10 years old and 28% buildings that are at most 5 years old,
- commercial positioning,
- requirements for capex investments, and
- sustainability.

A decrease of 1% in the fair value of the company's investment portfolio as at 31 December 2022 (as included in the pro forma accounts) would have an impact of EUR -12.8 million on the net result of the company.

Conclusion

The company believes that the probability of this risk is medium and that if this risk manifests itself the potential impact would be medium.

C.2.

Developments - a variety of risks related to development strategy, permits and external factors during the construction phase

Risk description

Developments tend to be subject to a variety of risks, each of which could cause late delivery of a project and, consequently, increase the development period leading up to its contemplated sale or lease, trigger a budget overrun, cause a loss or decrease of expected income from a project or even, in some cases, its actual termination.

Development strategy:

When considering property development investments, the company makes certain assessments and assumptions, based on feasibility studies, as to future economic conditions, market trends and other conditions, including assessments and assumptions relating to the potential return on investment at the time of completion of a project. If not all factors have been taken into account or if the assessments or assumptions do not prove to have been accurate, this may have an impact on the revenues for its projects (through disposals or leases) and the demand for these projects generally (see risk factor A.2).

Unexpected problems related to external factors (such as new rules and regulations, particularly with respect to soil pollution or energy performance and environmental protection) and undetected risks may arise in projects developed by the company, resulting in delays, budget overruns or even a substantial modification of the initial project.

Permits – urban planning:

The business could furthermore be adversely affected if it fails to obtain, maintain or renew necessary permits or fails to comply with the terms of these permits or if such permits would provide for onerous obligations. All developments projects are subject to urban planning, construction and environmental permits being granted (at all or upon reasonable terms) and hence, subject to the risk that the necessary permits to construct or convert a building and operate activities are not granted or challenged. A delay or failure in obtaining such permits upon reasonable terms could have an adverse impact on the activities of the company. Furthermore, the company must comply with various urbanisation rules which are subject to change by the competent authorities or administrations.

In addition, the company may face several other uncertainties in respect of the permits relating to its developments, e.g., potential opposition from neighbourhood committees or other third parties against certain development projects, unclear legislation, potential difficult cooperation with (local) governmental authorities, the interpretation of permit conditions (including urban planning charges) and, in general, overall complexity in respect of multifunctional urban development projects.

External factors during the construction phase:

The construction and development of the development projects may be delayed or challenged because of various factors, such as weather conditions, worksite accidents, acts of God or terrorism, work disputes, shortages of equipment or construction materials, accidents or other unforeseen difficulties. The company may furthermore incur additional costs in relation to the construction and development of its projects which exceed original estimates, for example in case of an increased cost of material and labour and other related costs.

Consequently, because of the risks described above, there may be uncertainty as to whether a given development project can be delivered within the expected timeframe and/or the expected budget, or if it can be developed at all.

In order to address these specific risks, the company has implemented and refined control systems over the years and has personnel with experience in both office and residential development. Despite these systems and its experienced personnel, the risk remains significant. If they materialise, these risks, which are moderately likely to occur, could have an impact on cash flows (in particular through an increase in the costs of service providers and a decline in the sales price) and ultimately on the expected profitability of the projects concerned and, consequently, on the expected contribution of one or more projects to the company's results.

Certain projects which are in construction are pre-sold or pre-leased. In circumstances where such project cannot be developed within the required timeframe or as per the agreed terms, this may result in the incurrence of additional costs, fines or even result in the termination of certain investment agreements, claims for damages or the termination of leases. The company endeavours to mitigate these risks and has contracted various insurance policies to cover, to a certain extent, such risks. However, not all risks are covered in insurance, insurances may not be economical and certain risks are uninsurable. In such case the company remains liable for any potential losses and liabilities.

These risks also apply to the redevelopment projects within the investment portfolio and may lead to reduced rental income, deferral or loss of expected rental income. Often, in the event of redevelopments of office and retail buildings, the work can only start after the leases with the tenants have ended and it may be that, if the term does not correspond to the permit process, these leases expire too early (resulting in vacancy) or continue longer (so that the work cannot start immediately after obtaining the permit).

Potential impact

For the potential impact of this risk reference is made to risk factor A.2.

Conclusion

Developments are subject to a variety of risks related to the company's pursued development strategy, permits and external factors during the construction phase, which may lead to uncertainty as to whether a given development project can be delivered within the expected timeframe and/or the expected budget, or if it can be developed at all.

C.3.

Risks related to (real estate) transactions**Risk description****Acquisition of real estate:**

The company has been and may in the future be a party to (complex) merger, demerger or other acquisition transactions. A large number of the properties in the company's portfolio has been acquired as part of the acquisition of shares in property companies or through corporate restructuring operations such as mergers and (partial) demergers.

There is a risk that the selection of a particular investment or development project may not meet the company's expectations even though potential investments are subject to extensive strategic and market risk analysis and due diligence. A possible misjudgment of the risks associated with an investment or the likelihood of such risks materialising could result in an inappropriate investment or development choice.

Although the company takes precautions in these types of transactions, including performing due diligence and stipulating guarantees in acquisition agreements, it is not excluded that in these transactions residual liabilities (including hidden residual liabilities) are transferred to the company. This can be the result of, among other things, the

outcome of negotiations, the non-compliance with certain obligations by the transferors or the fact that a number of due diligence documents could not be produced by the transferors. Furthermore, the stipulated warranties are typically limited in time and sellers usually stipulate limitations on their maximum liability under the warranties. Finally, the company continues to face the risk of insolvency of its counterparties.

Disposal of real estate

The company is also involved in M&A transactions on the sell-side when it disposes of its investment properties or developments. In that context it is market practice to give certain warranties and indemnifications. Although the company seeks to limit such liability in time and to restrict its maximum liability, it cannot be excluded that the company may be exposed to liabilities vis-à-vis the purchaser.

Potential impact

The foregoing may result in the failure to achieve anticipated returns or the exposure to certain liabilities, negatively impacting the company's earnings and risk profile.

Conclusion

The company believes that the probability of this risk is medium and that if this risk manifests itself the potential impact would be medium.



D. Operational risks

D.1.

Rental vacancy

Risk description

income generated from its investment portfolio. Hence, the inability of the company to conclude (or maintain) lease agreements is a key operational risk. The company is exposed to the risk of loss of rental income associated with the departure of its tenants prior to, or at the expiry of, ongoing contracts, with an additional risk in view of securing new agreements with new tenants. This results in the following risks:

- the risk of loss and/or decrease in rental income;
- the risk of pressure on rents and renegotiation of leases;
- the risk of higher costs during the period of vacancy,
- the risk of higher capex investments or other commercial concessions to attract new tenants;
- the risk of the decrease in the fair value of the buildings (see risk factor C.1).

At 31 December 2022, the consolidated occupancy rate of the investment portfolio amounts to 88.84%. Geographically, the highest vacancy rate is recorded in Belgium. The retail segment is the asset class with the highest vacancy rate.

Rental vacancy can be negatively affected by a reduced demand for retail or office real estate (where supply exceeds demand, in addition to an evolution in the nature of demand a/o under the influence of external factors such as e-commerce, the COVID-19 pandemic, teleworking).

Potential impact

As at 31 December 2022, a 1%-fluctuation in the occupancy rate in the company's investment portfolio would have an impact of approximately EUR 0.7 million on the operating property result.

As to direct costs linked to the rental vacancy (i.e. costs and taxes on vacant buildings, including a/o property tax and management costs), this is estimated at EUR 0.2 million, i.e. about 0.3% of the total rental income.

The maintenance of cash flows mainly depends on securing rental income. In this way, the company tries to conclude long-term leases and keep the breakdown of the portfolio and of the large tenants and the sectors in which they operate as large as possible, in order to obtain a maximum diversified real estate portfolio, tenant risk and rental income as possible and thereby to limit the dependence of the company following the disappearance of one or more tenants due to a/o termination of the lease or bankruptcy (see risk factor 1.4.2) and to secure the reduced or changed demand for a certain asset class.

At 31 December 2022, the weighted average duration of the current leases of the investment portfolio up to the next expiry date was 3.81 years which is relatively long-term.

Conclusion

The company believes that the probability of this risk is medium and that if this risk manifests itself the potential impact would be medium.

D.2.

Risks linked to the weakened financial situation of the tenants

Risk description

The company cannot exclude that its tenants will default on fulfilling their financial obligations towards the company due to their weakened financial situation.

There is a risk that, if the tenants concerned fail to fulfil their obligations towards the company, the rental guarantee is not sufficient and the company, although the company can exercise redress against the tenant, nevertheless bears the risk of not being able to recover the full amount from the defaulting tenant. In addition, the follow-up of debtors gives rise to additional internal and external costs (sending notices of default, subpoenas, court costs).

Potential impact

Loss in rental income could also have a negative impact on the valuation of the property concerned (see risk factor C.1) and may increase as a result of specific events (such as a pandemic).

During the financial year 2022, the doubtful debtor provision linked to the company's investment amounted to EUR 0.8 million, or 1.2% of rental income.

As at 31 December 2022, 96% of the rental income of the company's investment portfolio was nevertheless secured thanks to the regular follow-up of the unpaid receivables.

It should also be noted that there is no specific concentration risk due to the diversified tenant base. The top 10 retailers of Nextensa as at 31 December 2022 together account for 17% of rental income. Of these top 10 retailers, 74% are retailers of essential stores. The top 10 office tenants in turn account for 16% of rental income.

Conclusion

Weakened financial situations of the company's tenants might lead to rising defaults on financial obligations towards the company, which might result in loss of rental income and a negative impact on the valuation of the property concerned. The company believes that the probability of this risk is medium and that if this risk manifests itself the potential impact would be medium.

D.3.

Counterparty risk

Risk description

In the context of its development or renovation activities, the company is subject to the risk that a counterparty, such as a contractor, architect, other service provider or a purchaser of a pre-sold project, does not or does not timely comply with its contractual obligations. Although the company applies certain quality standards (amongst other things in respect of solvency and reliability) and pursues diversification as part of its counterparty selection process and a monitoring of their performance, such inability of a counterparty to comply with its contractual obligations could have an impact on the company's planning, its capacity to perform its own contractual obligations, possible litigation and, consequently, its results. Although discussions in the company's ordinary course of business with contractors may emerge from time to time, we do not anticipate major risks linked hereto.

The probability of occurrence of this type of risk is considered medium.

As part of its business strategy, the company actively pursues joint investments in properties and assets with third parties and intends to continue to purchase and develop properties in joint ventures or partnerships with other real estate players. Joint ownership or development of properties may,

under certain circumstances, involve additional risks, such as (i) the possibility that the company incurs liabilities as a result of actions taken by any such partner or co-investor or the inability of such partner or co-investor to comply with its contractual obligations vis-à-vis the company or third parties and (ii) the fact that the partners or co-investors in the venture may have a difference of opinion in relation to the development or sale of the venture's properties, the strategy of the venture, its management or their rights upon termination or divestment of the venture. Any such circumstances may result in subjecting the assets of the joint venture or partnership to unexpected liabilities. Under these arrangements, the company may not have the power to exercise exclusive control over the venture and, under certain circumstances, a difference of opinion with its partner or co-investor may lead to a deadlock that may have, or result in, an adverse impact on the value of the asset(s) concerned, the operations and profitability of the joint venture or partnership and, ultimately, the financial position of the company.

The development project at Cloche d'Or is developed in partnership (50% Nextensa) which represents 27% of the total developments of the company (we refer to Chapter 7 "Real Estate report" for more details).

Furthermore, the company believes that the probability that additional disputes with partners or co-investors, with a potential material impact on its results, would arise in the future is very low, and that if such risk materialized, the negative impact thereof would be medium.

Conclusion

The company is subject to the risk that its counterparties in developments and in renovations/developments in the investment portfolio do not or do not timely comply with their contractual obligations, which may have a negative impact on the company's planning, its capacity to perform its own contractual obligations, possible litigation and, consequently, its results.

D.4.

Risks related to regulatory changes

The company is active in a highly complex regulatory environment where it is subject to uncertainty due to the interpretation of regulations and regulatory changes, as regards both its investment portfolio and its developments. New (European, national, federal, regional or local) regulations or changes to existing regulations, including in the field of taxation, environment, urban planning, mobility policy, privacy and sustainable development, as well as new provisions relating to the lease of properties and the renewal of permits with which the company or the users of the company's properties must comply, or a changed application and/or interpretation of such regulations by the administration (including the tax administration) or the courts, may have an impact on the company's operations and financial results, as well as affect the fair value of its assets.

The company faces the risk that one or more of the group's buildings may not immediately comply with all new standards and regulations that would apply to them. Furthermore, if additional investments were required, this increases the cost to the group.

The company is active in Belgium, Luxemburg and Austria and is therefore liable to pay taxes in each of those jurisdictions. The tax burden on the company depends in

particular on the interpretation of local tax regulations in each of these jurisdictions. Changes in these tax regimes, or in the interpretation of existing rules under these regimes, could have an impact on the company's tax burden or lead to claims.

Conclusion

The company believes that the probability of this risk is medium and that if this risk manifests itself the potential impact would be medium.



E. Financial risks

E.1.

Risks related to financing and financing agreements – debt ratio and liquidity risk

Risk description

The company finances its activities with bank financing and bond financing and is exposed to liquidity and financing risks.

For its total real estate portfolio (investment and development), the company has attracted bank financing to fund the acquisition and capex investments relating to such portfolio. As at 31 December 2022, the company has confirmed credit lines amounting to EUR 881 million, of which EUR 535 million has not yet been drawn. The average duration of credit lines amounts to 2.85 years on 31 December 2022 for the part of the investment portfolio and 1.28 years for the part of the financings related to the development portfolio.

A significant part of the debt consists of bilateral financing with Belgian banks, each of the type “bullet” loan. In addition to this bilateral financing, the company also issued two

bonds for a total amount of (EUR 140 million) and has issued commercial paper for a total amount of EUR 74 million. The commercial paper is fully covered by unused bilateral lines of credit, so that a possible drying up of this short-term money market does not create liquidity problems at the company.

Per 31 December 2022, the debt ratio of the company amounted to 42.56%. Per 31 December 2022, the company had a consolidated debt capacity of EUR 206 million (amount of confirmed credit lines not yet been drawn) at constant assets (i.e. without growth of the real estate portfolio).

The company's financial model is based on structural indebtedness. As of 31 December 2022, they amounted to EUR 31.1 million on a consolidated basis.

If the company violates the provisions (undertakings and covenants) of its financing agreements, the credit lines may be cancelled or accelerated, or the company could be forced to immediately repay them. The applicable covenants are market-based for similarly situated credits and require, among other things, that the loan-to-value (“LTV”) does not exceed 60% (in a first phase), be it only linked to the Investment Properties that Nextensa already held prior to the completion of the Transaction. Furthermore, the risk of early termination exists in case of a change of control over the company, in case of breach of negative pledge or other covenants and obligations of the company and,

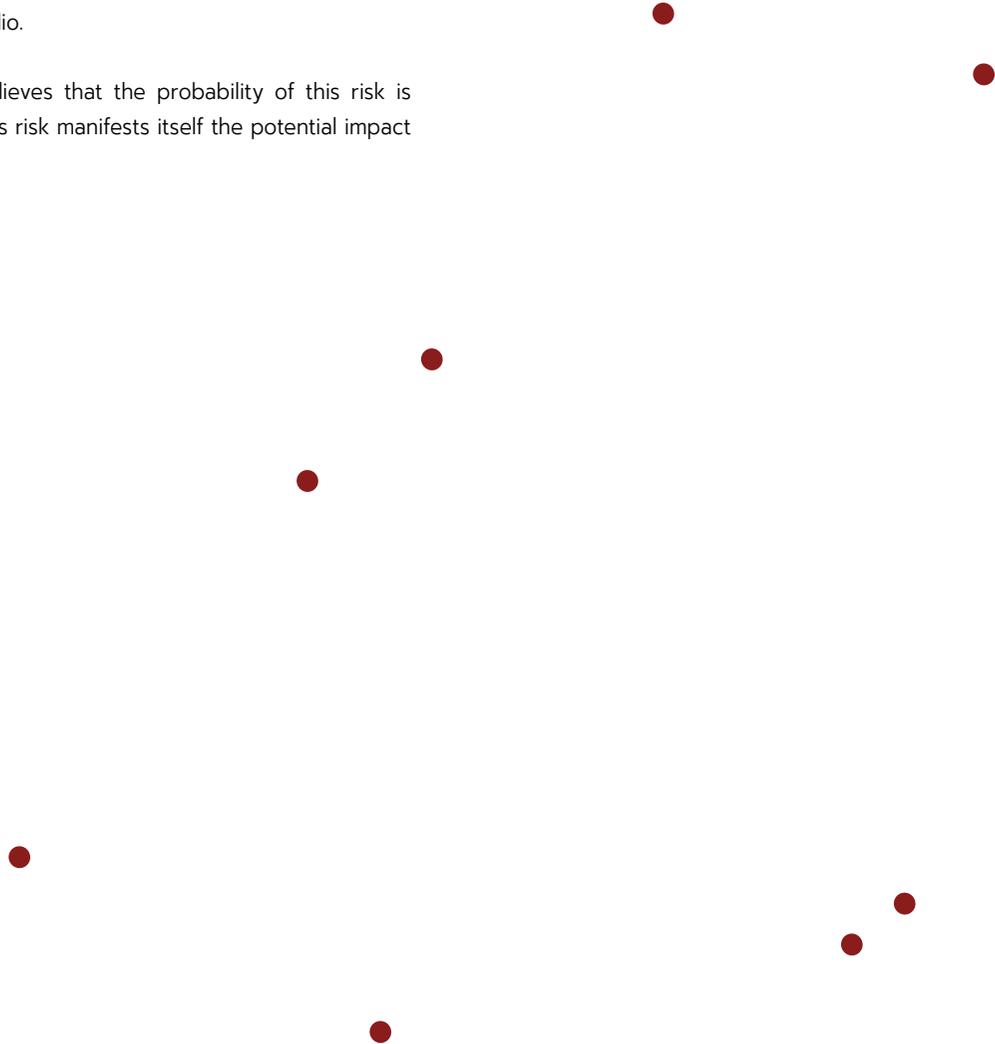
more generally, in case of default as defined in each of these financing agreements. A default (noting that certain instances of “default” or early repayments events, such as a change of control, contained in all financing agreements, are beyond the control of the company) under one financing agreement may, pursuant to so-called “cross acceleration” or “cross default” provisions, additionally trigger defaults under other financing agreements (regardless of the granting of any waivers by other lenders, in the case of a “cross default” provision) and thus may result in the mandatory early repayment by the company of all such lines of credit, which could subsequently lead to a decrease in liquidity.

In addition, the company typically provides guarantees or other forms of comfort in relation to projects and project financings contracted at the level of its subsidiaries. These comprise, amongst others, cash deficiency guarantees, cost overrun and completion guarantees and corporate guarantees. In case any such guarantee is triggered, the company may be required to pay a substantial amount of money, leading to a decrease in the company’s cash flow.

The company is exposed to a liquidity risk in case (i) its financing agreements, including existing credit lines, would not be renewed in a timely manner or would be terminated, and/or (ii) it would not be able to attract new financing or to negotiate and enter into new financing agreements on terms which are commercially desirable. If the company is unable to receive financing or financing against favourable terms, this may have an impact on the company’s cash flow and results and, thus, the company may be unable or face important challenges to make certain investments or proceed with certain projects.

If the company were exposed to a liquidity problem, it would in the worst case be forced to sell its assets. The early claimability of the financing would therefore jeopardise the continuity of the company in its current form with its current real estate portfolio.

The company believes that the probability of this risk is low, but that if this risk manifests itself the potential impact would be high.



Hangar 26-27 (Vis van A restaurant) - Belgium

E.2.

Risks associated with rising interest rates and fluctuations in fair value of hedging instruments

Risk description

Rising interest rates and fluctuations in fair value of hedging instruments may adversely impact the company's income statement.

As a result of (significantly) financing with debt (debt ratio as of 31 December 2022 was 42.56%) - the nominal amount of outstanding debt of the company as of 31 December 2022 was EUR 750 million (excluding IFRS 16 lease debt of EUR 4 million) - the company's return is dependent on developments in interest rates. An increase in interest rates will make debt financing more expensive for the company.

Potential impact

A 100-basis point increase in Euribor interest rates has a negative impact of EUR 1.6 million. In order to hedge the risk of the increase in interest rates, the company finances part of the debt (23% of the total debt as at 31 December 2022, or EUR 245 million) through fixed rate financing and finances the balance of debt with variable interest rates. In order to hedge the long-term interest rate risk, the company can use "interest rate swaps" or "CAPs" for loans contracted at a floating interest rate (hedge ratio as of 31 December 2022 of 74%).

The fair value of the hedging instruments is determined by interest rates in the financial markets. The changes in market interest rates partially explain the change in the fair value of the hedging instruments between 1 January 2022 and 31 December 2022, which led to the recognition of a charge of EUR 27.7 million in the company's income statement.

5.

SUSTAINABILITY REPORT 2022



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VISION & MISSION

The foundation of our Sustainability Vision & Mission is to make a substantial positive contribution to the following four Sustainable Development Goals (SDG's), without negatively impacting the others:



Nextensa's vision is best reflected in its tagline:

*'Places You Prefer:
Excelling in sustainable urban real estate investments and developments by creating places our clients prefer to live, work, shop and relax in.'*

Nextensa's sustainability mission is to create desirable locations by:

• **Developing climate-adaptive buildings:**

by designing projects through technological innovation for achieving the most efficient use of renewable energy and minimizing the natural resources needed during the total life cycle,

• **Creating sustainable societies:**

by creating healthy, inspiring & creative environments and sustainable neighbourhoods to live in, work in and enjoy for present and future generations,

• **Investing in human capital:**

by focusing on the needs of its direct and indirect communities, as well as social responsibility and fair business to generate opportunities, create valuable partnerships and maximize value for all.

Our sustainability strategy has as its epicentre the buildings that form our core business. These buildings fit into environments that in turn influence communities and the society, as well as the individuals operating in these areas. Based on this philosophy, Nextensa formulates actions to mitigate trade-offs (negative impacts), support other potential synergies and benefits (positive impacts) and fill identified gaps through close collaboration with stakeholders. In addition to longer-term actions, Nextensa focuses primarily on what can be done here and now.

As shown in the image, the method is iterative in the sense that sustainability is an ongoing process where our knowledge is always moving forwards and improving. Therefore, reassessment of cases in the light of new knowledge helps to improve outcomes.



1. NEXTENSA'S SUSTAINABILITY GOVERNANCE

1.1 *Nextensa's Sustainability Governance structure*

Since 2021, Nextensa has an ESG committee¹ responsible for advising management on environmental topics, translating the Sustainability strategy into actions and reporting the results.

In 2022, Nextensa's ESG committee consisted of the same five-member team as 2021, particularly representative of the organisation, both in terms of gender, age and their focus on the different activities within Nextensa. The ESG Committee reports directly to the Executive Committee of Nextensa and plays a key role in advising the Executive Committee and CEO on strategic decisions that involve key ESG priorities². The five-member team is also in charge of translating and disseminating Nextensa's sustainability priorities into the business, further developing its strategy,

setting objectives and KPIs and playing a central role in engaging all members of the organisation in these processes³.

The ESG committee leads on educating and empowering the employees to foster cooperation and improve strategy based on experience in the field. The committee promotes dialogue to agree on where efforts should be put in and develops long-term partnerships with all stakeholders to increase the positive impact of the actions being implemented.⁴

¹ 2-9: b) Committees responsible for decision-making on economic, environmental and social topics.

² 2-9: b) Committees responsible for decision-making on economic, environmental and social topics.

³ 2-12: a) Role of the highest governance body and senior executives in creating strategy, goals and elements linked to sustainable development.

⁴ 2-12: b) Whether and how the highest governance body engages with stakeholders to support these processes.

Former Monteco construction site - Belgium



The mission of the ESG Committee, with the support of the Executive Committee, consists not only of ensuring the sustainability goals are met but also of promoting the adaptability, creativity and inclusiveness of a multidisciplinary approach to sustainability⁵. Michel Van Geyte, in his capacity as CEO, has ultimate responsibility for implementing and achieving sustainability matters across the organisation.⁶ As of January 2022, the ESG committee reports on a bi-annual basis to the Executive Committee and the Board of Directors, feeding back on the achievements and challenges in meeting Nextensa's strategic objectives and implementation plans.⁷

In 2022, the ESG committee also organised various deep-dive information sessions on multiple ESG-related topics for the Executive Committee to ensure in-depth knowledge about the impact of sustainability across the executive level.⁸

In 2022, the new role of Energy Manager was created within Nextensa to assure focus on the implementation of reducing the CO2 footprint of all Nextensa assets⁹. Tim Van Dorpe, part of the ESG committee, has taken up this role to focus further on the collection of data and the implementation of action plans to decarbonise Nextensa's portfolio.

All Nextensa employees have been and will continue to be involved in developing and implementing this ambitious journey. The ESG committee encourages initiatives taken by colleagues to reduce our CO2 footprint or implement actions¹⁰. We don't want it to remain simply an abstract idea full of empty words, but aspire for it to become integral to our daily work and decision-making and, increasingly, to be part of the new DNA of the organisation.

⁵ 2-12: a) Role of the highest governance body and senior executives in creating strategy, goals and elements linked to sustainable development.

⁶ 2-13: a) Whether the organisation has appointed an executive-level position or positions with responsibility for economic, environmental and social topics. b) Whether post holders report directly to the highest governance body.

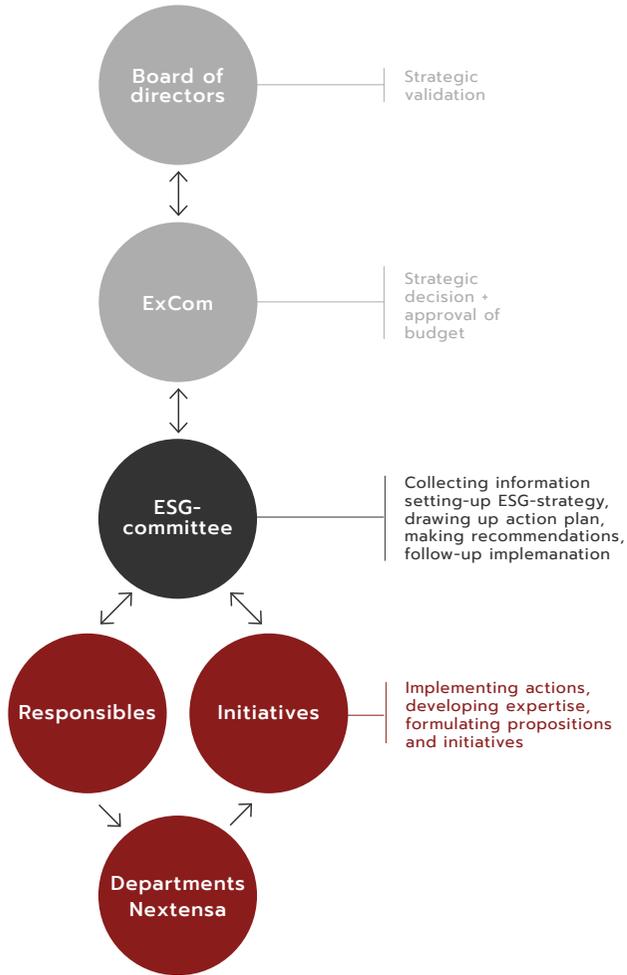
⁷ 2-13: b) Describe the process and frequency for senior executives or other employees to report back to the highest governance body on the management of the organization's impacts on the economy, environment, and people. c) describe the role of the highest governance body in reviewing the effectiveness of the organization's processes as described in 2-12-b, and report the frequency of this review.

⁸ 2-17 Collective knowledge of the highest governance body

⁹ 2-13: a) Whether it has appointed any senior executives with responsibility for the management of impacts.

¹⁰ 2-12: a) Role of the highest governance body and senior executives in creating strategy, goals and elements linked to sustainable development.

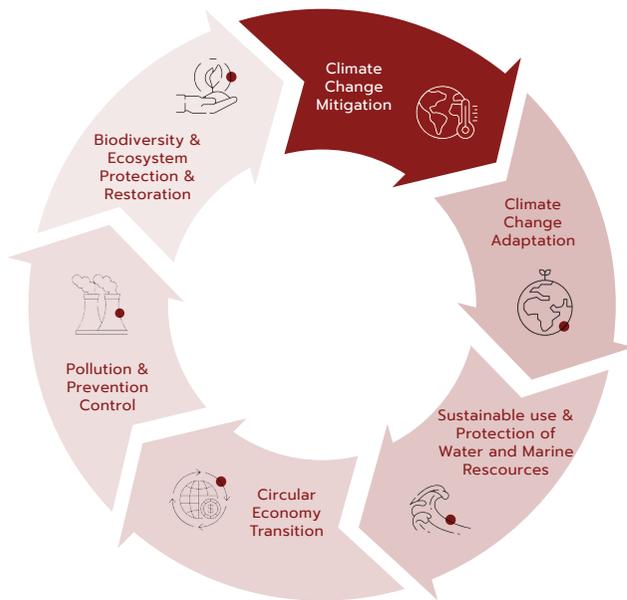
The sustainability governance structure at Nextensa is as follows¹¹:



¹¹ 2-9. a) Describe its governance structure, including committees of the highest governance body.

1.2 Focus on the EU Taxonomy

The EU Taxonomy is an EU classification tool that aims to promote the transformation to an environmentally sustainable and resilient economy through generally accepted definitions and reporting methods to appoint 'green and sustainable' activities.

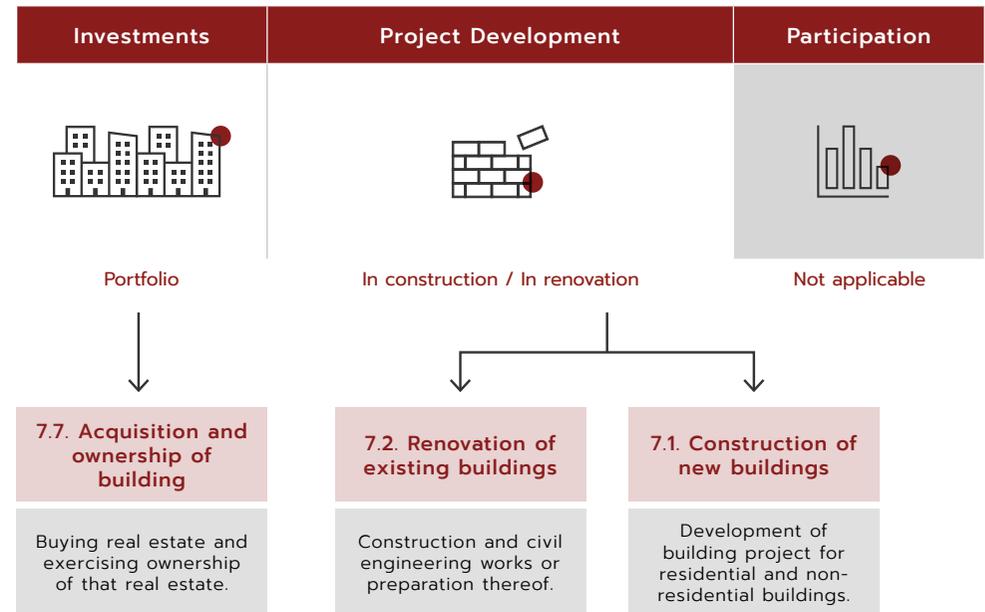


ENVIRONMENTAL OBJECTIVES OF THE EU-TAXONOMY

The EU Taxonomy is framed by the Taxonomy Regulation 2020/852, which defines an economic activity as "environmentally sustainable" if it fulfils the following conditions:

- Compliance with "Substantial Contribution" (SC) to one or more environmental objectives;
- Compliance with "Do No Significant Harm" (DNSH) criteria regarding any of the other environmental objectives;
- Compliance with "Minimum Safeguards" (MS).

The figure below shows the economic activities in the EU Taxonomy for which Nextensa is eligible under Climate Change Mitigation.



The EU taxonomy is a two-stage classification:

First, it is necessary to determine the proportion of turnover derived from Taxonomy activities and the proportion of their capital and operational expenditure associated with the Taxonomy to define the share of activities that is **ELIGIBLE**.

The second step is to define what percentage of this share is **ALIGNED**, or qualifies as 'green', by disclosing information concerning the technical screening criteria to prove the alignment of the activities with the Taxonomy.

Although Nextensa is not yet legally required to report on the EU taxonomy since the company is not within the scope of the NFRD (Non-Financial Reporting Directive), Nextensa has performed an eligibility assessment on the proportion of Taxonomy eligible or non-eligible activities.

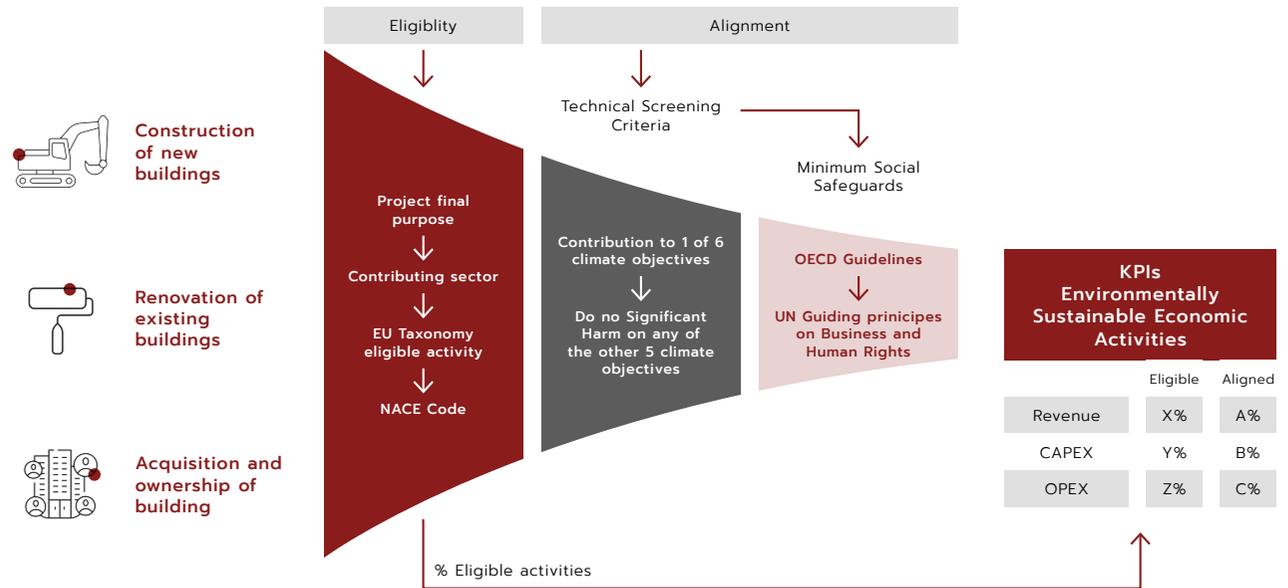
Nextensa's goal is to proactively invest in its sustainability journey, which is why the first steps in the alignment assessment were taken in 2022. This first assessment of two pilot projects determined within each activity aims to outline initial trends and identify the gaps to be filled as a priority in further improving our sustainability objectives for all activities.

STAGE 1: ELIGIBILITY

Nextensa adopted a conservative approach in its eligibility assessment: more than 97% of Nextensa's turnover and 99% of its CapEx are 'eligible' for the EU Taxonomy. These figures mainly concern real estate development activities and the letting of real estate in its portfolio.

STAGE 2: ALIGNMENT

The evaluation was made on the basis of the substantial contribution to climate mitigation for six material pilot projects, two for each activity. The methodology adopted is based on the identification of the criteria and their interpretation in relation to the legal framework available at the time of the evaluation.



To deep-dive into the different criteria of the assessment, the following pilots have been selected for each activity:

- Activity Construction of new buildings (7.1):
Pilot projects are Monteco & Dayton (Park Lane phase 1)
- Activity Renovation of existing buildings (7.2):
Pilot projects are Hôtel des Douanes & Moonar
- Activity Acquisition and ownership of buildings (7.7):
Pilot projects are Gare Maritime & Depot Royal

The pilot projects represent 25 % of Nextensa's turnover in 2022.

The initial results made it possible to categorise the pilots using the traffic light principle: red, orange and green.

7.1. Construction of new buildings



Monteco



Park Lane Dayton

7.2. Renovation of existing buildings



Hôtel des Douanes



Moonar

7.7. Acquisition and ownership



Gare Maritime



Depot Royal

- pilots that require in-depth actions.
- pilots which present a high potential of alignment with the criteria.
- pilots that are aligned.

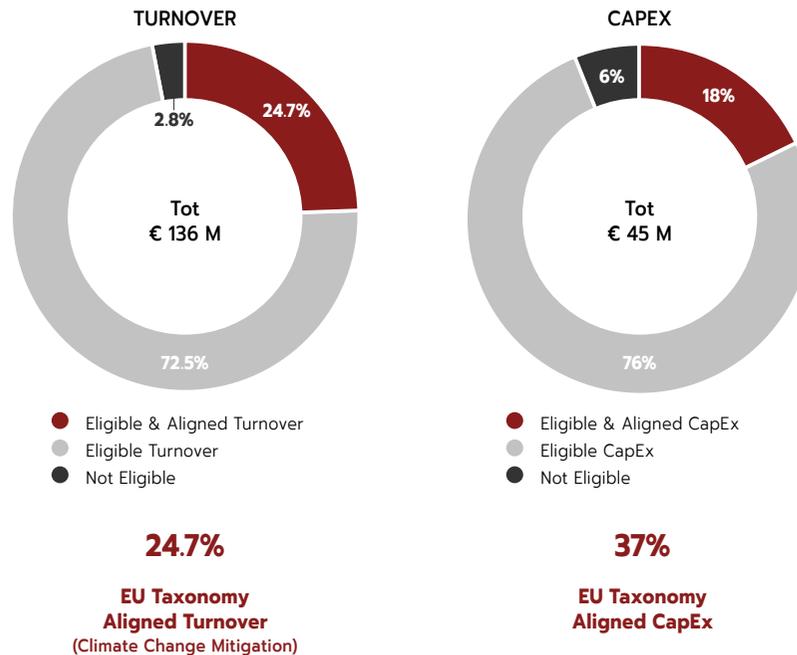
For **Park Lane**, compliance with the technical screening criteria of the “Construction of new building” activity has been demonstrated by assessing a limited number of apartments. This approach in the assessment of energy efficiency is possible since, for Brussels regulations, the EPC (Energy Performance Certificate) applies to each individual apartment. The assessment of the technical screening criteria has only been conducted for Dayton, one of the six residential buildings of Phase 1 of the Park Lane-project. In 2017, when the building permit was issued, the NZEB (nearly zero energy buildings) threshold for the Brussels Capital Region was a Primary Energy Demand (PED) of +/- 45 KWh/m². All the individual apartments in Park Lane phase 1 have their PED under this threshold, which is not always compliant with the requirement of doing ‘10% better’. However, at the level of apartment units, in some cases their PED does indeed comply with the ‘10% better’ requirement regarding the NZEB limit. Only that part (43%) of the turnover is taken into account in the Taxonomy-aligned activity.

Moonar and **Hôtel Des Douanes** are still under construction, meaning that not all technical screening criteria could be checked during the assessment conducted in 2022. Potentially, these two buildings can also align.

For the **Depot Royal**, major works are in study to bring the building up to a higher sustainability level, where fossil fuels are no longer needed for heating and cooling.

Monteco is aligned, but for 2022 it did not contribute to the aligned green activities because it was only delivered at the end of 2022. This impact will become apparent as of the 2023 report.

Conclusion EU Taxonomy assessment of 2022:



This EU Taxonomy assessment will be further developed on the basis of the future explanatory texts by the EU, as this legislation is new and still in development. The main challenge faced by the real estate sector, and in particular the activity related to real estate development, is the time lapse between planning the project, obtaining the permit and implementing the plans. These stages can take several years, during which the sustainability criteria are constantly evolving, and this while the legal framework in terms of urban planning is not very flexible. As a result, there can be a significant gap between the criteria set out in the permit and the new criteria defined by the EU Taxonomy.

Future Goal:

The criteria and objectives that must be achieved in terms of EU taxonomy as well as a checklist of the evidence that must be collected will be integrated into the sustainability tools made available to Nextensa’s project and property managers.

The alignment assessment will be extended to all projects and the portfolio. Based on the results, a roadmap and an action plan will be drawn up to enable us to further improve the levels of sustainability of our different activities in the future.

1.3 Nextensa's stakeholders¹²

All Nextensa's stakeholders have important insights and opinions.

Nextensa strives to build strong relationships with its stakeholders and takes great interest in the needs and expectations of investors, tenants, residents, local communities and visitors, by actively involving them in shaping Nextensa's approach. Nextensa is committed to holding regular consultations with its stakeholders and to involving them directly or indirectly in the decision-making processes. The communication methods used for the different stakeholders can be found in the Appendix to this Sustainability Report.

Through these communication methods and different interactions with its stakeholders, Nextensa seeks to manage grievances and complaints (of local residents, tenants, partners, etc).¹³ At the moment, the management of complaints is more of an 'ad hoc' strategy but Nextensa plans to create a process to approach it in a more consistent way and monitor the effectiveness of the solutions.

Nextensa's stakeholder engagement process will help in identifying partnership opportunities and in scaling sustainability-related issues. The stakeholder engagement process in 2023 will be led by the ESG Committee. Several hundred stakeholders are expected to be involved.



¹² 2-29 Approach to stakeholder engagement

¹³ 2-25 d Processes to remediate negative impacts

1.4 Nextensa's Materiality Matrix: impact on ecosystems

Nextensa's Materiality Matrix was established in 2021 following the merger of the two companies (Leasinvest Real Estate and Extensa Group). The methodology used was largely explained in the previous report.¹⁴ The Materiality Matrix identified 14 material topics¹⁵ organized into three strategic priorities which are linked to the SDGs they contribute to.¹⁶

In 2021, two main questions were used to assess the priority of each material topic and to map them on the Materiality Matrix¹⁷:

- How important is this topic for Nextensa's stakeholders?¹⁸
- What impact does Nextensa have on the topic when it comes to associated risks, opportunities and thus business impact?

To ensure alignment and in preparation for the upcoming Corporate Sustainability Reporting Directive (CSRD), in 2022 Nextensa reconducted the materiality assessment through the double materiality perspective.



¹⁴ This process is described in detail in Nextensa's 2021 Sustainability Report.

¹⁵ 3-2 List of material topics.

¹⁶ 3-1 a) Process to determine material topics

¹⁷ 3-1: a.ii) Description of the process followed to determine material topics including how it has prioritised the impacts for reporting based on their significance

¹⁸ 3-1: b) Specify the stakeholders and experts who informed the process of determining material topics.

Following the guidelines of the Global Reporting Initiative (GRI) and the European Financial Reporting Advisory Group (EFRAG), Nextensa has further assessed its impact on the ecosystem for each material topic in order to identify actual and potential negative and positive impacts on the economy, environment, and people, across Nextensa’s activities. The analysis was carried out for each material topic based on sector-specific sustainability standards, such as SASB, MSCI, Sustainalytics, S&P Global and EPRA by looking at the real estate and property development sectors.¹⁹

It was assessed how significantly each material topic could contribute to Nextensa’s sustainability impact, either positively or negatively. The final result is a weighted average, classifying the material topics into three eco-impact categories:

- 1) The topic is categorised as not particularly relevant to ESG-related matters (Nextensa has or could have a minor impact).
- 2) The topic is categorised as relevant to ESG-related matters (Nextensa has or could have a moderate impact)
- 3) The topic is categorised as key to ESG-related matter (Nextensa has or could have a major impact)

¹⁹ 3-1: a.i) Description of the process followed to determine material topics including how negative and positive impacts were identified.

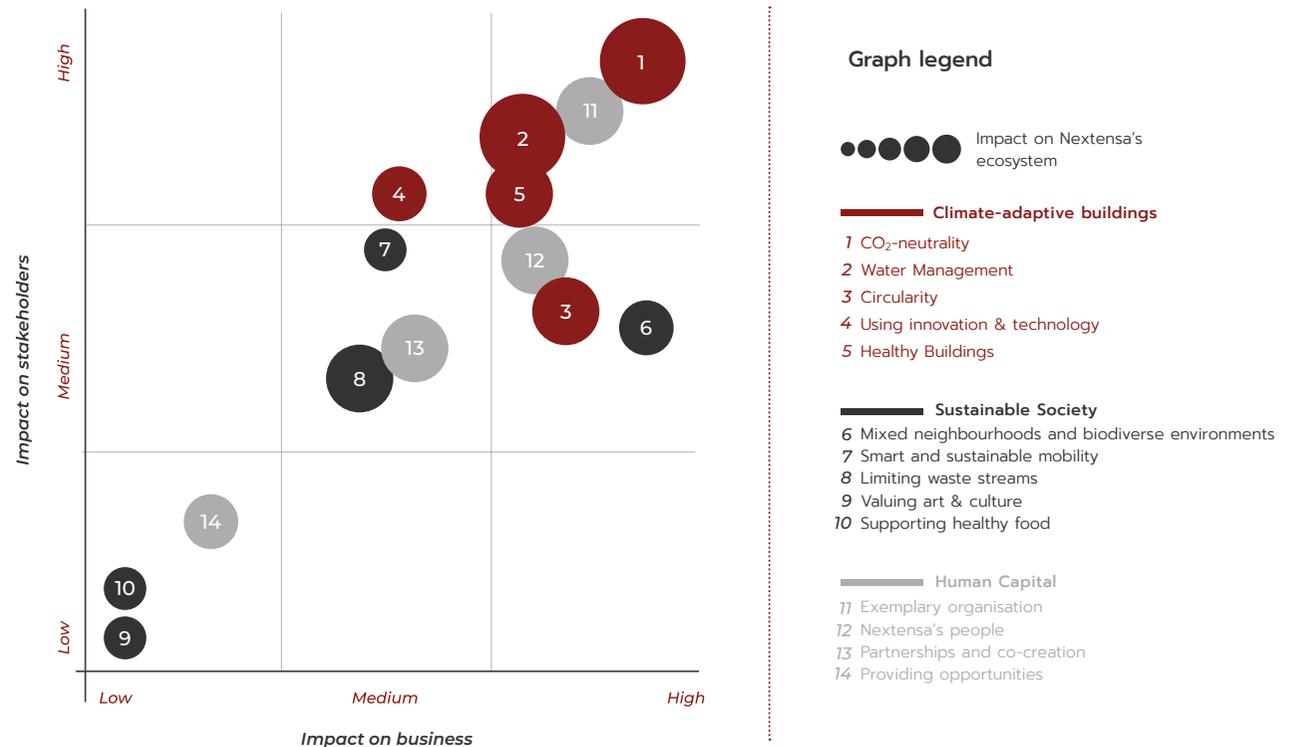
²⁰ 3-1: a.ii) How it has prioritised the impacts for reporting based on their significance.

²¹ 2-14 a) report whether the highest governance body is responsible for reviewing and approving the reported information, including the organisation’s material topics, and if so, describe the process for reviewing and approving the information.

The outcome is visualised as a third dimension in the materiality matrix based on the size of the circle, which represents the magnitude of the impact on the ecosystem. This was used to support Nextensa’s choice of priorities it had set itself in 2021.²⁰

This updated Materiality Matrix of 2022 was discussed and approved during the meeting of the Board of Directors on 10 November 2022 and by the CEO and the Executive Committee on 8 December 2022²¹.

In 2023, Nextensa will further refine and prioritise the 14 sustainability topics through a comprehensive internal and external stakeholder assessment, building on the latest comprehensive mapping exercise.



1.5

About this year's Sustainability Report

This is Nextensa's second Sustainability Report and covers the calendar year 1 January - 31 December 2022²².

Last year, on 31 March 2022, Nextensa published its 2021 Sustainability Report as a newly merged organisation originating from two important real estate actors, Leasinvest Real Estate & Extensa Group, each with their own core activities and different materialities.

In 2021, a common materiality process with 14 priority ESG-topics was defined. This year, to integrate the double materiality perspective, Nextensa identified its actual and potential, impacts on its ecosystem. Based on the sustainability standards and frameworks, specifically analysing the real estate sector, Nextensa's potential negative and positive impacts were assessed for the 14 material topics.

For 2022, the decision was taken to report mainly on those ESG topics deemed most urgent for the company to address²³ given their high impact, namely: 'CO2 neutrality', 'circularity', 'water management', 'healthy buildings', 'mixed neighbourhoods and biodiverse environments', 'Nextensa's people' and 'partnership and co-creation'.

In this Sustainability Report, the aim is to report on these topics for all Nextensa's (re)developments and investment activities (unless otherwise specified). This sustainability report details the activities conducted by Nextensa NV

and its subsidiaries. It does not report on the activities of associates or joint ventures in which the group participates. The process of consolidating information and data collection for ESG monitoring, management and performance reporting for the coming years, in line with GRI Standards, was set up in 2022 within the new organisation. The goal is to increase the coverage rate for the various KPI's every year.²⁴

Nextensa has also chosen to integrate the sustainability report into the 2022 annual report that will be published on 31 March 2023²⁵. From now on, Nextensa will publish its Sustainability Report on a yearly basis, as part of the annual report²⁶.

Nextensa has reported in accordance with the GRI Standards. The Sustainability Report has not been externally verified²⁷.

Its transparent reporting for 2021 allowed Nextensa to improve its ESG score of Sustainability from 21.0 to 15.0 putting the organisation in the 'low risk' category. The lower the score, the better.

²² 2-3: a) Reporting period and frequency of sustainability reporting.

²³ 3-1: a).ii How it has prioritised the impacts for reporting based on their significance

²⁴ 2-2: Entities included in the organisation's sustainability reporting

²⁵ 2-3 c) report the publication date of the report or reported information;

²⁶ 2-3: a) Reporting period and frequency of sustainability reporting.

²⁷ 2-5: External Assurance.

SUSTAINABILITY FIGURES 2022

New offices for Nextensa, leading by example on energy performances and circularity:

17.70 tonnes CO₂eq reduced for Scope 1&2

57% less energy use in offices Nextensa

52.3% of Nextensa's office **waste reused** as raw material

Creating a new urban neighbourhood:

4 residential buildings delivered (Park Lane)
+ start of construction of Park Lane Phase 2

Energy community sharing **200MWh**

New ponds on Tour & Taxis filled with
5,875,000 litre groundwater from
constructions site Park Lane Phase 2

2,310 new trees planted in the Tour & Taxis park

24.7% of **Turnover** aligned
with EU-Taxonomy

Other:

7,076 Mwh solar energy produced in 2022
(+235MWh)

8,261 kWp of **photovoltaic panels**
(+303kWp in 2022)

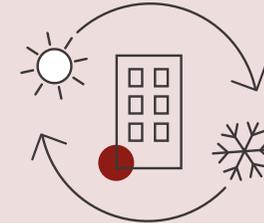
34 Social initiatives supported

141 charging stations installed across the portfolio with
a loading capacity of 188MW

2 extra **awards** for Gare Maritime + **1** for Hangar 26/27

ESG Risk rating score of Sustainalytics: from 21.0 in 2021
to **15.0** in 2022

2. DEVELOPING CLIMATE-ADAPTIVE BUILDINGS



2.1 CO2 neutrality



Approach

Stakeholders in the real estate sector play an essential role in tackling climate change²⁸. The buildings sector represents 40 percent of Europe’s energy demand, 80 percent of which comes from fossil fuels. This makes the sector an area for immediate action, investment and policies to promote short and long-term energy security.

The decarbonisation of its portfolio towards net-zero by 2050 is Nextensa’s ultimate goal. Developing climate-adaptive buildings is a strategic priority for Nextensa in

order to reduce global emissions, improve the energy performance of buildings, reduce the carbon footprint of building materials, and increase commitments with its partners alongside actions and investments in energy efficiency.

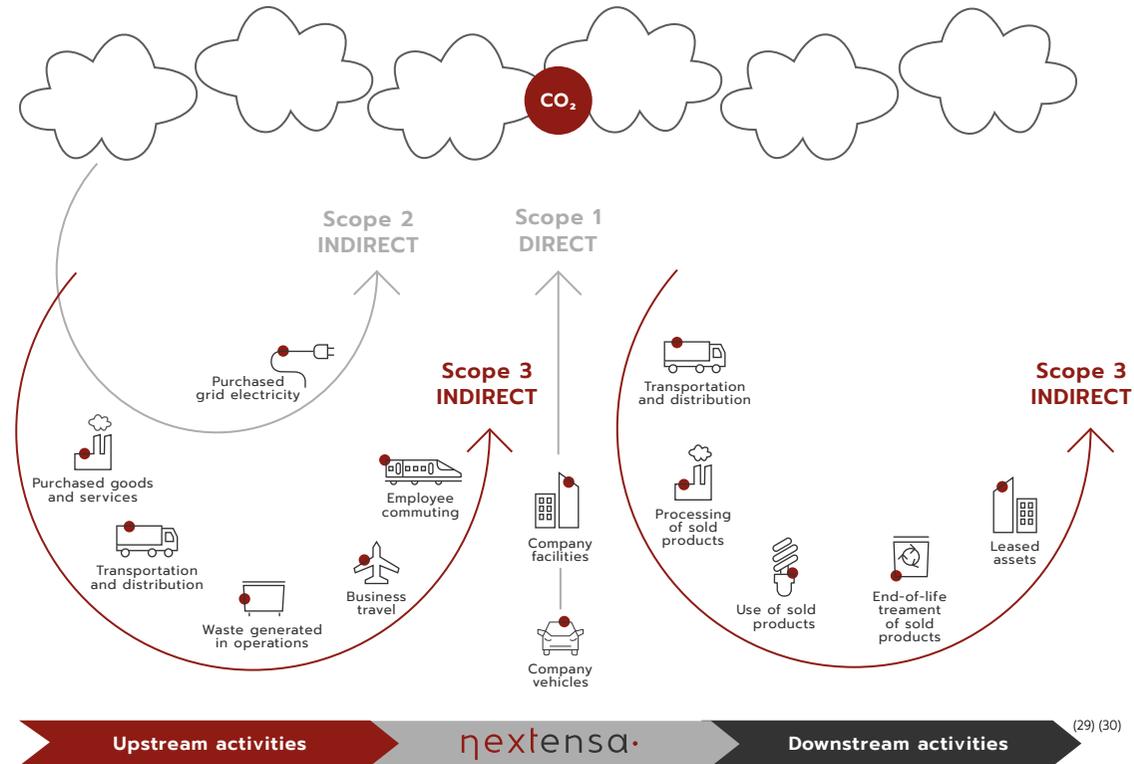
At the same time, Nextensa is also looking inwards and taking steps to reduce its own operational emissions.

For scope 1 and 2, Nextensa aims to be CO2-neutral by 2030, and for its scope 3 emissions by 2050.

²⁸ CO2 emissions from buildings and construction hit a new high, leaving the sector behind schedule to decarbonise by 2050: UN (unep.org)

Nextensa's emission sources are represented as follows:

SOURCE OF EMISSIONS	SCOPE 1, 2, 3		SCOPE 3	
	OWN OPERATION EMISSIONS	ASSETS EMISSIONS		
ROLE	OPERATIONAL	INVESTOR / OWNER	DEVELOPER	
ACTIVITY	offices, employees, leased company cars, events, ...	aquisition & investments asset & property management	developments & project management	



²⁹ 305-1: b) & 305-2: c) Gases included in the calculation; whether CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃, or all of the above

³⁰ All emissions are converted into CO₂ equivalent emissions to further define emission reduction targets for the entire value chain. The source of the emission factors and the GWP (Global Warming Potential) rates used can be found in the Sustainability Appendices.

SCOPE 1 & 2

Nextensa continues to report on scope 1 and scope 2 emissions in Belgium, the Grand duchy of Luxembourg and Austria.

Scope 1 accounted for 109.69 tons of CO₂eq³¹ (- 8.17 tCO₂ compared to 2021³²). These direct GHG (Greenhouse Gas) emissions were generated by fuel combustion of company owned cars (91.21 tCO₂) and fuel consumption for heating the offices (18.48 tCO₂)³³.

Scope 2 accounted for 6.46 tons of CO₂eq³⁴ (- 8.17 tCO₂ compared to 2021³⁵). These indirect GHG emissions occurred from purchased electricity for the offices.

Gas and electricity are no longer the most significant forms of energy Nextensa consumes since the Belgian offices were moved to a single sustainable headquarters.

In order to facilitate the merger and reduce its own energy consumption, in April 2022, Nextensa moved its three Belgian offices to a new head office in the Gare Maritime (Brussels), powered by 100% green grid electricity, solar panels and geothermal heating and cooling. At the end of 2021, the former Leasinvest-office at the Schermersstraat (Antwerp) was closed, and in April 2022 the old Extensa offices in the Depot Royal (Brussels) on the 3rd floor and the Residential Info Office on the ground floor followed suit.



By reducing its office area from 2,738 sqm in 2021 to 2,194 sqm in 2022 and due to the fact that the new Belgian office is 100% powered by renewable energy, Nextensa managed to reduce its carbon footprint by 30.90 tCO₂eq or 55% (from 55.84tCO₂eq to 24.94tCO₂eq). Purchased energy consumption was dropped by 296 MWh or 57% (from 520 MWh to 224 MWh)³⁶. In Luxembourg, the offices of The Station were replaced by a renovated office in the High 5I-building. This increased the Luxembourg office area from 463 to 756 sqm. This switch nevertheless had a negative impact on Scope 2 as these offices are, unlike the other offices of Nextensa, not powered by green or geothermal energy. Nextensa will take action in 2023 to reduce its CO₂-footprint in its Luxembourg offices.

Looking at the numbers, mobile combustion has become the most significant form of CO₂-emission for Nextensa.

Although Nextensa has already taken action in order to reduce mobility-related GHG emissions with its work-from-home policy allowing employees to work from home two days a week, the emissions originating from vehicles (mobile combustion) increased in 2022. The figures published in 2021 have been corrected following an accounting error, however, they are not comparable because they were still impacted by COVID-19 measures. Therefore, although the fleet has been reduced by almost 12%, unsurprisingly, the number of kilometres travelled by company cars increased in 2022.

To reduce the impact of mobile combustion, as stated in the Sustainability Report 2021, a new mobility policy was implemented in 2022.

To contribute to a “net-zero” scenario, Nextensa seeks to encourage its employees to give up their company car for their journeys to work by offering attractive alternatives.

For the remaining company car fleet, Nextensa will replace fuel-powered cars by 2026.

³¹ 305-1: a) Gross direct (Scope 1) GHG emissions in metric tons of CO₂ equivalent.

³² 305-1: d) Base year for calculation including 305-1d.ii) Emissions in the base year

³³ Gare Maritime (from April to December 2022), Knauf Pommerloch, Knauf Schmiede, High 5, Koninklijk Pakhuis (from January to March 2022), and RIO-residential sales office (from January to March 2022)

³⁴ Gross location-based energy indirect (Scope 2) GHG emissions in metric tons of CO₂ equivalent

³⁵ 305-1: d) Base year for calculation including 305-1d.ii) Emissions in the base year

³⁶ 302-4 Reduction of energy consumption

SCOPE 3

Scope 3 of emissions related to Nextensa’s activities represents the most significant share of associated impacts. It is also the most complex to measure. In order to identify the most relevant scope 3 categories, a complete mapping was carried out in 2022 on the 15 scope categories in order to prioritise actions. Besides the operational emissions generated by the company itself, the impact of the portfolio and the developments were also mapped out. The energy consumption of buildings and the impact of materials used (resources) are being examined to set baselines for an ambitious carbon-neutral roadmap in the coming years. In this second sustainability report, Nextensa only reports on the “high relevancy” categories³⁷.

OPERATIONAL EMISSIONS

The categories of high relevancy for the operational emissions are “purchased goods and services”, “waste management” and “business travel”.

In order to align scope 3 reporting with the accounting figures of the various group entities, harmonisation of the accounting systems proved necessary during the mapping assessment.

In addition, the integration of all the group’s legal entities into a single accounting program will facilitate reporting on scope 3 operational GHG emissions in coming years.

As the office relocation has led to a substantial increase in the “purchased goods and services category” in 2022 the numbers are not representative for the coming years.

Moreover, Nextensa will integrate in 2023 a clear and sustainable purchasing policy throughout the entire business with the aim of making the purchase of products and services more sustainable.

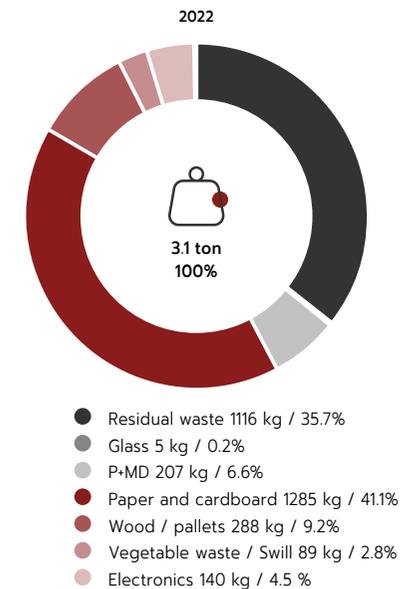
In terms of waste management, Nextensa has been able to map out its own operational office waste flows for the first year (from February to December 2022) for 1,438 sqm of its office area (offices in Gare Maritime) out of 2,194sqm (coverage extrapolated on the full year of 2022: 54%)³⁸.

Since Nextensa moved its offices to the Gare Maritime, the company has benefited, in the same way as the other tenants, from a detailed Waste Management which was put in place for this asset.

Ecosmart is responsible for the separated collection of the different waste types and only invoices residual waste collection to the tenants. Other waste types, when correctly recycled, are collected for free. This encourages better waste sorting. All tenants have access to the Ecosmart platform to view their environmental impact.³⁹

Although the absolute value of 3.1 tons is high this year⁴⁰ (representing 5.27 tCO₂e) as a result of the move to the new office, Nextensa has retained 52.3% of precious raw materials and avoided the emission⁴¹ of 547 tCO₂⁴² thanks to its waste management system.

Nextensa’s target is to increase monitoring coverage to 100% of its office area, to achieve 75% recycling of its waste and to reduce waste to less than 10kg/year/workplace by 2025.



³⁷ 305-3: d) Other indirect (Scope 3) GHG emissions categories and activities included in the calculation
³⁸ 306-1 a ii) whether these impacts relate to waste generated in the organization’s own activities or to waste generated upstream or downstream in its value chain
³⁹ 306-2: Management of significant waste-related impacts
⁴⁰ 306-3: a) Total weight of waste generated in metric tons, and breakdown of waste generated.
⁴¹ The CO₂ savings have been determined by TNO in accordance with Van Gansewinkels’ ‘Waardevol Boekje’ publication
⁴² 305-5: a) GHG emissions reduced as a direct result of reduction initiatives in metric tons of CO₂

INVESTMENT EMISSIONS

The energy source and performance of buildings play a key role in helping achieve Nextensa's ambitious CO₂e emission reduction targets for 2030 and 2050 for the energy consumption of leased assets.. Therefore, the organisation needs to measure and identify hotspots.

Key drivers to measure and improve the energy consumption of assets in the portfolio are: grid operators and energy suppliers, internal property managers, building occupants and, last but not least, remote consumption monitoring.

In its portfolio, Nextensa is gradually implementing smart monitoring and measurement systems to analyse the energy consumption of leased buildings. In 2021, all assets in the Belgian portfolio were fitted with digital monitoring systems (in collaboration with Nanogrid, a global Energy Monitoring Platform for multi-location companies) to track and measure all energy stream flows, namely: the usage of electricity, natural gas, fuel oil, district heating and cooling, and water consumption. This system was also implemented in other countries in 2022. This further implementation will help Nextensa to increase the coverage ratio as of next year's report.

In the meantime we can only note that tenants, who are not always as committed to climate risks and issues are slow to communicate their consumption data despite the awareness-raising efforts put in place, Nextensa therefore completes its data as it is received. Nevertheless the further implementation of smart monitoring will help Nextensa to increase the coverage ratio as of next year's reporting.

At the time of writing this report, data coverage represents 55% of the global portfolio, of which 94% of the portfolio in Belgium is covered.

The total CO₂ emissions originating from Nextensa's Belgian portfolio is 1,376 tCO₂⁴³. This calculation includes the purchased green electricity (the self-produced energy is not included) for 188,210 sqm representing an intensity of 7.31 kgCO₂-eq/sqm.⁴⁴

The total energy consumption for the Belgian assets is 18,667 MWh⁴⁵ (or an energy-intensity of 99 kWh/sqm)⁴⁶ of which 7,288 MWh is gas consumption and 11,379 MWh purchased electricity.

This is a difference of -2,230 MWh⁴⁷ in comparison to 2021.

This difference should be qualified.

The Crescent, representing 15,600m², is no longer accounted in the data coverage since it is no longer part of the portfolio. The energy consumption of this building is no longer included in the absolute figures.

Electricity consumption of the Belgian assets records a status quo in absolute numbers: 11,396 MWh in 2021 compared to 11,379 MWh in 2022 (a difference of 17 MWh). However, relatively this is an effective increase of 13%.

Unsurprisingly, the electricity consumption of Nextensa's portfolio have rebounded from the COVID 19 pandemic.

With regard to gas consumption, we notice a significant drop of 20% representing an absolute decrease of -2,213MWh (from 9,501Mwh in 2021 to 7,288 in 2022) thanks to the sale of the Crescent on the one hand, but on the other hand also the measures taken in the context of the energy crisis that we have been experiencing since the beginning of 2022. Nextensa managed the HVAC installations to reduce gas consumption. Finally, gas boilers have been replaced by heat pumps in Brixton Retail Park, reducing gas consumption but increasing electricity consumption.

However, the results of the Belgian portfolio are not representative for the entire Nextensa portfolio. Thanks to the implementation of the Nanogrid technology in Luxembourg and Austria, a more complete view can be given in the next year's report.

Nevertheless, thanks to the measurements carried out this year, Nextensa was able to identify the hotspots which will be integrated as priorities in the roadmap covering the short-, medium- and long-term actions for the buildings already covered by data. This roadmap will be conducted using the CRREM (Carbon Risk Real Estate Monitor) method for all the assets. This method accelerates the decarbonisation and climate change resilience of the real estate sector in the EU. The method aims to integrate carbon efficiency into investment decisions by clearly assessing the financial risks associated with poor energy performance and quantifying the financial costs.



⁴³ 305-3 Other indirect (Scope 3) GHG emissions

⁴⁴ 305-4 GHG emissions intensity

⁴⁵ 302-2 Energy consumption outside of the organisation

⁴⁶ 302-3 Energy intensity

⁴⁷ 302-5 Reductions in energy requirements of products and services

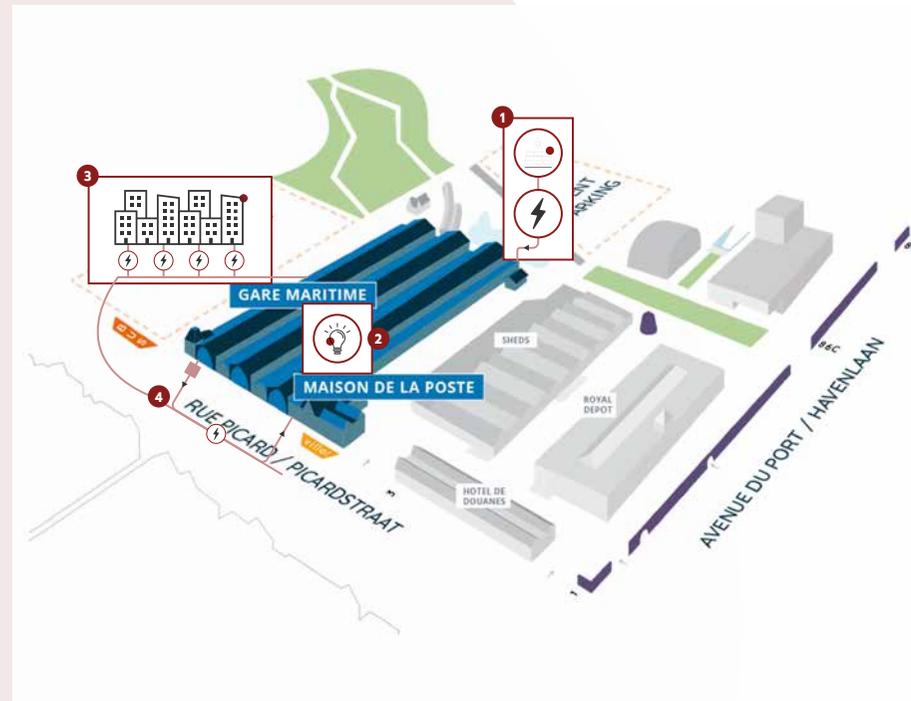
HIGHLIGHT:**Nextensa in transition to renewables**

“Investing in renewable energy installations and creating eco-systems”

Nextensa aims to facilitate the energy transition to tackle current high energy prices and long-term dependence on fossil fuels. However, regulatory barriers and needs should be identified and investment needs accounted to concretise the digital and green transition contributing to heightened resilience. Building ecosystems and exploring transition pathways must include a clear analysis of the different value chains (requirements of these value chains regarding infrastructure, skills, technologies and so on). The only way to do so is by exploring through trials and setting up pilot projects which are an integral part of Nextensa’s innovation policy.

This is why Nextensa has engaged in various pilot projects aimed at contributing to the creation of ecosystems and exploring new opportunities through co-creation.

In 2022, Nextensa finalised its project to create an energy community on the Tour & Taxis site. The Community allows consumers to benefit, at an attractive rate, from the surplus production of the solar panels installed on neighbouring buildings. In doing so, the principle of collective self-consumption makes renewable energy accessible to all and makes a real contribution to the achievement of climate objectives by reducing CO2 emissions.⁴⁸



The project is being carried out in close collaboration with Brugel, Sibelga and WeSmart, as well the residents of Park Lane. A resident of the Franklin building manages the association created for this purpose. The project is innovative, the first of its kind in Brussels, and has multiple particularities and objectives:

- It is the first project in Brussels to involve different types of participants with a focus on people with low resources⁴⁹.
- It is the first project to share electricity from a photovoltaic installation of such magnitude (3 MWp).

- It identifies the impacts of electricity sharing on the management of the network or the organisation of the balance on the market.
- It is a test to understand the incentives and obstacles linked to the development of renewable energy and its sharing.

This pilot project was authorised in 2022 by Brugel (the Brussels regulatory authority in the areas of electricity, gas and water price control) until April 2024. By creating this new economic model in the electricity market, centred on the interest of the consumer, Nextensa hopes to demonstrate that non-energy professionals can play an active role in the energy transition.

⁴⁸ 203-1 Infrastructure investments and services supported.

⁴⁹ 203-2 Significant indirect economic impacts

In 2022, the total electrical power installed on Nextensa's assets amounted to 8,261 kWp (+ 303 kWp i.c.w. 2021) with a total production of 7,076MWh (+236MWh i.c.w. 2021). This is equivalent to the annual electricity consumption of 2,022 households and corresponds to a reduction of 5,401 tons of CO₂eq in 2022.⁵⁰

In Belgium, 60% of the produced electrical power by the photovoltaic panels was used on site.

Next year, Nextensa foresees an installation of +1,000 kWp in total on both Knauf Shopping Centres in Luxembourg.

Besides switching to local and renewable energy, Nextensa aims to implement energy optimisation systems that control and adapt parameters of technical installations in advance based on weather forecasts.

Nextensa also wants to expand its charging station infrastructure for electric vehicles. The current electrical capacity of charging sessions in Belgium represents 187,760 kWh (equivalent CO₂ reduction of 140.82 tons of CO₂). The study into the maximum expansion capacity was started in 2022 for the car parkings of the Tour & Taxis site. In 2022, a charging park of 16 superchargers was built in partnership with Tesla on the Brixton Retail Park site which will open in February 2023. Also in 2022, the charging infrastructure in the Motstraat-building (Mechelen) was expanded from six to 17 charging points (+11 i.c.w. 2021), nine additional public charging points and two non-public charging points have completed the installation. The latest generation of charging stations work bidirectionally, making charging and discharging possible. With regard to grid balancing, Nextensa will analyse how the batteries of the cars can be used to absorb peak loads from the building.

⁵⁰ 305-5: a) GHG emissions reduced as a direct result of reduction initiatives in metric tons of CO₂



REAL ESTATE ACTIVITY EMISSIONS

Nextensa is aware that its (re)development activities are responsible for its biggest environmental impacts. In this real estate process, Nextensa is in the driving seat to make choices, from the very beginning, that influence the CO2 emissions for the whole life cycle of the buildings. As per the figure below, the earlier in the process these actions are taken, the higher their impact.

The GHG emissions for real estate activities (development and redevelopment projects) have a significant impact on three different categories:

- **Use of sold products:**

Energy consumption of future occupiers of buildings sold by Nextensa, over the whole lifetime of the building (indicative duration of 60 years).

- **Purchased goods and services:**

The raw materials and services purchased for construction (e.g. steel, cement, contractors, etc.).

- **End-of-life of sold products:**

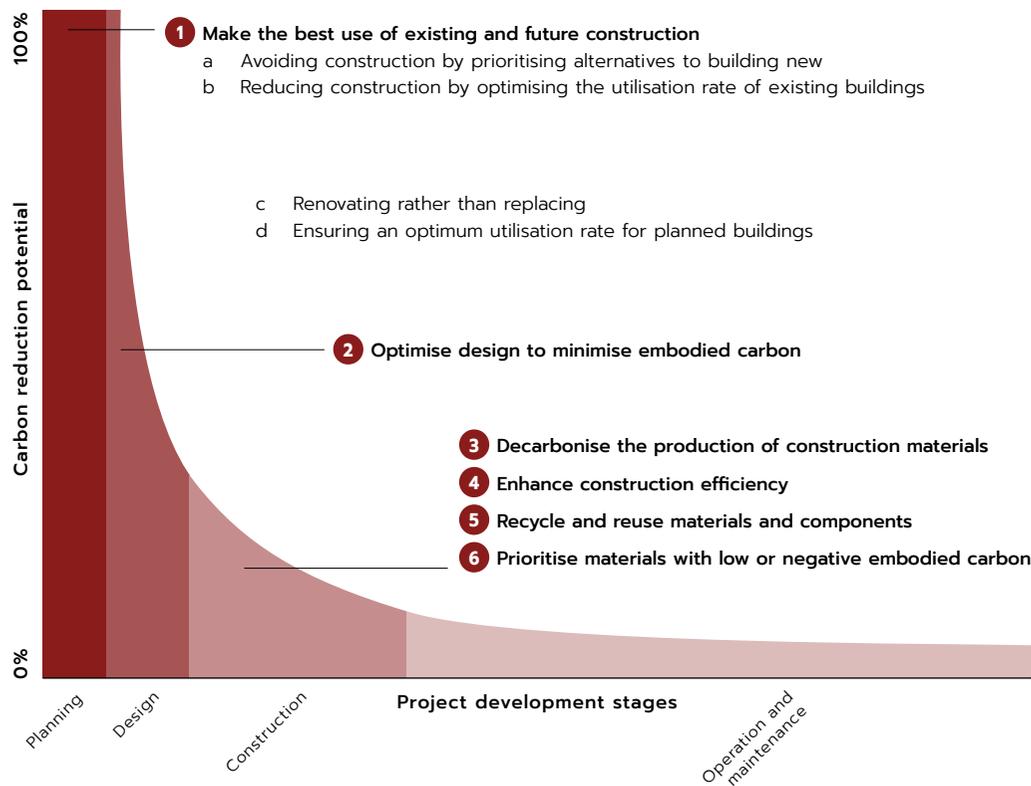
End-of-life treatment activity (demolition, deconstruction, etc.) of decommissioned Nextensa buildings.

These three categories mean a double impact during the development:

- Guaranteeing minimal energy use for the buildings (reducing energy needs by performance of both skin and installations).
- Choosing materials with a low carbon footprint.

To reduce energy consumption, all new projects need an EPB certificate in accordance with regional legislation concerning passive or so called NZEB (nearly zero energy buildings) buildings, achieving a score of at least class A.

As of 2023, for projects submitted in building permit applications, Nextensa will be even more strict by following the criteria set by the EU taxonomy to do at least 10% better than the national (or regional) standards concerning the use of primary energy. An important part of this reduction is to abandon all fossil fuels and only make use of renewable energy sources.



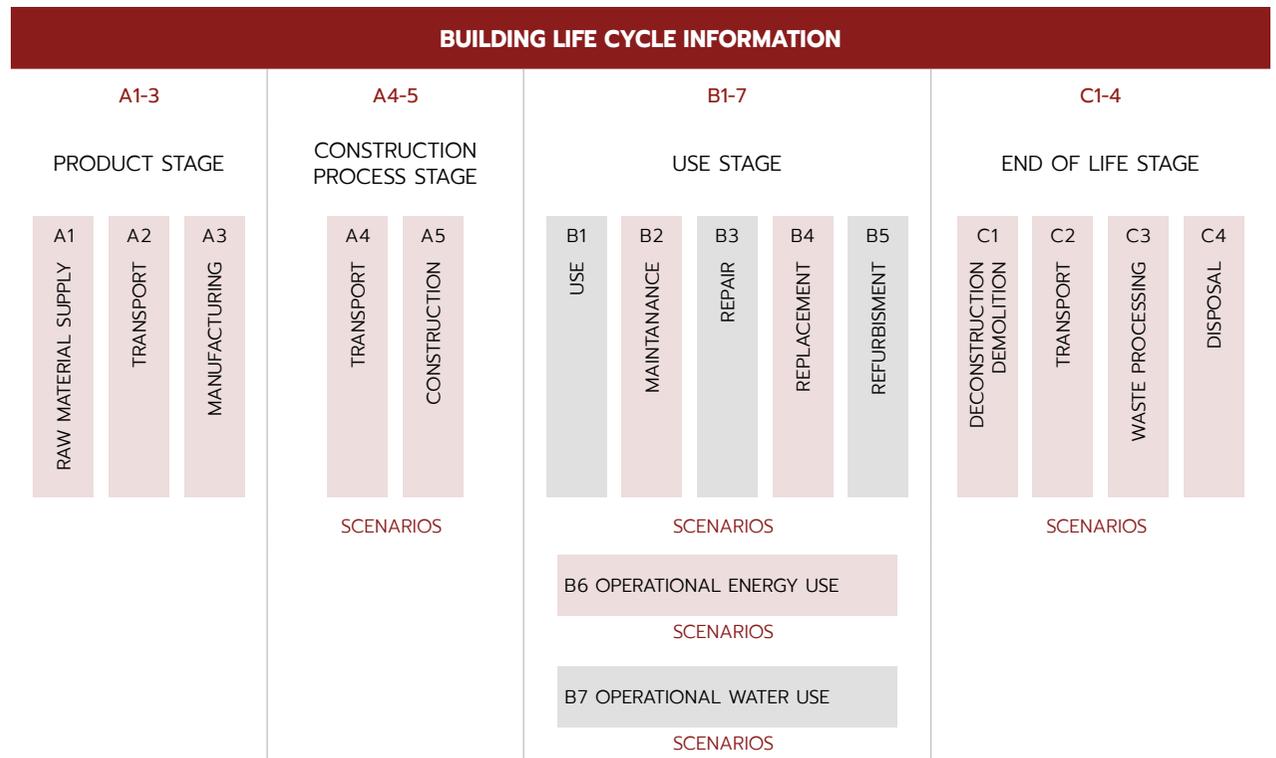
Source: 'Embodied carbon reduction potential at different project development stages', Shifting Paradigms

For embodied carbon emissions, awaiting national regulation, Nextensa has started the research of benchmarking the emissions derived from its developments and renovations⁵¹.

In 2022, Nextensa initiated the use of the TOTEM tool⁵² to calculate the carbon emissions of two pilot projects that were delivered in 2022: Monteco and Dayton.

In order to help the Belgian construction sector to objectify and reduce the environmental impact of buildings, the three Regions have developed the TOTEM tool (Tool to Optimise the Total Environmental impact of Materials). TOTEM's main values are objectivity and transparency, to enable the players in the Belgian construction sector (architects, design offices, contractors, owners, promoters, public authorities, etc.) to identify and limit the potential environmental impacts of buildings from the earliest stages of the design process. This tool will likely become a reference in Belgium for the construction sector.

The calculation generated by the tool includes the complete life cycle of the buildings:



Overview of the life cycle stages and system boundaries within the European standard EN 15978:2011 (CEN 2011). The current version of TOTEM considers the modules coloured in red.

The TOTEM-tool also gives an environmental impact score. This year, as part of its development activities, Nextensa reports on these two pilot projects.

Monteco is an office development of 4,905 sqm GFA with a wooden structure, which remains in Nextensa's portfolio, whereas **Dayton** is a traditional residential building of 8,367 sqm GFA representing the residential development of Park Lane Phase 1 that was completely delivered in 2022 and sold to private customers. Dayton represents 33% of the Park Lane Phase 1 project delivered in 2022.

⁵¹ 305-1: g) Standards, methodologies, assumptions, and/or calculation tools used.

⁵² 305-1: g) Standards, methodologies, assumptions, and/or calculation tools used.

Dayton:

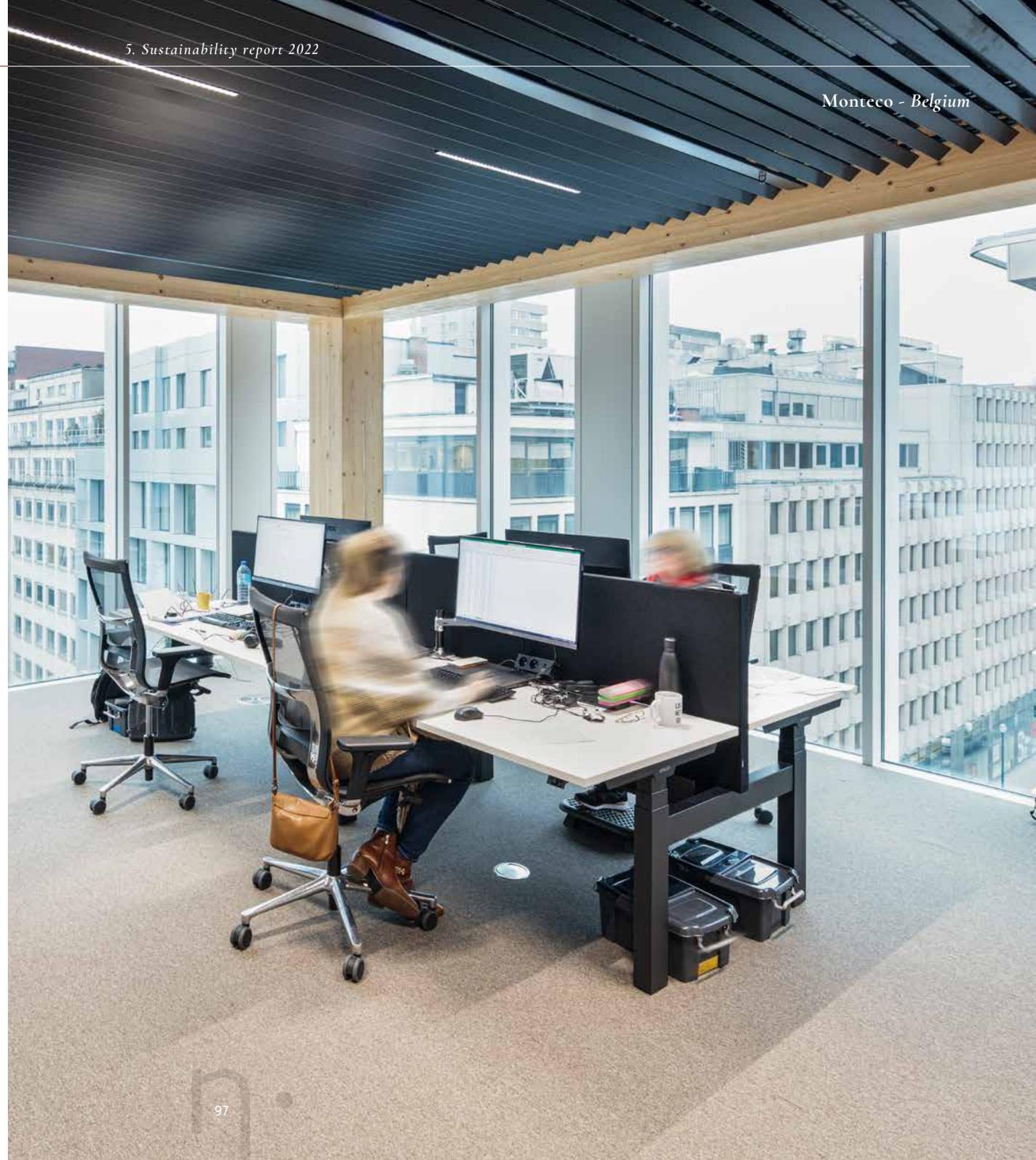
- Environmental impact score:
76mPt/sqm GFA or 635,892mPt.
- Carbon footprint total:
1,012kg CO₂-eq./sqm GFA or 8,467 Ton CO₂-eq.
- Carbon Footprint Stage A 'Purchased goods and services': 367 kgCO₂-eq/sqm or 3,071 tCO₂-eq.
- Carbon Footprint Stage B 'Use of sold products':
174 kgCO₂-eq/sqm for maintenance and replacements
and 432 kg CO₂-eq/sqm for operational energy use,
giving a total of 5,070 tCO₂-eq.
- Carbon Footprint Stage C 'End of Life of sold products':
38.5 kgCO₂-eq/sqm or 322 tCO₂-eq.

Monteco:

- Environmental impact score:
68mPt/sqm GFA or 333,540mPt.
- Carbon footprint total:
884 kg CO₂-eq./sqm GFA or 4,336 Ton CO₂-eq.
- Carbon Footprint Stage A 'Purchased goods and services': 124 kgCO₂-eq/sqm or 608 tCO₂-eq.
- Carbon Footprint Stage B 'Use of sold products':
140 kgCO₂-eq/sqm for maintenance and replacements
and 473 kg CO₂-eq/sqm for operational energy use.
- Carbon Footprint Stage C 'End of Life of sold products':
148 kgCO₂-eq/sqm.
- The carbon footprint of Stage B and C are not in scope
for 2022 because the building is not sold by Nextensa.

The result shows a clear difference in the impact of the materials, which is in line with the expectations as Monteco was built with a wooden structure.

For future developments, Nextensa will benchmark more projects to set up a maximum carbon footprint for its projects. This baseline will guide the company towards net-zero developments in 2050.



High 5! - Luxembourg



Future goals

Nextensa has the ambition to become CO₂-neutral with respect to scope 1 and 2 in 2030 and for scope 3 by 2050.

In order to achieve these long-term goals, short-term actions need to be taken.

For Scope 1 and 2:

The most important steps are to reduce the number of individuals commuting by car and increase the use of electric cars by implementing the new car policy.

For the offices in Luxembourg, Nextensa will take more action to rapidly reduce its CO₂ footprint. In 2023, Nextensa will enter into a new energy contract for purchasing certified green electricity for the new office in the High 5!-building. Secondly, an action plan to switch the heating of the offices to renewable energy will be drawn up.

For Scope 3:

For operational emissions, Nextensa will continue to work on bringing all company entities together in one accounting package where more detailed data can be stored so that reporting on purchased goods can be done.

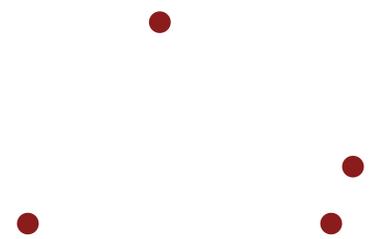
For investment activities, Nextensa plans to install +1,000 kWp of solar panels in Luxembourg.

In 2023, Nanogrid will be active in all assets, allowing easier reporting of energy consumption.

For the Depot Royal in Brussels, the replacement of the gas boiler with a geothermal installation is being further investigated.

A roadmap towards net-zero will be drawn up for all assets based on the CRREM (Carbon Risk Real Estate Monitor) allowing for concrete targets and planned actions for the coming years.

For new (re)developments, Nextensa will drastically reduce the use of fossil fuels and investigate options to integrate renewable energy for heating and cooling. Electricity will be generated as much as possible through solar panels, and green energy will be purchased to make up the difference. The embodied carbon for all new developments, and when possible for renovations, will be monitored by a TOTEM calculation, with the aim of integrating the principles of circularity as described in the next chapter. In this way, Nextensa can collect more data to set a good benchmark to help it meet its long-term target.



2.2 Circularity



Approach

Construction works and materials represent 11% of global carbon emissions. Construction materials and operational materials of buildings account for half of all extracted raw materials used in Europe. During a building's lifetime, there are substantial material flows, such as building waste, building materials, operational waste, interior design, furniture, decomposition materials, etc.⁵³.

As most of these materials come from finite resources, we must move away from a linear approach of raw materials (extraction, production, consumption, waste) to the untapped potential of a circular approach.

Circular construction strives for efficient and effective use of resources. The aim is to create and maintain economic, social and ecological (added) value. During the building process, the existing legacy and future opportunities specific to the building sector are taken into account.

To achieve circular constructions, Nextensa aims to maintain existing materials in the loop as long as possible, to retain their value and avoid waste.

As demonstrated in the previous chapter, the majority of Nextensa's GHG emissions come from Scope 3. Besides energy, materials are the main source of emissions, leading to a significant carbon footprint for the organisation and its sector as a whole⁵⁴. As a developer and real estate organisation, Nextensa can play a crucial role by choosing more sustainable materials for projects.

Integrating more circularity in all projects is thus important for Nextensa. To do this, the organisation is determined to integrate circularity principles in as many projects as possible. Therefore, last year Nextensa determined three principles leading to more circular buildings, with a focus on efficient and low-emission material use:^{55,56}

Principle 1: The reusable building

Principle 2: A thoughtful use of materials

Principle 3: Enablers for circularity

⁵³ 306-1: a.i) Inputs, activities, and outputs that lead or could lead to waste generation and waste-related impacts.

⁵⁴ 306-1: a.i) Inputs, activities, and outputs that lead or could lead to waste generation and waste-related impacts.

⁵⁵ Nextensa's 2021 Sustainability Report p69 ff. for complete explanation of the three principles

⁵⁶ 306-2: a) Actions, including circularity measures taken to prevent waste generation, and to manage waste-related impacts.

Integrating circularity in the projects of 2022

A. Nextensa's offices – Leading by example⁵⁷

Besides being in one of the most sustainable buildings in Brussels, the interior of Nextensa's office was also well thought-out in order to set an example with regard to material use.

All opaque inner walls (415sqm) and telephone booths came from the award-winning circular start-up JUUNOO. They designed a system with extendable modules that can be reused over and over again. When the system is no longer needed, the company buys it back to reuse it in other projects.

The glazed walls (200sqm) are a newly developed click system from Group Jansen. The glazed walls are easily mounted on steel clips with a bamboo frame that is clicked on. Bamboo is easy and quick to grow and is very strong, making it a useful renewable material for interiors.



Nextensa offices

Most of the flooring is covered with an air cleaning carpet (660 sqm), which Nextensa had in stock from another project. For the new flooring materials, Nextensa chose cradle-to-cradle gold certified carpets with an eco-base produced from recycled yarns and certified vinyl flooring with a high level of recycled components.

The bespoke furniture was partly made from the old cupboards from Nextensa's former office and from MDF panels with 100% recovered pre-consumer wood from waste flows (from UNILIN). For the orangery, recycled steel was used for the frame and reclaimed glass for the infills. In the reconstructed train compartment, a nod to the historical use of the location, the original windows of a locomotive were used.

The new loose furniture was selected based on its share of natural and/or recycled materials: cork, recycled textile, recycled PVC, clay, etc.

In the old offices, an inventory of all furniture was made to see which objects would fit in the new layout. The furniture that was not reused in the new office got a second life at Maison de la Poste, a school in Wilrijk, Red Cross Belgium, and 'Berrefonds', a foundation that supports parents, grandparents, family and friends when the unthinkable happens to them: the loss of a child.

In the end, none of the existing furniture was thrown away. Even office supplies that were not reused in Nextensa's own office, were given to and reused by other organisations.

B. TOTEM + MADASTER - introducing new tools to foster circularity

To make further steps forward in calculating embodied carbon in its projects, Nextensa started the research for benchmarking the emissions in its developments and renovations.

In 2022, Nextensa started to use the TOTEM tool to calculate the carbon emissions of pilot projects. This calculation includes the complete life cycle of the buildings. Nextensa will integrate this tool into its processes.

Beside the TOTEM tool, Nextensa also became a Madaster Max partner. Madaster is a platform that provides users with a time-saving repository for building, materials, and product data, and facilitates circular management using the Madaster Circularity Indicator. The aim of the Madaster Circularity Indicator is to improve circularity-oriented building design and to increase the circular value of buildings. The platform also provides a material passport. The material passport specifies for each building the essential information on resource use, climate impact and the material cycle.

In this way, all necessary information should be provided to support the construction of "urban mines", the completion of circular renovations and new buildings, and circular demolition in the best possible way.

In the long term, the building passport lays the foundation for a consistent circular economy in the construction sector, in which all life-cycle phases from design to reuse or recycling are optimally aligned and connected. This requires full transparency about installed materials and components, their values and ownership. It is the basis for a new economy, new business models and a high-quality built environment. In 2023, Nextensa will start using the platform for pilot projects from the Lake Side development.

C. Moonar – Start of the renovation project

Near Luxembourg airport, in Niederanven, planned renovation works of the 'Moonar' office park started at the end of May 2022. Moonar is a campus near the airport with a full range of services for tenants and an emphasis on outdoor meetings and landscaping. The office park consists of 5 buildings. The first building - "Building D" - will be fully renovated (windows and glazing, false ceilings, HVAC, plumbing, etc.) by February 2023. Buildings A and B will be completed by the middle of this year and the renovation of the remaining part of the site will be completed by the end of 2023.



Moonar

E. Park Lane – a lasting residential neighbourhood

For the Park Lane project, a residential development on Tour & Taxis, the second part of construction started in 2022. These new buildings are designed to last. The development contains 19 apartment buildings with a very robust, timeless design, that fits in the rich architecture of Brussels with its brick facades. The quality of the used materials is high with their value being maintained over time. In the second phase of this project, even more attention is paid to the materials and their environmental impact. Bricks are no longer full and solid, but brick slips are used instead to reduce weight and thus save on materials, transport, suspensions and foundation. The blue stone that was quarried from the original Gare maritime, but was not recovered due to limited volumes, will now be processed into sills. Nextensa is aware that for its residential projects more improvements to a circular economy can be made, but the first steps have already been taken.

D. Monteco – delivery of the first timber office building in the Leopold District (Brussels)

The construction of Monteco was delivered in 2022. This building is the first timber office building in the Leopold District in Brussels. The construction contains 850m³ of timber, avoiding the use of 2,000 tonnes of concrete for the structure.⁵⁸ The timber that is used comes from sustainable forestry and has an FSC label. Because trees absorb CO₂ during their growth and keep it captured during the lifecycle of being a building material, the building has a low ecological footprint. Due to the lighter weight, fuels and transport can be kept to a minimum during the construction phase. In the meantime, newly planted trees replacing the old trees used for the construction of Monteco absorb CO₂ from the atmosphere. Consequently, timber produces far lower CO₂ emissions than a traditional concrete or steel building. Due to this natural and renewable material, harmful substances from synthetic materials are not present, which will have an impact on the air inside the building, making it a healthier environment. The result of the calculation of the CO₂ emissions can be found in the previous chapter.



Monteco



Park Lane

⁵⁸ 301-1 Materials used by weight or volume

F. Hôtel Des Douanes – a new life for an eternal structure

In 2022, the renovation of Hôtel Des Douanes was ongoing. The biggest impact is of course the reuse of the valuable, original building structure, which is over 100 years old, and its art deco details. This historical building will be revitalised with geothermal energy and new materials have been chosen based on their high proportion of recycled and renewable components.

The temporary carpet that was used previously was recovered by the supplier and elements of it (rugs and yarns) were reused for the new carpet.



Hôtel des Douanes

G. Hangar 26/27

At the beginning of 2022, the old timber cladding of Hangar 26/27 was replaced. This former timber facade cladding was given a new life as facade cladding for the office building 'Kamp C' in the nearby city of Westerlo, becoming part of the first circular office in the Flemish region.⁵⁹

Hangar 26-27

The new facade on Hangar 26/27 was awarded the prestigious Timber Award 2022 in the 'joinery and carpentry' category.



⁵⁹ 306-2 a) Management of significant waste related impacts including circularity measures; 306-4 Waste diverted from disposal

H. Lake Side

In the upcoming residential development on Tour & Taxis 'Lake Side', the ambition to introduce more principles of circularity is already extensive. Besides a great emphasis on prefabrication, the use of materials will be minimised while increasing the amount of recycled and bio-sourced materials. In the coming years, more details will be reported on this project.

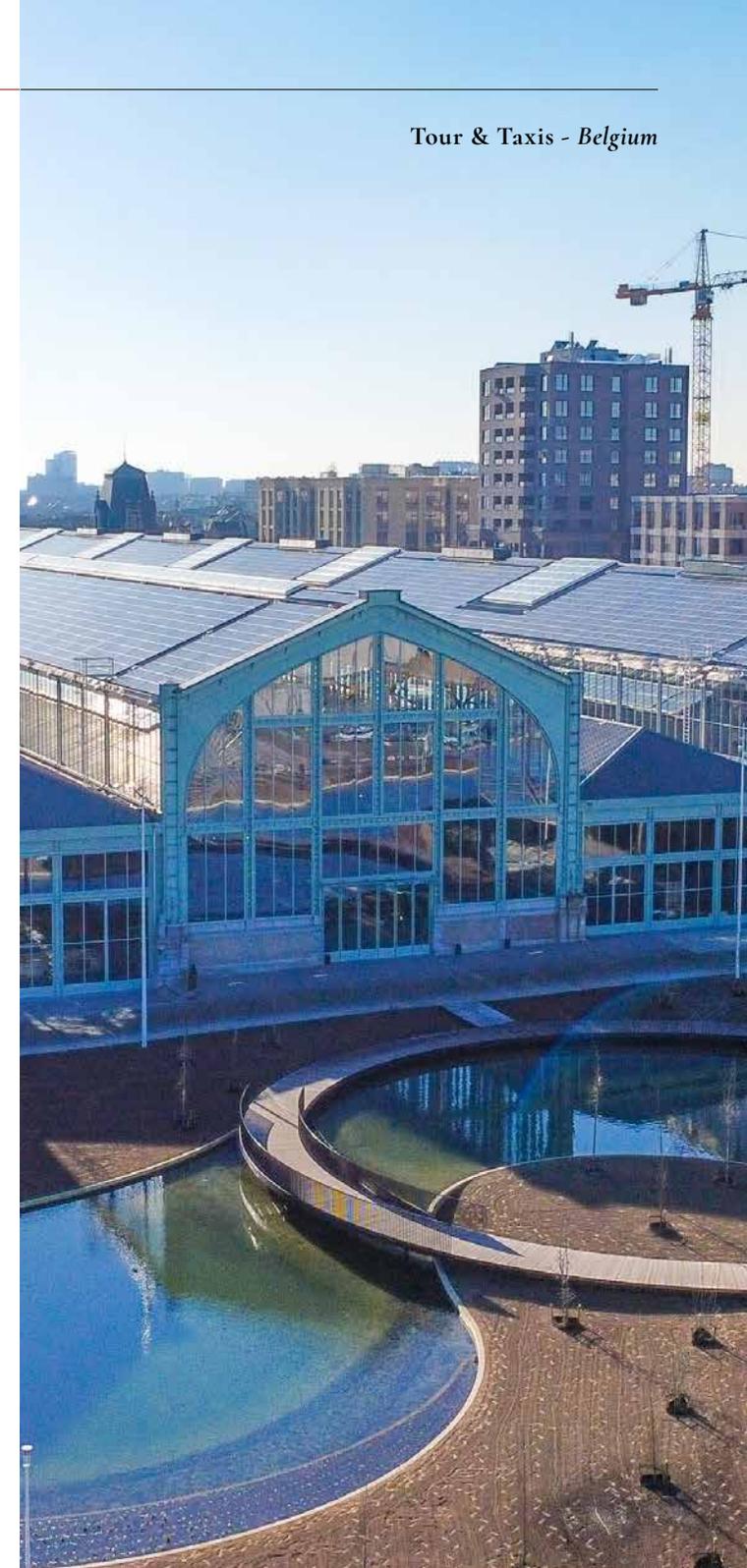
I. The ponds of Tour&Taxis

Nextensa has also integrated principles of circularity in the choice of materials for the pond of Tour & Taxis. Since EPDM or other sealing membranes of synthetic origin have a high ecological footprint, Nextensa searched for a product that is as natural as possible and that is also resistant to climate changes. The solution was found with Trisoplast. Trisoplast is an ecologically sustainable waterproofing that consists out of 99.5% natural material (sand and bentonite clay). Approximately 3,850 sqm of Trisoplast was used for the construction of the ponds. The high water retention capacity and the resistance to shrinkage ensure that Trisoplast does not lose its effectiveness due to cracking when it dries out, as can be the case with traditional clay seals. All this results in a durable, safe and simple seal that is quick to install.

Future Goals

Besides the integration of the circularity principles through Nextensa's internal sustainability tools, in the coming years Nextensa will collect more data to set up a reliable benchmark.

In last year's report, the goal was to have LCA (Life Cycle Analyses) calculations⁶⁰ for all new developments by 2030 for at least all building components, which together represent at least 70% of the construction costs. To accelerate this benchmark, Nextensa will implement the TOTEM tool for all new developments during the design phase as from 2023.



⁶⁰ 306-2: a) Actions, including circularity measures taken to prevent waste generation, and to manage waste-related impacts

2.3 Water Management



Approach

Nextensa is convinced that integrated water management offers an interesting approach in the search for solutions to combat the effects of climate change. Rainwater is no longer sent (directly) into the sewer and is now considered a resource rather than waste. It must be valued and used for the benefit of buildings, their occupants, the environment and to fight against urban heat islands.

Responsible water management is therefore considered of high priority for Nextensa given the significant water consumption of both operated buildings, and new buildings during construction and renovation activities. As such, the organisation has been optimising the water management of buildings and sites.

As part of its water management policy, Nextensa obviously relies on the guidelines provided by BREEAM certification and the “do-no-significant harm”⁶¹ criteria of the EU taxonomy, while developing its own standards for future projects that aim to examine the additional actions that could be taken⁶². Each project will be analysed based on its own capabilities to maximise water recovery and rainwater collection⁶³.

Water consumption

For the Belgian portfolio, the organisation implemented monitoring systems to track and measure water consumption and identify potential leaks⁶⁴. Since this was implemented in the course of 2021, data on water consumption are available for this reporting year 2022 for the Belgian assets. For Luxembourg and Austria, the monitoring system was implemented in 2022, with the first yearly results to be reported in the 2023 Sustainability Report.

⁶¹ “For an activity pursuing one or more of the six objectives to qualify as sustainable it cannot cause significant harm to any of the other Taxonomy objectives. For each activity, the TSC lay out thresholds to define compliance with do no significant harm.” S&p Global, 2021

⁶² 303-2: a) Description of any minimum standards set for the quality of effluent discharge and how standards were determined; 303-2: a.ii) Any internally developed water quality standards or guidelines

⁶³ 303-1: c) Description of how water-related impacts are addressed, including engagement with stakeholders, suppliers, and costumers.

⁶⁴ 303-1: b) Description of approach used to identify water-related impacts, including scope, timeframe, tools and methodologies

TOTAL FROM ACTIVITY OWNERSHIP ⁽⁶⁵⁾		
	2021	2022
Water consumption in ML and m ³	80,355ML or 80,355m ³	70,280 ML or 70,280 m³
Coverage %	72%	78%
Tap water intensity	235 l/sqm	199 l/sqm

Nextensa is aware of the large amount of water required by water-softening installations. For future developments, Nextensa will prioritise focusing on the best-performing softening installation or switch to other techniques that require no water.

To further limit its water consumption, Nextensa will implement the water-related criteria set out in the EU taxonomy in all its developments and renovation projects.

Rainwater

One way of reducing the amount of tap water consumption is to reuse available rainwater.

This is high on the agenda for all redevelopment and development projects, but there is still a long way to go.

Of all Belgian assets, only 5 out of 9 have rainwater tanks, able to store a total of 1.324m³ or 1,324ML of rainwater (1,300m³ of which is accounted for by the Gare Maritime).

For Nextensa, good water management starts with discharging as little rainwater as possible into the sewer system. To achieve this, the following steps are followed⁶⁶:

- 1) Create buffer volumes and reuse rainwater for the buildings;
- 2) Enhance direct infiltration of rainwater into the soil;
- 3) Create rainwater buffer tanks to delay evacuation to the sewers.

With these actions, Nextensa intends to address the two large-scale problems of excess water and soil drying. The organisation is striving to send less water to the sewers and capture more rainwater. Infiltration considerably reduces the risk of flooding and allows the soil to be cleaned, restoring its natural balance. In addition, infiltration areas are developed in pleasant places to improve biodiversity.

For the site of Motstraat (Mechelen), the redesign of the ponds began in 2022. The renovation will make it possible to provide buffering to cope with rainfall with an intensity of 150l/sec/ha for a duration of 20 minutes. All rainwater on site can be collected in the pond measuring 1,150sqm. The water level will rise about 12cm (or 138m³ of water buffering). Another 13m³ of water can be collected in the renewed natural infiltration zones. Therefore, no rainwater will be discharged into the public sewer system. The renovation will also convert the perimeter of the existing ponds from a transit area to an open public space, providing meeting and resting places, as well as more organic routes around the ponds, alternating materials and textures with simple and coherent elements. Platforms are placed over the ponds extending in undulating paths, offering a contrast with the straightness of the existing buildings.

The mentioned principles about rainwater are also taken into account in the new Lake Side development, where all three steps are implemented.

⁶⁵ 303-5: a) Total water consumption from all areas in megalitres

⁶⁶ 303-1: c) Description of how water-related impacts are addressed, including engagement with stakeholders, suppliers, and customers

Water withdrawal⁶⁷

For Nextensa's activities, only groundwater is extracted, mainly originating from construction activities. Permanent pumping, during the construction of new buildings, might be needed to lower the water table⁶⁸. However, this concerns a period that is limited to the construction of the basement, during which an enormous amount of non-potable but clean water is discharged into a public sewer and treatment plant⁶⁹. Nextensa is actively seeking solutions to reduce and reuse the pumped water during the construction phase. For the construction site of Park Lane Phase 2, Nextensa, together with the contractor, put a strategy in place. One of the sources was used to fill the newly constructed ponds in front of the Gare Maritime during the dry summer of 2022. More than 5,875m³ or 5,875,000 litres was prevented from being discharged into the public sewer system.⁷⁰ A second source fills a container on the construction site of Park Lane Phase 2. In 2022, the contractor also reused 43.5m³ or 43,500 litres to clean the site and machines. In total, 61ML of water withdrawal took place for the construction of Park Lane Phase 2 in 2022⁷¹.

⁶⁷ Disclosure 303-3: Water withdrawal

⁶⁸ "The water table is the boundary between the unsaturated zone and the saturated zone underground. Below the water table, groundwater fills any spaces between sediments and within rock." National Geographic

⁶⁹ 303-4 Water discharge

⁷⁰ 303-2 Management of water discharge-related impacts

⁷¹ 303-3: Total Water withdrawal in ML

⁷² 303-1: c) Description of how water-related impacts are addressed, including engagement with stakeholders, suppliers, and customers

⁷³ 303-1: b) Description of approach used to identify water-related impacts, including scope, timeframe, tools and methodologies

With a water surface of 3,500 sqm, this lake project will also be an important cooling down spot on the site.

Nextensa furthermore applies the principle of geothermal heating, which involves using the energy naturally present in the water table (stable temperature of around 10°C). This system pumps out the water present in the aquifer directly, then restores it after the heat exchange. Strictly speaking, no water extraction therefore takes place. In summer, on the other hand, the same system makes it possible to cool the spaces. A geothermal system therefore consists of at least two wells: one for the supply and one for the discharge of water⁷². The latest installation was carried out in the Hôtel Des Douanes and studies are underway to equip the Depot Royal on the Tour & Taxis site.

Also, for the new Lake Side development on Tour & Taxis, the first studies and tests have been conducted with a view to fitting this 130,000m² development with a geothermal installation.



Future Goals

Nextensa strives to a complete monitored water consumption for all assets next year. This will support the organisation to enhance efficient water management by minimising water use. With the introduction of a high-performance water management system for all buildings, Nextensa aims to minimise tap water usage by 20% by 2030 and 50% by 2050, in comparison with 2022⁷³.

For new developments or mayor renovations, as little rainwater as possible will be discharged into the sewer system and as much rainwater as possible will be reused by 2030. Therefore, management systems for rainwater need to be introduced or optimised.

Furthermore, Nextensa will purify greywater where possible and reuse it to reduce the amount of tap water used. Lastly, research on reuse of groundwater during the construction phase will continue.

For the Lake Side development, as much rainwater as possible will be purified and reused with no discharge into the sewer system. We will continue the research into reusing greywater in the project.

2.4 Healthy buildings



Approach

Besides paying attention to the energy-efficiency and the CO2 impact of the buildings, Nextensa attaches great importance to the “well-being” of its buildings and to providing a safe and healthy place for employees, residents and visitors.

Nextensa carried out various licensed assessments to verify and ensure healthy buildings.

The independent assessments include a BREEAM⁷⁴ certification, the world’s leading sustainability assessment method for buildings. This analysis considers energy and water consumption, the maintenance of materials, pollution minimisation, the impact of buildings on landscapes, the guarantee of health and well-being and the general management of the infrastructure.

It is Nextensa’s explicit ambition to certify all commercial (office and retail) buildings in the portfolio in compliance with the BREEAM certification standards, both for operational office and retail buildings (with a BREEAM In-Use Part 1 and 2) and those under construction or renovation (with a BREEAM New construction or BREEAM Refurbishment).

The certifications will guide the organisation in improving buildings’ sustainability performance.

For all new constructions in the Belgium portfolio, a BREEAM Certification has been completed or is ongoing.

For the renovation projects, two out of three projects have done or are doing an assessment.

For the assets, only one BREEAM In-Use assessment is ongoing. Three assessments were aborted in 2022 and four more are planned in 2023 and 2024.



⁷⁴ The BRE Environmental Assessment Method (BREEAM) is a global standard and rating system for buildings

	CERTIFICATES	ONGOING CERTIFICATIONS	TOTAL
BREEAM New Construction: 6 projects	33%: Montoyer 63: Excellent Treesquare: Excellent	67%: Monteco Gare Maritime (new modules) 2 ongoing Lake Side developments	100%
BREEAM Refurbishment: 3 projects	33%: Gare Maritime (Shell): Outstanding	33%: Hôtel Des Douanes	67%
BREEAM-In Use Part 1 and 2: 8 assets	0%	13%: Motstraat	13%

For the Luxembourg and Austrian portfolio, only the BREEAM-In Use assessment can be conducted. In 2022, three assessment were initiated in Luxemburg. In 2023 and 2024 the assessments for the remaining portfolio will be started.

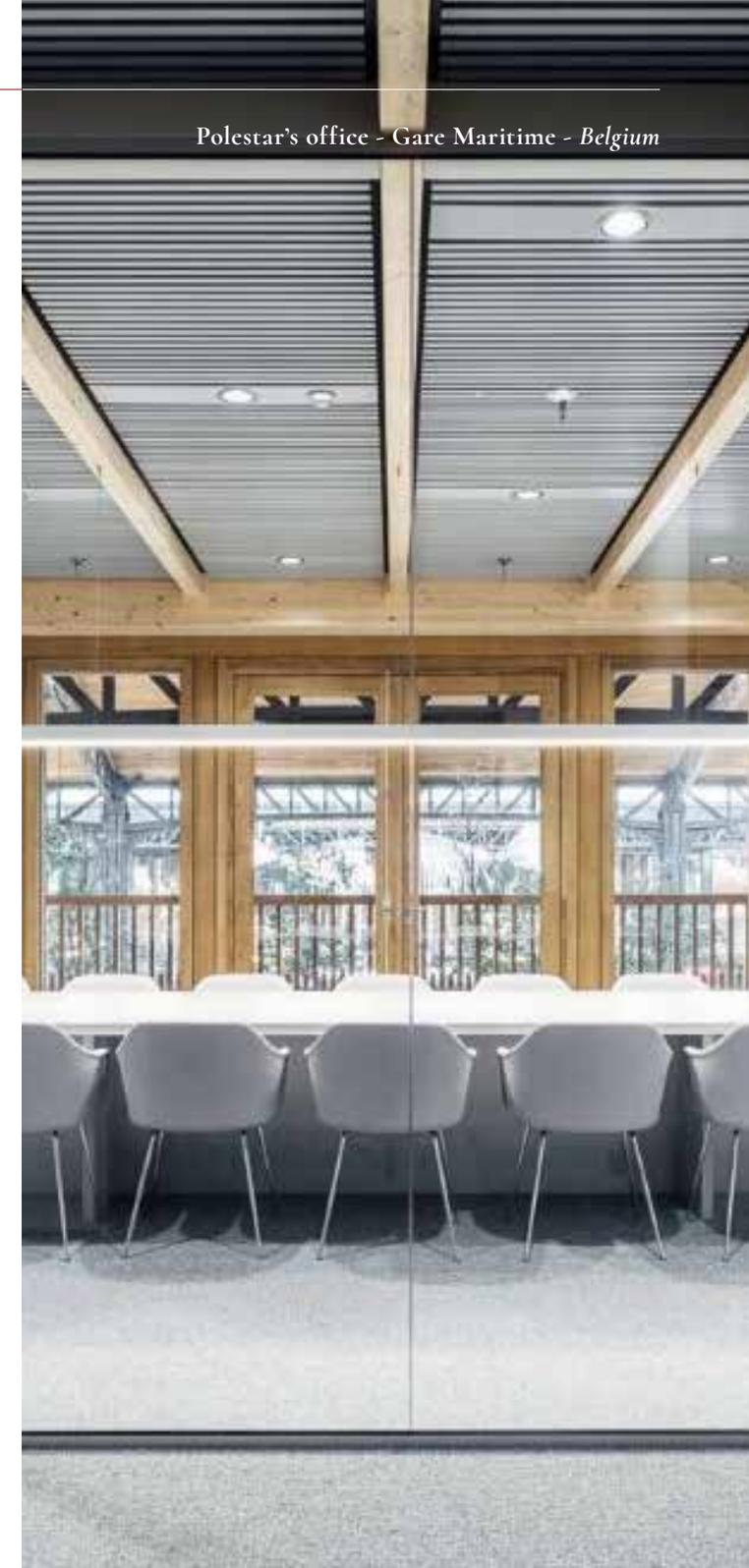
Besides BREEAM, there are also other certification assessments ongoing. A Well certification assessment is in preparation for the renovation of Hôtel des Douanes and the two new office buildings in the new Lake Side development on Tour & Taxis, and a DGNB assessment is ongoing for Hôtel des Douanes and one of the two new office buildings in Lake Side. The highest possible scores are being targeted.

Future goals

By 2024, Nextensa aims to have all office and retail buildings under its own property management certified by a BREEAM-In-use to start the Portfolio Maintenance Approach from 2025.

For all new construction or renovation projects, a BREEAM certification (or other well-known certification) is mandatory. In the coming years, Nextensa commits to opt for a healthy indoor environment and therefore, has integrated various requirements for renovations and developments into its internal sustainability tools:

- the instalment of large, operable windows, allowing generous daylight but avoiding overheating;
- the creation of green areas, in, on and around the buildings as a climate buffer, useful for regulating relative humidity and bringing nature closer to the working environment while contributing to cleaner air;
- a careful choice of the materials (preferably natural materials) that contain no or hardly any VOCs (Volatile Organic Compounds), in compliance with the requirements of the Pollution criteria from the EU Taxonomy.



Polestar's office - Gare Maritime - Belgium

3. SUSTAINABLE SOCIETY



3.1 Mixed neighbourhoods and biodiverse environments

Approach

Every building is part of an environment. Nextensa’s vision is to create attractive, inspiring and multipurpose environments that offer the optimal balance between working, living, shopping and relaxing.

Nextensa commits to investing in a sustainable society and recognises the role of green, inclusive and accessible neighbourhoods. As a real estate (re)developer, the impact on society is a key element which is considered from the start for each (re)development project and continuously improved for the buildings and sites it owns.

For the development of its neighbourhoods, Nextensa strongly focuses on creating multipurpose, inspiring and lively environments mitigating its impact by minimising space use and preserving the local biodiversity⁷⁵ through designing and creating healthy and green outdoor spaces where soft mobility is favoured, providing shared services and installations.⁷⁶

To create healthy environments, Nextensa strives to build strong relationships with local communities and takes into consideration the needs and expectations of tenants, occupants, residents and visitors, by actively involving them in shaping Nextensa’s approach.⁷⁷ Through dialogue, this inclusive and healthy environment can be built and will contribute to the creation of a sustainable society. This dialogue is described in detail in Chapter 4.2 ‘Partnerships, dialogues and co-creation’.



⁷⁵ Disclosure 304-2: a.i) Significant impacts of activities, products, and services on biodiversity with reference to construction

⁷⁶ Disclosure 203-1: Infrastructure investments and services supported. 203-1 c) Whether these investments and services are commercial, in-kind, or pro bono engagements: the investments Nextensa makes are a mix of commercial, in-kind and pro-bono engagements

⁷⁷ Disclosure 413-1: Percentage of operations with implemented local community engagement

15-minute neighbourhoods

The 15-minute city is an urban concept in which most daily needs and services, such as working, living, shopping, education, health, and leisure, are located within an easily reachable and safe 15-minute walk or cycle. This approach aims to reduce car dependency, promote healthy and sustainable living and improve the quality of life for city inhabitants.

This is exactly what Nextensa aims to contribute to with its developments: developing or contributing to a blend of urban functions in a pleasant environment, providing (shared) infrastructure to promote soft mobility, offering services and entertainment.



Tour & Taxis

In March 2022, Nextensa invited Carlos Moreno, an authority in the concept of 15-minute cities, to hold an interactive workshop with the management and the development team. Moreno's 2021 article introduced the 15-minute city concept as a way to ensure that urban residents can fulfil six essential functions within a 15-minute walk or bike from their dwellings: living, working, shopping, healthcare, education and entertainment. The framework of this model has four components; density, proximity, diversity and digitalisation.

During the workshop, all aspects were discussed and questioned in regard to Nextensa's developments to inspire more actions to be taken.

On Tour & Taxis, Nextensa had already introduced these principles from the start of the redevelopment, but Nextensa is also striving to implement as many of the various aspects of a 15-minute city in other sites it owns.

On Tour & Taxis, the first phase of the new residential Park Lane neighbourhood was completely delivered. In 2022, five more high-quality buildings in keeping with the rich Brussels architecture, welcomed its new inhabitants. One of the buildings is a care home for the elderly (developed by Anima). Not only were the buildings inaugurated but the flower-covered green was also unveiled, along with the surroundings promoting soft mobility leading towards the of Tour & Taxis park. Besides the necessary infrastructure, a digital community for the inhabitants also helps the

real community to stimulate communication and promote participation in ongoing activities on Tour & Taxis and the wider environment.

In the park, sporting activities were introduced, including outdoor spinning, a running track and a children's playground.

In summer, the construction of the second phase of the Park Lane development started, and is due to be completed in 2025.

In 2022, Gare Maritime became the new hotspot of the wider Brussels region. The first year of operations for the Food Market proved a success. During the weekends, different markets (the Makers market, Voddemet, Design Market, Book fairs, etc.) are regularly held in the public area attracting a wide range of visitors. Designed to be a place where it never rains, the public area is used all year round. In summer, Gare Maritime hosted the free summer festival 'Boterhammen in de Stad/Feeërien' for the second time. In winter, an artificial ice-skating rink, vintage carousel and a brand-new children's festival 'Kids Winterwonderland' organised by Nextensa and visited by more than 4,000 people, brought entertainment and leisure on site during the Christmas holidays.

At the other side of Tour and Taxis, on the last remaining plot to be developed, the Lake Side design, a new mixed development of Zone A and B was finalised in 2022 to submit for the urban and environmental permit in spring 2023. This project combines different programmes of residential areas, offices, commercial areas and public equipment in combination with large biodiverse public areas and private gardens promoting accessibility and soft mobility.

At the site of Hangar 26/27 'Sommar', a pop-up bar, brought the people of Antwerp together during the summer at the Scheldt quays. At the end of the year, this industrial area hosted a fish store and restaurant named 'Vis van A'.



Preserving biodiversity

Biodiversity is affected by Nextensa's activities since they transform open spaces⁷⁸. The organisation puts considerable efforts into investigating how biodiversity value can be improved in existing and new projects. The focus is on greening the building environments and thereby creating space for both people and nature. This not only increases the human experience, but also the biodiversity of the building sites.

During construction and renovation, Nextensa always assesses whether they operate on protected areas or on areas of high biodiversity, to best avoid causing harm⁷⁹. The organisation strives to increase unpaved area and green zones. Next to green zones where possible, the organisation also takes into account water infiltration capacity.

For owned sites, the development of green areas is an ongoing process, and the organisation is continuously investigating how to enhance, protect and enrich fauna and flora. Strict maintenance policies are put in place to preserve and foster biodiversity.

The organisation will focus on creating appealing neighbourhoods which integrate green spaces and enhance biodiversity. Consequently, in partnership with Accenture – a tenant at Gare Maritime – two members of the ESG committee participated in biodiversity workshops of 'The Shift'.

In February 2022, 2,310 new trees were planted in the Tour & Taxis park. This initiative was carried out in accordance with the method of the renowned Japanese botanist Dr Akira Miyawaki: 24 native species, close together, over an area of 770sqm. In this way, Nextensa created a new habitat for wildlife and at the same time ensured cleaner air in the urban neighbourhood. Local residents and tenants were invited to volunteer in the planting of this new urban forest. Coincidence or not, two months later Natuurpunt, an independent voluntary association that works to protect vulnerable and endangered nature in Flanders, spotted a pair of breeding plovers, a rare bird nearby.



⁷⁸ Disclosure 304-2: a) Significant impacts of activities, products, and services on biodiversity

⁷⁹ Disclosure 304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas

HIGHLIGHT:

THE PONDS OF TOUR & TAXIS

The construction of the pond in front of the Gare Maritime was completed in 2022. With a surface of 3,300m², this brings a pleasant blue touch to the Tour & Taxis site.

This small lake forms the green link between the front of the site and the park. Benches, a wooden path around the lake and connecting bridges ensure great interaction between site users and this new pleasant area.

Planting in and around the pond will further increase biodiversity. Spontaneous presence of additional specimens will hopefully become visible in the coming years. By softening the area, and thanks to the evaporating water in the summer, this pond also forms a counterweight against the known heat islands.

The pond was filled with pumped groundwater. The presence of a buffer, filled by rainwater collected from the roof of the Gare Maritime, will keep the water level stable. As described in the chapter on Circularity, Trisoplast was used to provide an ecological and sustainable waterproofing.



Smart and sustainable mobility

To ensure safe environments, Nextensa is committed to further foster soft, green and smart mobility, promoting the mobility pyramid for all its activities.

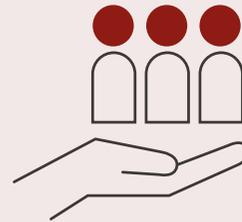
As stated in part 2 of this Sustainability Report, Nextensa encourages the use of cleaner transport methods with lower emissions by offering charging points for electric cars and bicycles.

The following measures were taken for Tour & Taxis in 2022:

- Work started on closing off one of the main entrances for cars and buses so the site will become safer for pedestrians.
- New streetlights were added so people can move in a more secure and safe way.
- The construction of the new bicycle parking next to the Gare Maritime began, due to open to the public in spring 2023.
- The bridge over the Canal, which Nextensa contributed to, was finally opened, connecting the Brussels North train station directly to the site.
- The next steps were taken in the HUME-project, a research project conducted in collaboration with Vito and the Catholic University of Leuven. In 2022, a survey about urban mobility was carried out by all tenants.

In Luxembourg, the renovation of Moonar started. This renovation also includes a reconfiguration of the inner plaza, turning it into a soft mobility-friendly, green area, becoming the heart of the redevelopment.

4. INVESTING IN HUMAN CAPITAL



4.1

Nextensa's people: our most valuable asset



Approach

In 2022, Nextensa's HR organisation continued to work on the merging of the two organisational cultures and their human assets. A physical move to a brand-new office in the prestigious Gare Maritime on the Tour & Taxis site took place in April 2022 to bring all the Belgian employees together and stimulate internal cooperation.



Nextensa's people⁸⁰

Equal opportunities, diversity and inclusion are of critical importance to Nextensa and are enshrined in the organisation's operating principles and corporate values through its Integrity Code and Corporate Governance Charter.

The ratio across the organisation of male to female employees in 2022 was 55% male: 45% female. Five of the eight Board members are female, but still, none of Nextensa's Executive Committee are women.⁸¹ 100% of Nextensa's employees are also represented under collective bargaining agreements, as per Belgian employment law.⁸²

Due to the nature of the business, and a project-specific context within which real estate (re)development occurs, Nextensa continues to rely on its close network of self-employed project managers and experts⁸⁶. These are temporarily contracted according to demand driven by new projects being carried out and assets being sold⁸⁷. As such, the organisation expects to retain a high number of self-employed professionals in 2023, all of whom operate in accordance with the labour and social legislation contained in the employment law of the countries in which they are based⁸⁸. This is why they are considered part of Nextensa's workforce and counted in all figures except for the gender pay gap.

In 2022, Nextensa had three female employees and one male employee that were entitled to and took parental leave. They all returned after their parental leave.⁸⁹

Global diversity (excl. board)



Board diversity by gender



Executive Committee



Management



Other team members



Workforce by region



Employees vs Self-employed



⁸⁰ Methodology: All team member numbers are expressed in terms of headcount, except for training hours and expenses, which are expressed in Full-Time Equivalents (FTE). (2-7 c) & 2-8 b) describe the methodologies and assumptions used to compile the data, including whether the numbers are reported: i) in headcount, full-time equivalent (FTE), or using another methodology)

⁸¹ 405-1: a.i) Percentage of individuals within the organisation's governance bodies by gender

⁸² 2-30: a) Percentage of employees covered under collective bargaining agreements

⁸³ 2-7 Employees by gender and by region

⁸⁴ 2-8: a) Report the total number of workers who are not employees and whose work is controlled by the organisation

⁸⁵ 405-1: b.i) Percentage of employees according to gender

⁸⁶ 2-8: a.ii) The type of work that workers who are not employees perform.

⁸⁷ 2-8: a.i) Most common types of workers who are not employees and their contractual relationship with the organisation.

⁸⁸ 2-8 Workers who are not employees.

⁸⁹ 401-3: a) b) c) parental leave.

Remuneration

A new 2022-2026 Remuneration Policy was adopted for Nextensa by the general shareholders' meeting of May 2022. This publicly available document provides a clear framework with transparency on roles, tasks and responsibilities in relation to remuneration⁹⁰.

Nextensa wants to base its remuneration scales on years of experience and technical skills. Although the gender factor plays no role in the remuneration scales, there is a gender pay gap of 17% for 2022.⁹¹

Health and Safety

In 2022, no incidents of discrimination nor corrective actions took place.⁹²

Neither accidents nor fatalities occurred during 2022.⁹³

⁹⁰ 2-19; a) Describe the remuneration policies for members of the highest governance body and senior executives.

⁹¹ 405-2; a) Ratio of basic salary and remuneration of women to men for each employee category, by significant locations of operations.

⁹² 406-1 Incidents of discrimination and corrective actions taken.

⁹³ 403-9 Work-related injuries.

Nextensa's focus on Wellbeing in 2022 and for the coming years

Investing in the wellbeing of employees remains of great importance for the HR Team.

However, the merger of the two entities in 2021 posed a real human challenge in 2022. In addition to the actions implemented in 2021, 2022 highlighted that substantive actions had to be carried out.

In order to provide employees with a better work-life balance, since 2021 the employees of Nextensa have enjoyed the option of working remotely two days a week, as described in their Remote Working Policy.

By creating workplaces that nurture inclusivity and belonging, you can unlock the potential of your organisation's most important investment – your people.

HIGHLIGHT:

NEXTENSA'S NEW HEAD OFFICE

As stated in an earlier chapter, Nextensa's new office brings the company together, reduces the CO2 footprint enormously and offers an example of how to add circularity to office fit-outs. The strong focus on using the right materials and following a warm and natural colour scheme was mainly implemented to increase the well-being of the employees. Better materials create a more pleasant and healthy indoor climate. Adding natural materials and plants to people's immediate surroundings creates a positive effect on well-being, known as biophilia. Their presence brings a greater feeling of calm and reduces stress levels.

The concept of the new office fosters a whole new way of working and collaborating.



New Head Office Nextensa

The high variety of spaces in Nextensa's new offices at Gare Maritime gives employees the opportunity to easily navigate the areas that support their various professional activities.

The concept was to organise the places to create "Nextensa's house" with its entrance hall to welcome visitors, the kitchen for lunch, a coffee break or a snack, lounges, common and individual work areas, a green orangery as well as the "Library" space for silent work requiring concentration.

All employees have shared access to silent working spaces as well as to social spaces where, whatever their role or responsibility, they can interact with others in order to develop their internal network. This design approach promotes autonomy ensuring all employees are better equipped to achieve their goals.

In addition to creating a workplace based on inclusive design, it is also about creating a working climate based on trust in order to strengthen the bonds of a great culture and unlock people's true potential. As a result, happier and healthier workplaces and work environments benefit everyone.

This reporting year, several initiatives have been set up to help employees meet each other: Monthly Town Hall meetings for sharing both bottom-up and top-down information, a Whatsapp group for the Nextensa employees to share informal information but also an Afterwork the first Thursday of every month in the Food Market at the Gare Maritime, as well as special touches for personal milestones like birthdays, weddings or births.

For the first time, in 2022, a family day was organized in December on the theme of 'Sinterklaas'.

However, true trust can only be established if we accept that we are all different. This is a good thing, because it is diversity that gives rise to more creativity but also optimal functioning of the teams, which can count on a wide range of talent and skills.

Effective teams are the building blocks of successful organisations. Helping teams find their sweet spot and deliver their best performance is still Nextensa's goal to ensure focus and foster cohesion. In order to achieve this, all team members have been registered in the Insight Discovery assessment.

The merging of the two entities was a real challenge because each individual in each organisation is unique. Everyone has a different style, expectations and needs. These very differences between individuals represent a great strength. Insight Discovery has provided insight into these differences. Better understanding others and ourselves to build on our different strengths allows us to "include" everyone to achieve the objectives that Nextensa has set itself.

Nextensa will keep working on this "inclusive house" not as an abstract concept but as a real experience for all its team members.

Training and Education⁹⁴

Training and education to level up the skills and expertise of employees within a rapidly changing industry, are a critical component maintaining strong human capital within the organisation. All Nextensa employees can suggest they take a training programme to their management, which in turn puts in a formal request with HR. A strong culture of internal transversal training and employee development exists, formalised under the 'Nextensa Academy', through which employees are supported and encouraged to share best practices, celebrate recognitions and awards, and learn from each other across all business areas and functions.

The main shareholder of Nextensa (the stock listed holding Ackermans Van Haaren) also organises many training sessions to share knowledge between their various participations. To this end, various communities are set up to unite people with similar functions (HR, Legal, CEO, ESG, Innovation, etc.) and initiatives are taken to bring them together.

⁹⁴ 404-2 Programmes for upgrading employee skills and transition assistance programmes

In 2022, a platform was introduced to automate the reporting and tracking of training and education in the organisation according to hours of training undertaken by employees and categorised by gender and employee category.

In 2022, more than €42,000 (€57,000 in 2021, -26%) was invested in employee training and education, including participating in seminars and certification schemes abroad.

Total hours of training per team member by gender

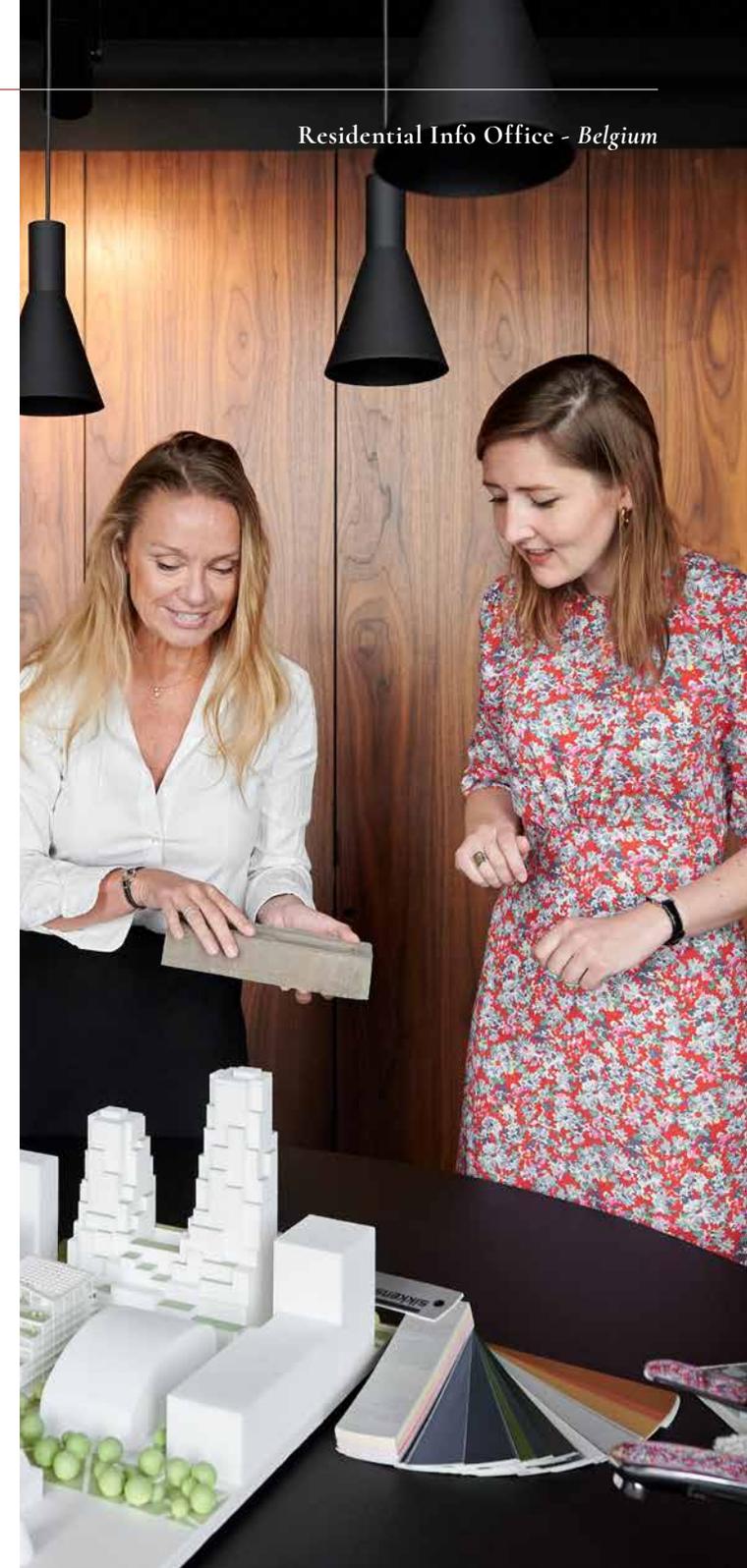


Average hours of training per team member by job category



⁹⁵ 404-1 Average hours of training per year per employee

Residential Info Office - Belgium



Performance Reviews

100% of employees receive an annual performance review.⁹⁶ To streamline the process and ensure its success, a series of evaluation documents are available to prepare and guide the discussion according to a set of questions and criteria, such as job description, objectives and scores. Employees are also asked about their job satisfaction, things they may be missing from the organisation or their leadership, and how they manage issues such as stress.

As Nextensa relies on its network of external consultants, a process has also been put in place, complementary to a Statement of Work, and all legal requirements under Belgian employment law of contactors, to evaluate outcomes and results against targets on a frequent basis, together with consultants.

Future goals

In 2023, the HR team will continue its efforts. Transparency towards all employees remains essential, as does the work initiated in 2022 to shape Nextensa's corporate culture as a single entity and to improve working tools. Emphasis will therefore be placed, over the next few years, on promoting optimal employee satisfaction and motivation throughout the organisation.

The satisfaction survey was not conducted in 2022. However, for 2023, Nextensa is planning a survey based on the SONAR method to acquire a complete overview of the psychosocial risks within the organisation and establish concrete action points to improve psychosocial well-being. The survey will measure three top-level KPIs: Employee Engagement, Employee Wellbeing, and DEI (Diversity, Equity, Inclusion), helping the HR Team to make data-driven decisions to improve wellbeing and team collaboration.



⁹⁶ 404-3: Percentage of employees receiving regular performance and career development reviews.

4.2 Partnerships and co-creation



Approach

Nextensa is engaging with its stakeholders and has established various partnerships and dialogues within the community to reach its sustainability goals. By collaborating with local associations to foster co-creation and by actively supporting initiatives in the neighbourhoods of new and ongoing projects, Nextensa is striving to create a rich and varied programme for young people and their families through social, cultural, sporting, and educational activities. To promote a sustainable and circular economy, Nextensa is setting up projects and business relationships with organisations that share the same values. The organisation works for clients that are in line with its mission to develop new multifunctional neighbourhoods through responsible co-creation. Tenderers are selected based on their ability to integrate sustainability and emphasise local anchoring in the context of the contract.

Moreover, Nextensa is constantly looking for synergies and partnerships for the implementation of energy projects to respond to local needs, utilising local renewable sources, with the aim of generating added value for the greater local communities.

Creating synergies with other organisations⁹⁷

Sustainability is increasingly becoming a story of connection. Through innovative and co-creative partnerships, government, industry, social actors and knowledge institutions are increasingly working together in the pursuit of a more sustainable world.

It is essential for Nextensa to foster connections with organisations that aim for a common objective to create a meaningful ecosystem. It looks for like-minded co-creation partners to exchange knowledge and experience. By communicating clearly and openly about the ESG strategy, Nextensa sharpens awareness among its clients, tenants, tenderers, and suppliers about its sustainability goals and requirements. Indeed, before entering in a new business relationship, Nextensa assesses the party based on criteria including their vision on sustainability, on local anchoring, and on partnerships. With this approach, it ensures that all projects contribute to the goal of developing green and inclusive environments promoting a circular and sustainable economy.

One example among many others was the creation this year of the energy community, an energy-sharing pilot project on the Tour & Taxis site in collaboration with WeSmart

⁹⁷ 2-29: a) Approach to stakeholder engagement including i. categories of stakeholders, how they are identified; ii. the purpose of the engagement; iii. How the organization seeks to ensure meaningful engagement



Partnerships with associations and cooperatives

Nextensa is supporting projects and organisations that are active in sustainable food, the circular economy, the social economy, or cultural and well-being projects, by welcoming them to Tour & Taxis or other locations of its portfolio.⁹⁸

Nextensa's many actions, partnerships and initiatives enable the creation of local dynamism. These actions are the root of a sense of community and actively involve the locals in inspiring activities.⁹⁹

To stimulate social cohesion and active participation of neighbourhoods, Nextensa is making new facilities of collective interest available. Spaces are made available (for free or with a considerable discount) for organisations with a positive impact on society. One of the organisations supported this year by Nextensa is TADA vzw (ToekomstATELIERdelAvenir) - a learning network that involves citizens and the business community in the emancipation and integration of socially vulnerable teenagers and their environment.

TADA exists thanks to countless people and private organisations. They selflessly harness the power of society to encourage as many people as possible to take more individual responsibility, for the benefit of a more inclusive society, where there are equal opportunities for development for everyone.

TADA has supported the children of a class from Molenbeek together with professionals from the film world to make their own short film. The project concluded with a film festival in the cinema of Maison de la Poste (Tour & Taxis) where parents were invited to come and admire their children's films.

Nextensa also regularly organises open-door events, giving the opportunity to small businesses, pop-ups, or start-ups in the neighbourhood to promote their projects. An interesting mixture of hundreds of visitors are passing by, from local residents to tourists of all ages and nationalities. Providing opportunities



⁹⁸ Disclosure 413-t a.iv. local community development programs based on local communities' needs.

⁹⁹ Disclosure 413-t: Local communities

Providing opportunities¹⁰⁰

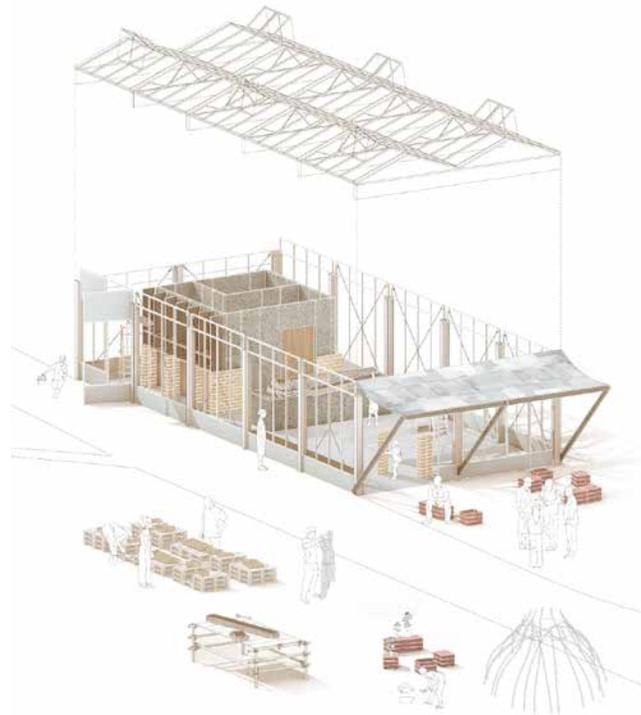
Nextensa is not only putting residents, building occupants and visitors at the centre of its sustainability ambitions, but also understands the potential in genuinely supporting the community at a broader level.

Nextensa strives to create prosperity and offer opportunities to the local community by providing job opportunities to young people and local entrepreneurs, contributing to a better living environment, and offering collective facilities¹⁰¹.

This year, Nextensa supported the “Building Beyond Borders” project by the students of the University of Hasselt, which aims to modernise the Parckfarm greenhouse located in the extension of the Tour & Taxis park. The Building Beyond Borders postgraduate certificate is a bi-annual learn-and-act programme for graduates and professionals who want to become a change-maker in the built environment.

The programme includes a series of theoretical sessions, lectures, workshops, hands-on experiments and design explorations.

“It was more than just building shelves and a canopy... it was like reorganising the house with the entire “family” to make it an even more welcoming place for everyone. There is nothing spectacular about the ParckFarm project, but the collaboration and the punctual interventions opened new perspectives, for us, for the ParckFarm community and all that participated in the process.”¹⁰²



¹⁰⁰ Disclosure 203-2: Significant indirect economic Impacts.

¹⁰¹ 203-1: b) Current or expected impacts on communities and local economies through infrastructure investments and services.

¹⁰² <https://sites.google.com/student.uhasselt.be/wearebuildingbeyondborders/about-us>



This year, Nextensa far exceeded its goal of supporting at least 25 initiatives with a positive impact each year, including both ongoing and new projects:

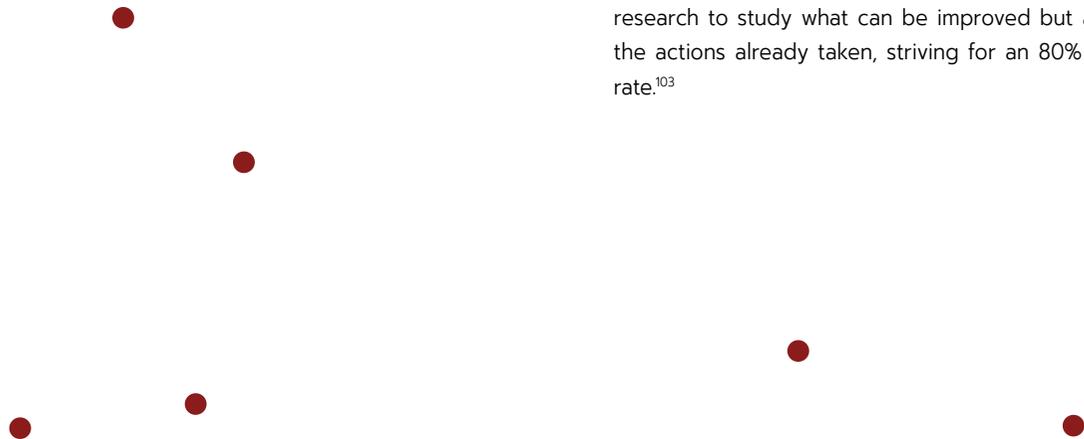
	2022	2021	
NUMBER OF INITIATIVES SUPPORTED IN THE CATEGORY OF:	GRI 413-1	34	26
SUPPORTING ASSOCIATIONS	10	5	
STIMULATING URBAN MICRO MOBILITY	2	2	
PROMOTING JUSTICE AND HUMAN RIGHTS	3	3	
INTEGRATING ART, CULTURE & SPORTS	16	10	
PROVIDING OPPORTUNITIES	3	6	

Future goals

Nextensa aims to support each year at least 25 associations and cooperations that are involved in a sustainable society approach or the circular economy, including both ongoing and new projects.

To create further synergy with other organisations, Nextensa will actively keep on looking for possible partnerships that can provide added value to projects to increase the positive impact on people, planet and/or profit.

Involving the community in fostering social well-being remains a priority. Nextensa will continue to conduct research to study what can be improved but also trust in the actions already taken, striving for an 80% satisfaction rate.¹⁰³



¹⁰³ 2-29: a) Purpose of stakeholder engagement

5. SUSTAINABILITY APPENDIX

5.1 Nextensa's communication with its stakeholders ¹⁰⁴

Type	Group	Who	Methods of communication	
CORE STAKEHOLDERS	Financial stakeholders	Investors, majority shareholders, banks	Continuous transparent communication by press releases	
			Annual report and semi-annual financial report	
			Annual sustainability report, from 2022 integrated in Annual Report	
			Roadshows and participation in trade fairs and investor days	
				Invitation to attend the annual shareholders' meeting
	Nextensa's people	Employees, long term self-employed consultants		Monthly townhall for sharing top-down and bottom-up information
				Monthly 'After Work' drink
				Annual evaluation interviews
				At least one team-building event per year
				Possibility for everyone to follow work-related training
				Nextensa Academy for internal knowledge sharing
				Organisation of sporting activities
				Yearly New Year's event with inspirational speaker and lunch
				Possibility to receive free tickets for events (Tour & Taxis or sponsorships)
Regular well-being or satisfaction survey				

¹⁰⁴ Disclosure 2-29: a.i) Approach to stakeholder engagement and the categories of stakeholders it engages with; 2-29: a.ii) How the organisation seeks to engage with stakeholders 2-12 b i) whether and how the highest governance body engages with stakeholders to support these processes



Gare Maritime - Belgium

Type	Group	Who	Methods of communication	
CONNECTED STAKEHOLDERS	Tenants	Corporates, government, retailers, SME's	Create a valuable long-term partnership	
			Regular tenants meeting	
			A hospitality and/or a property manager of Nextensa at their service	
			Continuous interaction by e-mail, telephone calls, individual meetings, etc.	
			Access to Energy monitoring system platform	
			Newsletters	
			Access to online platform for notifications and questions	
			Yearly Christmas Drink	
			Free tickets for activities on Tour & Taxis	
			Suppliers and Partners	Facility management and safety service providers, energy providers, suppliers, event and hospitality partners, telecom partners, partners for data collection, IT partners, partners for e-mobility, etc.
Creating innovative win-win situations				
Purchasing Code as from 2023				
Exchanging information on sustainable and innovative topics				
Residents	Individuals, families, private investors, professional investors, etc.	A dedicated POC in the Sales Team that guides the customer from first contact to delivery		
		Clear information and documentation		
		A customer community platform to facilitate the communication between residents and Nextensa 's service 'after sales'		
		Satisfaction survey		
Building teams	Architects, engineering firms, main contractors, large subcontractors, safety coordinators, etc.	Newsletters		
		Entering into a long-term partnership with all partners of the building teams		
		Intensive preparatory trajectory with team meetings		
		Weekly construction site meetings		
		Informal activities for better cohesion in building teams like visiting inspirational projects, etc.		
Sharing information about sustainability and technical topics				

Type	Group	Who	Methods of communication
	Visitors	Visitors of events, restaurants, shopping centres, residential areas, parks, offices, etc.	Offering clear information online and on site
			Social Media and newsletters
			Information about accessibility (STOP principles) and information about e-mobility
			For certain events there are satisfaction surveys
	Government	Cities, Municipalities, Environmental departments, Urban Departments, Heritage Departments, Europe, etc.	Preparatory informal meetings with different departments and on-site tours
			Alignment of vision on key projects
			Regular and transparent communication and consultation on upcoming projects and during projects
	Local communities	Elaborated in Chapter 4.2	Monitoring new legislation
			Intense consultation and cooperation
Organisation of events for neighbours			
EXTERNAL STAKEHOLDERS	Sustainability rating agencies		Supporting local organisations by offering spaces and rooms or sponsorship
			Yearly Sustainability Report
			Exchange by e-mail about data
	Competitors		Questionnaires
			Informal meetings
			Nextensa is regularly a guest speaker at sector events: Realty, Spryg, Derde Long, etc.
	Other organisations	Catholic University of Leuven, professional sector associations and organisations (FEB, BECI, UPSI-BVS and Belgian Association of Listed Entities), The Shift, Flux 50, Madaster, Vito, etc.	Sharing insights and information during workshops
			Memberships
			Partnerships for knowledge sharing on innovation and circularity
			Continuous compliance with the regulations in force
			Participation in sector consultations and provision of knowledge

5.2 Nextensa's emission sources

		GRI standard	Unit	2022		2021	
Scope 1	Stationary combustion ⁽¹⁾	305-1		data	coverage ⁽³⁾	data	coverage ⁽³⁾
	Fuel consumption offices ⁽²⁾		tCO2e	18.48	100%	39.84	100%
	Mobile combustion	305-1					
	Company cars		tCO2e	57.40	100%	52.38	100%
	Commuting with Company cars		tCO2e	33.81	100%	25.64	100%
	Number of company cars			29		33	
TOTAL SCOPE 1		305-1		109.69		117.86	
Scope 2	Purchased electricity ⁽¹⁾	305-2		data	coverage ⁽³⁾	data	coverage ⁽³⁾
	Electricity offices ⁽²⁾		tCO2e	6.46	100%	16.00	100%
TOTAL SCOPE 2		305-2		6.46		16.00	
TOTAL CO2eq SCOPE 1 AND 2				116.16		133.86	
Energy - Nextensa's offices				data	coverage ⁽³⁾	data	coverage ⁽³⁾
	Total		m2	2,194	100%	2,738	100%
	CO2-emissions		tCO2e	24.94		55.84	
	Energy absolute	302-1	Mwh	223.64	100%	520.00	100%

⁽¹⁾ Methodology of the Greenhouse Gas Protocol (GHG Protocol)

⁽²⁾ Calculation of tCO2e emissions, the emission factor provided by suppliers are used for gas + for fuel oil: CO2emissiefactoren.be

⁽³⁾ For more transparency in the interpretation of the figures, the coverage indicates the number of m2 which are covered by accurate data

		GRI standard	Unit	2022		2021	
Scope 3	Operational GHG emissions ⁽¹⁾			data	coverage	data	coverage
	Waste offices ⁽⁴⁾	306-2	tCO2e	5.27	54%		0%
	Business travel ⁽²⁾		tCO2e	2.01	100%	3.52	100%
TOTAL SCOPE 3 OPERATIONAL GHG EMISSIONS				7.28		3.52	
	Investment portfolio GHG emissions	305-2		data	coverage ⁽⁶⁾	data	coverage ⁽⁶⁾
	Downstream leased assets						
	Total m2 portofolio included in reporting ⁽⁵⁾		m2	251,603	55%	352,516	76%
	Energy consumption:						
	Purchased grid electricity	302-2	Mwh	16,432		24,360	
	Natural Gas consumption	302-2	Mwh	12,065		20,615	
	Fuel Oil consumption	302-2	Mwh	-		2,666	
	District heating & Cooling	302-2	Mwh	-		4,163	
	Total Energy Consumption Portofolio	302-2	Mwh	28,497		51,804	
	Total GHG Emission Portofolio		tCO2e	3,122		9,233	
	Average Building Energy Intensity	302-3	kwh/m2	-		147	
	Average Building GHG emission	305-4	kgCO2e/m2	-		26	
	Production Solar Panels		Mwh	7,076		6,841	
	Autoconsumption selfproduced electricity	302-1	Mwh	3,265		no data	
	Injection surplus electricity		Mwh	3,811		no data	
	Number of charging stations			141		115	
	Electricity used for mobility (charging EV)		Mwh	188		no data	
TOTAL SCOPE 3 INVESTMENT GHG EMISSIONS				3,122		9,233	
	Real estate activity GHG emissions	305-3		data	coverage		
	Purchased goods and services		tCO2	3,679			
	Residential (Dayton)		kg CO2-eq./m² BVO	367	33%		
	Offices (Monteco)		kg CO2-eq./m² BVO	124	100%		
	Use of sold products (Dayton)		tCO2	5,070	33%		
	End-of-life of sold products		tCO2	322			
TOTAL SCOPE 3 DEVELOPMENT GHG EMISSIONS				9,071			

⁽¹⁾ Methodology of the Greenhouse Gas Protocol (GHG Protocol)

⁽²⁾ Calculation of tCO2e emissions, the monetary ratio emission factor provided by Ademe is used

⁽³⁾ For more transparency in the interpretation of the figures, the coverage refers to the numbers of the balance sheet

⁽⁴⁾ The CO2 footprint is calculated on the basis of the key figure for CO2 emissions in accordance with the Kyoto treaty of 1990.

⁽⁵⁾ Assets not included in the reporting : during the reporting year sold, acquired, under construction/renovation, buildings with data coverage of less than 50%

⁽⁶⁾ For more transparency in the interpretation of the figures, the coverage indicates the number of m2 which are covered by accurate data.

5.3 Nextensa's people ¹⁰⁵

	GRI	2022
TEAM MEMBERS	2-7	
Board of Directors		8
Executive Committee		4
Management		7
Other team members		71
Global Team members (excl Board):		82
DIVERSITY - GOVERNANCE BODIES	405-1	
Board diversity by gender		
Women		5
Men		3
Board diversity by age		
Under 30 years		0
Between 30 and 50 years		1
Over 50 years		7
DIVERSITY - WORKFORCE		
Workforce diversity by gender per job category (%)	405-1	
Executive Committee		
Women		0
Men		4
Management		
Women		2
Men		5
Other team members		
Women		35
Men		36

	GRI	2022
Global diversity (excl. board):	102-8a	
Women		45%
Men		55%
Workforce by region	102-8a	
Belgium		71
Luxembourg		10
Austria		1
Belgium (%)		87%
Luxembourg (%)		12%
Austria (%)		1%
Workforce diversity by age per job category (%)	405-1	
Executive Committee		
Under 30 years		0
Between 30 and 50 years		2
Over 50 years		2
Management		
Under 30 years		0
Between 30 and 50 years		5
Over 50 years		2
Other team members		
Under 30 years		8
Between 30 and 50 years		38
Over 50 years		25

¹⁰⁵ Methodology: All team member numbers are expressed in terms of headcount, except for training hours and expenses, which are expressed in Full-Time Equivalents (FTE). (2-7 c) & 2-8 b) describe the methodologies and assumptions used to compile the data, including whether the numbers are reported: i) in headcount, full-time equivalent (FTE), or using another methodology)

	GRI	2022
SENIORITY		
Average seniority (years)		
Executive Committee		8.75
Management		5.71
Other team members		4.1
Global seniority:		4.46
INTERNAL ORGANISATION		
	2-7	
Working time		
Full-time team members		93%
Part-time team members		7%
Women (%) Full-time team members		42%
Men (%) Full-time team members		58%
Women (%) Part-time team members		83%
Men (%) Part-time team members		17%
Contract type		
Fixed contracts		96%
Temporary contracts		4%
Women (%) Fixed contracts		46%
Men (%) Fixed contracts		54%
Women (%) Temporary contracts		33%
Men (%) Temporary contracts		67%
Workers who are not employees (self-employed contractors)		
	2-8	
Self-employed		32
Employees		50
Self-employed (%)		39%
Employees(%)		61%

	GRI	2022
CAREER DEVELOPMENT		
Workforce training and development		
	404-3	
Employees receiving annual appraisal by gender		
Women (%)		100%
Men (%)		100%
Employees (%) receiving annual appraisal by job category		
Executive Committee	404-3	100%
Management		100%
Other team members		100%
Total hours of training per team member by gender		
Women	404-1	189
Men		255
Average hours of training per team member by job category		
Executive Committee	404-1	4
Management		26.33
Other team members		22.71
Training expenses (€)		42,345
Permanent team members trained per year (#)		61
Internal mobility cases (#)		n/a
Internal promotion cases (#)		n/a
Average hours of training per person		23.07
WORKFORCE PAY RATIO		
Gender pay gap (% women/men)		
	405-2	
Executive Committee		0%
Management		0.8%
Other team members		17%

	GRI	2022
WORKFORCE ARRIVALS		
Arrivals by gender	401-1	
Women		8
Men		10
Women (%)		44%
Men (%)		56%
Global arrivals:		18
Arrivals by age	401-1	
Under 30 years		5
Between 30 and 50 years		10
Over 50 years		3
Under 30 years (%)		28%
Between 30 and 50 years (%)		56%
Over 50 years (%)		17%
Average age of new team members:		35.83
Arrivals by region	401-1	
Belgium		15
Luxembourg		3
Austria		0
Belgium (%)		83%
Luxembourg (%)		17%
Austria (%)		0%
WORKFORCE TURNOVER		
Turnover by gender	401-1	
Women		9
Men		12
Women (%)		43%
Men (%)		57%
Global turnover:		21
Turnover by age	401-1	
Under 30 years		1
Between 30 and 50 years		13
Over 50 years		7
Under 30 years (%)		5%
Between 30 and 50 years (%)		62%
Over 50 years (%)		33%
Average age of team members leaving:		45.19

	GRI	2022
Turnover by region		
	401-1	
Belgium		17
Luxembourg		4
Austria		0
Belgium (%)		81%
Luxembourg (%)		19%
Austria (%)		0%
Turnover split	401-1	
Number of voluntary leaves		14
Number of dismissals		7
Number of retirements		0
Number of voluntary leaves (%)		67%
Number of dismissals (%)		33%
Number of retirements (%)		0%
WELL-BEING		
Workforce health and safety ^(*)		
Absentee rate - short term (%) (<30days /year)	403-9	4%
Absentee rate - long term (%) (>30days/year)	403-9	7%
Injury rate (%)	403-9	0%
Lost day rate (%)	403-9	0%
Work-related accidents with serious consequences (excluding fatalities) (%)	403-9	0%
Work-related fatalities (%)	403-9	0%
Recordable work-related accidents (%)	403-9	0%
Staff members with disabilities (#)	403-9	0
Fatalities due to occupational disease (#)	403-10	0
Recordable occupational disease cases (#)	403-10	0
ASSETS		
Asset health and safety		
Rate of asset health and safety assessments (%)	416-1	0
Non-compliance cases on asset health and safety (#)	416-2	0

^(*) Absentee rate calculated: (absenteeism days/working days) * 100

6.

NEXTENSA ON THE STOCK EXCHANGE



NEXTENSA ON THE STOCK EXCHANGE

Key figures and graphics

	31/12/2022	31/12/2021
Number of shares listed (#)	10 002 102	10 002 102
Number of issued shares (#)	10 002 102	10 002 102
Market capitalization based on a closing price (€ million)	519	778
Free float (%)	22,57%	22,57%
Closing price (€)	51,90	77,80
Highest rate (€)	79,40	83,40
Lowest rate (€)	44,55	66,80
Average monthly volume (#)	45 063	66 950
Velocity (%) ⁽¹⁾	5,41%	8,03%
Free float velocity (%) ⁽²⁾	23,95%	35,59%
Premium/discount based on closing price vs NAV (fair value)	-38%	-2%
Gross dividend (€)	2,60	2,50
Net dividend ⁽³⁾ (€)	1,82	1,75
Gross dividend yield ⁽⁴⁾	5,01%	3,21%
Payout ratio - consolidated	36,5%	47,0%

¹ Number of shares traded/total number of shares listed.

² Number of shares traded/total number of shares listed * free float.

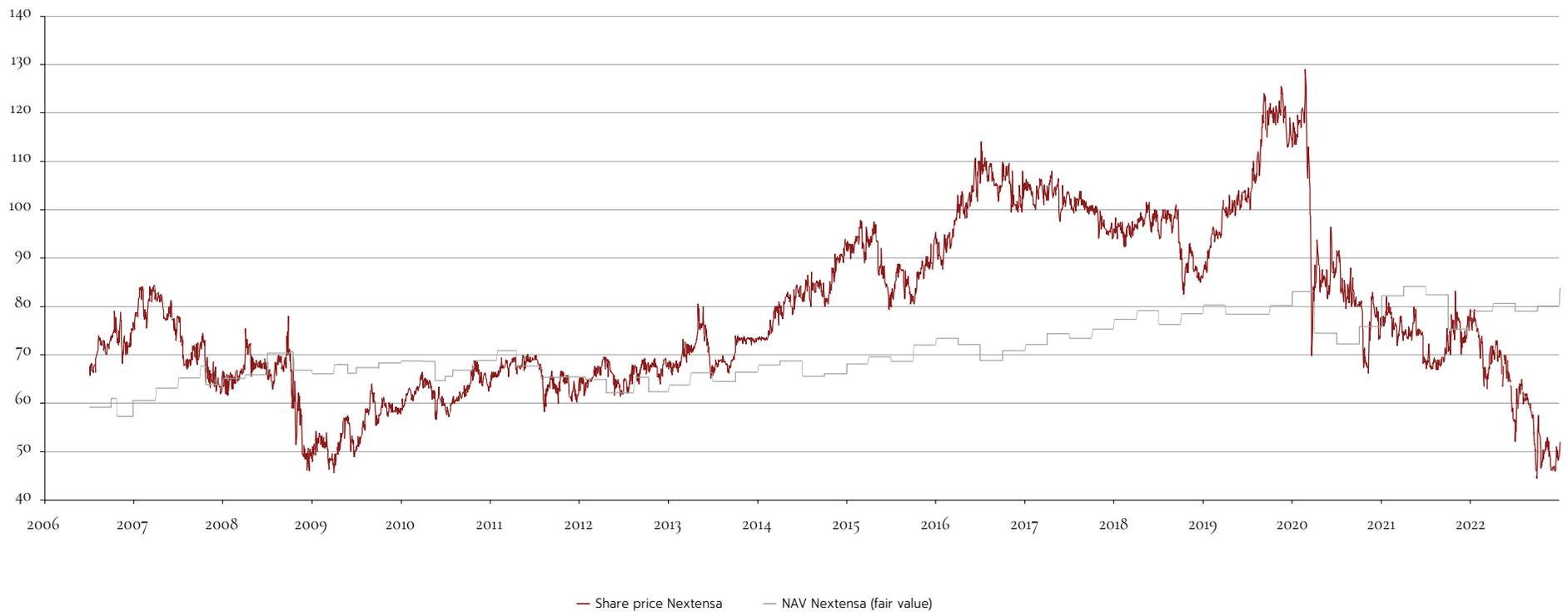
³ Based on a withholding tax of 30%.

⁴ Gross dividend / closing price.

Agio/disagio share price Nextensa versus net asset value

Nextensa shares closed with a closing price of €51.90 (2021: €77.80) on 31/12/2022, resulting in a discount of -38% to the net asset value based on fair value (2021: discount of -2%). This evolution can be attributed to the general stock market sentiment that prevailed during 2022.

The average transaction volume per month of the stock increased again last fiscal year to 45,063 shares compared to 66,950 in 2021.



Analysts tracking the stock

**Sharad Kumar
Surendran Palani**

KBC Securities
Havenlaan 2, BE-1080 Brussels
sharadkumar.surendranpalani
@kbcsecurities.be

**Vincent
Koppmair**

Degroof Petercam
Nijverheidsstraat 44, BE-1040 Brussels
v.koppmair@degroofpetercam.com

**Frédéric
Renard**

Kepler Cheuvreux Rogier Tower
Rogierplein 11, BE-1210 Brussels
frenard@keplercheuvreux.com

Liquidity Provider

Bank Degroof Petercam has provided services as the company's liquidity provider in the past financial year. Bank Degroof Petercam receives a flat fee of €12,000 (excluding VAT) on an annual basis.

Financial calendar

Regarding the practical formalities for participating in general meetings of shareholders (annual general meetings and extraordinary general meetings), reference is made to Chapter IV of the Company's Articles of Association, to the website www.nextensa.eu (Investor relations - General Meeting) and to the notice of meeting, which is published in the Belgian Official Gazette and in a nationally published newspaper.

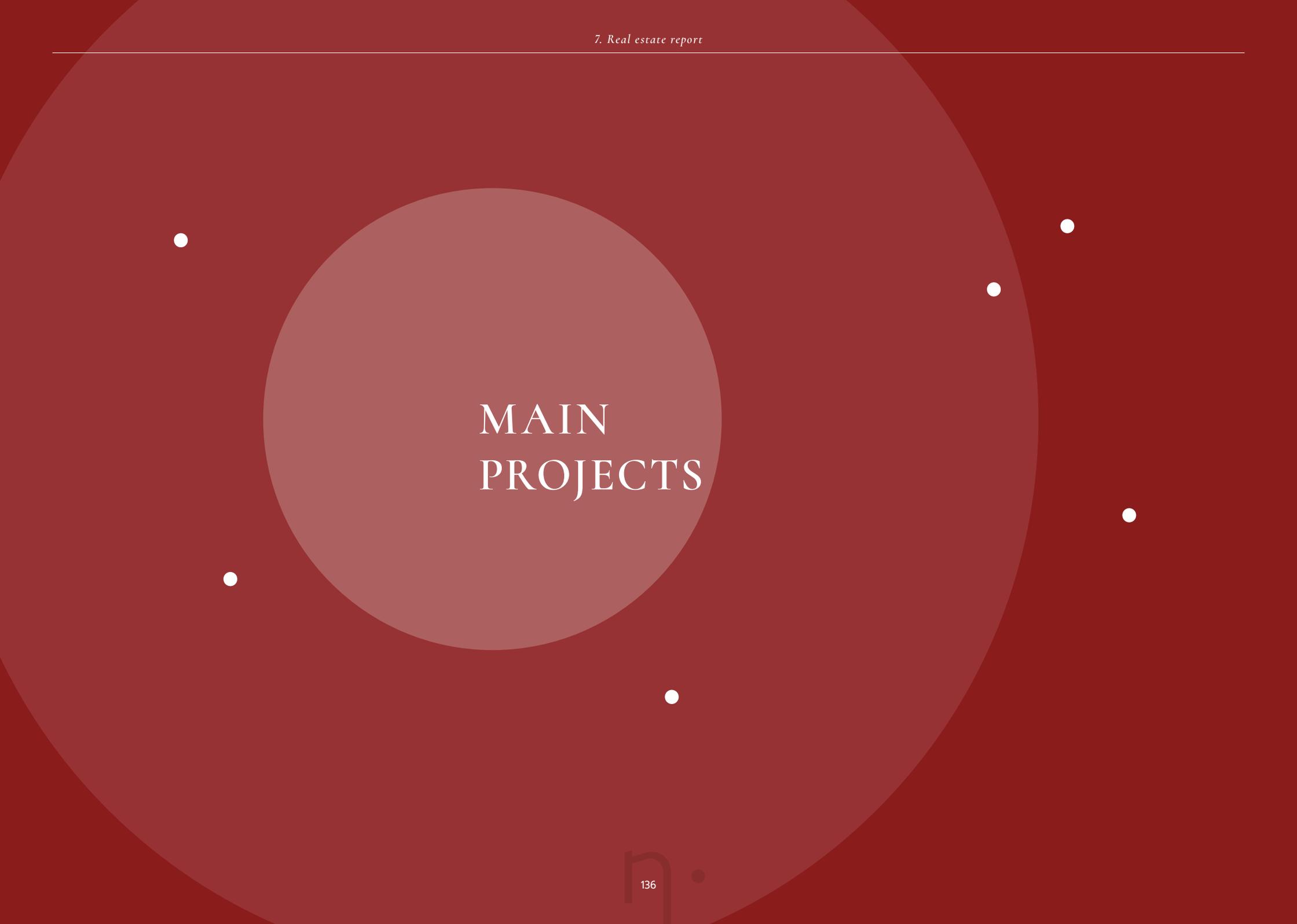
31/03/2023	Annual financial report 2022
15/05/2023	Interim statement Q1 (31/03/2023)
15/05/2023	Ordinary general meeting of shareholders
18/05/2023	Ex-date
19/05/2023	Record date
22/05/2023	Dividend payment
17/08/2023	Half-year financial report 2023
20/11/2023	Interim statement Q3 (30/09/2023)
14/02/2024	Annual results 2023 (31/12/2023)

7.

REAL ESTATE REPORT



Park Lane II - Belgium



MAIN
PROJECTS



MIXED-USE

CLOCHE D'OR OFFICES

**A pioneering urban district under
full development**

PROJECT DESCRIPTION

In the Grand Duchy of Luxembourg, Nextensa and Promobe are the driving forces behind the development of the Cloche d'Or. By 2035, a young community of 6,000 inhabitants will feel completely at home in this pioneering urban district that attaches great importance to agility and sustainability. A golden opportunity in a green environment. The Cloche d'Or will be able to boast an ecological corridor and the largest park in Luxembourg's capital.

PARTNERS

Promobe • IMPAKT Real Estate • Axento Immo

LOCATION

5 Rue Charles Darwin, Luxembourg

CLOSE TO

- The new Howald ringing station
- A new tram line will provide a smooth connection to the Kirchberg district and the centre of Luxembourg City.

TYPE OF PROJECT

Residential • Offices • Retail • Recreation

SUSTAINABILITY PROFILE

All buildings meet the highest sustainability standards of the Deutsche Gesellschaft für Nachhaltiges Bauen – DGNB:

- District heating network
- Cogeneration
- Ecological corridor
- Focus on soft mobility

EYE-CATCHERS

- The Cloche d'Or consists of a balanced mix of brand new buildings designed by a wide range of leading architectural firms.
- The brand new park has 15 hectares of free space, a large pond, themed play areas, an orchard with fruit trees and an amphitheatre for events.

PROJECT DETAILS

Status:	under development
Environmental permit:	yes
Environmental permit:	yes
Timing:	2014 – 2025

NEW AT CLOCHE D'OR: THE WHITE HOUSE AND THE EMERALD OFFICE BUILDINGS AND A HOTEL B&B

Located along F. W. Raiffeisen Boulevard, across from the Cloche d'Or shopping center, The Emerald is characterized by a green colored. It is composed of eight levels (-1 to +6). Each floor can be subdivided into two independent lettable areas, each offering open views on the three sides. Construction works started in March 2022 and will be completed in August of 2023. A level of BREAAAM Excellent certification is target.

The White House building has six levels (6,836 sqm gross floor area) and a basement parking lot (40 spaces). A BREAAAM Excellent certification level is targeted.

Nextensa signed a lease agreement with B&B HOTELS of 20 years to develop a 3 star superior hotel in the new Cloche d'Or district in Luxembourg. This 150-room hotel is designed by Moreno Architecture and will benefit from easy access by car and excellent access to public transportation. In the first half of 2025 the hotel will be delivered and ready to receive its first guests.

MIXED-USE



MIXED-USE

GARE MARITIME

From industrial freight station to
energy-neutral urban hub

PROJECT DESCRIPTION

Gare Maritime was once the largest freight station in Europe. After a complete overhaul, today it is Brussels' circular destination. The historic station halls have been transformed into a covered city: oak pavilions create a structure of boulevards, streets, squares and gardens. Complete with Food Market, exclusive shops and offices. The architectural eye-catcher is the monumental central nave which is bathed in indirect daylight.

PARTNERS

Neutelings Riedijk Architects · Jan de Moffarts Architecten · Bureau Bouwtechniek

LOCATION

Picardstraat 7-13, Brussels

CLOSE TO

- Station Brussel-Noord (Brussels North Station)
- The Royal Depot, Maison de la Poste, the Sheds & the Tour & Taxis Park
- The trendy Brussels Canal area
- Kanal Pompidou Museum
- Suzan Daniel Bridge

SURFACE AREA

58,085 sqm

TYPE OF PROJECT

Offices · Retail · Food · Recreation

SUSTAINABILITY PROFILE

- 'BREEAM Outstanding' certificate
- Glass facades with solar cells
- Solar panels
- Heating and cooling with geothermal energy
- Natural ventilation
- Halio Glasing
- Rainwater recovery
- CLT & FSC wood

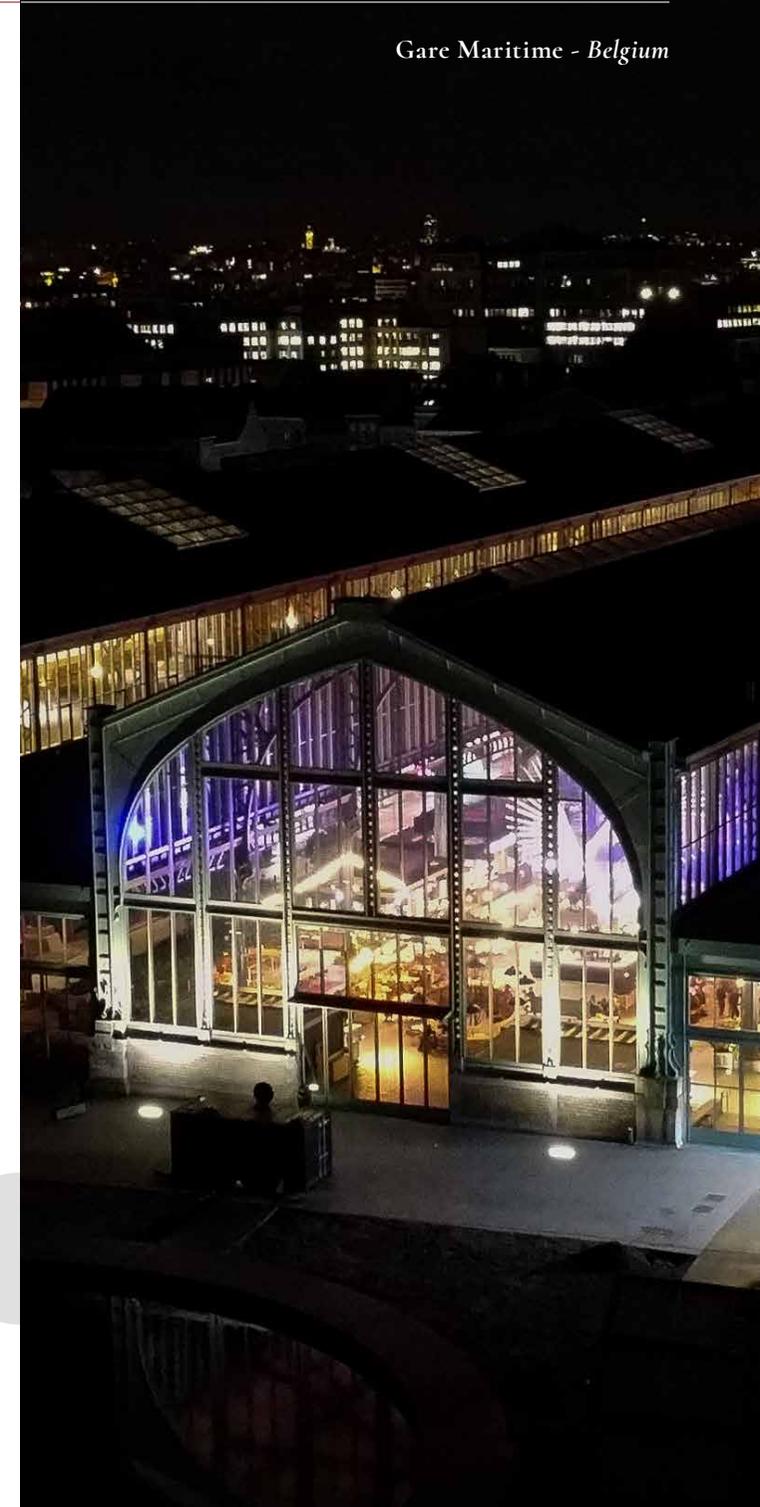
EYE-CATCHERS

- The wooden pavilions and cross stairs have 10,000 m³ of wood. This makes Gare Maritime the largest timber construction project in Europe.
- The green promenades feature 10 themed gardens with tall trees. You can admire impressive mosaic floors on the 8 courtyards.
- The Gare Maritime – Food Market : a culinary meeting place where everyone can come and taste the richness of Belgian cuisine.
- Large-scale events: Kids Winter/Spring Wonderland, Foire du livre, Sculptura, World Padel Tour, Realty, Voddemet, Brussels Design Market, Brussels Markers Market, Eat Festival, Belgian Impact Day, etc.
- Brands that enhance your shopping experience : Showroom Bosch-Siemens, Lab9, Wever & Ducré, Silence.

PROJECT DETAILS

Status:	in use since 2020
Environmental permit:	2018
Environmental permit:	2018
Timing:	completed

MIXED-USE





OFFICES

MONTECO

Green, smart and flexible

PROJECT DESCRIPTION

Nextensa in joint-venture with ION have developed an absolute milestone near the European quarter in the sustainable construction sector: the first timber-frame high-rise in Brussels. The reference point for a new generation of circular office buildings. In Monteco, state-of-the-art smart technology provides a sustainable and pleasant working environment.

PARTNERS

Archi2000 · ION · Wood Shapers · BPC Group

LOCATION

Montoyerstraat 14, Brussels

CLOSE TO

- The European quarter
- Green areas, shops and restaurants
- Public transport

SURFACE AREA

3,655 sqm

TYPE OF PROJECT

Offices

SUSTAINABILITY PROFILE

Monteco is aiming for a 'BREEAM Excellent' certificate

- Wooden frame construction
- FSC wood
- Green roof
- Water recovery
- Solar panels
- Smart technology
- Data-controlled heating and cooling
- Energy-efficient
- CO₂ neutral

EYE-CATCHERS

- Basic elements in wood provide a natural aesthetic.
- Glass facades provide an abundance of light and spaciousness.
- An impressive communal roof terrace pampers users with panoramic views.

PROJECT DETAILS

Status: in-use
Building permit: 2020
Timing: Completed in Q4 2022

OFFICES

Monteco - Belgium





OFFICES

TREESQUARE

**Serene sensitivity
in a natural setting**

PROJECT DESCRIPTION

A prime location in the Leopold district in the centre of Brussels, Treesquare provides a first-class office experience. Luxurious, elegant and inspiring. Natural colours, patterns and materials provide the interior with a serene sensitivity and subtly bring the green setting of De Meeûssquare inside. An impressive lobby connects Treesquare's courtyard with the nearby park. Just like the impressive roof terraces, where you can relax between the treetops.

PARTNERS

Assar Architects · Melissa Davis Interiors

LOCATION

De MeeÛsquare 5/6, Brussels

CLOSE TO

- The European quarter and the Royal Palace
- A park, shops and restaurants
- Public transport

SURFACE AREA

6,565 sqm

TYPE OF PROJECT

Offices

SUSTAINABILITY PROFILE

- 'BREEAM Excellent' certificate
- Solar panels
- Smart climate ceilings
- Green roof
- Double-skin façade with integrated sun protection
- Charging stations for electric cars

EYE-CATCHERS

- The roof terraces on the 8th floor overlook the courtyard on the west side and the nearby park on the east side.
- The impressive entrance hall with a real tree as a work of art has a luxurious appearance.
- Large glass areas maximise the natural light.
- Elegant and natural materials complete the finish.

PROJECT DETAILS

Status:	in use since 2018
Planning permit:	2016
Environmental permit:	2018
Timing:	completed

OFFICES





OFFICES

HÔTEL DES DOUANES

PROJECT DESCRIPTION

For years, the 'heritage buildings' at Tour & Taxis have been undergoing rehabilitation and redevelopment. The final phase is the repurposing of Hôtel des Douanes. While not officially listed as a 'heritage building', the iconic construction is part of our industrial heritage. The essential elements such as the facades, roof and historical staircases will be treated with the greatest respect while meeting the highest standards of sustainability and circularity.

The future looks bright for Hôtel des Douanes. With its rich past and timeless construction, this architectural heritage is ready to be repurposed and modernized. A building that was once a beacon of administration and civil service, will become a benchmark for versatility and innovation. A home for businesses and a creative space for entrepreneurs.

PARTNERS

Shake Design · CES · DE MEUTER · CEVAN · WYCOR · SPIE · SCHINDLER · VANHOEY · ARCHI2000 · CES · NEY&PARTNERS

LOCATION

Tour & Taxis, Rue Picard 1-3, 1000 Brussels

CLOSE TO

- The Gare Maritime: Conference Center Maison de la Poste, Co-working area from the company Spaces and the Food Market
- The Sheds: proposal of a multitude of events
- The Park of Tour & Taxis and its new ponds
- The North Station
- Kanal Pompidou Museum
- Suzan Daniel Bridge
- Public transport

SURFACE AREA

6,433 sqm

TYPE OF PROJECT

Offices

SUSTAINABILITY PROFILE

- Ventilation of the workspace surfaces happens through geothermal processes and radiant ceiling heating and cooling, minimizing the need to use any fossil fuels

- Original construction elements such as the panelling on the walls, solid granite stairs, steel columns and roof construction remain in the interest of circularity and zero waste
- Electricity is produced by a maximum number of photovoltaic panels on the roof
- LED light fixtures dim automatically in function of daylight or absence of staff
- Rainwater is collected and reused for sanitary purposes
- An outstanding BREEAM rating, a Well Platinum gold and gold DNGB certification are targeted

EYE-CATCHERS

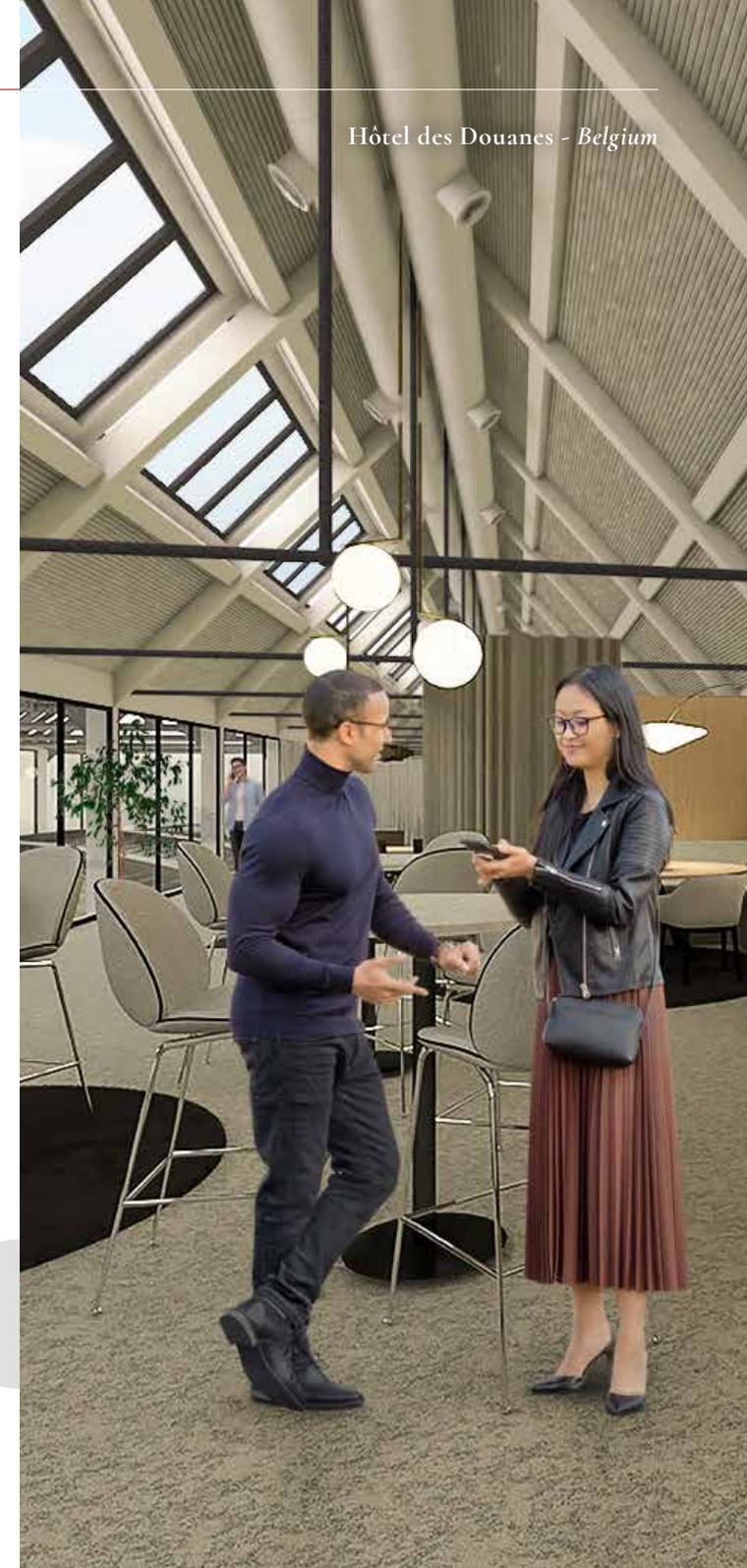
- Integration to Tour & Taxis site
- All of its services in an iconic building that combines exceptional heritage with sustainability and circularity
- Natural light through the central atrium allows for optimal communication between creative work teams
- An extraordinary impression of openness
- The exceptional volume and large expanses of glass

PROJECT DETAILS

Status: Under renovation
Building permit: 2020
Timing: Delivered in Q1 of 2024

Hôtel des Douanes - Belgium

OFFICES





OFFICES

HIGH 5!

● Optimisation of a well-located building

PROJECT DESCRIPTION

In Luxembourg City, Nextensa has worked on the rebranding of a spacious office building in a prime location. High 5! – formerly Mercator – is located on one of the capital's main access roads. The building's new brand positioning goes hand in hand with a complete renovation of the different floors, entrance and façade.

PARTNERS

You Studio · JLL · Get Fully Let

LOCATION

110-112 Route d'Arlon, Luxembourg

CLOSE TO

- The Route d'Arlon, one of the main access roads to Luxembourg City
- Shops and restaurants

SURFACE AREA

8,641 sqm

TYPE OF PROJECT

Offices

SUSTAINABILITY PROFILE

- Switch to LED lighting with motion sensors in the car parks and the common areas
- Refurbishment of sanitary facilities
- New concept for heating and cooling on +2 and in the entrance hall

EYE-CATCHERS

- The façade underwent a real metamorphosis: the pink granite was painted white.
- Plenty of parking space on site.
- A restaurant on the ground floor.

PROJECT DETAILS

Status:	In-use
Building permit:	2021
Timing:	Delivered in Q2-2022

OFFICES





OFFICES

MOONAR

Innovative renovation of an office complex

PROJECT DESCRIPTION

With Moonar, Nextensa wants to bring a somewhat outdated office complex from the 1990s into the 21st century. Mobility, services and sustainability are central to this. The esplanade between the various office buildings will become a green oasis that focuses on meeting and interaction. Nextensa will also fine-tune its services for future users.

Located just a stone's throw from Luxembourg airport, Moonar is an innovative office park that offers unparalleled accessibility and a wide range of on- and off-site services. From restaurants to a gaming room, fitness space, and even medical care, the office park is designed to provide employees with everything they need to feel comfortable and productive in their workplace.

PARTNERS

EBBC A & EBBC C · Beiler François Frisch · A2RC · WIDNELL EUROPE GDL SARL · SITLUX · SECOLUX · DESA · SecoExpert · GAETANT DE LE HOYE · NAVCOM Consult · D3 COORDINATION · PWC

LOCATION

6 Route de Trèves, Senningerberg

CLOSE TO

- Luxembourg-Findel airport
- A new tram line and bus connection (from 2024)
- A P+R zone (from 2024)

SURFACE AREA

The office complex consists of six buildings, five of which are owned by Nextensa. Together they cover 22,252 sqm.

TYPE OF PROJECT

Offices

SUSTAINABILITY PROFILE

- Moonar is aiming for a 'BREEAM In-Use Very Good' certificate
- Charging stations for electric cars
- Significant improvement of the thermal insulation

EYE-CATCHERS

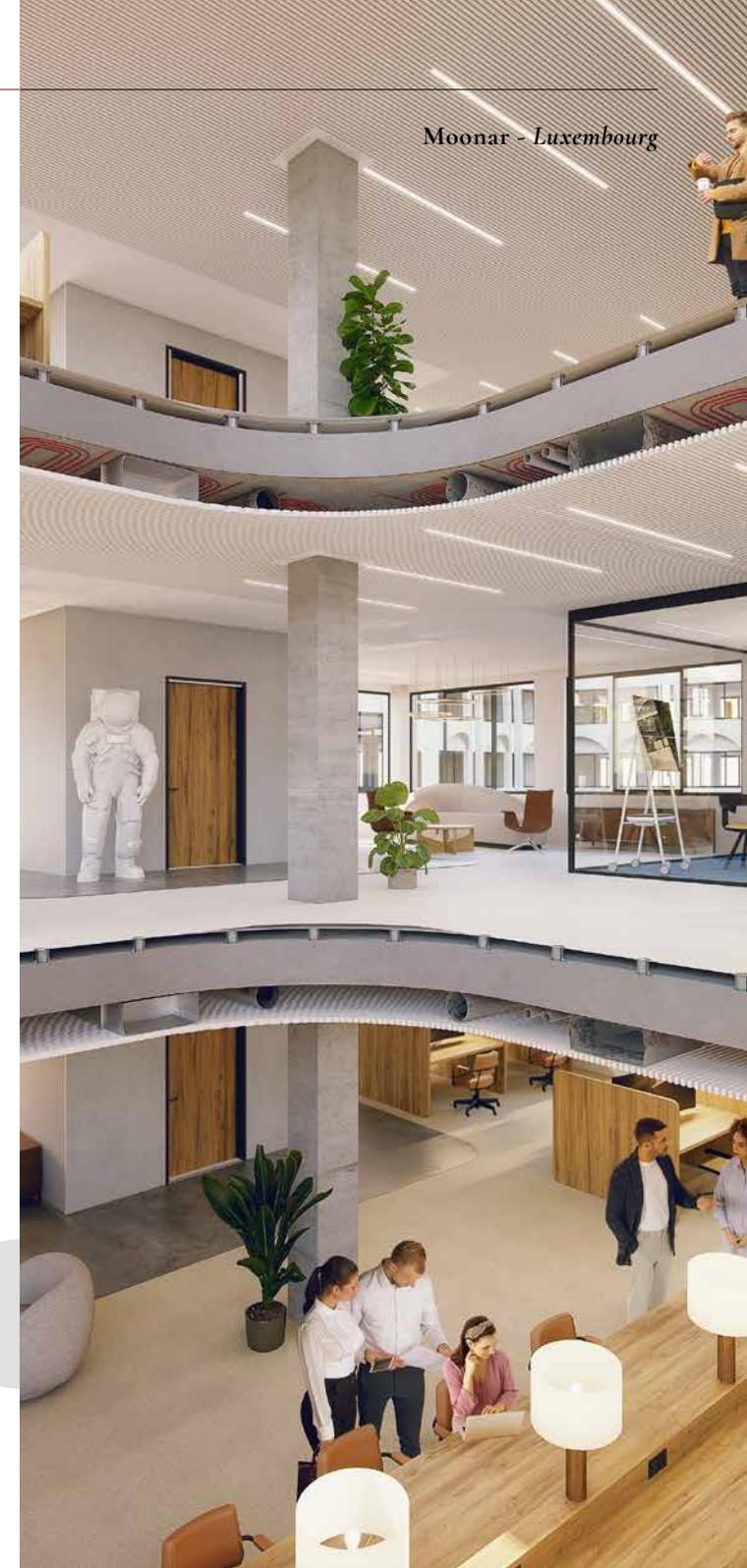
- The brand-new green esplanade will act as a meeting place central to the various office buildings.
- The colour of all the windows will be replaced by a more sparkling colour (champagne colour).
- The lines of the attics are being renovated with the latest in metal panels.

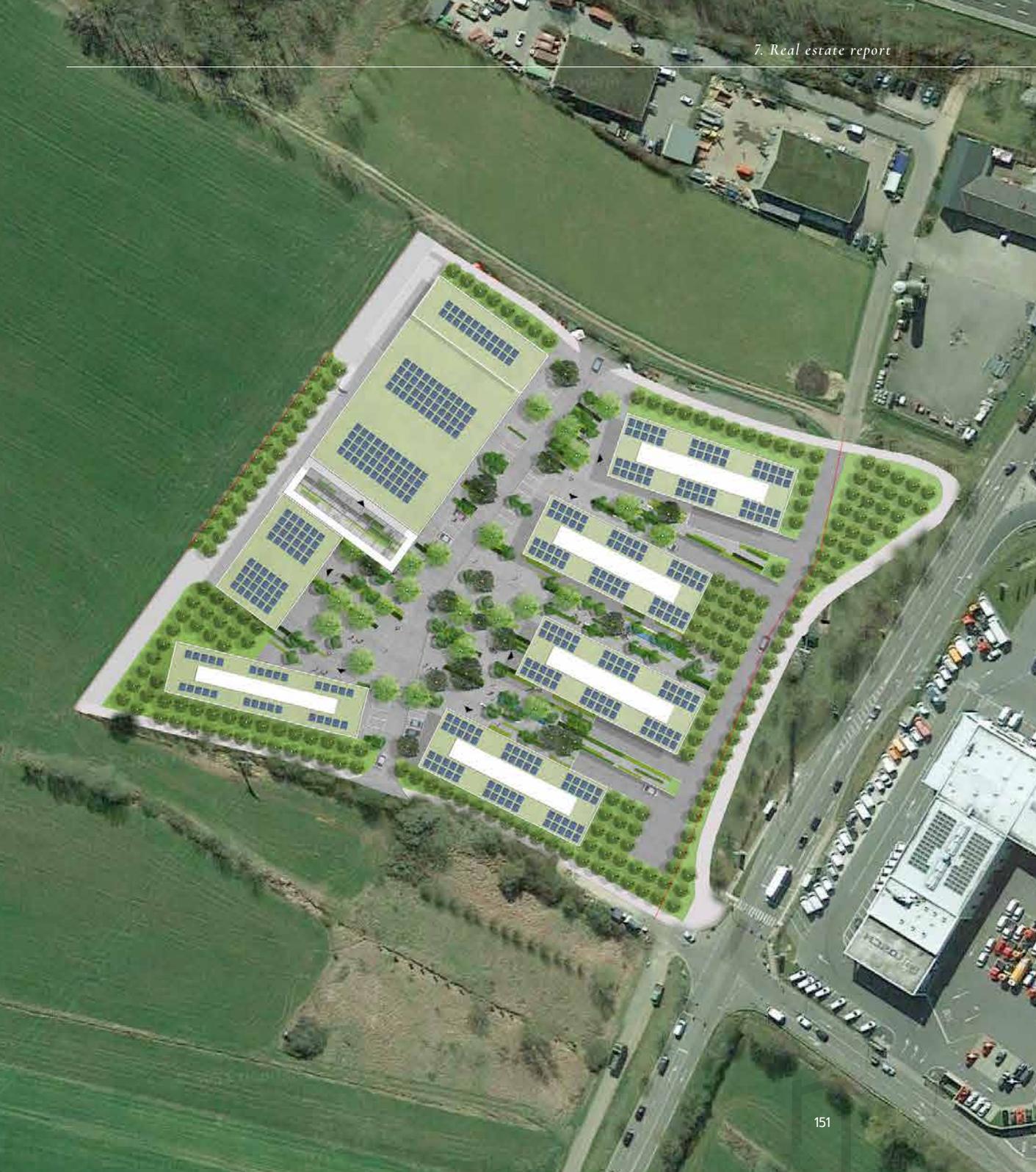
PROJECT DETAILS

Status: being renovated
Building permit: 2021
Timing: Q4 2023

Moonar - Luxembourg

OFFICES





MIXED-USE

NIEDERANVEN

A mixed-use project
in progress

PROJECT DESCRIPTION

Reconversion industrial zone in tertiary zone (retail, hotel, office, restaurant).

LOCATION

Municipality of Niederanven

- Near the motorway A1 to Germany (Trier) / Luxembourg (Kirchberg)
- Direct access to motorway A1
- 2km distance from international airport of Luxembourg

SURFACE AREA

34,509 sqm

TYPE OF PROJECT

Supermarket, restaurant, hotel (150 rooms), 4 office buildings

SUSTAINABILITY PROFILE

All buildings will be sustainable constructions with an environmental certification (BREEAM or DGNB). Priority will be given to realize functional buildings, minimize energy consumption and implement circular economy.

TIMELINE PROJECT

Infrastructure work scheduled for 2024.

First building projects will start in 2025 with a first delivery by the end of 2026.

MIXED-USE





RETAIL

SHOPPINGCEN- TER KNAUF POMMERLOCH

Shopping in the heart
of the Luxembourg Ardennes

PROJECT DESCRIPTION

This shopping centre provides space for around 60 shops. It is located in the heart of the Luxembourg Ardennes, near Bastogne in Belgium. A shopping center that offers a continuous experience: open all year round even on Sundays and national holidays. Knauf Pommerloch has a stable rental occupancy of 97.5% and welcomed new brands in 2022 such as New Yorker and Rituals.

PARTNER

Schilling

LOCATION

19 Route de Bastogne, Pommerloch

SURFACE AREA

26,251 sqm

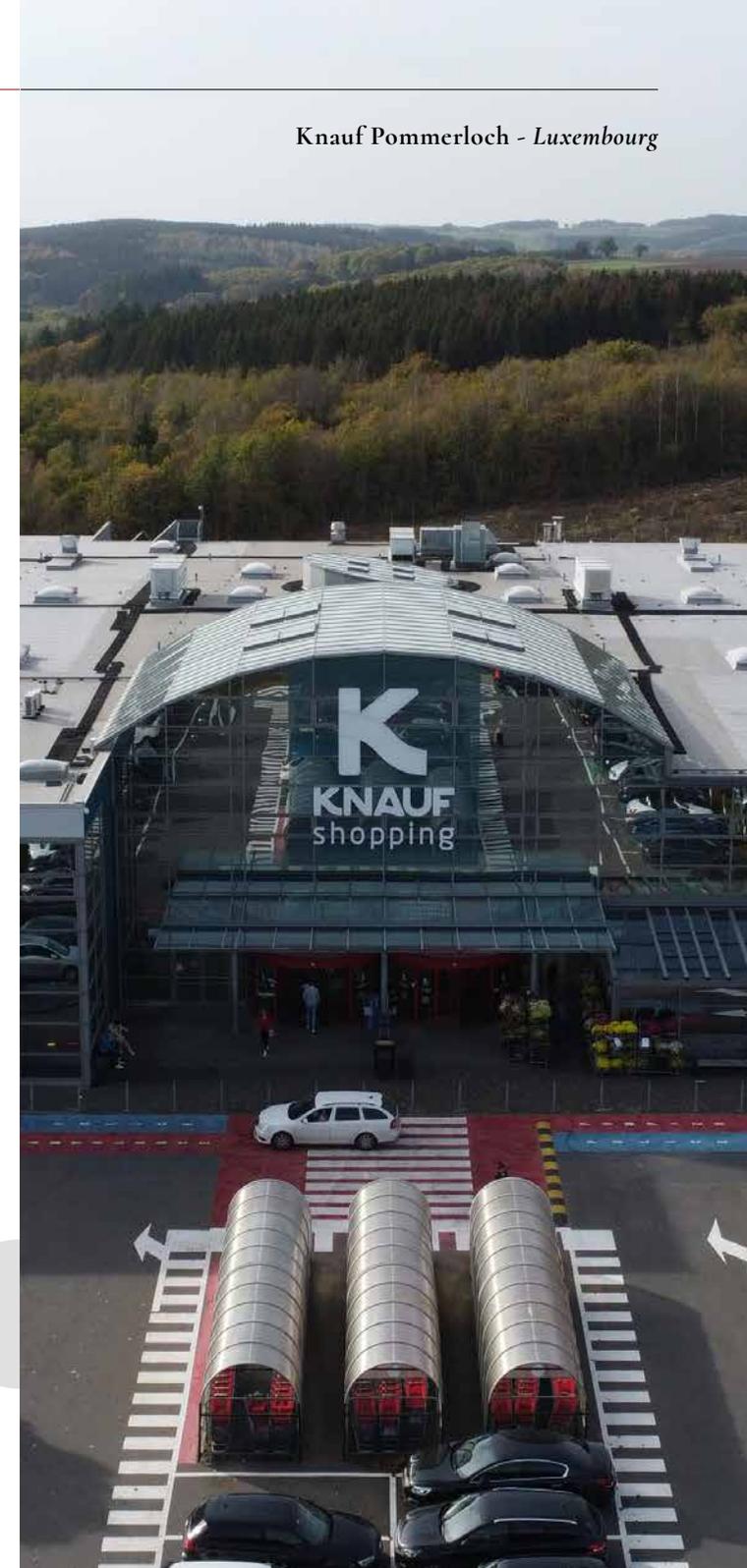
TYPE OF PROJECT

Retail

PROJECT DETAILS

Status: in use

Knauf Pommerloch - Luxembourg



RETAIL



RETAIL

KNAUF SCHMIEDE

More space, more pleasure
when shopping

PROJECT DESCRIPTION

This mall with around 40 shops is located in the north of the Grand Duchy of Luxembourg, on the 3-country border between Luxembourg, Belgium and Germany. It was built in 1995. In the heart of the Ardennes Forest, the Knauf Shopping Schmie de is the shopping destination par excellence. In a modern, light-filled setting, we offer a continuous shopping experience: open all year round even on Sundays and during national holidays.

The works of Shopping center Knauf Schmie de were finalized in September 2022. Nextensa did major renovation works, with an extension of about 8,000 sqm, which were carried out in several phases. These works included a wider commercial offer, a new catering concept and a zone for activities and relaxation for families. This renovation has a double objective: to improve the visibility of our tenants as well as offer a unique shopping experience to our visitors.

This new extension has complied with its promises and welcomed Di, Maison du thé, Only, JACK & JONES, COURIR, Maximilien Coiffure, Tao Kids, La Boutique du Coiffeur, Arkade and Chronostock. Knauf Schmiede has a stable rental occupancy of 91.8 %.

PARTNERS

Scaht Architecture • Schilling • Arcadis

LOCATION

3 Op d'Schmëtt, Schmiede/Huldange

SURFACE AREA

35,684 sqm

TYPE OF PROJECT

Retail

SUSTAINABILITY PROFILE

- Switch to LED lighting in the common areas
- Entire roof is fitted with photovoltaic panels as far as is possible
- Installation of charging stations for electric cars

EYE-CATCHERS

- The new architectural concept harks back to nature.
- The Grand Café and the Food Court can accommodate no fewer than 800 visitors spread over the ground floor and the first floor. There will also be a roof terrace of no less than 600 sqm.

PROJECT DETAILS

Status:	renovated and In-use
Building permit:	yes
Environmental permit:	yes
Timing:	Renovation completed in September 2022



Knauf Schmiede - Luxembourg

RETAIL



RETAIL

BRIXTON RETAIL

Spacious retail area along
an important approach road

PROJECT DESCRIPTION

The Brixton Business Park in Zaventem dates from the 1980s. It is located near the E40, one of the most important access roads to Brussels. It consists of six semi-industrial buildings and a large retail area. Renovations were recently carried out so that the buildings today meet any contemporary rental requirements. Most of this site was sold in February 2021. Today, only the retail area is still owned by Nextensa.

LOCATION

Brixtonlaan 1-30, Zaventem

CLOSE TO

- E40
- Brussels National Airport

SURFACE AREA

3,636 sqm

TYPE OF PROJECT

Retail

PROJECT DETAILS

Status: in use

RETAIL

Brixton Retail - Belgium





RESIDENTIAL

PARK LANE

Welcome to the neighbourhood
of tomorrow

PROJECT DESCRIPTION

Park Lane is one of the two residential areas that make the redevelopment of Tour & Taxis complete. Nextensa is developing high-quality and sustainable homes in a stylish, green and car-free environment. Each building interacts in its own with the industrial uniqueness of Tour & Taxis, an inspiring city hub where there is something to do every day.

This new phase of this residential project, Park Lane phase II, offers 346 apartments divided over 11 buildings structured in two Courtyards on more than two hectares of gardens near the Tour & Taxis Park. From affordable studio to stunning penthouse with large terraces, the offer attracts the interest of a variety of buyers. In addition to its advantageous green location at Tour & Taxis, this new neighborhood offers a high architectural design with quality finishings and sustainable construction. Most of these new constructions have been designed in such a way as to exploit the full potential of the 4 facades, so as to allow

the future residents a choice of orientation that suits them perfectly. Park Lane phase II will be also oriented towards soft mobility. To meet this goal, Nextensa will provide the residents with 700 bicycle spaces and 250 underground parking spaces. The project will be delivered in the first half of 2025.

This new residential project reflects the fundamental pillars defended by Nextensa : Innovation, Impact, Agility, Co-creation, Passion and Sustainability.

PARTNERS

Awg architecten · SERGISON BATES ARCHITECTS LLP · noAarchitecten · MBG · Establis · CES, BUREAU BAS SMETS · Studiebureau Jouret · Arcadis · Bopro · Venac · SOCOTEC · The Kitchen Company · MAPE · TTC · Facq · BSH Home Appliances Group · GROHE

LOCATION

Park Lane – Parkdreef, 1000 Brussels

CLOSE TO

- The Gare Maritime: Conference Center Maison de la Poste, co-working area of Spaces, shops and the Food Market
- The Sheds: proposal of a multitude of events
- The Park of Tour & Taxis and its new ponds
- Royal Depot : food, hammam, furniture and decoration store, hairdresser, nursery etc.
- The North Station
- Kanal Pompidou Museum
- Suzan Daniel Bridge
- Public transport

TYPE OF PROJECT

Residential

SUSTAINABILITY PROFILE

- Geothermal systems for heating and cooling
- Solar panels
- Heat recovery
- Green roofs
- Water recovery
- Car-free residential zone
- The disposal of soils coming from the Park Lane Phase II-site was done via water. A total of 12,800 tonnes was transported by ship. This is an equivalent of +/- 550 trucks that will not have been disposed of by road.

EYE-CATCHERS

- Living in a vibrant city district in-the-making where there is room for culture, creativity, good food and relaxation.
- Park Lane's buildings combine nostalgic architectural elements with contemporary design.
- A green, car-free lane connects Park Lane with the rest of Tour & Taxis

PROJECT DETAILS

Status: Phase I has been delivered in 2022. The works of phase II started on June 2022. Pre-sale has started in March 2022.

Environmental permit: yes

Timing: Phase I: 2019 – 2022
Phase II: 2022-2025

RESIDENTIAL





RESIDENTIAL

CLOCHE D'OR RESIDENTIAL

**Minimalist design,
maximum comfort**

PROJECT DESCRIPTION

Cloche d'Or in Luxembourg City will be a vibrant district that combines the needs of today's city dwellers with a far-reaching vision of sustainability. The residential units in the residential areas offer the residents bright, timeless interiors and sun-drenched communal spaces. State-of-the-art home automation ensures that they can control their home entirely remotely.

This residential project consists of several subprojects:

- all the apartments of the Îlot D-Sud subproject (155 apartments) were delivered in 2022
- The Îlot D-Nord subproject (194 appartements) is on schedule for gradual delivery during 2023.
- The D5-D10 subproject (185 apartments) will probably be delivered in the course of 2024.

PARTNERS

Promobe • IMPAKT Real Estate • Axento Immo

LOCATION

5 Rue Charles Darwin, Luxembourg

CLOSE TO

- Cloche d'Or park and the many shops, restaurants, brasseries and offices in the city's new district.
- Howald ringing station
- A new tram line will provide a smooth connection to the Kirchberg district and the centre of Luxembourg City.

TYPE OF PROJECT

Residential

SUSTAINABILITY PROFILE

- All buildings meet the highest sustainability standards of the Deutsche Gesellschaft für Nachhaltiges Bauen – DGNB
- District heating network
- Cogeneration technology
- Ecological corridor
- Focus on soft mobility
- Elegant integration of public transport

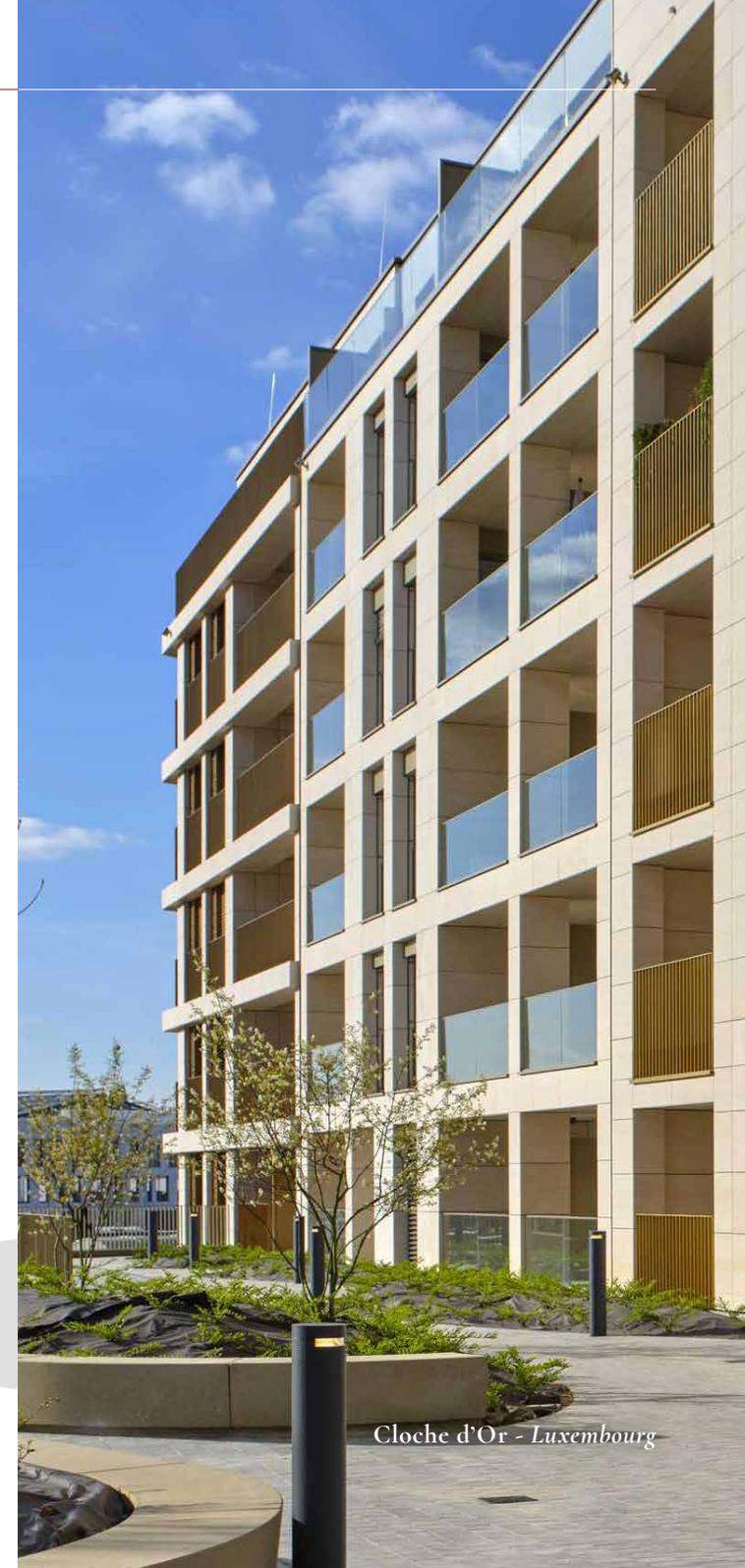
EYE-CATCHERS

- The timeless and minimalist design of the different accommodation units provides enough space for a personal touch.
- The spacious loggias bring the outside world inside and/or vice versa.
- The latest home automation applications ensure that residents can control their home remotely.

PROJECT DETAILS

Status:	under development /partly delivered
Environmental permit:	yes
Timing:	2020 – 2025

RESIDENTIAL



Cloche d'Or - Luxembourg

INVESTMENT PORTFOLIO

GRAND DUCHY OF LUXEMBOURG

Knauf Schmiede shopping centre

Shopping centre with 45 shops, located in the North of the Grand Duchy of Luxembourg, on Luxembourg's 3-country border with Belgium and Germany.

Year of construction: 1995
Rental area: 35,684 sqm



Knauf Pommerloch shopping centre

Shopping centre with 65 shops, located in the North of the Grand Duchy of Luxembourg, near Bastogne in Belgium.

Year of construction: 2002
Rental area: 26,251 sqm





Boomerang shopping centre, Strassen

Shopping centre located on one of the most important approach roads to the City of Luxembourg.
Route d'Arlon

Redevelopment phase 1: 2018
Year of construction: 1988
Rental area: 22,721 sqm



Hornbach, 31, Rue du Puits Romain, Bertrange

Retail site situated in Bertrange, Bourmicht
Year of construction: 2008
Rental area: 12,153 sqm



Rue du Cimetière/ On the N7, Diekirch

Retail site gelegen aan de N7 te Diekirch
Year of construction: 1996
Rental area: 7,703 sqm

Rue du Brill, Foetz

Retail building located next to Cora
Year of construction: 1987
Rental area: 4,219 sqm



Place Schwarzenweg, Dudelange

Commercial building consisting of gallery and commercial premises, bakeries, reservations, sales areas, offices and cafeteria

Year of construction: 1991
Rental area: 3,759 sqm



Rue du Curé, Diekirch

Jointly owned

Shopping arcade, part of a mixed building
(commercial/ residential)
Nextensa owns all the commercial spaces except 1

Year of construction: 1994
Rental area: 3,277 sqm





Moonar, Route de Trèves 6, Senningerberg

Jointly owned car park and parking area

Part of an office complex of six buildings at walking distance from Luxembourg airport
Nextensa is the outright owner of 5 of the 6 buildings on the site

Year of construction: 1988 • Under redevelopment
Rental area: 22,252 sqm

High 5!, Route d'Arlon, no. 110 - 112, Luxembourg

Office building located in the capital of the Grand Duchy of Luxembourg, on the Route d'Arlon, one of the main access roads to Luxembourg City

Year of construction: 1998 • renovation completed
Rental area: 8,641 sqm





Montimmo, Avenue Monterey 35, Luxembourg

Located in one of the most important streets of the Central Business District of the City of Luxembourg

Year of construction: 2009
Rental area: 1,760 sqm



Avenue Monterey 20, Luxembourg

Office building with standing located on the Avenue Monterey, one of the most prestigious locations in Luxembourg

Year of construction: 2001
Rental area: 1,555 sqm



Cloche d'Or, 5 Rue Charles Darwin, Luxembourg

Nextensa is the driving force in the Grand Duchy of Luxembourg behind the development of Cloche d'Or. By 2035, a young community of 6,000 inhabitants will feel completely at home in this pioneering urban district that attaches great importance to agility and sustainability. A golden opportunity in a green environment. Cloche d'Or will be able to boast an ecological corridor and the largest park in Luxembourg's capital.

BELGIUM

Brixton Retail Park, Brixtonlaan 1-30, Zaventem

Retail Park alongside the E40 motorway · Renovations carried out based on new tenants

Year of construction: 1975/88

Rental area: 3,636 sqm



Royal Depot Tour & Taxis Brussels

Multi-functional and 'multi-tenant' building with 4 floors, spread across offices (32,076 sqm), commercial spaces (7,293 sqm) and archives (5,835 sqm)

Year of construction: 1910

Rental area: 45,204 sqm





Motstraat, Mechelen

Office complex with co-working spaces. In use since 2017

Year of construction: 2002
Rental area: 13,927 sqm



Montoyerstraat 63, Brussels

Extremely well-located office building in the Leopold district

Year of construction: 2018
Rental area: 6,052 sqm



Treesquare, De Meeûssquare 5-6, Brussels

Multi-tenant office building with a unique location in the Leopold district

Year of construction: 2018
Rental area: 6,565 sqm



Monteco, Montoyerstraat 14, Brussels

Office project, very well-located in the Leopold district • Building delivered and leased

Year of construction: 2022

Rental area: 3,655 sqm

Hangar 26/27, Antwerp

Iconic building in the Eilandje district of Antwerp, with a direct view onto the river Schelde on the one hand, and onto the MAS museum (Museum aan de Stroom) on the other hand • renovation completed • Renowned chef Bart De Pooter has chosen Hangar 26-27 as the location for his highly-anticipated new restaurant Vis Van A.

Year of construction: 2001

Rental area: 9,171 sqm





Gare Maritime, Tour & Taxis, Brussels

After a complete overhaul, today it is Brussels' circular destination.

The historic station halls have been transformed into a covered city: oak pavilions create a structure of boulevards, streets, squares and gardens. Complete with Food Market, exclusive shops and offices. The architectural eye-catcher is the monumental central nave bathed in indirect daylight.

Tour & Taxis

T&T is fast becoming a top destination in Brussels. The Sheds hosts renowned events throughout the year, the Koninklijk Pakhuis (Royal Warehouse) provides inspiring workspaces and exciting dining and shopping opportunities, and the newly renovated Maison de la Poste houses a private theatre. In 2022, priority was given to the renovation of the Hôtel Des Douanes building to transform it into a new office space governed by the pillars of sustainability, circularity and heritage. Nextensa is also developing a nine-hectare public park that will stretch across the campus and give the area much-needed greenery.



AUSTRIA

THE INVESTMENT PORTFOLIO IN AUSTRIA CONSISTS OF 5 RETAIL PARKS:

Frunk Park Asten, handelsring 8-10, 4481 Asten

The Frunk retail park in Asten is located 200 km from Vienna and close to Linz and comprises 26 shops and 600 parking spaces

Year of construction: 2013
Rental area: 18,300 sqm



Hornbach Baumarkt Stadlauer str. 37, 1220 Vienna

Retail site with a high footfall and a leading position in the city of Vienna

Year of construction: 1997
Rental area: 13,300 sqm





Gewerbepark Stadlau Gewerbeparkstraße 2, 1220 Vienna

Very well-located retail site (10 shops) with a high footfall and a leading position in the city of Vienna

Year of construction: 2016

Rental area: 11,000 sqm



Nordring 2-10, Vösendorf

Very well-located retail building near Shopping City Süd to the South of Vienna

Year of construction: 2014

Rental area: 14,800 sqm

Nordring 16-18, Vösendorf

Very well-located retail building near Shopping City Süd to the South of Vienna

Year of construction: 2004

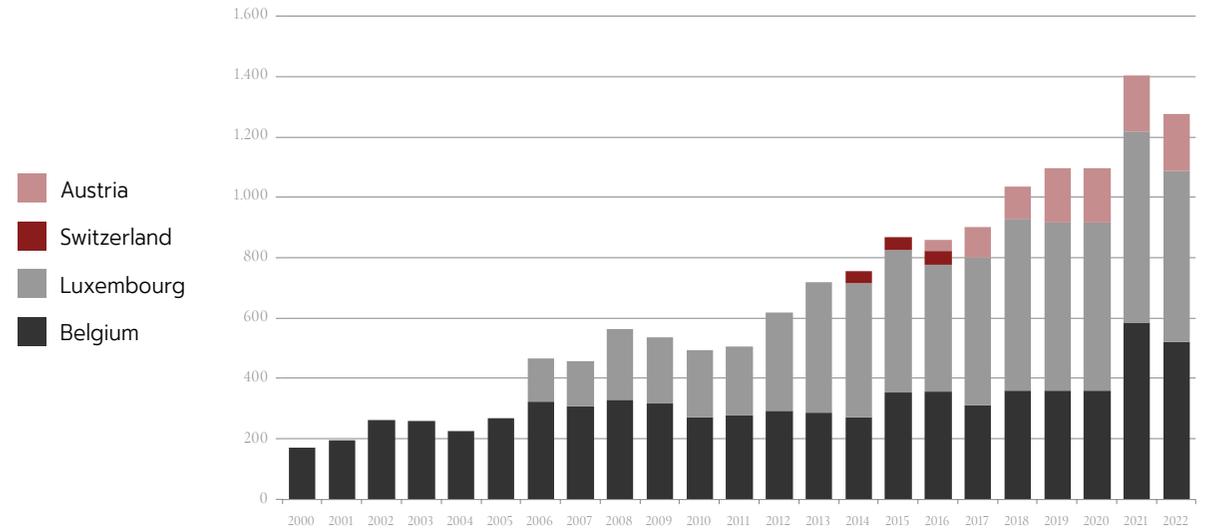
Rental area: 11,350 sqm



ANALYSIS OF THE INVESTMENT PORTFOLIO BASED ON FAIR VALUE

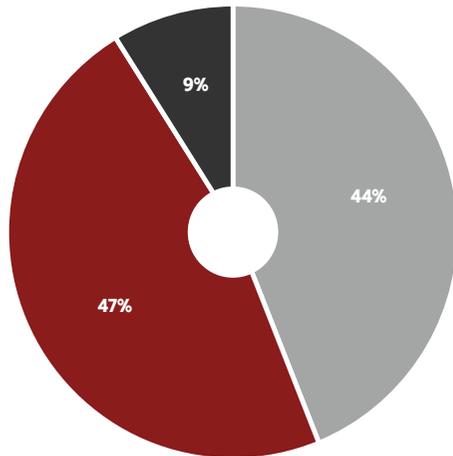
1. Evolution of the fair value

The fair value at the end of 2022 is €1.28 billion (2021: €1.41 billion). This decrease is explained by the sale of some properties during 2022. Nextensa operates in 3 core countries, namely The Grand Duchy of Luxembourg (41%), Belgium (44%) and Austria (15%).



2. Nature of assets

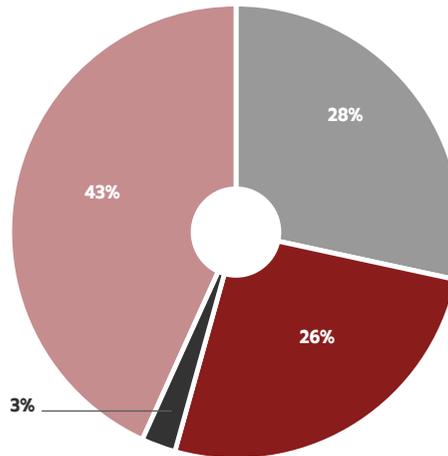
Offices represent 47% of the consolidated investment portfolio and retail 44%. The “other” portion represents 9% of the consolidated investment portfolio.



- Retail
- Offices
- Other

3. Average age

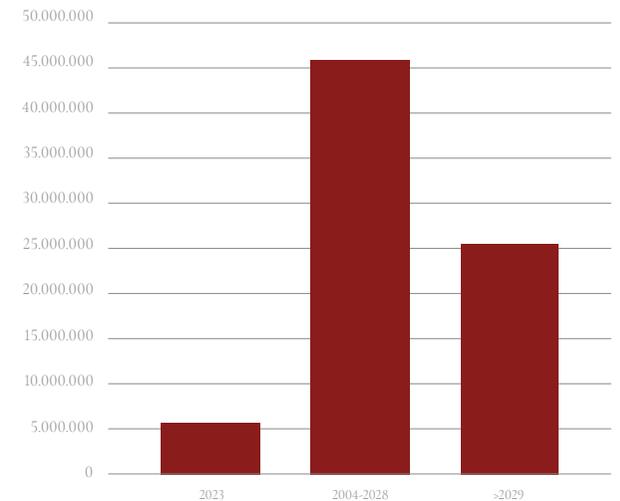
Due to redevelopments in the portfolio, the proportion of buildings 0-5 years old has increased significantly (mainly concerns offices), in accordance with Nextensa’s valuation rules. This criterion is less important for retail, as retailers take care of their own fit-out based on their retail concept and their choice is mainly location-specific.



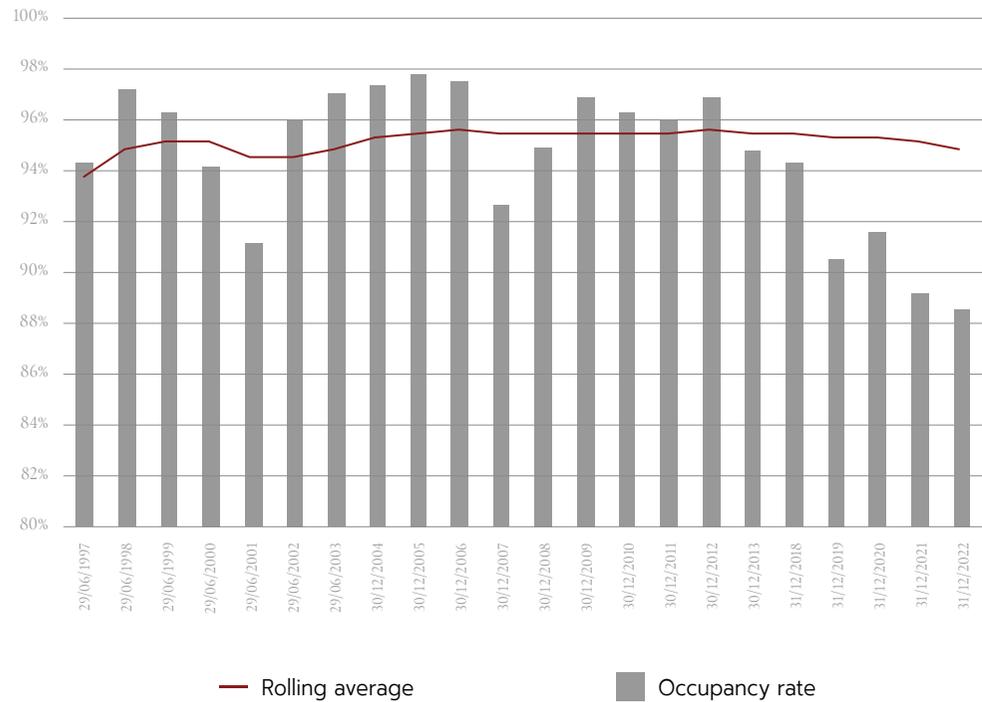
- 0-5 year
- 5-10 year
- 10-15 year
- > 15 year

4. Rent breaks (first notice and contractually assured rental income)

The graph is prepared based on the first termination option of current leases based on contractual rent. The average remaining term of the leases is 3.81 years (2021: 3.73 years). 7% of annualized contractual rent expires next year. Within 5 years, 60% of the contractual rent expires. Rents that expired in 2022 were largely all renewed or filled by other tenants at market conditions. For more information, please refer to Appendix 4 of the financial statements.



5. Occupancy rate



6. Detail of the return

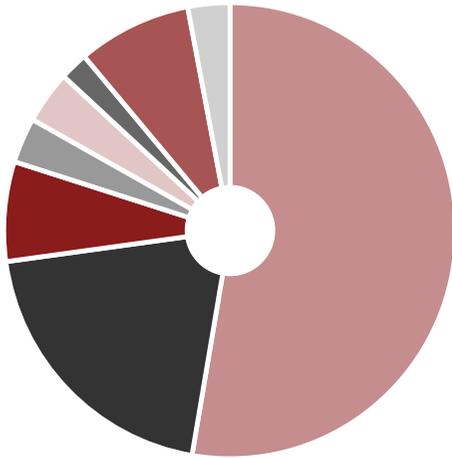
By asset class and geographic¹



¹ There is an inverse relationship between return and value, namely, a higher value gives a lower return. These returns are calculated based on assets available for lease.

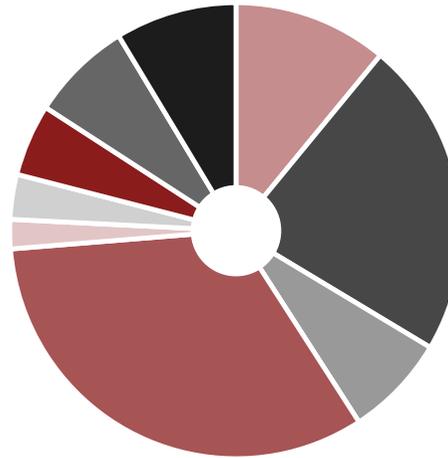
7. Type of tenants based on rental income

Retail and services make up 75% of the investment portfolio.



- 53% Retail & Wholesale
- 20% Services
- 8% Government & Nonprofit
- 7% Financial sector
- 4% Industry
- 3% Transportation & Distribution
- 3% ICT
- 2% Medical & Pharma

8. Breakdown by retail category



- 11% Deco/home
- 23% DIY
- 7% Leisure, toys, pets
- 32% Fashion, shoes, beauty
- 2% Multimedia
- 3% Other
- 5% Restaurant
- 7% Services
- 9% Food



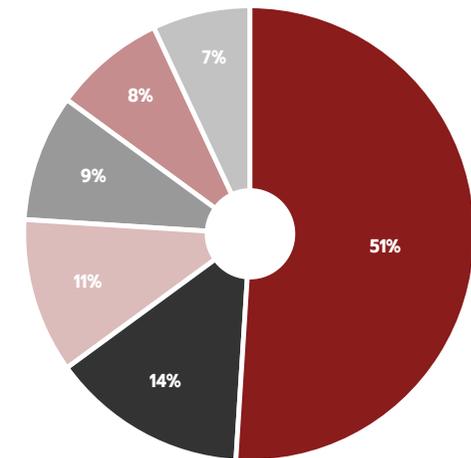
COMPOSITION OF THE INVESTMENT PORTFOLIO BASED ON FAIR VALUE

For more information regarding segment information, please refer to Appendix 3 of the financial statements.

Classification by geographical location

The contractual rent shown differs from the rental income recognized in the income statement since the contractual rent annualizes the rental income from the acquisitions (while the rental income effectively received is only recognized in the financial statements from the date of acquisition) and excludes the rental income on the properties sold.

OVERVIEW OF PROPERTIES WITH A SHARE OF MORE THAN 5% IN THE TOTAL INVESTMENT PORTFOLIO



- 51% < 5%
- Gare Maritime
- Moonar (EBBC)
- T&T Royal Depot
- Pommerloch
- Schmiede

Classification by property type

	Fair value (€ mio)	Investment value (€ mio)	Share in the portfolio (% of FV)	Contract rent (€ mio/Y)	Rental yield based on FV FV (%)	Rental yield based on IV IV (%)	Occupancy rate (%)	Duration y
Retail								
Retail Luxemburg	304,66	303,80	24%	20,52	6,74%	6,75%	97,31%	4,29
Retail Belgium	72,96	74,76	6%	4,11	5,64%	5,50%	78,06%	0,89
Retail Austria	189,58	194,32	15%	10,46	5,52%	5,38%	100,00%	5,21
Total Retail	567,21	572,88	44%	35,09	6,19%	6,13%	95,73%	4,22
Offices								
Offices Luxemburg	186,66	188,51	15%	7,55	4,04%	4,01%	80,20%	1,46
Offices Brussels	345,99	354,12	27%	16,08	4,65%	4,54%	91,21%	7,39
Offices rest of Belgium	63,53	60,56	5%	3,84	6,05%	6,35%	90,24%	2,50
Total offices	596,17	603,19	47%	27,48	4,61%	4,56%	85,64%	4,22
Other								
Other Belgium	81,79	84,58	6%	3,49	4,27%	4,13%	NA	3,41
Other Luxemburg	0,78	0,80	0%	0,00	0,00%	0,00%	NA	0,00
Total other	82,57	85,38	6%	3,49	4,23%	4,09%	NA	3,41
INVESTMENT PROPERTIES	1.245,95	1.261,45	98%	66,06	5,30%	5,24%	88,84%	3,81
BUILDINGS IN OPERATION	1.245,95	1.261,45	98%	66,06	5,30%	5,24%	88,84%	3,81
Right of use IFRS 16	2,31							
INVESTMENT PROPERTIES (INCL IFRS 16)	1.248,26							
Projects Belgium	-	-	-	-				
Projects Luxemburg	30,46	31,22	2%	-				
TOTAL NEXTENSA INCLUDING PROJECTS	1.276,41	1.292,67	100%	66,06				
TOTAL NEXTENSA INCLUDING PROJECTS (INCL. IFRS 16)	1.278,72							

OPERATIONAL MANAGEMENT OF THE BUILDINGS

Active management

The company aims to actively develop and manage its real estate, which implies that it is responsible for the day-to-day management of the properties. To this end, it has an operational team directed and managed by the Executive Committee in accordance with the decisions of the Board of Directors.

In this way, it maintains direct relations with its clients and suppliers.

As part of its active management, it also provides various additional services that constitute added value in the provision of its real estate or for its users. The additional services include - apart from the collection of rents and the passing on of common charges to the tenants - various services such as property management (with or without the use of its own helpdesk to quickly deal with customer-

tenant problems), project management (such as the presence of engineers and/or architects to coordinate the necessary renovation or adaptation works with contractors and/or subcontractors in the case of new leases) and facility management (such as the provision of additional services, e.g. catering, meeting rooms, computer systems, telephony, etc.). catering, meeting rooms, computer systems, telephony, etc.).

These complementary services are a means of carrying out its activities and represent added value for both the properties it provides and their users. These services are part of the company's strategy of responding to the needs of its clients in order to provide tailor-made long-term real estate solutions.

These additional services are provided either by its own personnel or by third-party specialized companies which are then under the responsibility, control and coordination of the effective management of the company.

Income from other additional services is included in the Company's rental income.

This is because the "additional services" offered by the company as part of its business are inherent in the company's operations, and cannot be separated out in separate figures. In other words, these additional services should be viewed qualitatively, with the "fee" (and thus revenue) for the ancillary services translating into the fee the company receives in the context of the ultimate provision of the buildings.

The entire operational team responsible for general management, decommercial contacts with tenants and real estate agents, accounting, legal activities, administration and technical property management will consist of about 30 people by the end of 2022.

The company also relies on subcontractors or external suppliers who remain effectively under the responsibility, control and coordination of the effective management of the company.



Monteco - Belgium

8. CONSOLIDATED FINANCIAL STATEMENTS 2022



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INDEPENDENT AUDITORS' REPORT

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CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

The consolidated financial statements of Nextensa NV were approved for publication by the Board of Directors during March 2023.



Gare Maritime - Belgium

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (€ 000s)	Note	31/12/2022	31/12/2021	PRO FORMA(*) 31/12/2021
Net rental income from investment properties	4	67,400	65,174	68,886
Property charges	5	-14,079	-16,326	-17,848
Result of disposal of investment properties	6	28,346	4,403	4,403
Changes in the fair value of investment properties	7	-11,620	-8,615	-7,029
Other charges/revenu from investment properties		1,598	0	0
OPERATING RESULT OF INVESTMENT PROPERTIES		71,645	44,636	48,412
Revenue from development projects	8	65,215	26,593	48,199
Costs of development projects	8	-62,793	-24,735	-42,057
Other results of development projects	8	3,383	2,990	6,727
Share in the result of associated companies and joint ventures	8	16,437	10,525	21,193
OPERATING RESULT OF DEVELOPMENT PROJECTS		22,242	15,373	34,062
RESULT OF INVESTMENT PROPERTIES & DEVELOPMENT PROJECTS		93,887	60,008	82,474
General costs of the company	9	-13,718	-7,205	-13,456
Other operating charges and income		-265	313	123
OPERATING RESULT		79,904	53,116	69,141
Financial income	10	9,609	7,332	8,601
Financial charges	11	-16,466	-14,009	-16,882
Other financial charges		-1,801	-2,143	-2,143
Changes in fair value of financial assets and liabilities	12	15,582	20,649	20,649
FINANCIAL RESULT		6,924	11,829	10,225
PRE-TAX RESULT		86,828	64,945	79,366
Deferred taxes	13	-9,548	-8,642	-7,881
Corporation tax	14	-6,073	-2,947	-3,365
TAXES		-15,621	-11,589	-11,247
NET RESULT		71,208	53,356	68,119
Minority interests		-102	111	351
NET RESULT (attributable to group)		71,310	53,244	67,768

(*) Pro forma figures in this annual report are unaudited.

OTHER ELEMENTS OF COMPREHENSIVE INCOME (€ 000s)	31/12/2022	31/12/2021	PRO FORMA^(*) 31/12/2021
Variations in the effective portion of the fair value of hedging instruments admitted in a cash-flow hedge as defined in IFRS	16,453	12,287	17,422
OTHER ELEMENTS OF COMPREHENSIVE INCOME	16,453	12,287	17,422
Minority interests	-102	111	111
Other elements of comprehensive income – attributable to the Group	16,453	12,287	17,422
COMPREHENSIVE INCOME	87,661	65,642	85,541
Attributable to:			
Minority interests	-102	111	352
Comprehensive income - attributable to the Group	87,763	65,531	84,949
NET RESULT (attributable to group)	71,310	53,244	67,768

(*) Pro forma figures in this annual report are unaudited.

EARNINGS PER SHARE (IN €s)	31/12/2022	31/12/2021
Global result per share, attributable to Group*	8.77	8.43
Global result per share entitled to dividends	8.83	6.55
Net result per share, attributable to Group*	7.13	6.85
Net result per share entitled to dividends	7.18	5.32

(*) Calculated on the basis of the weighted average number of shares (7,768,974)

Consolidated balance sheet

ASSETS (€ 000s)	Note	31/12/2022	31/12/2021
NON-CURRENT ASSETS		1,471,663	1,433,991
Intangible assets		855	1,042
Investment properties	15	1,278,716	1,267,150
Other property, plant and equipment	17	6,719	4,973
Financial fixed assets	20	116,761	98,329
Finance lease receivables	21	1,660	3,707
Participations in associated companies and joint ventures	18	59,109	51,430
Affiliated enterprises: receivables	19	6,250	6,250
Deferred tax assets	33	1,592	1,110
CURRENT ASSETS		296,738	461,971
Assets held for sale	22	0	140,769
Inventories	23	98,257	113,231
Work in progress	24	85,047	65,542
Trade receivables	25	15,371	21,622
Tax receivables and other current assets	26	64,182	52,204
Cash and cash equivalents	27	31,106	67,261
Deferred charges and accrued income		2,774	1,342
TOTAL ASSETS		1,768,401	1,895,961

LIABILITIES (€ 000s)	Note	31/12/2022	31/12/2021
TOTAL SHAREHOLDERS' EQUITY		849,516	790,473
I. SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT COMPANY		838,798	779,970
Capital	28	109,997	109,997
Share premium account	28	442,803	442,803
Purchase of treasury shares	28	-4,608	-634
Reserves	28	219,297	174,560
Net result of the financial year	28	71,310	53,244
II. MINORITY INTERESTS	16	10,718	10,503
LIABILITIES		918,886	1,105,489
I. NON-CURRENT LIABILITIES		693,493	630,533
Provisions		1,822	1,659
Non-current financial debts		634,932	562,002
Credit institutions	29	491,538	415,116
Other	29	141,147	142,485
Lease liabilities (IFRS 16)	29	2,247	4,402
Other non-current financial liabilities	29	23	20,714
Other non-current liabilities		0	0
Deferred tax liabilities	33	56,716	46,157
II. CURRENT LIABILITIES		225,393	474,956
Provisions		1,158	5,505
Current financial debts		117,668	358,591
Credit institutions	29	44,500	134,688
Other	29	73,168	223,903
Other current financial liabilities		0	0
Trade debts and other current debts		55,152	57,704
Trade payables	30	34,841	40,669
Tax liabilities	30	20,311	17,035
Other current liabilities	31	14,570	14,304
Deferred charges and accrued income	32	36,846	38,852
TOTAL EQUITY AND LIABILITIES		1,768,401	1,895,961
FINANCIAL DEBT RATIO (financial debts / total assets)		42.56%	48.56%

Consolidated cashflow statement

CONSOLIDATED CASH FLOW STATEMENT (€ 000s)	31/12/2022	31/12/2021
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FIN. YEAR	67,261	2,745
1. CASH FLOW FROM OPERATING ACTIVITIES	43,427	86,532
Net result	71,310	53,244
Share in the result of associated companies and joint ventures	-16,437	-10,525
Adjustment of the profit for non-cash and non-operating elements	1,424	5,654
Depreciation, amortisation, impairment losses and taxes	16,738	12,315
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment (+/-)	1,140	496
Impairment of current assets (-)	-22	230
Taxes	15,621	11,589
Other non-cash elements	4,374	-11,078
Changes in fair value of investment properties (+/-)	-11,620	8,615
Increase (+) / Decrease (-) in fair value of financial assets and liabilities	15,582	-20,649
Other non-recurrent transactions	412	956
Non-operating elements	-19,688	4,417
Gains on disposals of non-current assets	-28,346	-4,403
Dividends received	-6,217	-6,082
Write-back of financial income and financial charges	14,875	14,902
Change in working capital requirements	-6,797	42,293
Movements in asset items	20,479	45,837
Movement of liabilities	-27,276	-3,543
Movements on provisions (+/-)	0	4
Tax paid	-6,073	-4,138

CONSOLIDATED CASH FLOW STATEMENT (€ 000s)	31/12/2022	31/12/2021
2. CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES	124,195	-5,873
Investments		
Investment properties	-34,894	-23,966
Development projects	-7,264	-5,902
Intangible assets and property, plant & equipment	-2,684	-2,261
Non-current financial assets	0	-731
Divestments	169,036	26,987
3. CASH FLOW FROM/(USED IN) FINANCING ACTIVITIES	-203,778	-50,275
Change in financial liabilities and financial debts		
Increase (+) / Decrease (-) of financial debts	-164,412	-5,347
Increase (+) / Decrease (-) of other financial liabilities	-7,920	-8,190
Financial income received	3,392	1,225
Financial charges paid	-12,233	-9,752
Dividends received	6,217	6,082
Change in other liabilities		
Increase (+) / Decrease (-) in other liabilities	0	-205
Changes in equity		
Changes in capital and issue premiums (+/-)	0	0
Costs of capital increases	0	-2,349
Increase (+) / Decrease (-) in own shares	-3,974	-623
Dividend of the previous financial year	-24,846	-31,115
Cash and cash equivalents before impact of fluctuations in quoted prices	31,106	33,129
Cash and cash equivalents acquired by means of business combinations	0	34,114
Impact of fluctuations in quoted prices on cash and cash equivalents	0	18
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR	31,106	67,261

Consolidated statement of changes in equity

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (€ 000s)									
	Capital	Share premium account	Treasury shares (-)	Reserves	Hedge reserves	Net result of the financial year	Shareholders' equity attributable to the shareholders of the parent company	Minority interests	Total equity
BALANCE SHEET PER IFRS AT 31 DECEMBER 2020	65,178	194,189	-12	242,848	-22,676	7,683	487,210	0	487,210
- Distribution of final dividend for previous financial year				-31,115			-31,115		-31,115
- Business combinations- minority interests								10,392	10,392
- Business combinations - conversion differences				305			305		305
- Acquisition of treasury shares			-622				-622		-622
- Transfer of net result for 2021 to reserves				7,683		-7,683	0		0
- Comprehensive income financial year 2022 (12 months)					12,287	53,244	65,531	111	65,642
- Capital increase	44,819	248,614		-34,773			258,660		258,660
BALANCE SHEET PER IFRS AT 31 DECEMBER 2021	109,997	442,803	-634	184,949	-10,389	53,244	779,969	10,503	790,473
- Distribution of final dividend for previous financial year				-24,938			-24,938		-24,938
- Business combinations- minority interests								317	317
- Business combinations - conversion differences				-22			-22		-22
- Acquisition of treasury shares			-3,974				-3,974		-3,974
- Transfer of net result for 2021 to reserves				53,244		-53,244	0		0
- Comprehensive income financial year 2022 (12 months)					16,453	71,310	87,763	-102	87,661
- Capital increase									
BALANCE SHEET PER IFRS AT 31 DECEMBER 2022	109,997	442,803	-4,608	213,232	6,064	71,310	838,798	10,718	849,516

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CLOSED 31 DECEMBER 2022



Moonar - Luxembourg

NOTE 1

GENERAL INFORMATION

The consolidated financial statements of Nextensa NV for the financial year ended 31 December 2022 comprise Nextensa NV and its subsidiaries. The consolidated financial statements were prepared and approved by the Board of Directors during March 2023 and will be submitted to the Annual General Meeting of Shareholders for approval on 15 May 2023. The consolidated financial statements have been prepared in accordance with IFRS. Nextensa is included in the consolidation of Ackermans & van Haaren NV.

NOTE 2

SIGNIFICANT ACCOUNTING PRINCIPLES

IFRS valuation rules applied to the consolidated financial statements of Nextensa NV

A. STATEMENT OF COMPLIANCE

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards and the IFRIC interpretations in force at 31 December 2022, as adopted by the European Union.

In the course of the past financial year, various new or amended standards and interpretations came into force.

The principles of financial reporting applied are consistent with those of the previous financial year, with the exception of the following changes.

The nature and impact of each of the following new accounting rules, changes and/or interpretations, are described below:

New and amended standards and interpretations effective for financial years starting on or after 1 January 2022.

The Group first adopted certain new and amended standards and interpretations. These apply to financial years starting on or after 1 January 2022. The Group has not early adopted any other new or amended standards or interpretations that have been issued but are not yet effective.

Although these new and amended standards and interpretations were applied for the first time in 2022, they had no material impact on the Group's consolidated financial statements.

The nature and effect of the new and amended standards and interpretations are commented on hereunder:

- Amendment to IFRS 16 Leases: COVID-19-Related Rent Concessions beyond 30 June 2021 (applicable for annual periods beginning on or after 1 April 2021)
- Amendments to IAS 16 Property, Plant and Equipment: Proceeds before Intended Use (applicable for annual periods beginning on or after 1 January 2022)
- 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)

- Amendments to IFRS 3 Business Combinations: Reference to the Conceptual Framework (applicable for annual periods beginning on or after 1 January 2022)
- Annual Improvements to IFRS Standards 2018–2020 (applicable for annual periods beginning on or after 1 January 2022)

Standards and interpretations published but not yet applicable for the financial year starting on 1 January 2022:

- IFRS 17 Insurance Contracts (applicable for annual periods beginning on or after 1 January 2023)
- Amendments to IFRS 17 Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information (applicable for annual periods beginning on or after 1 January 2023)
- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants (applicable for annual periods beginning on or after 1 January 2024 or later, but not yet endorsed in the EU)
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies (applicable for annual periods beginning on or after 1 January 2023)

- Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (applicable for annual periods beginning on or after 1 January 2023)
- Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (applicable for annual periods beginning on or after 1 January 2023)
- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback (applicable for annual periods beginning on or after 1 January 2024, but not yet endorsed in the EU)

The Group does not expect any significant impact from the coming into effect of these standards in the future.

B. BASIS OF PRESENTATION

The financial statements are presented in euros, rounded to the nearest thousand. They have been prepared on the historical cost basis, except for investment properties, derivative financial instruments, investments held for sale and investments available for sale, which are stated at their fair value.

Equity instruments or derivative financial instruments are stated on a historical cost basis when the instrument concerned has no market price in an active market and when

other methods for defining its fair value in a reasonable way are unsuitable or impracticable.

Hedged assets and liabilities are stated at fair value, taking into account the risk hedged.

The accounting principles have been consistently applied.

The consolidated financial statements have been prepared before appropriation of profit by the parent company Nextensa NV and will be submitted to the general meeting of shareholders for approval.

The presentation of the financial statements according to IFRS standards requires estimates and assumptions which influence the amounts presented in the financial statements, namely:

- the measurement of investment properties at fair value;
- the net realisable value of inventories
- the depreciation and amortisation rates of non-current assets;
- the measurement of provisions and employee benefits;
- the valuations used for impairment tests;
- the valuation of financial instruments at market value.

These estimates are based on a 'going-concern' principle and are defined in function of the information available at that moment. The estimates can be reviewed if the circumstances on which they are based have changed or if new information becomes available. Actual outcomes may therefore differ from the estimates.

Critical judgements

The following are the critical judgements, apart from those relating to the valuation of real estate (see hereunder) that the Board of Directors has made in applying the valuation rules of the Group and that have the most significant effect on the amounts shown in the consolidated financial statements.

Recognition of income

When a contract for the sale of a real estate asset upon completion of construction is judged to meet the criteria for spreading income over time, income is recognised using the percentage of completion method as construction progresses. The Group considers the terms and conditions of the contract, including how the contract was negotiated and the structural elements that the customer specifies when identifying individual projects for which income is recognised over time. The percentage of completion is estimated by reference to the stage of the projects and contracts determined based on the proportion of contract costs incurred to date and the estimated costs to complete. In estimating the percentage of completion account is also taken of the number of units sold as a percentage of the total number of units in the project.

Classification of real estate

The Group classifies each asset as investment property, inventory or contract asset:

- Investment property comprises buildings (mainly office buildings and retail sites) that are not mainly occupied for use by, or in the activities of, the Group, or for sale in the ordinary course of business, but are held primarily to earn rental income and to realise capital gains. These buildings are mostly rented out to tenants. Investment property includes real estate for which a valid permit has been obtained and construction of which has commenced.
- Inventory comprises land and buildings held for sale in the ordinary course of business for which no building permit has been obtained, construction has not yet started and, in the case of a residential project, no sales contract has yet been signed.

Contract assets comprise residential real estate for which a valid permit has been obtained, construction has commenced and a sales contract has been signed.

C. CONSOLIDATION PRINCIPLES

The consolidated financial statements comprise the financial statements of Nextensa NV and its subsidiaries.

I Subsidiaries

Subsidiaries are entities over which the company exercises control. There is control when the company, directly or indirectly, has the power to direct the financial and operational policy of an entity, in order to benefit from its activities. The financial statements of the subsidiaries are included in the consolidated financial statements from the date on which such control becomes effective until the date on which it ends.

If necessary, the valuation rules for subsidiaries are adapted in order to ensure consistency with the principles adopted by the Group. The financial statements of the subsidiaries included in the consolidation cover the same accounting period as that of the company.

Changes in interests of the Group in subsidiaries that do not lead to a loss of control are treated as transactions in shareholders' equity.

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.

II Jointly controlled entities Investments in equity-accounted investees

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. 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.

The results and assets and liabilities of associates and joint ventures are incorporated into these consolidated financial statements using the equity accounting method. Under the equity accounting method, an investment in an associate or a joint venture is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture.

When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture, the Group ceases to recognise its share of any 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 associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture.

The requirements of IFRS 9 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 Impairment of Assets as a single asset by comparing its recoverable amount (the higher of value in use and fair value less selling costs) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group ceases to use the equity method from the date on which the investment ceases to be an associate or a joint venture, or when it is classified as held for sale. If the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IFRS 9.

When a group entity transacts with an associate or a joint venture of the Group, profit and loss resulting from transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent that they concern interests in the associate or joint venture that are not related to the Group.

Interests in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. 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 Group entity undertakes its activities under joint operations, the Group as a joint operator recognises in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its income from the sale of its share in the production of the joint operation;

- its share of the income from the sale of the production of the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, income and expenses relating to its interest in a joint operation in accordance with the IFRS standard applicable to the particular assets, liabilities, income and expenses. When a Group entity transacts with a joint venture in which a Group entity is a joint operator (such as a sale or contribution of assets), the Group is considered to be conducting the transaction with the other parties to the joint venture, and gains and losses resulting from the transactions are recognised in the Group's consolidated financial statements only to the extent of other parties' interests in the joint venture. When a Group entity transacts with a joint venture in which a Group entity is a joint operator (such as a purchase of assets), the Group does not recognise its share of the gains and losses until it resells those assets to a third party.

III Transactions eliminated in consolidation

No account is taken of intra-group balances and transactions or any profits from intra-group transactions when preparing the consolidated financial statements.

Profits from transactions with jointly controlled entities are eliminated in relation to the interest of the Group in those entities. Losses are eliminated in the same way as profits, but only if there is no indication of impairment.

A list of Group companies is included in the notes to the consolidated financial statements.

The financial statements of subsidiaries are fully consolidated from the date of acquisition until the date that control ceases.

IV New acquisitions and business combinations

New acquisitions that are not under joint control are accounted for in accordance with IFRS 3 using the acquisition method. The cost of a business combination consists of the acquisition price, the minority interests and the fair value of the previously held interests (shares) in the company acquired. Transactions costs are recognised directly in profit and loss. If the assets acquired do not constitute a business based on the classification of the underlying transaction, the transaction is recognised as an acquisition of investment properties in accordance with

IAS 40 (and any other non-current assets in accordance with IAS 16), and consequently, after their initial recognition measurement at fair value is applied in accordance with IAS 40, as further commented on under point G. investment property.

Combinations under common control are accounted for in accordance with the exception to IFRS 3 using the pooling of interest method. With this method the acquiring party accounts for the combination as follows:

- the assets and liabilities of the acquired party are recognised for their carrying amount (although adjustments must be made in order to achieve uniform financial reporting principles);
- intangible assets and contingent liabilities are recognised only to the extent that they were assumed by the acquiring party in accordance with applicable IFRS;
- no goodwill is recognised. The difference between the cost price of the investment of the acquiring party and the equity of the acquired party is presented separately upon consolidation within comprehensive income;
- each non-controlling interest is valued as a proportional part of the carrying amount of related assets and liabilities (as adjusted to achieve uniform valuation rules)
- any costs of the combination are immediately written off in the statement of comprehensive income;
- comparative amounts are adjusted as if the combination had taken place at the beginning of the earliest comparative period presented.

D. GOODWILL

Goodwill is the excess of the cost of the business combination over the group's interest in the fair value of the identifiable acquired assets, liabilities and contingent liabilities of the subsidiary at the time of the acquisition. The cost of a business combination includes the price of acquisition and all directly attributable transaction costs.

Goodwill is not amortised but is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reducing the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit and loss. An impairment loss recognised for goodwill cannot be reversed in subsequent periods.

In the event of disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the gain or loss on disposal.

Negative goodwill (badwill):

Negative goodwill equals the amount by which the consideration paid by the acquiring party for its interest in the fair value of the acquired identifiable assets, liabilities and contingent liabilities, exceeds the cost price of the business combination on the date of the transaction. This negative goodwill has to be recorded in the results, immediately, by the party acquiring.

E. INTANGIBLE ASSETS

Intangible assets with a definite useful life are carried at cost less accumulated amortisation and any impairment losses.

Amortisation of intangible assets is recognised on a straight-line basis over their estimated useful lives (generally three to five years). The estimated useful life, as well as the residual value, is reviewed annually.

Intangible assets with an indefinite useful life also carried at cost, are not amortised but are tested for impairment annually or more frequently if events or changes in circumstances indicate that they might be impaired. Start-up costs are recognised as expense as and when incurred.

F. OTHER PROPERTY, PLANT & EQUIPMENT

The other tangible fixed assets, excluding real estate, are carried at acquisition value less any accumulated depreciation and any possible impairment losses.

Other tangible fixed assets are depreciated using the straight-line method over their economic useful life. The estimated economic useful life, as well as the residual value is reviewed annually.

The useful lives of assets are:

- 20 years for solar panels
- 3 to 10 years for furniture
- 3 years for computer hardware
- 25 to 35 years for buildings
- 10 to 20 years for machinery
- 3 to 10 years for equipment

Assets held through leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from its continued use. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

G. INVESTMENT PROPERTIES

Investment properties are properties held to earn rental income for the long term. Investment properties include both buildings ready for letting (investment properties in operation), as well as the buildings under construction or development for future use as an investment property in operation (development projects).

Investment properties are stated at fair value in accordance with IAS 40. After the acquisition of a building, every gain or loss arising from a change in fair value is recognized in profit or loss.

After the acquisition of a building, every gain or loss arising from a change in fair value is recognised in profit or loss.

All the Group's real estate interests held on the basis of operating leases to earn rentals or for capital appreciation purposes are accounted for as investment properties and are measured using the fair value model.

An external independent real estate valuer determines, upon request of management, every quarter, the investment value of the real estate, which includes costs, transfer taxes and fees. The valuers carry out their valuation on the basis of the following methods to define the fair value according to IFRS 13:

• Net present value of estimated rental income

The investment 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 until 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 discount 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, 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.

Capitalised construction costs

Capitalised construction costs is a valuation technique that reflects the amount of incurred construction costs that have been capitalised. The key input for this valuation technique is the amount of costs incurred.

In accordance with the opinion of the working group of the Belgian Association of Asset Managers 'BEAMA', Nextensa NV applies the following principles to the investment value to determine the fair value:

- (i) For transactions relating to buildings in Belgium with an overall value lower than €2.5 million, transfer taxes of 10% need to be taken into account (Flemish Region) or 12.5% (Brussels-Capital and Walloon Region).
- (ii) For transactions relating to buildings in Belgium with an overall value higher or equal to €2.5 million, and considering the range of methods of real estate transfer that are used, the estimated transaction cost percentage for hypothetical disposal of investment properties is 2.5%.

The Group considers that in order to be able to define the fair value of the real estate situated in the Grand Duchy of Luxembourg and in Austria with a value higher than €2.5 million, the fixed transfer costs of 2.5% applicable to real estate in Belgium can also be applied.

When acquiring real estate, the transfer rights are directly booked into the income statement.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on decommissioning or disposal of the real estate is recognised in profit or loss in the year in which it takes place.

Real estate certificates

The valuation of the real estate certificates depends on whether there is a substantial interest or not in the issued certificates:

A. Possession of no substantial interest in the issued certificates (or less than 50%)

If the holder of the certificates does not possess a substantial interest (less than 50%) in the real estate certificate, the certificates are recognised at closing date at the weighted average stock exchange price of the last 30 days, under the heading Non-Current Financial Assets.

When not listed, or when the quoted price of these real estate certificates as shown by the price tables cannot be considered as being a reliable reference, taking into account the limited liquidity of this real estate certificate, the certificates are recognised at closing date under the heading Non-current Financial Assets, at historical issue price less any reimbursements.

B. Possession of a substantial interest (more than 50%) in the issued certificates

If these certificates are not listed, or if the quoted price, as reflected by the price tables, cannot be considered as a reliable reference because of the limited liquidity of this real estate certificate, Nextensa NV wishes to revalue its certificates at each closing of its accounts, in light of:

- a) the fair value of the real estate of which the issuer is the owner and this, and this by analogy with the valuation of its own real estate. This occurs on the basis of a periodical valuation by its real estate expert.
If one or more buildings are sold by the issuer of the real estate certificate, the sales price will be taken into account for the valuation, till the moment of distribution of the sales proceeds;
- b) the contractual rights of the holder of the real estate certificate according to the initial prospectus issued by the real estate certificate.
Although Nextensa NV is not the legal owner of this real estate, it considers itself to be its economic beneficiary in proportion to its contractual rights as the owner of the real estate certificates.

Taking these considerations into account, the certificates are booked under the investment properties at their acquisition value including additional costs. Gains or losses resulting from changes in the fair value of an investment property are recognised in profit or loss in the period in which they arise and are allocated to available reserves when profits are appropriated.

The treatment of the coupon also depends on whether or not there is a substantial interest in the issued certificates:

A. Possession of no substantial interest in the issued certificates (or less than 50%)

The remuneration received consists of a part for the capital reimbursement and a part for the interest. The latter is presented in the financial result when there is certainty that remuneration will be paid, and this is consequently due and enforceable.

B. Possession of a substantial interest (more than 50%) in the issued certificates

As holder of the real estate certificates, Nextensa NV has a contractual right in proportion to the real estate certificates in its possession, to a part of the operating balance realised by the issuer through the collection of the rents and payments for the operating and maintenance costs.

Since the entire loss or gain in value is reflected in the revaluation of the real estate certificate, no part of the coupon relating to the operating balance should be considered as compensation for the loss of value of the buildings of the issuer. Consequently, the entire coupon (pro rata) is treated as net rental income and therefore as operating income (turnover).

When a certain building from the issuer's portfolio is sold, it is treated as follows:

- the net proceeds, after deduction of any withholding taxes due, are recognised as a realised capital gain at Nextensa NV only for the difference between the carrying amount of the real estate certificate at closing date plus the net settlement coupon, and the carrying amount at the previous closing date.

Maintenance and refurbishment expenditures

The expenditure incurred by the owner to refurbish a property in operation is accounted for in two different manners, depending on their nature.

The expenses relating to repair and maintenance that do not add additional functions, nor raise the level of comfort of the building, are accounted for as expenses of the ordinary activities of the financial year and are therefore deducted from the operational result.

On the other hand, charges related to renovations and significant improvements adding a function to the investment property in operation or raising its level of comfort, in order to allow an increase in the rental and consequently of the estimated rental value, are capitalised and consequently recognised in the carrying amount of the asset concerned insofar as an independent real estate valuer acknowledges a corresponding increase in the value of the building.

Regarding development projects, all directly attributable costs including additional expenses such as registration charges and non-deductible VAT are capitalised.

Interest costs related to the financing of the project are also capitalised, insofar as they relate to the period prior to the commissioning of the asset.

H. INVENTORIES

Land and buildings acquired and held for future development as well as in-process development projects (other than investment properties) are classified as Inventories. Inventories mainly comprise residential real estate.

Inventories are measured at the lower of cost and net realisable value at the financial reporting date.

The cost of in-process development projects comprises architectural design, engineering studies, raw materials, other production materials, direct labour, other direct and external borrowing costs directly attributable to the acquisition or construction of the qualifying inventories.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. A value adjustment is necessary when the net realisable value at the financial reporting date is lower than the carrying value. The Group performs regular reviews of the net realisable value of its inventories.

I. ASSETS HELD FOR SALE

The assets held for sale (investment properties) are presented separately in the balance sheet at a value corresponding to the fair value, decreased by the transfer rights.

IFRS 5 - Non-current assets held for sale applies only to the presentation of real estate held for sale. IAS 40 applies to valuation, as is the case for the other investment properties (at fair value).

Assets and groups of assets to be disposed of are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is considered to be met only when the asset (or group of assets to be disposed of) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which must be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale. When the Group is committed to a sale plan involving disposal of an investment, or a portion of an investment, in an associate or joint venture,

the investment or the portion of the investment that will be disposed of is classified as held for sale when the criteria described above are met, and the Group discontinues the use of the equity method in relation to the portion that is classified as held for sale. Any retained portion of an investment in an associate or a joint venture that has not been classified as held for sale continues to be accounted for using the equity method. The Group discontinues the use of the equity method at the time of disposal when the disposal results in the Group losing significant influence over the associate or joint venture.

After the disposal takes place, the Group accounts for any retained interest in the associate or joint venture in accordance with IFRS 9 unless the retained interest continues to be an associate or a joint venture, in which case the Group uses the equity method (see the accounting policy regarding investments in associates or joint ventures above).

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less selling costs.

J. VALUE ADJUSTMENTS FOR IMPAIRMENT OF NON-CURRENT ASSETS (EXCL. INVESTMENT PROPERTY)

Nextensa NV assesses at each reporting date whether there is any indication that an asset may be impaired. If such indication exists, an estimate will be made as to the recoverable amount of the asset.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount by recognising an impairment loss.

The recoverable value of an asset is defined as the higher of its fair value less selling costs (supposing a distressed sale) and its value in use (based on the present value of the estimated future cash flows); any impairment losses resulting are recognised in profit and loss.

The enterprise value is the present value of the expected future cash flows. In order to establish the enterprise value, the expected future cash flows are discounted at a pre-tax interest rate that reflects both the current market interest rate and the specific risks with regard to the asset. For assets that do not generate cash flows, the recoverable value of the cash-generating entity to which they belong is defined.

Previously recognised impairment losses, except on goodwill and shares available for sale, are reversed through profit or loss if there has been a change in the valuation used to determine the recoverable value of the asset since the recognition of the last impairment loss. Previously recognised impairment losses for goodwill cannot be reversed; previously recognised impairment losses on shares available for sale can, depending on the type of instrument, be reversed through equity or profit or loss.

K. FINANCIAL ASSETS AND LIABILITIES

Financial assets and liabilities at fair value with changes through profit and loss

Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities (other than financial assets and liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or liabilities, as the case may be, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or liabilities at fair value through profit or loss are recognised immediately in profit or loss. Variations in the fair value of financial assets and liabilities at fair value with changes through profit and loss are recognised in profit and loss except where they are supported by hedge accounting documentation (see L).

Financial assets available for sale

Financial assets available for sale and securities are recognised at fair value. Changes in fair value are recognised in equity until sale or impairment loss, when the cumulated revaluation is taken into profit or loss.

When a decline in fair value of a financial asset available for sale is recognised in equity and there is objective evidence that the asset is impaired, cumulative losses previously recognised in equity are removed from equity and recognised in profit and loss.

Financial assets held to maturity

Financial assets held to maturity are valued at amortised cost price.

Interest-bearing loans and receivables

Interest-bearing loans are measured at amortised cost using the effective interest method whereby the difference between acquisition cost and the reimbursement value is recognised on a pro rata time basis in profit or loss based on the effective interest rate.

Long-term receivables are valued based on their discounted value according to the current interest rate at the time of their emission.

Trade payables and receivables/ Other debts and receivables

These accounts are measured at nominal value, less impairment loss for uncollectible receivables.

Cash and cash equivalents

Cash and cash equivalents, consisting of cash at banks, cash in hand and short-term investments (< 3 months) are recognised at nominal value in the balance sheet.

L. DERIVATIVE FINANCIAL INSTRUMENTS

Nextensa NV makes use of financial instruments in order to manage the interest and exchange rate risks arising from its operational, financial and investment activities.

Derivative financial instruments are recognised initially at cost and are remeasured at their fair value at the subsequent reporting date.

Changes in the fair value of derivative financial instruments, which are not formally attributed as hedging instruments or do not qualify for hedge accounting or are fair value hedges, are taken into profit or loss.

IFRS 13 mentions an element in measurement, namely the obligation to take account of own credit risk and that of the counterparty in the calculation. The correction of the fair value as a consequence of the application of credit risk to the counterparty is called Credit Valuation Adjustment (CVA). Quantifying the own credit risk is called Debit Valuation Adjustment or DVA.

Cash flow hedges

The effective portion of gains or losses from changes in the fair value of derivative financial instruments (payer interest rate swaps), specifically attributed to hedge the exposure to variability in cash flows associated with a recognised

asset or liability or an expected transaction, is recognised directly in equity. The ineffective portion is recognised in profit or loss.

The fair value of interest rate swaps is the estimated value that the company would receive or pay when exercising the swap at the balance sheet date, taking into account current and expected interest rates and the solvency of the swap counterparty.

As soon as the forecast transaction occurs, the cumulative gain or loss on the derivative financial instrument is taken out of equity and is reclassified into profit or loss.

Cumulative gains or losses related to expired derivative financial instruments remain included in equity, for as long as it is probable that the forecast transaction will occur. Such transactions are accounted for as explained in the foregoing paragraph. When the hedged transaction is no longer probable, all cumulative unrealised gains or losses at that time are transferred from equity to profit or loss.

Fair value hedging

For each financial derivative covering the potential changes in fair value of a recorded receivable or debt, the gain or loss resulting from the revaluation of the hedge is recognised in profit or loss. The value of the hedged element is also measured at the fair value attributable to the hedged risk. The related gains or losses are recognised in profit or loss. The fair value of the hedged elements related to the hedged risk are the carrying amounts at the balance sheet date, calculated in euros at the exchange rate effective at balance sheet date.



Hangar 26-27 (Vis van A restaurant) - Belgium

M. CAPITAL AND RESERVES

Shares

The costs relating to a capital transaction or the issue of new shares are deducted from capital.

Purchase of own shares

Treasury stock is deducted from equity at the buy-back price. A subsequent sale or disposal does not have an impact on result; gains and losses related to treasury shares are recognised directly in equity.

Dividends

Dividends are recognised as a liability when approved by the general meeting of shareholders.

N. PROVISIONS

If Nextensa NV or a subsidiary has a legal or indirect obligation as a result of a past event, and it is probable that the settlement of this obligation will require an outflow of resources, and the amount of the obligation can be reliably estimated, a provision is recognised on balance sheet date.

If the difference between the nominal and present values is material, a provision is recognised for the present value of the estimated outflows based on a discount rate, and taking into account the current market assessments of the time value of money and the risks specific to the liability.

If Nextensa NV expects that some or all of a provision will be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset only when it is virtually certain that it will be received.

The expense relating to any provision is presented in the income statement, net of any reimbursement.

O. CONTINGENT ASSETS AND LIABILITIES

Contingent assets and liabilities are disclosed in the notes, if their impact is material.

P. TAXES

Income tax

Income tax on the profit or loss for the financial year comprises current and deferred tax. Both taxes are recognised in the income statement and under liabilities in the balance sheet, except to the extent that they relate to items recognised directly in equity, in which case they are recognised in equity. The amounts of tax due are calculated on the basis of the legally established tax rates and the tax legislation in force.

Deferred taxes are calculated using the balance sheet method, applied to the temporary differences between the carrying amount of the recognised assets and liabilities and their tax value. Deferred taxes are recorded based on expected tax rates.

Deferred tax liabilities are recognised for all taxable temporary differences:

- except to the extent that the deferred tax liability arises from the original recognition of goodwill or the initial recognition of assets and liabilities in a transaction that is not a business combination and at the time of the transaction neither affects the accounting profit nor the taxable profit;
- except, in respect of investments in subsidiaries, associates and joint ventures, where the Group is able to control the date on which the temporary difference will be reversed and the Group does not expect the temporary difference to reverse in the foreseeable future.

Deferred income tax assets are recognized for all deductible temporary differences, carry-forwards of unused tax credits or tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be offset. The book value of the deferred income tax assets is assessed at each balance sheet date and deducted to the extent that is no longer probable that sufficient taxable profit is available against which all or some of the deferred taxes can be offset.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply to the year when the temporary differences will be realised or settled, based on tax rates that have been enacted or confirmed at balance sheet date.

Q. DISCONTINUED OPERATIONS

The assets, liabilities and net results of discontinued operations are separately reported under one heading in the consolidated balance sheet and the consolidated income statement. The same reporting is also valid for assets and liabilities held-for-sale.

R. EVENTS AFTER THE BALANCE SHEET DATE

It is possible that certain events that occur after balance sheet date provide additional information on the financial position of an entity (adjusting events). This information permits the improvement of estimates and allows the current situation at balance sheet date to be better reflected. These events require an adjustment of the balance sheet and the result. Other events after balance sheet data are disclosed in the notes if their impact is potentially important.

S. EARNINGS PER SHARE

The group calculates both basic and diluted earnings per share in accordance with IAS 33. Basic earnings per share are calculated based on the weighted average number of outstanding shares during the period. For the calculation of diluted earnings per share, the profit or loss attributable to holders of ordinary shares and the weighted average number of outstanding shares are corrected for the effects of all potential ordinary shares that will lead to dilution.

T. INCOME

The Group recognises income from the following main sources:

- Income from gross rentals
- Income from real estate services
- Income from the sale of land
- Income from development
- Income from management fee

Income is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises income when it transfers control of a product or a service to a customer.

Income from gross rentals

Rental income comprises the gross rental income. Costs of rent-free periods and rental incentives to tenants are deducted from the rental income (in the item “rent-free periods”) over the duration of the lease, defined as the period between the start and the first break date.

Income from real estate services

The Group provides real estate services to third parties. Income is recognised over time as the services are rendered. The transaction price is a fixed fee per year.

Income from the sale of land

The Group sells plots of land and income is recognised when control of the land has transferred, which is at the point when the notary deed is signed. Payment of the transaction is due immediately upon signing of the deed.

Income from developments

The Group constructs and sells residential real estate under long-term fixed price contracts with customers. Such contracts are entered into in the early stage of construction of the residential real estate. Under the terms of the contracts, the Group is contractually restricted from redirecting the real estate to another customer and has an enforceable right to payment for work done. Income from construction

of residential real estate is therefore recognised over time on a cost-to-cost method, i.e. based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs. The Group considers that this input method is an appropriate measure of the progress towards complete fulfilment of these performance obligations under IFRS 15.

The Group becomes entitled to invoice customers for construction of residential real estate based on achieving a series of performance-related milestones. When a particular milestone is reached the customer is sent an invoice for the related milestone payment, based on a relevant statement of work prepared by a third party. The Group will previously have recognised a contract asset for all work performed. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer. If the milestone payment exceeds the revenue recognised to date under the cost-to-cost method, then the Group recognises a contract liability for the difference. There is not considered to be a significant financing component in construction contracts with customers as the period between the recognition of revenue under the cost-to-cost method and the milestone payment is always less than one year.

The amount of real estate recognised as an expense during the period referred to as “Real Estate Development Expenses” comprises costs directly related to the real estate development projects sold during the year.

Income from management fees

The Group provides its management services to its associates and joint ventures. Income is recognised over time as the services are rendered. The transaction price is a fixed fee per year.

U. FINANCIAL RESULT

Financial income

Financial income comprises the interest received on investments, dividends, exchange rate income and income relating to hedges that is recorded in the income statement (excluding fair value adjustments).

Interest and dividends that originate from the use by third parties of company resources, are recognised when it is probable that the economic benefits related to the transaction will flow back to the company and the income can be defined in a reliable way.

Interest received is recognised when collected (taking into account the time elapsed and the effective return of the asset), unless there is any doubt as to collection.

Dividends are recognised in profit and loss at the date of payment or granting.

Net financing costs

Net financing costs comprise the interest payable on loans, calculated using the effective interest rate method, as well as the net interest due on hedging instruments recognised in profit and loss (excluding fair value adjustments). Interest income is recognised in profit and loss as it accrues, taking into account the effective yield of the asset.

Financing costs directly attributable to the acquisition, construction or production of eligible assets, that is to say assets that will necessarily be ready for their intended use or sale only after an appreciable time, are added to the costs of those assets until such time as the assets are actually ready for their intended use or sale.

Investment income from the temporary investment of specific loans pending their investment in eligible assets is deducted from capitalisable financing costs.

All other financing costs are recognised in profit and loss in the period in which they are incurred.

Other financial costs

Other financial costs mainly comprise commitment fees due on unused confirmed credit lines.

V. SEGMENT REPORTING

The segment information is prepared taking into account the operating segments and the information used internally in order to take decisions. The “chief operating decision makers” are the Effective officers of the company. The operational segments are defined, as there is evidence, in the long term, of similar financial performance as they have comparable economic characteristics, based on the estimated rental value, investment potential and residual value.

The segment information comprises the results, assets and liabilities that can, directly, or on a reasonable basis, be attributed to a segment.

Nextensa NV is composed of three operational segments, namely investment, development and corporate. These segments are divided into sub-segments, namely Belgium, the Grand Duchy of Luxembourg and Austria for the investment segment, and Belgium, Luxembourg and other for the development segment. The Luxembourg and Austrian segments go together with the Leasinvest Immo Lux portfolio.

The “corporate” category comprises all unallocated fixed costs carried at group level, and the financing costs. With a view to maximum transparency, the Austrian results are reported separately in the segment information presented hereafter.

W. LEASING

The Group as lessor

The Group enters into lease agreements as a lessor with respect to some of its investment properties. Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the lease concerned. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group’s net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group’s net investment in outstanding leases.

When a contract includes both lease and non-lease components, the Group applies IFRS 15 to allocate the consideration under the contract to each component.

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that have not been paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

The lease liability is presented as a separate line in the consolidated balance sheet. The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made on or before the commencement date, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and any impairment losses. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. Depreciation starts on the commencement date of the lease.

Y. CONTRACT COSTS

Incremental costs incurred as a result of obtaining a contract are capitalised, if it is expected that these costs will be recovered. Costs that are incurred regardless of whether the contract is obtained are expensed as they are incurred unless they meet the criteria to be capitalised as fulfilment costs.

If the costs incurred in fulfilling a contract with a customer are not within the scope of another standard, the Group recognises an asset in respect of the costs incurred to fulfil a contract only if those costs meet all of the following criteria:

- the costs relate directly to a contract or to an anticipated contract that the entity can specifically identify;
- the costs generate or enhance resources of the entity that will be used in fulfilling (or in continuing to fulfil) performance obligations in the future; and
- the costs are expected to be recovered.

Z. FOREIGN CURRENCIES

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date on which the fair value was determined. Non-monetary items that are measured at historical cost in a foreign currency are not translated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into euros at the exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Any exchange differences are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

The principal exchange rates versus EUR that have been used are as follows:

	2022		2021	
	Closing rate 31 december	Average rate 12 months	Closing rate 31 december	Average rate 12 months
Romanian Lei	4,922	4,932	4,949	4,921

Critical judgements and key sources of estimation uncertainty

In drawing up the financial statements and valuing certain items thereof the Group makes use of assumptions, hypotheses and estimates. These are largely based on past experience and on estimates made as reliably as possible by management of the specific circumstances that in management's opinion are applicable given the situation.

The main estimations and judgements for the group are as follow:

- valuation of investment properties (Note 15) and
- valuation of development projects (Note 24).

NOTE 3

SEGMENT INFORMATION

3.1

Segment information - geographical

3.1.1 Consolidated statement of comprehensive income

(€ 000s)	BELGIUM		LUXEMBOURG		AUSTRIA		CORPORATE		TOTAL	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Net rental income from investment properties	25,878	22,686	31,486	33,051	10,037	9,437			67,400	65,174
Property charges	-9,135	-11,668	-3,583	-3,479	-1,361	-1,179			-14,079	-16,326
Result of disposal investment properties	224	3,216	28,121	1,186					28,346	4,403
Changes in fair value of investment properties	-7,492	-4,246	-6,958	-9,316	2,830	4,947			-11,620	-8,615
Other costs/revenue investment portfolio	939		2		657				1,598	
OPERATING RESULT OF INVESTMENT PROPERTIES	10,415	9,989	49,067	21,442	12,163	13,204			71,645	44,635
OPERATING RESULT OF DEVELOPMENT PROJECTS	5,319	4,361	16,924	11,012					22,243	15,373
(-) Corporate operating charges	-12,723	-6,166	-694	-880	-301	-159			-13,718	-7,205
(+/-) Other operating charges and income	3,537	3,915	-2,855	-3,421	-948	-181			-265	313
OPERATING RESULT	6,548	12,099	62,443	28,154	10,914	12,863			79,905	53,116
(+) Financial income							9,609	7,332	9,609	7,332
(-) Financial charges							-16,466	-14,010	-16,466	-14,010
(-) Other financial charges							-1,801	-2,143	-1,801	-2,143
(+/-) Changes in fair value of financial assets and liabilities							15,582	20,649	15,582	20,649
FINANCIAL RESULT							6,924	11,828	6,924	11,828
PRE-TAX RESULT	6,548	12,099	62,443	28,154	10,914	12,863	6,924	11,828	86,828	64,944
(+/-) Latent taxes							-9,548	-8,642	-9,548	-8,642
(+/-) Corporate taxes							-6,073	-2,947	-6,073	-2,947
TAXES							-15,621	-11,589	-15,621	-11,589
NET RESULT	6,548	12,099	62,443	28,154	10,914	12,863	-8,697	239	71,208	53,355
Minority interests									-102	111
NET RESULT (part of group)									71,310	53,244

3.1.2 Consolidated balance sheet (geographical segmentation)

(€ 000s)	BELGIUM		LUXEMBOURG		AUSTRIA		CORPORATE		TOTAL	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
ASSETS										
Intangible assets							855	1,042	855	1,042
Investment properties (incl. development projects, excl. finance leasing)	567,022	572,568	522,115	505,032	189,580	185,369			1,278,716	1,267,150
Equity holding in Retail Estates	83,782	96,485							83,782	96,485
Participations in associated companies and joint ventures	-6,808	2,700	65,918	49,461					59,110	51,430
Assets held for sale		14,209		126,560						140,769
Inventories	96,772	112,031	1,486				1,200		98,257	113,231
Work in progress	57,961	65,542	27,086						85,047	65,542
Other assets	138,945	69,544	20,603	91,002	3,084	3,216			162,634	161,312
ASSETS PER SEGMENT	937,674	933,080	637,208	772,055	192,664	188,585	855	2,242	1,768,401	1,895,961
LIABILITIES										
Non-current financial debts							634,932	562,002	634,932	562,002
Current financial debts							117,668	358,591	117,668	358,591
Other liabilities							164,786	184,895	166,285	184,895
LIABILITIES PER SEGMENT							917,385	1,105,489	918,885	1,105,489
EQUITY									849,516	790,472

Other segment information - investment properties

The other segment information contains only information relating to the investment properties. For further information on development projects we refer to note 8 'operational result of development projects'. Investment properties consist of investment properties available for lease as well as of the re-development of investment properties.

(€ 000s)	BELGIUM		LUXEMBOURG		AUSTRIA		TOTAL	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
INVESTMENT PROPERTIES								
investments	16,666	8,404	15,911	20,702	1,381	35	33,958	29,140
divestments		-14,720		-7,203		-661	0	-22,584
FINANCE LEASE RECEIVABLES								
investments							0	0
divestments							0	0
ASSETS HELD FOR SALE								
investments		425		302			0	727
divestments	-14,209		-126,560				-140,769	0
OTHER TANGIBLE ASSETS (OTHER)								
investments	2,000	1,242	93				2,093	1,242
divestments			-163		-32		-195	0
depreciations	-950	-29	-42		-148	-35	-1,140	-64
NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR	573,431	1,214	522,333		191,333		1,287,096	1,214

Investments and divestments of investment properties, finance lease receivables and assets held for sale are commented in respectively notes 15, 17, 21 and 22.

3.1.3 Key figures

The fair value and the investment value of the investment portfolio comprise the buildings in operation, i.e. the buildings available for lease and the assets held for sale, as well as the re-development of investment properties. For the calculation of the other key figures (yield, total lettable

area, occupancy rate and weighted average duration) only the buildings in operation are taken into account, excluding development projects and assets held for sale. Yields concern gross yields.

(€ 000s)	BELGIUM		LUXEMBOURG		AUSTRIA		TOTAL	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Fair value of the investment portfolio ⁽¹⁾	564,261	585,668	522,567	631,592	189,580	185,369	1,276,407	1,402,629
Investment value of the investment portfolio	575,703	600,690	522,634	643,311	194,321	190,003	1,292,658	1,434,004
Gross yield (in fair value) of the segment ⁽²⁾	4.88%	4.61%	5.70%	5.23%	5.52%	5.55%	5.31%	4.90%
Gross yield (in investment value) of the segment ⁽²⁾	4.80%	4.50%	5.69%	5.13%	5.38%	5.41%	5.25%	5.33%
Total lettable area (m ²)	262,276	256,478	168,087	188,996	73,345	43,404	503,709	488,878
Occupancy rate ⁽²⁾	89.09%	85.18%	90.71%	88.94%	100.00%	100.00%	88.48%	89.09%
Weighted average duration till first break possibility (# years)	5.79	4.79	3.20	2.76	5.21	4.44	3.81	3.73

(1) The fair value of the real estate portfolio at the end of 2022 consists of the investment properties (€1,278,716,000). The fair value of the investment portfolio at the end of 2021 consisted of the investment properties (€1,407,919,000).

Investment portfolio under leasing contracts and a few smaller real estate projects are not included in the investment portfolio per segment.

(2) The calculation of the gross yield (in fair value and investment value) and the occupancy rate take into account all buildings, except for those recognised under 'assets held for sale' and 'project developments'.

3.2

Segment information - key figures by type of building - investment properties

(€ 000s)	RETAIL		OFFICES		OTHER		TOTAL	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Rental income (incl. fee and leases and excl. severance payment and incentives received)	32,508	33,340	28,762	32,196	7,118	4,790	68,388	70,326
Fair value of the investment portfolio	567,211	554,757	596,171	661,983	82,572	136,672	1,245,954	1,353,412
Investment value of the investment portfolio	572,876	564,552	634,410	678,548	85,373	140,455	1,292,658	1,383,555
Occupancy rate	95.73%	89.94%	85.64%	83.37%			84.56%	89.09%
Gross yield (in fair value) of the segment	6.19%	6.01%	4.59%	4.86%	4.23%	3.50%	5.28%	5.20%
Gross yield (in investment value) of the segment	6.13%	5.91%	4.56%	4.74%	4.09%	7.14%	5.24%	5.08%
Weighted average duration till first break possibility (# years)	4.22	3.25	4.22	4.62	3.41	0.94	3.81	3.73

The investment portfolio comprises both the buildings in operation and the assets held for sale, as well as the development projects. For the calculation of the occupancy rate and the rental yield, only the buildings in operation are taken into account, excluding the assets held for sale and the development projects. Yields concern gross yields.

With regard to the other assets, other than the investment portfolio, it is not relevant to apply the segmentation per type. No single client of Nextensa NV represents more than 10% of total rental income, so it has no dependency in this regard.

NOTE 4

NET RENTAL INCOME FROM INVESTMENT PROPERTIES

NET RENTAL INCOME FROM INVESTMENT PROPERTIES (€ 000s)	31/12/2022	31/12/2021	PRO FORMA ^(*) 31/12/2021
Rental income	67,400	65,216	
Rents	66,735	63,727	
Income from finance leases and comparable items	665	1,489	
Rental-related expenses	0	-42	
Write-downs on trade receivables	0	-42	
NET RENTAL INCOME FROM INVESTMENT PROPERTIES	67,400	65,174	68,886

(*) Proforma figures in this annual report have not been audited.

Nextensa NV rents its investment properties on the basis of customary rental contracts.

Gross rental income amounted to €67,400 thousand for 2022, compared with €65,216 thousand in 2021; a gross increase of €2,184 thousand. The net increase of

€2.2 million was thanks to the fact that the former Leasinvest Real Estate portfolio has been contributed (since 1 July 2021) by the historical buildings on the Tour & Taxis site. On the other hand a few buildings were sold in the course of 2021 and 2022 and an increase of the like-for-like rental income of €1.2 million.

Costs of rent-free periods and rental incentives to tenants are deducted from rental income (in the item "rent-free periods") over the duration of the lease, defined as the period between the start and the first break date. Rental incentives not yet recognised in the result are deducted from the fair value of the assets.

This implies, when entering a new rental period (after a break possibility or after the conclusion of a new rental contract) and where a rent-free period has been granted, that no rent will be received during that period, but rent will be recognised under this heading. Consequently, *ceteris paribus*, this item has a positive balance. In the course of the rental period the rent received will be higher than the rent corrected for the rent-free period. This correction is presented under this heading and will, *ceteris paribus*, consequently have a negative balance, unless another rent-free period, exceeding this balance, is again granted in that period.

The table below indicates how much of the annual rental income could potentially be lost. If each tenant having a break possibility were to actually leave the building and there were to be no re-letting, this table shows what the loss of rental income would be.

	31/12/2022	31/12/2021
Within one year	5,703	12,741
Between one and five years	45,904	39,499
More than five years	25,431	15,856
TOTAL	77,038	68,096

Nextensa NV's portfolio consists mainly of players from the private sector and, to a lesser extent, the government sector. Consequently, there are relatively more rental contracts with shorter fixed durations (type 3/6/9 years).

Boomerang Strassen - Luxembourg



NOTE 5

SUMMARY OF PROPERTY CHARGES

SUMMARY OF PROPERTY CHARGES (€ 000s)	PRO FORMA ^(*)		
	31/12/2022	31/12/2021	31/12/2021
Technical costs	-3,819	-1,882	
Commercial costs	-1,118	-1,850	
Charges and taxes on un-let properties	-2,124	-3,050	
Real estate management costs	-4,191	-5,800	
Other property charges	-1,151	-1,112	
Rental charges borne by the owner	-1,677	-2,633	
TOTAL	-14,079	-16,327	-17,848

(*) Proforma figures in this annual report have not been audited.

Investment property charges have decreased compared to prior year. To ensure that the investment properties keep responding to the increasing demands of comfort, image and sustainability, maintenance and renovation works are regularly carried out. The item 'technical costs' comprises both recurring and occasional costs of repair to investment portfolio, besides the fees regarding the total guarantee and the insurance premiums related to the technical management of the buildings.

Vacancy costs and charges borne by the owner have decreased given the fact that last year was heavily impacted by COVID and the lack of organized events, shop closures and limited use of office due to remote working.

NOTE 6

RESULT ON DISPOSAL OF INVESTMENT PROPERTIES

RESULT ON DISPOSED INVESTMENT PROPERTIES (€ 000s)	31/12/2022	31/12/2021	PRO FORMA^(*) 31/12/2021
Net gains on investment properties (sales price - transaction costs)	169,115	26,987	
Carrying amount of real estate sold (fair value)	-140,769	-22,584	
TOTAL	28,346	4,403	4,403

(*) Proforma figures in this annual report have not been audited.

In 2022 three buildings were sold. In Luxembourg the properties Titanium and Monnet were sold. In Belgium The Crescent in Anderlecht was sold. On these sales, a total capital gain of €28.3 million was realised.

NOTE 7

CHANGES IN FAIR VALUE OF REAL ESTATE INVESTMENTS

CHANGES IN FAIR VALUE OF INVESTMENT PROPERTIES (€ 000s)	31/12/2022	31/12/2021	PRO FORMA ^(*) 31/12/2021
Positive changes in fair value of investment properties	11,077	11,198	
Negative changes in fair value of investment properties	-22,697	-19,813	
TOTAL	-11,620	-8,615	-7,029

(*) Proforma figures in this annual report have not been audited.

The net portfolio result shows a total unrealised capital loss of €11.6 million in 2022, which is only 0,90% of the total portfolio and thus rather limited.

NOTE 8

OPERATIONAL RESULT OF DEVELOPMENT PROJECTS

RESULT OF DEVELOPMENT PROJECTS (€ 000s)	PRO FORMA ^(*)		
	31/12/2022	31/12/2021	31/12/2021
Revenue from development projects	65,215	26,593	48,199
Costs of development projects	-62,793	-24,735	-42,057
Other development projects	3,383	2,989	6,727
Share in the result of associated companies and joint ventures	16,437	10,526	21,193
TOTAL	22,243	15,373	34,062

(*) Proforma figures in this annual report have not been audited.

The result on development projects (revenues less costs of development projects) amounts to €2.4 million and this result was realised on the development of the Park Lane Phase I project which is situated on the Tour & Taxis site. This development started in 2019 and consists of 319 residential units, of which only 5 apartments and 4 ground floor retail units are still for sale.

The other result on development projects, 3.4 million, is mainly related to the earn-outs on the land component in Cloche d'Or.

The remaining amount of €16.4 million is related to the developments of the Cloche d'Or in Luxembourg. These developments consist of both office and residential projects.

At the beginning of January 2022 the office building 'Kockelscheuer', with a surface of ca. 4,200 m² was delivered and sold. The building was fully pre-let to Regus.

Following on that, at the end of March 2022 the office building Darwin II (ca. 4,700 m²) was delivered. The tenant is the Luxembourg State, who also has a purchase option of 3 years started April 1, 2022. During the course of Q2 2022 the building is in use.

At the end of September 2022 the office building Darwin I – “Bronze Gate – was provisionally handed over. At the beginning of October 2022 this Bronze Gate building was sold for an amount of 65 million to a Luxembourg real estate investor REInvest Asset Management S.A. This building of ca. 5,040 m² is fully let to atHome Group, specialized in online platforms for the sale of real estate and cars, and the international law firm CMS DeBacker Luxembourg.

Currently, there are still two office buildings under construction. The first one, Emerald, has an area of 7,000 m² and has already been pre-leased for 43% to a law firm. A principle agreement for leasing has been signed with a potential tenant, which would increase the occupancy rate to 70%. The construction is progressing according to plan, and completion is expected by the end of summer 2023. Right next to the Emerald building, construction work has also started on another office building of 7,000 m², White House. A principle agreement for leasing has also been signed for 100% of the area of this building. Completion is expected at the beginning of 2024.

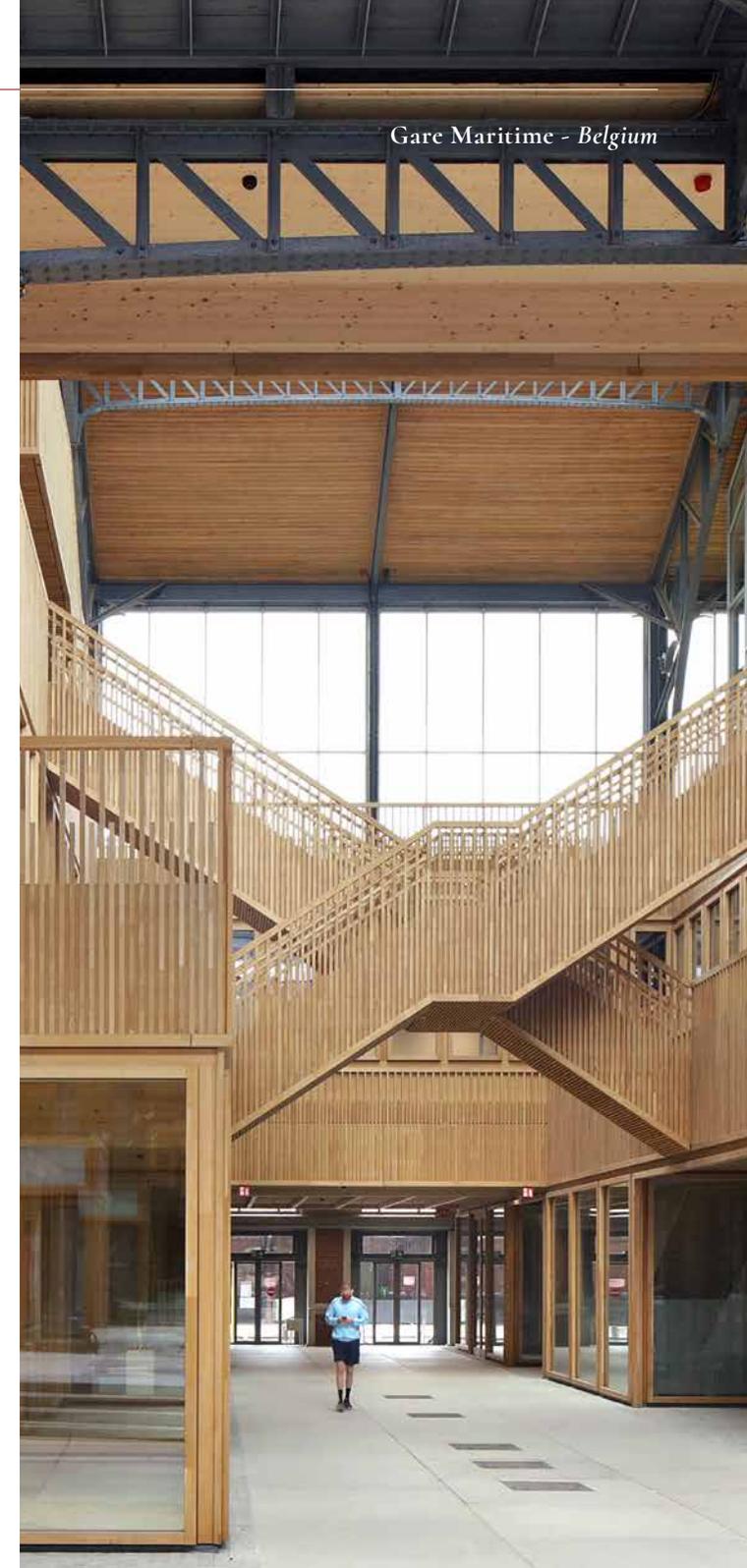
In 2022, the Cloche d’Or site has also welcomed a significant number of new residents in the residential developments. The residential developments consist of several sub-projects.

Throughout 2022, all the apartments in the Îlot D-Sud sub-project (155 apartments) were delivered. This sub-project is fully sold out, except for 11 retail units on the ground floor. The Îlot D-Nord sub-project is on track to be gradually delivered throughout 2023. Meanwhile, the last 12 apartments out of a total of 194 are being marketed.

The sale of the D5-D10 sub-project (185 apartments and 18 ground-floor retail units) was delayed due to the economic situation. Nevertheless, it was decided to commence the construction works in the second half of the year. This allowed several reservations to be validated by the end of 2022, and the first 26 notarial deeds were concluded. Currently, 46 out of the 185 apartments are reserved or already sold. Completion is expected throughout 2024.

In mid-September, a fixed-term lease agreement for 20 years was also signed with B&B HOTELS for the development of a hotel with 150 rooms. Currently, the permit process is ongoing, and construction is expected to start in the first half of 2023, with an expected completion date at the beginning of 2025. The arrival of a hotel on the Cloche d’Or site will contribute to further diversification of functions, in addition to the already existing office, retail, and residential buildings.

Gare Maritime - Belgium



NOTE
9GENERAL
CORPORATE CHARGES

GENERAL COSTS (€ 000s)	31/12/2022	31/12/2021	PRO FORMA ^(*) 31/12/2021
Fees	-3,388	-1,747	
Salaries & wages	-5,867	-2,694	
Other	-4,463	-2,765	
TOTAL	-13,718	-7,205	-13,456

(*) Proforma figures in this annual report have not been audited.

General corporate charges comprise the overhead costs of the company which are not related to the main business of generating rental and other income from developments. These are, among other things, the costs carried by a legal, listed entity and are mainly related to prescriptions/obligations regarding transparency, liquidity of the share and financial communication.

The general corporate charges increased from €7.2 million in 2021 to €13.7 million in 2022. This is mainly due to the fact that Extensa Group now contributes for a full year and that costs previously borne by Leasinvest Real Estate Management NV are now fully borne by Nextensa NV.

NOTE 10

FINANCIAL INCOME

FINANCIAL INCOME (€ 000s)	31/12/2022	31/12/2021	PRO FORMA^(*) 31/12/2021
Dividends received	6,217	6,082	
Other financial income	3,392	1,250	
TOTAL	9,609	7,332	8,601

(*) Proforma figures in this annual report have not been audited.

Dividends received consist of the dividend received of €6.2 million (for financial year 2021/2022) on the Retail Estates shares. Other financial income consists of the interest received on loans granted to the joint venture for Cloche d'Or.

NOTE 11

FINANCIAL CHARGES

FINANCIAL CHARGES (€ 000s)	31/12/2022	31/12/2021	PRO FORMA(*) 31/12/2021
Interest paid on borrowings	-12,546	-10,019	
Interest charges on non-current financial debts	-8,083	-6,555	
Interest charges on bond borrowings	-3,850	-3,323	
Interest charges on current financial debts	-597	-114	
Interest charges on lease liabilities	-16	-27	
Reconstruction of nominal amount of financial debts	0	0	
Costs of financial instruments for hedging	-3,962	-4,321	
Other interest charges	-12	-16	
Capitalised interest charges	54	346	
TOTAL	-16,466	-14,010	16,882

(*) Proforma figures in this annual report have not been audited.

The increase in nominal interest expenses on loans (both on long-term financial debts and bond loans) can be explained by the fact that the interest expenses of Extensa were only accounted for 6 months in 2021 and included for a full year in 2022.

In addition, a limited decrease can be observed in the costs of financial instruments held for hedging purposes (-€0.4 million).

The average financing cost over the investment properties portfolio (excluding the marked-to-market of the hedging instruments) after hedging at the end of 2022 was 2.18% (end of 2021: 2.07%); for the interest expenses on the hedging portfolio, the average financing cost at the end of 2022 was 1.60% (end of 2021: 1.32%). Financing costs of €54 thousand were capitalized at the end of 2022 (end of 2021: €346 thousand).

NOTE 12

CHANGES IN FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

CHANGES IN FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (€ 000s)	PRO FORMA ^(*)		
	31/12/2022	31/12/2021	31/12/2021
Authorised hedges subject to hedge accounting as defined by IFRS and ineffective part of CF hedges	-495	-218	
Authorised hedges not subject to hedge accounting as defined by IFRS	28,232	4,299	
Revaluation participation in other GVV/SIR	-12,397	16,621	
IFRS 16	242	-54	
TOTAL	15,582	20,649	20,649

(*) Proforma figures in this annual report have not been audited.

Changes in the fair value of the designated hedging instruments subject to hedge accounting as defined under IFRS, and the ineffective part of cash flow hedges amounted to -€ 0.50 million in 2022. Additionally, the revaluation of the investment in Retail Estates is also booked here. This year, a negative revaluation on the investment in Retail Estates was recorded for an amount of € 12.4 million.

The variations of the designated hedging instruments not subject to hedge accounting as defined under IFRS relate to the fluctuations of the ineffective interest rate swaps and the CAPs (€ 28.2 million at the end of 2022 compared to € 4.2 million at the end of 2021).

NOTE 13

DEFERRED TAXES

The costs related to deferred taxes amount to €9.5 million. Of this amount, €6.3 million is attributable to the booking of a deferred tax expense on the variation in the fair value of financial instruments, and €2.5 million is attributable to the booking of a deferred tax expense for the difference between the net book value as of December 31, 2022 and the fair value as of December 31, 2021 on investment properties. Additionally, €3.0 million of deferred tax expense is attributable to the difference in valuation rules used in the IFRS consolidated financial statements and the accounting principles of subsidiary companies, specifically revenue recognition. These deferred tax expenses are partially offset by the booking of a deferred tax asset for the amount of €3.2 million on the participation held by Nextensa NV in Retail Estates.

NOTE
14

CORPORATE TAXES

CORPORATE TAX AND DEFERRED TAX (€ 000s)	31/12/2022	31/12/2021	PRO FORMA^(*) 31/12/2021
Reconciliation of applicable and effective tax rates			
Profit/(loss) before tax	86,828	64,944	79,366
Share in the result of associated companies and joint ventures	-16,437	-10,525	-21,193
	70,391	54,419	58,173
Applicable tax rate (%)	25%	25%	25%
Tax on the basis of the applicable tax rate	-17,598	-13,604	-14,543
Impact of rates in other jurisdictions	-1,401	-1,821	
Impact of non-taxable income	2,744	1,120	
Impact of non-deductible costs	-765	-75	
Impact of tax losses	5,515	5,737	
Impact of notional interest deduction	0	0	
Impact of changes in tax rates	0	0	
Impact of over/(under)-estimates in previous periods	0	852	
Impact of dividends received non-consolidated investees (DBI)	476	0	
Other impacts	-4,591	-3,558	
TAX ON THE BASIS OF THE EFFECTIVE TAX RATE	-15,620	-11,588	-11,247

(*) Proforma figures in this annual report have not been audited.

Until 19 July 2021 Nextensa NV was a BE-REIT and as such benefited from the associated special tax regime for the first six months of the year. Specifically for that period Nextensa NV is taxed only on disallowed expenses (especially regional

taxes), abnormal or benevolent advantages received and exceptional contributions. Effective 19 July 2021, Nextensa NV relinquished its BE-REIT status and thus became subject to corporation tax.

NOTE 15

INVESTMENT PROPERTIES (FAIR VALUE METHOD)

INVESTMENT PROPERTIES (FAIR VALUE METHOD)
(€ 000s)

	Investment properties available for lease		Redevelopment of investment properties		Total		Assets held for sale	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021	31/12/2022	31/12/2021
BALANCE AT THE END OF THE PREVIOUS FINANCIAL YEAR	1,226,963	1,104,385	40,187	36,805	1,267,150	1,141,190	140,769	
Investments	33,958	23,966	7,264	5,902	41,222	29,867		
Divestments		-22,584				-22,584	-140,769	
Acquired	913				913			
Acquired by means of business combinations		277,191				277,191		
Transfer from/(to) other items		-149,670	-17,190		-17,190	-149,670		140,769
Recyclage OCI								
Deferred tax								
Increase/(decrease) in fair value	-11,729	-6,299	199	-2,520	-11,530	-8,819		
Right to use IFRS 16	-1,848	-26			-1,848	-26		
BALANCE AT THE END OF THE FINANCIAL YEAR	1,248,256	1,226,963	30,460	40,187	1,278,716	1,267,150		140,769

The net book value of the investment properties available for rent increases by €21.3 million compared to last year. The increase is mainly explained by value-add investments amounting to €34.0 million offset by the variation in fair value with an impact of -€11.7 million. In the course of 2022, there was also an investment of €7.3 million in the redevelopment of investment properties and a development project was transferred to “Work in progress” for €17.2 million.

For more information about real estate valuation, please refer to the real estate report on page 175.

Based on the fair value model according to IAS 40, investment properties are recognised at fair value. This fair value corresponds to the amount for which a building could be sold between well-informed and ready parties acting in normal competitive circumstances. The fair value corresponds to the investment value as defined by an independent real estate expert, minus transaction costs. For more information on this matter we refer to the valuation rules. The investment value is the value as defined by an independent real estate expert, from which transfer rights have not been deducted. This value corresponds to the price that a third party investor (or hypothetical buyer) would pay to acquire the real estate in order to benefit from the rental income and realise a return on his investment. The values have been defined by independent real estate experts.

The following methods were used to define the fair value according to IFRS 13:

• Calculation of present value of estimated rental income

The investment 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, for the period until 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. At the same time the future maintenance costs are also estimated and taken into account. The discount rate applied takes into account the risk premium for the object defined by the market. The value obtained is also compared with the market on the basis of the definition of the residual land value.

• Residual valuation

Buildings to be renovated or in the course of renovation, or planned projects are valued based on the value after renovation, less the amount of the remaining work to be carried out, including costs, interest, vacancy and risk premium.

Assets and liabilities valued at fair value after their initial recognition can be presented in three levels (1-3), that each correspond to a different level of observability of the fair value:

- **Level 1** valuations of fair value are based on quoted prices in active markets for identical assets or liabilities.
- **Level 2** valuations of fair value are based on 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. deduced from prices).
- **Level 3** valuations of fair value are defined on the basis of valuation techniques using data for the asset or liability that are not based on observable market data (unobservable data).

Investment properties come under level 3.

On 31 December 2022 Cushman & Wakefield defined the following for all the Nextensa NV buildings, including the part of the portfolio valued by Örag:

1. an investment value of €1,292,958,000 (one billion, two hundred and ninety-two million, nine hundred and fifty-eight thousand euros), with respectively an investment value of € 574,011,000, € 524,327,000 and € 194,321,000 for the Belgian, Luxembourg and Austrian portfolios; and
2. a fair value of €1,276,407,000 (one billion, two hundred and seventy-six million, four hundred and seven thousand euros), with fair values of €564,261,000, €522,567,000 and €189,580,000 respectively for the Belgian, Luxembourg and Austrian portfolios.
3. IFRS 16: the value of the right-of-use asset/lease liability of the Belgian building to which this principle applies, namely Hangar 26/27 in Antwerp, amounts to €2,309,098 at the end of 2022.

The real estate consists of business parks, offices and shops spread across the Grand Duchy of Luxembourg, Belgium and Austria.

For more details, we also refer to the note Key figures - (Other segment information).

The fair value of the real estate portfolio amounts to €1,278.7 million at the end of 2022 compared with €1,407.9 million at the end of December 2021. The difference of €2.3 million with the Cushman & Wakefield report is due to the fact that they did not include some smaller assets in their valuation.

The table on the following page gives an overview of the valuation techniques applied per asset class, and of the main variables used.

Note that the table does not individually mention vacancy, residual value and operating margin. ERV means estimated rental value.

The vacancy assumption is incorporated based partly on location and rental contract and partly on yield. The economic life cycle is not shown specifically for office buildings and retail parks because it is already implicit in the definition of the yield.

Frunpark - Austria



ASSET CLASS	Fair value 2022 (€ 000s)	Fair value 2021 (€ 000s)	Valuation technique	Key input data	31/12/2022	31/12/2021
					Min-Max (weighted average)	Min-Max (weighted average)
Retail (Grand Duchy of Luxembourg & Belgium)	377,629	370,170	NPV of estimated rental income	a) ERV range b) Average weighted estimated rental value c) Capitalisation rate range d) Weighted average cap. rate e) Residual duration f) Number of 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) ERV range b) Average weighted estimated rental value c) Capitalisation rate range d) Weighted average cap. rate e) Residual duration f) Number of 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	NPV of estimated rental income	a) ERV range b) Average weighted estimated rental value c) Capitalisation rate range d) Weighted average cap. rate e) Residual duration f) Number of 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 550m 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 433m ²
Offices Belgium	409,511	436,610	NPV of estimated rental income	a) ERV range b) Average weighted estimated rental value c) Capitalisation rate range d) Weighted average cap. rate e) Residual duration f) Number of 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 891m 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 455m ²
Other	115,334	132,490	DCF (discounted cash flow or NPV of cash flows at discount rate)	a) ERV range b) Average weighted estimated rental value c) Capitalisation rate range d) Weighted average cap. rate e) Residual duration f) Number of m ²	a) N/A* b) N/A* c) N/A* 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 INVESTMENT PROPERTIES	1,278,716	1,407,919				

(*) In 2021, the logistic part of the portfolio was included under asset class 'Other'. During 2022 all logistic investment properties were sold, thus per 31.12.2022 asset class 'Other' only contains properties used for events. No ERV range, average weighted estimated rental value and capitalisation rate range was defined for this specific asset type.

NOTE 16

MINORITIES

MINORITY INTERESTS (€ 000s)	31/12/2022	31/12/2021
Non-current assets	0	0
Current assets	46,425	31,986
Total assets	46,425	31,986
Non-current liabilities	27,981	4,356
Current liabilities	4,217	12,412
Total liabilities	32,198	16,768
Net assets	14,227	15,218
Group's share in the net assets	3,510	4,709
Share of net assets non-controlling interests	10,718	10,509
Group share in net assets - Other	0	-6
TOTAL NON-CONTROLLING INTERESTS	10,718	10,503

No minorities were acquired in 2022.

NOTE
17OTHER PROPERTY,
PLANT AND EQUIPMENT

OTHER PROPERTY, PLANT AND EQUIPMENT (€ 000s)	31/12/2022	31/12/2021
Installations, machines and equipment	1,698	2,009
Furniture, office equipment and rolling stock	730	1,851
Other	4,291	1,113
Other property, plant and equipment	6,719	4,973
Changes in other property, plant & equipment		
Balance at the end of the previous financial year	4,973	1,554
Gross amount	7,724	2,595
Accumulated depreciation (-)	-2,750	-1,041
Accumulated impairment losses	0	0
Investments (+)/Divestments (-)	2,093	2,155
Acquired by means of business combinations	0	878
Transfers from (to) other items	692	0
Transfers and decommissioning (-)	-32	749
Transfer through split (-)	-163	0
Depreciation (-)	-843	-363
Balance at the end of the financial year	6,719	4,973
Of which:		
Property, plant & equipment for own use	1,420	583
Other	5,299	3,864

Other property, plant and equipment are recognised at cost minus accumulated depreciation and any impairments (in accordance with IAS 16).

These are depreciated on a straight-line basis over their economic useful life. The investments (€2.1 million) mainly concern investments in office furnishings as well as solar panels in both Belgium and Austria.

NOTE 18

INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

CURRENT FINANCIAL ASSETS (€ 000s)	31/12/2022	31/12/2021
Balance at end of previous financial year	51,430	0
Acquired by means of business combinations	0	41,711
Share in the result of associated companies and joint ventures	16,437	10,525
Provisions for investments with negative equity	171	113
Dividends received from JVs	0	0
Investments (+)/Divestments (-)	-8,930	37
Other	0	-956
TOTAL	59,109	51,430

The investments in associated companies and joint ventures mainly concern the investments related to the development project at Cloche d'Or in Luxembourg. An overview of the investments is included below, as well as further details for the main investments.

INVESTMENTS IN JOINT VENTURES				
Name	Country	Main activity	31/12/2022	31/12/2021
CBS Development NV	Belgium	Real estate development	50.00%	50.00%
CBS-Invest NV	Belgium	Real estate development	50.00%	50.00%
Grossfeld Immobilière SA	Luxembourg	Real estate development	50.00%	50.00%
Grossfeld PAP SICAV-RAIF SA	Luxembourg	Real estate development	50.00%	50.00%
Darwin I SàRL	Luxembourg	Real estate development	0.00%	45.00%
Darwin II SàRL	Luxembourg	Real estate development	50.00%	50.00%
NEIF III Kockelscheuer SàRL	Luxembourg	Real estate development	0.00%	45.00%
Emerald I SàRL	Luxembourg	Real estate development	50.00%	50.00%
White House I SàRL	Luxembourg	Real estate development	50.00%	50.00%
Niederanven I SàRL	Luxembourg	Real estate development	50.00%	50.00%
Les Jardins de Oisquercq NV	Belgium	Real estate development	50.00%	50.00%

At the beginning of January 2022, Nextensa NV sold its stake in NEIF III Kockelscheuer SàRL for a total amount of €48 million. No result was recognized in the consolidated income statement because the investment was valued at fair value.

Nextensa NV sold its stake in Darwin I SàRL for a total amount of €65 million at the end of September 2022. No result was recognized in the consolidated income statement because the investment was valued at fair value.

The main participation that is consolidated using the equity method is Grossfeld PAP SICAV-RAIF SA.

SUMMARISED FINANCIAL INFORMATION OF GROSSFELD PAP (€ 000s)		
	31/12/2022	31/12/2021
Profit (loss) before interest and taxation	32,509	19,004
Taxation	-12	-6
Profit (loss) for the year	32,359	19,026
Profit (loss) attributable to owners of the company	16,179	9,513

(€ 000s)		
	31/12/2022	31/12/2021
Non-current assets	3	28
Current Assets	378,214	339,340
Total Assets	378,217	339,368
Non-current liabilities	68,418	105,365
Current liabilities	179,434	133,254
Total Liabilities	247,852	238,618
Net assets	130,365	100,750
Group's share of net assets	64,181	48,807

NOTE 19

TRADE RECEIVABLES AND OTHER NON-CURRENT ASSETS

Long-term trade receivables and other non-current assets concern the financing that Nextensa NV grants to Cloche d'Or. At year-end 2022 this amounted to €6.3 million.

NOTE 20

NON-CURRENT FINANCIAL ASSETS

FINANCIAL NON-CURRENT ASSETS (€ 000s)	31/12/2022	31/12/2021
Equity holdings in other REITs (SIR/GVV)	83,782	96,485
Hedges	32,715	684
Others	263	1,160
TOTAL	116,761	98,329

Non-current financial assets have mainly increased due to the positive revaluation of the financial instruments amounting to €32.0 million, which is offset by the negative revaluation of €12.7 million of the participation in Retail Estates. The participation in Retail Estates is valued at the closing rate on the balance sheet date in accordance with IFRS.

NOTE 21

FINANCE LEASE RECEIVABLES

FINANCE LEASE RECEIVABLES (€ 000s)	31/12/2022	31/12/2021
Within one year		723
Between 1 and 5 years	1,660	3,142
	1,660	3,865
Min: unearned financial income		-158
PRESENT VALUE OF MINIMUM LEASE PAYMENTS	1,660	3,707

The finance lease receivable relates to the lease of a building with a total lease term of 25 years of which two years remain in 2022. The interest rate inherent in the lease is 1.9% and is fixed for the remaining lease term. During Q1 2023 the building was sold.

NOTE 22

ASSETS HELD FOR SALE

The decrease in assets held for sale is the result of the sales during 2022 of the buildings The Crescent in Belgium and Monnet and Titanium in Luxembourg.

NOTE 23

INVENTORIES

The inventories mainly consist of the land bank of the Tour & Taxis site, on which approximately 130,000 m² of mixed residential/office space can still be developed in the future. In addition, this also concerns the land portfolio of Nextensa NV.

INVENTORIES (€ 000s)	31/12/2022	31/12/2021
Land portfolio	19,273	19,205
Land, Tour & Taxis	77,483	92,512
Other	1,502	1,514
TOTAL	98,257	113,231

NOTE 24

WORK IN PROGRESS

WORK IN PROGRESS (€ 000s)	31/12/2022	31/12/2021
Project under construction Tour & Taxis	28,903	38,410
Other	56,144	27,132
TOTAL	85,047	65,542

The works in progress mainly concern the Park Lane project in Belgium and Cloche d'Or in Luxembourg.

The project under construction at Tour & Taxis concerns the Parklane Phase II project. In March 2022, construction

started on the Parklane Phase II project, consisting of 11 compact buildings and 346 apartments. More than 120 apartments of this project have already been reserved or sold, which means that an apartment of this project is sold every 2.3 days since commercialization.

WORK IN PROGRESS (€ 000s)	31/12/2022	31/12/2021
Construction costs incurred plus recognised profits/less recognised losses to date	87,281	108,435
less:		
Progress billings	-2,234	-42,893
TOTAL	85,047	65,542

Contract assets concern amounts due by clients in respect of projects in progress. Costs incurred on these contract assets are reduced by customer payments received in accordance with a series of performance-related milestones.



De Mot - Belgium

NOTE 25

TRADE RECEIVABLES

Nextensa NV estimates that the carrying amount of the trade receivables is close to their fair value. Consequently, no corrections to the carrying amount of the receivables have been made. The decrease compared to 2021 can be explained by a better collection process of receivables that was rolled out throughout the entire group.

TRADE RECEIVABLES						
(€ 000s)						
	31/12/2022					
	Total	not due	overdue < 30 dd	overdue < 60 dd	overdue < 120 dd	overdue > 120 dd
Trade receivables	12,725	9,042	650	405	1,457	1,171
To be invoiced	3,216	3,216				
Doubtful receivables	-821					-821
TOTAL	15,121	12,258	650	405	1,457	350

	31/12/2021					
	Total	not due	overdue < 30 dd	overdue < 60 dd	overdue < 120 dd	overdue > 120 dd
Trade receivables	21,440	18,223		1,629	533	1,055
To be invoiced	1,222	1,222				
Doubtful receivables	-1,040					-1,040
TOTAL	21,622	19,445	0	1,629	533	15

RECEIVABLES AND PAYABLES		
(€ 000s)		
	31/12/2022	31/12/2021
Accumulated depreciation - opening balance	-1,040	-189
Impairment recognised during the financial year		-851
Impairment reversed during the financial year	124	
Write-off of impairment during the financial year	94	
Accumulated depreciation - closing balance	-821	-1,040

Overdue trade receivables for which no provision has been made are either covered by bank guarantees payable on first request or form part of an agreed repayment plan.

NOTE 26

TAX RECEIVABLES AND OTHER CURRENT ASSETS

TAX RECEIVABLES AND OTHER CURRENT ASSETS (€ 000s)	31/12/2022	31/12/2021
Taxes	15,554	16,956
Other	48,628	35,248
TOTAL	64,182	52,204

The tax receivables section mainly concerns recoverable VAT and income taxes. The increase in other current assets is due to receivables, related to development projects, on investments that are accounted for using the equity method.

NOTE 27

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist exclusively of current accounts with financial institutions. For changes in cash and cash equivalents we refer to the cash flow statement. The increase is attributable to the merger with Extensa Group.

NOTE 28

SHARE CAPITAL, SHARE PREMIUM, TREASURY SHARES AND NET RESULT

a) Categories of shares:

Nextensa NV has only one category of shares, namely ordinary shares. Shares can be nominative or dematerialised. Dematerialised shares confer the right to one vote and one dividend per share. Since 19 July 2021, nominative shares that have been held for at least two years have conferred a double voting right. All shares are fully paid up. For more information on the nature of the shares, we refer to the company's Articles of Association.

28.1 Subscribed capital

b) Authorised capital:

The Board of Directors is authorised to increase the company's capital on such dates and subject to such conditions as it may establish, in one or more instalments, for a total amount of €109,997,148.34 This authorisation is valid for five (5) years from the date of publication of the minutes of the extraordinary general meeting of shareholders of 19 July 2021. It is renewable. For more information on the authorised capital, we refer to the company's Articles of Association (Article 7).

c) Costs of capital increase:

Any costs related to capital transactions and, consequently, to the issue of new shares are deducted from the reserves.

28.2 Share premium

The share premium amounts to € 442.8 million at the end of December 2022.

28.3 Result

The consolidated net result attributable to owners of the Group for the past financial year 2022 amounted to €71.3 million.

The Board of Directors proposes to the ordinary general meeting of shareholders that it approves the payment of a dividend to the 9,937,102 eligible shares of €2.60 per share gross and €1.82 net after 30% withholding tax. The total number of issued shares amounts to 10,002,102.

Subject to the approval of the ordinary general shareholders' meeting of 15 May 2023, the dividend will be paid against presentation of coupon No 28.



NOTE 29

INFORMATION ON FINANCIAL DEBT

29.1 Overview of financial instruments at carrying amount

OVERVIEW OF FINANCIAL INSTRUMENTS AT CARRYING AMOUNT (€ 000s)		
Categories of financial instruments	31/12/2022	31/12/2021
FINANCIAL ASSETS		
Amortised cost		
Cash and cash equivalents	31,106	67,261
Trade and other receivables	85,803	80,076
Work in progress	85,047	65,542
Inventories	98,257	113,231
Fair value		
Non-current financial assets	116,761	98,329
Non-current assets held for sale	0	140,769
Finance lease receivables	1,660	3,707
	418,636	568,914
FINANCIAL LIABILITIES		
Amortised cost		
Loans	750,353	916,191
Trade and other payables	55,152	57,704
Other current liabilities	14,570	14,304
Fair value		
Leasing liabilities	2,247	4,402
Long-term liability hedging	23	20,714
	822,344	1,013,315

29.2 Note on financial debt

OVERVIEW OF NET FINANCIAL DEBT (€ 000s)		
	31/12/2022	31/12/2021
Loans from credit institutions > 1 yr.	492,288	415,116
Loans from credit institutions < 1 yr.	43,155	134,439
Private bonds	140,000	185,000
Capitalised costs of bonds	-653	-998
Commercial paper	73,700	179,000
Provision for interest	63	1,883
Leases	2,247	4,402
Accounting value of financial debts excluding rental guarantees	750,800	918,842
Rental guarantees	1,800	1,751
Accounting value of financial debts including rental guarantees	752,600	920,593

RECONCILIATION OF MOVEMENTS IN DEBTS WITH CASH FLOW FROM/(USED IN) FINANCING ACTIVITIES									
(€ 000s)									
	Loans from credit institutions	Bonds > 1Y	Bonds < 1Y	Commercial paper	Rental guarantees	Leases	Capitalised costs of bonds	Interests	Total
BALANCE AT 1 JANUARY 2022	549,555	140,000	45,000	179,000	1,751	4,402	-998	1,883	920,593
Changes due to business combinations									
Changes in financial cash flows	-14,112		-45,000	-105,300	49	-2,188		-12,233	-178,784
Decrease (-) in financial debts	-90,000		-45,000	-105,300		-2,155			-242,455
Increase (+) in financial debts	75,888				49				75,937
Financial interest paid						-33		-12,233	-12,266
Other variations						33	249	12,233	12,515
Fluctuations in prices, rates and other									
New contracts									
Interest charges						33		12,233	12,266
Amortisation							249		249
Transfer from/(to) other items								-1,724	-1,724
BALANCE AT 31 DECEMBER 2022	535,443	140,000		73,700	1,800	2,247	-749	159	752,600

The total financial debts decreased by €168 million compared to the end of 2021 and amount to €752,000 thousand. The various sales of both investment properties and development projects led to a significant reduction in debt.

The bond section includes a €100 million bond loan issued by Nextensa NV in 2019 and €40 million bond loan issued by Extensa Group. For Nextensa NV, this is a private placement of €100 million issued at a fixed interest rate of 1.95% with a maturity date of November 28, 2026. For Extensa Group, this is a private placement of €40 million issued at a fixed interest rate of 3.38% with a maturity date of June 5, 2024.

The drawn bilateral bank loans amount to €492.3 million in long-term and €43.2 million in short-term on December 31, 2022.

The other short-term financial debts of €73.7 million include the issued commercial paper for an amount of €73.7 million, which has a maturity of less than one year. The commercial paper is paid based on a floating rate and all mature within a year. These borrowings are fully covered by available bilateral credit lines so that these maturity dates can always be refinanced should market demand for new placements decrease.

In addition, another long-term financial debt was recorded for the lease obligation that Nextensa NV has for the Hangar 26-27 building in Antwerp. A total obligation of €2.2 million was booked for this. The incremental borrowing rate used was 5.0%.

The total debt position on the closing date is €752,000 thousand, of which €1,800 thousand are received rental guarantees.

The bond loans issued are booked at amortised cost.

The carrying amount of the private bond loans amounts to €139,347 thousand at the end of 2022 compared to €184,002 thousand at the end of 2021. The decrease is a result of the repayment of the private bond loan with maturity date on June 29, 2022.

At the end of 2022, the share of fixed-rate loans is 23% or 172.5 million of the total outstanding financial debt excl. rental guarantees of €750.8 million, which is a slight decrease compared to the end of 2021 (27%).

Financial institutions grant credit lines to Nextensa NV based on the company's reputation and various financial and other covenants. Non-compliance with these covenants can result in early termination of these credit facilities. The credit agreements entered into contain classic covenants.

The company complies with all its covenants.

In the context of various development projects, the Group provided guarantees amounting to €181.7 million as collateral for ongoing bank loans.

Within the framework of the additional obligations imposed by IAS 7, we report that the movements on the balance sheet, both for the year 2022 and for the year 2021, exclusively includes cash movements in the context of drawdowns of credit lines.

BREAKDOWN ACCORDING TO MATURITY OF FINANCIAL DEBTS AND CREDIT LINES (€ 000s)								
Debts with a remaining duration of:	31/12/2022				31/12/2021			
	< 1 year	> 1 year ≤ 5 year	> 5 year	Total	< 1 year	> 1 year ≤ 5 year	> 5 year	Total
Financial debts - credit institutions								
Credit lines	130,000	706,129	45,000	881,129	461,000	789,675		1,250,675
Credit draw-downs	44,500	446,144	45,000	535,644	354,000	559,555		913,555
Interests	1,041	10,436	1,053	12,530	10,951	34,062		45,013
% share (credit draw-downs/credit lines)				60.8%				76.6%
Bond loans		139,209		139,209	44,920	39,599	99,483	184,002
Commercial Paper program			250,000	250,000			250,000	250,000
Commercial Paper draw-downs	73,700			73,700	179,000			179,000
% share CP / credit lines				8.4%				14.3%
% share (credit draw-downs & CP / credit lines)				69.2%				87.4%
% surplus credit lines after covering CP				30.8%				12.6%
Lease contracts	700	1,660	0	2,360	2,307	554	1,541	4,402

29.3 Fair Value Disclosures

Assets and liabilities valued at fair value after their initial recognition can be presented in three levels (1-3), that each correspond to a different level of observability of the fair value:

- **Level 1** valuations of fair value are based on quoted prices in active markets for identical assets or liabilities.
- **Level 2** valuations of fair value are based on 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. deduced from prices).
- **Level 3** valuations of fair value are defined on the basis of valuation techniques using data for the asset or liability that are not based on observable market data (unobservable data).

AT THE END OF 2022 (€ 000s)	Level 1	Level 2	Level 3	Carrying amount	Fair value
Non-current financial assets					
- Participations in other REIT (SIR/GVV)/real estate certificates	83,782			83,782	83,782
- Participations in associated companies and joint ventures		59,109		59,109	59,109
- Other derivative instruments that do not qualify as cash flow hedges					
- Other derivative instruments that qualify as fair value hedges		32,715		32,715	32,715
Finance lease receivables	1,660			1,660	1,660
Current financial assets					
Stock		98,257			
Work in progress		85,047			
Trade receivables		15,371		15,371	15,371
Tax receivables and other current assets		64,182		64,182	64,182
Cash and cash equivalents	31,106			31,106	31,106
Deferred charges and accrued income		2,774		2,774	2,774
Non-current financial debts					
- Credit institutions		491,538		491,538	491,538
- IFRS 16		2,247		2,247	2,247
- Other		141,147		141,147	141,147
Other non-current financial liabilities					
- Financial derivatives through the income statement					
- Financial derivatives through other equity components		23		23	23
Current financial debts					
- Credit institutions		44,500		44,500	44,500
- Other		73,168		73,168	73,168
Other current financial liabilities					
- Financial derivatives through other equity components					
Trade debts and other current debts					
- Trade payables		34,841		34,841	34,841
- Other current liabilities		20,311		20,311	20,311
Other current liabilities		14,570		14,570	14,570
Deferred charges and accrued income		36,846		36,846	36,846

AT THE END OF 2021 (€ 000s)	Level 1	Level 2	Level 3	Carrying amount	Fair value
Non-current financial assets					
- Participations in other REIT (SIR/GVV)/real estate certificates	96,485			96,485	96,485
- Participations associated companies and joint ventures		51,430		51,430	51,430
- Other derivative instruments that do not qualify as cash flow hedges					
- Other derivative instruments that qualify as fair value hedges		684		684	684
Finance lease receivables	3,707			3,707	3,707
Current financial assets					
Stock		113,231			
Work in progress		65,542			
Trade receivables		21,622		21,622	21,622
Tax receivables and other current assets		52,204		52,204	52,204
Cash and cash equivalents	67,261			67,261	67,261
Deferred charges and accrued income		1,342		1,342	1,342
Non-current financial debts					
- Credit institutions		415,116		415,116	415,116
- IFRS 16		4,402		4,402	4,402
- Other		142,485		142,485	142,485
Other non-current financial liabilities					
- Financial derivatives through the income statement					
- Financial derivatives through other equity components		20,714		20,714	20,714
Current financial debts					
- Credit institutions		134,688		134,688	134,688
- Other		223,903		223,903	223,903
Other current financial liabilities					
- Financial derivatives through other equity components					
Trade debts and other current debts					
- Trade payables		40,669		40,669	40,669
- Other current liabilities		17,035		17,035	17,035
Other current liabilities		14,304		14,304	14,304
Deferred charges and accrued income		38,852		38,852	38,852

Specifically, for the valuation of loans the company makes use of comparable market data such as an approximation of the applied reference rate and an approximation of the evolution of the credit margin based on recent comparable observations.

With regard to derivative instruments, the valuations of the various bank counterparties were used. However, these instruments were classified under level 2 as we calculate a CVA or a DVA on these received valuations, and this on the basis of market data that are an approximation of the credit risk. The valuation of private bonds is based on an approximation of an observable CDS spread and the evolution of six-month EURIBOR.

29.4 Note on derivative financial instruments

In order to limit the risks of a rise in variable interest rates, Nextensa NV has partially hedged its borrowings by concluding the following financial products:

CASH FLOW HEDGES (€ 000s)					
TYPE OF HEDGE	Notional amount	IFRS qualification	Maturity	Interest rate <i>Paying leg</i>	Interest rate <i>Receiving leg</i>
Current hedges					
SWAPS					
IRS payer	200,000	Cashflow hedges	2023-2029	1,095% -1,930%	EUR 3M
IRS payer	90,000	Fair Value hedge	2025-2026	-0,515% - 1,046%	EUR 3M
Total notional amount	290,000				
CAPS					
Total notional amount	50,000	Fair Value hedge	2024		0,00% - 0,16%
Starting in the future					
Total notional amount	230,000	Fair Value hedge	2025 - 2029	0,450% - 1,205%	EUR 3M

At the end of financial year 2022 the notional amount of current net payer IRS contracts amounted to €290 million and the future payer IRS €230 million.

The hedge ratio for the investment portfolio at the end of 2022 amount to 74% (fixed ratio 66%), in comparison with 67% (fixed ratio 55%) at the end of 2021.

The relation between variable interest debt of €516,011 thousand and fixed rate debt (€152,500 thousand), the corresponding IRS hedge (€290,000 thousand) and the current CAPS (€50,000 thousand) is the hedge position and is thus calculated on the basis of the notional amount of current active hedges at that moment. For this calculation future derivative instruments are not taken into account since they do not offer any protection at that time against increases in interest rates. In the table below is explained how the hedge ratio and the fix ratio are calculated at the closing date. It is important to mention here that the hedge ratio is calculated for the portion of borrowings that relates to the investment portfolio. For this a distribution key is used that allocates borrowings to investment properties. The remaining borrowings are then by definition project investments for which it is not relevant to calculate a hedge ratio.

Derivative financial instruments are valued at fair value, which corresponds to the marked-to-market calculated by financial institutions. With regard to IRS, hedge accounting is applied to part of them and the efficiency of the hedges has been proven; another part is subject to non-effective hedge accounting. They relate to cash flow hedges on the one hand, IRS payer swaps being used to hedge

outstandings under credit lines at variable interest rates, including commercial paper issued at variable interest rates, with price adjustments at short-term intervals (typically three months or less).

In practice, this means that the effective part is revalued in equity and the ineffective part through profit and loss. The effective part of the cash flow hedges is attributed to the "reserve for the balance of changes in fair value of authorised hedges subject to hedge accounting as defined in IFRS", and the ineffective part of the cash flow hedges, together with the fair value hedges, is recognised in the "reserve for the balance of changes in fair value of authorised hedges not subject to hedge accounting as defined in IFRS".

CALCULATION OF HEDGE RATIO (€ 000s)

31/12/2022

Nominal amount of the drawn down financial liabilities excluding accr. Interest in € 000s	A	668,511
Nominal amount of debts at fixed interest rates € 000s	B	152,500
Nominal amount of financial instruments IRS Payer € 000s	C	290,000
Nominal amount of financial instruments IRS Receiver € 000s	D	0
Nominal amount of financial instruments CAPS Payer € 000s	E	50,000
Fixed ratio	((B+C))/A	66%
Hedge ratio	(B+C+E-D)/A	74%

The fair value of the hedges at closing date is composed as follows:

DERIVATIVE FINANCIAL PRODUCTS (€ 000s)				
	31/12/2022		31/12/2021	
	Assets	Liabilities	Assets	Liabilities
Interest Rate Swaps, Caps	32,715	-23	684	-20,714

The balance of the assets of €32.7 million is presented under “financial fixed assets” and the balance of the liabilities (€23 thousand) is presented under “other non current liabilities”.

29.5 Information on financial risk management

• Financial management

The financial policy is aimed at optimising the costs of capital and limiting the financing, interest rate, liquidity, cash flow, counterparty and covenant risks.

For explanations of financial risk management, the potential impact, the limiting factors and measures, we refer to the note on risks as described under Risk Factors on page 56 of the Annual Report.



• Specific note on Liquidity risk

At 31 December 2022 the weighted average remaining duration of the credit portfolio allocated to investment portfolio has decreased from 2.98 years at the end of 2021 to 2.85 years. For a more detailed presentation of the maturity analysis, we refer to the note on financial debts.

The weighted average remaining duration of the hedges decreased from 3.98 years at the end of 2021 to 3.52 years at the end of 2022.

The liquidity risk inherent in the difference between the weighted average remaining durations of the financial liabilities and the financial liabilities deriving from them is monitored in light of the refinancing expectations of the credit portfolio and the estimated future extra funding needs of the company. The liquidity risk concerns the possible unavailability of extra financing to refinance the maturity dates in the credit portfolio or to meet extra credit needs. On the one hand, this risk is mitigated by a balanced spread of the maturity dates of the credits and by the diversification of the funding sources.

• Market risk sensitivity analysis

In the table below an overview is given of the different types of market risk to which the company is exposed at the end of the reporting period, with the potential effect on the company's equity of changes in the various risk variables to which the company is exposed.

Impact on shareholders' equity

CHANGE OF MARKET RISK	DE-CREASE	IN-CREASE
Estimated rental value	negative	positive
Inflation	negative	positive
Capitalisation rate	positive	negative
Remaining duration rental contract	negative	positive
Occupancy rate	negative	positive
Maintenance cost	positive	negative
Interest rate financing	positive	negative
Other funding costs	positive	negative

The average financing cost for finance taken on for the investment portfolio (excluding the marked-to-market of the hedges) after hedging amounted to 2.18% at the end of 2022 (end of 2021: 2.07%),

A 100 bps increase in variable interest rates, calculated with the current hedge ration, would have an impact on financial charges of €2.3 million.

• Tenant and credit risk

Efforts are being made to improve the spread of major tenants and of the sectors in which they are active in order to achieve a tenant and rental income risk that is as diversified as possible, thereby limiting the company's vulnerability to the disappearance of one or more major tenants due to termination of the rental contract or bankruptcy.

The top ten tenants account for approximately 21% of rental income. The sector diversification of our tenant portfolio remains good.

The creditworthiness of our tenants' portfolio is still very good, which is proven by the fact that Nextensa NV has had barely any write-downs of doubtful debts in the last few years whether in Belgium, Luxembourg or Austria.

For an analysis of outstanding trade receivables we refer to note 30.

NOTE 30

TRADE DEBTS AND OTHER CURRENT DEBTS

TRADE DEBTS AND OTHER CURRENT DEBTS (€ 000s)	31/12/2022	31/12/2021
Suppliers	34,841	40,669
VAT payable	4,593	1,767
Taxes, salaries and social securit	15,718	15,268
TOTAL	55,152	57,704

Trade payables decreased to €34.8 million.

NOTE 31

OTHER CURRENT LIABILITIES

The item comprises dividends to be paid, provisions relating to rental guarantees, rental guarantees received in cash and current accounts.

NOTE 32

ACCRUED CHARGES AND DEFERRED INCOME - LIABILITIES

ACCRUED CHARGES & DEFERRED INCOME (€ 000s)	31/12/2022	31/12/2021
Rental income received in advance	12,049	7,389
Interests and other charges accrued and not due	3,014	1,227
Other	21,783	30,236
TOTAL	36,846	38,852

Accrued charges and deferred income - liabilities include, among other things, the rents already received for 2023 and interest expenses. In addition there is €19.2 million related to received advances for developments in Cloche d'Or.

NOTE 33

DEFERRED TAXES

DEFERRED TAX ASSETS AND LIABILITIES SHOWN IN THE BALANCESHEET (€ 000s)

31/12/2022

Investment properties	-33,726
Adjustment for country position	-17,267
Derivatives held	-6,800
Work in progress	-6,736
Retail Estates	-1,626
Tax losses	9,852
Other	1,136
Leasing (IFRS 16)	41
TOTAL	-55,125

Deferred taxes amount to €55.1 million and mainly relate to the recognition of a deferred tax liability on the investment properties. This concerns the difference between the net book value and the fair value.

NOTE 34

RELATED-PARTY TRANSACTIONS

There were no transactions with related parties that are outside of normal market conditions.

For more information on the chain of control we refer to the website www.nextensa.eu (investor relations - shareholders and transparency).

As for the auditor's remuneration: an overview of the audit and non-audit services rendered during financial year 2022 in the permanent document in chapter 4 of this annual report.

As shown in the remuneration report below, only the CEO's remuneration is presented on an individual basis, while the remuneration of the other members of the executive committee is presented on a consolidated basis.

The executive committee is comprised of Mr. Michel Van Geyte, CEO of Nextensa NV, Mr. Tim Rens, CFO, Mr. Olivier Vuylsteke, CIO and Mr. Peter De Durpel, COO.

For the past financial year, they received the following amounts:

(in €)	Fixed	Insurance	Benefits in kind	Variable	Total
Michel Van Geyte	425,000	25,571	0	170,000	620,571
Other leaders	700,000	0	0	165,000	865,000
TOTAL	1,125,000	25,571	0	335,000	1,485,571

NOTE 35

CONSOLIDATION SCOPE

The subsidiaries mentioned below are all part of the consolidation scope using the full consolidation method. This consists in incorporating the entire assets and liabilities, as well as the results of the subsidiaries. Non-controlling interests are recognised under a separate caption in the balance sheet and the income statement.

The consolidated financial statements are established at the same date as the date on which the subsidiaries establish their financial statements.

NAME	COUNTRY OF ORIGIN	DIRECT OR INDIRECT PROPORTION OF CAPITAL HELD AND VOTING RIGHTS (IN %)	
		31/12/2022	31/12/2021
AE Starvilla Sieben GmbH & Co OG	Austria	100%	100%
Leasinvest Immo Austria GmbH	Austria	100%	100%
Kadmos Immobilien Leasing GmbH	Austria	100%	100%
Leasinvest Gewerbeparkstrasse 2 Stadlau GmbH	Austria	100%	100%
Vösendorf Nordring 2-10 Vermietungsgesellschaft m.b.H	Austria	100%	100%
Vösendorf Nordring 16 Vermietungsgesellschaft m.b.H	Austria	100%	100%
Leasinvest Services NV	Belgium	100%	100%
Haven Invest NV	Belgium	100%	100%
Extensa NV	Belgium	100%	100%
Extensa Group NV	Belgium	100%	100%
Extensa Development NV	Belgium	100%	100%
Gare Maritime NV	Belgium	100%	100%
Implant NV	Belgium	100%	100%
Project T&T NV	Belgium	100%	100%
RFD NV	Belgium	100%	100%
T&T Douanehotel NV	Belgium	100%	100%
T&T Food Experience NV	Belgium	100%	100%
T&T Openbaar Pakhuis NV	Belgium	100%	100%
T&T Parking NV	Belgium	100%	100%
T&T Tréfonds NV	Belgium	100%	100%
Tour & Taxis Services NV	Belgium	100%	100%
T&T Property Management BV	Belgium	100%	100%
Vilvlease NV	Belgium	100%	100%
Extensa Invest I NV FIIS	Belgium	100%	100%
Monteco BV	Belgium	100%	100%
Leasinvest Immo Lux SA	GD Luxembourg	100%	100%
EBBC A Sarl	GD Luxembourg	100%	100%
EBBC C Sarl	GD Luxembourg	100%	100%
GK 5 S.à.r.l.	GD Luxembourg	0%	100%
Retail South S.à.r.l.	GD Luxembourg	100%	100%
Boomerang Strassen S.à.r.l.	GD Luxembourg	100%	100%
Leasinvest Offices Luxembourg S.à.r.l.	GD Luxembourg	100%	100%
RDA 110 S.à.r.l.	GD Luxembourg	100%	100%
Nextensa Pommerloch S.à.r.l.	GD Luxembourg	100%	0%
Nextensa Schmiede S.à.r.l.	GD Luxembourg	100%	0%
Beekbaarimo SA	GD Luxembourg	100%	100%
Grossfeld Developments S.à.r.l.	GD Luxembourg	100%	100%
Extensa Romania S.r.l.	Romania	100%	100%
RFD CEE Venture Capital BV	The Netherlands	100%	100%

The group structure and Nextensa NV's place in it are commented on on page 30.

We also refer to note 18 giving details of entities accounted for using the equity method.

NOTE 36

JOINT OPERATIONS

The Group has a material joint operation, Gasperich Invest, which was founded on 26 July 2019. The Group has a 54.05% share in the result consisting of rental income and proceeds from the sale of real estate of Gasperich Invest, which provides funding for Grossfeld PAP SA SICAV-RAIF.

NOTE 37

CAPITAL COMMITMENTS

Capital and other expenditure contracted for at the reporting date but not yet incurred is as follows:

CAPITAL COMMITMENTS (€ 000s)	31/12/2022	31/12/2021
Cloche d'Or	5,147	3,071
Gare Maritime	-	650
Riva	-	100
Parking	6,964	250
Zone C	3,291	1,129
Zone AB	1,075	-
TOTAL	16,477	5,200

The financing needs for the commitments for residential developments will mainly be covered by income from clients.

NOTE 38

SUBSEQUENT EVENTS

Nextensa and Promobe managed to secure a 9-year lease agreement with a triple AAA tenant for the White House building located in the new Cloche d'Or district in March 2023. The future tenant will occupy the entire White House building and the ground and first floor of the building next to it, Emerald, for a total area of 8,300 sqm. Both buildings will be delivered in the last quarter of 2023, after which they will be occupied in the first quarter of 2024.

INDEPENDENT AUDITORS' REPORT

Independent auditor's report to the general meeting of Nextensa nv for the year ended 31 December 2022

In the context of the statutory audit of the Consolidated Financial Statements) of Nextensa nv (the "Company") and its subsidiaries (together the "Group"), we report to you as statutory auditor. This report includes our opinion on the consolidated balance sheet as at 31 December 2022, the consolidated statement of comprehensive income, the consolidated statement of changes in capital and reserves and the consolidated cash flow statement for the year ended 31 December 2022 and the disclosures (all elements together the "Consolidated Financial Statements") as well as our report on other legal and regulatory requirements. These two reports are considered one report and are inseparable.

We have been appointed as statutory auditor by the shareholders' meeting of 17 May 2021, 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 2023. We performed the audit of the Consolidated Financial Statements of the Group during 23 consecutive years.



Report on the audit of the Consolidated Financial Statements

Unqualified opinion

We have audited the Consolidated Financial Statements of Nextensa nv, which consists of the consolidated balance sheet as at 31 December 2022, the consolidated statement of comprehensive income, the consolidated statement of changes in capital and reserves and the consolidated cash flow statement for the year ended 31 December 2022 and the disclosures, which show a consolidated balance sheet total of € 1.768.401 thousand and of which the consolidated income statement shows a net result (part of the group) of € 71.310 thousand.

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 ("ISA's") applicable in Belgium. In addition, we have applied the ISA's approved by the International Auditing and Assurance Standards Board ("IAASB") that apply at the current year-end date and have not yet been approved at national level. 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 to 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.

Valuation of the investment properties

• Description of the matter and audit risk

Investment property represents 72% of the assets of the Group. As at 31 December 2022, the investment properties on the assets of the balance sheet amount to € 1.278.716 thousand.

In accordance with the accounting policies and IAS 40 standard "Investment property", investment property is measured 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 in the fair value hierarchy as defined within the IFRS 13 standard "Fair Value Measurement". Some assumptions used for valuation purposes are based on data that can be observed only to a limited extent (discount rate, future occupancy rate, ...) and therefore require judgement of the 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 experts to make an estimate of the fair value of its buildings. We have assessed the valuation reports of the external experts (with the support of our internal valuation experts).

More precisely, we have:

- assessed the objectivity, the independence and the competence of the external experts;
- tested the integrity of the most important 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, ...).

Finally, we have assessed the appropriateness of the information on the fair value of the investment properties disclosed in note 15 of the Consolidated Financial Statements.

Valuation of financial instruments

• Description of the matter and audit risk

The Group uses interest rate swaps (IRS) to hedge the interest rate risk on the 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.

In accordance with IFRS 9 "Financial Instruments: Recognition and Measurement", these derivatives are valued at fair value (considered to belong to the level 2 in the fair value hierarchy defined by IFRS 13 "Fair Value Measurement"). The changes in fair value are recognized in the income statements except for some IRS for which the Group 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. We have assessed the most important assumptions and the calculations performed in this respect.
- 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 overhedging which could potentially jeopardize the application of hedge accounting.

Finally, we have assessed the appropriateness of the information on the financial instruments disclosed in note 29.3 of the Consolidated Financial Statements.

Revenue recognition and accounting treatment of development projects

• Description of the matter and audit risk

The Group has recognized for accounting year 2022 € 65.215 thousand on turnover development projects and € 62.793 thousand on costs development projects. Moreover, the Group capitalizes the costs on development projects as "work in progress" over the lifetime of the projects. This "work in progress" amounts to € 85.047 thousand as of 31 December 2022.

The valuation of the land positions and the incurred construction costs for development projects 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, decisions of governmental bodies, discount rates and future changes in costs and selling prices. These estimates involve various elements and are sensitive to scenarios and assumptions used and involve as such significant management judgement.

Risk exists that potential impairments of “work in progress” are not appropriately accounted for in the Consolidated Financial Statements.

Revenues and results are recognized to the extent that components (real estate 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 development project.

This often involves a high degree of judgement due to the complexity of development projects and uncertainty about costs to complete. Therefore, there is a high degree of risk associated with estimating the amount of revenue and associated margin to be recognized by the Group up to the balance sheet date. Changes to these estimates could give rise to material variances and this is the reason why the audit of development projects is a key audit matter.

• Summary of audit procedures performed

- We have tested a sample of development projects by verifying the costs incurred to date relating to land and work in progress with the underlying documentation.
- We have agreed the sales values to contracts for a sample of development projects.
- Based on the sales and the percentage of completion at the balance sheet date, we have recalculated the revenue recognition and the margin.
- We have assessed the calculations of net realizable values and the reasonableness and consistency of the assumptions used by management
- We have assessed the financial performance of specific development projects against budget and historical trends, specifically in view of assessing the reasonableness of the costs to complete.

Finally, we have assessed the appropriateness of the information on the development projects disclosed in notes 8 and 24 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 ISA's 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 ISA's, 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;

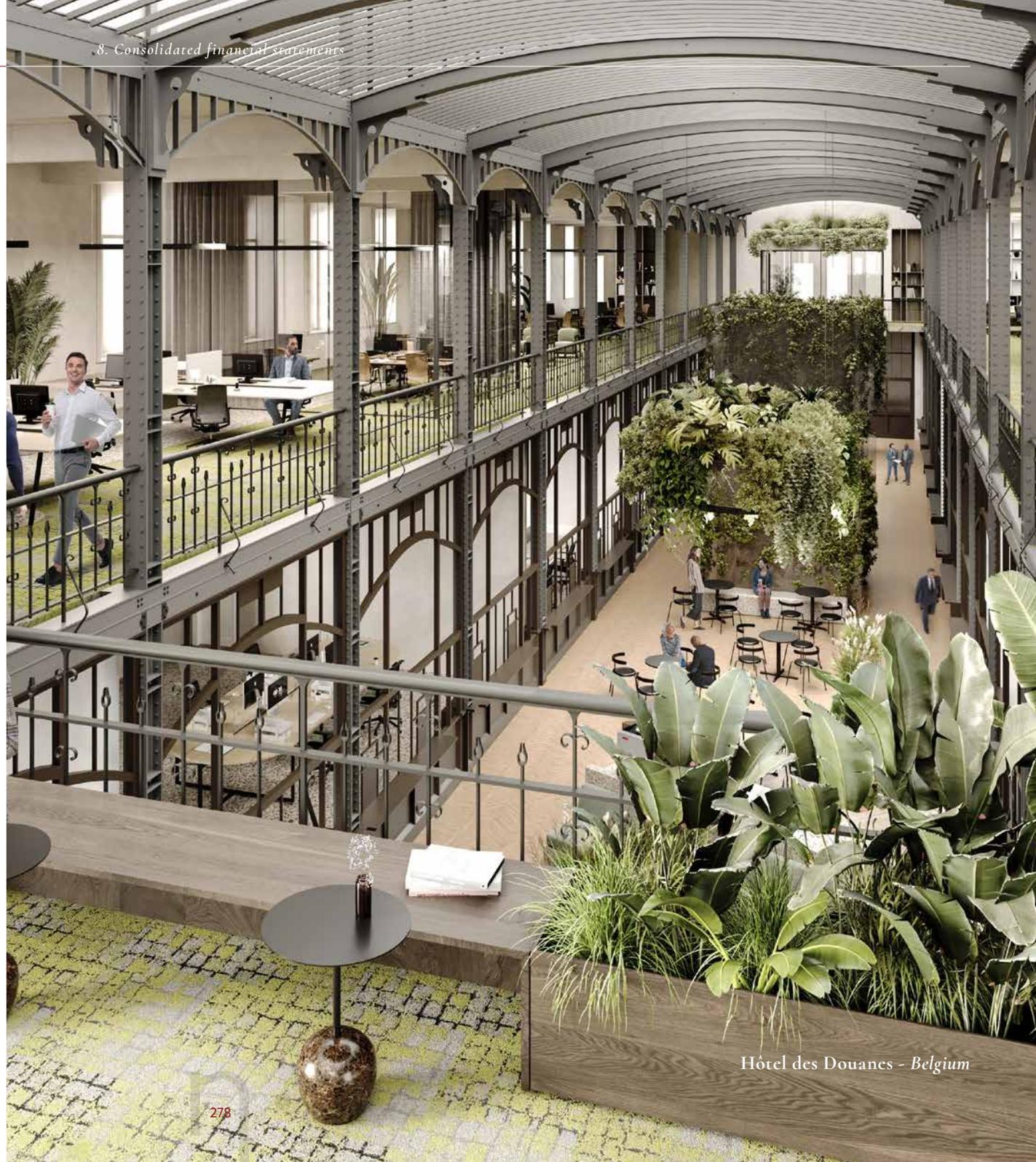
- evaluating the overall presentation, structure and content of the Consolidated Financial Statements, and evaluating whether the Consolidated Financial Statements reflect a true and fair view of the underlying transactions and events.

We communicate with the Audit Committee within 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.



Hôtel des Douanes - Belgium

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, 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 ISA's applicable in Belgium, it is our responsibility to verify, in all material respects, the Board of Directors' report on the Consolidated Financial Statements, and other information included in the annual report, as well as to report on these matters.

Aspects relating to Board of Directors' 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:

- Key figures
- Alternative performance measures

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.

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.

European single electronic format ("ESEF")

In accordance with the standard on the audit of the conformity of the financial statements with the European single electronic format (hereinafter "ESEF"), we have carried out the audit of the compliance of the ESEF format with the regulatory technical standards set by the European Delegated Regulation No 2019/815 of 17 December 2018 (hereinafter: "Delegated Regulation").

The board of directors is responsible for the preparation, in accordance with the ESEF requirements, of the consolidated financial statements in the form of an electronic file in ESEF format in the official Dutch language (hereinafter 'the digital consolidated financial statements') included in the annual financial report available on the portal of the FSMA (<https://www.fsma.be/en/data-portal>) in the official Dutch language.

It is our responsibility to obtain sufficient and appropriate supporting evidence to conclude that the format and markup language of the digital consolidated financial statements comply in all material respects with the ESEF requirements under the Delegated Regulation.

Based on the work performed by us, we conclude that the format and tagging of information in the digital consolidated financial statements of Nextensa nv per 31 December 2022 included in the annual financial report available on the

portal of the FSMA (<https://www.fsma.be/en/data-portal>) in the official Dutch language are, in all material respects, in accordance with the ESEF requirements under the Delegated Regulation.

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, 31 March 2023

*EY Bedrijfsrevisoren bv
Statutory auditor
Represented by*

Joeri Klaykens
Partner*

**Acting on behalf of a bv*





9.

GENERAL INFORMATION



NEXTENSA IDENTIFICATION

Official and trade name

Nextensa

Legal entity and legislation

Nextensa has the legal form of a public limited liability company ('naamloze vennootschap') under Belgian law.

The company is governed, inter alia, by the Belgian Code of Companies and Associations.

Registered office, telephone number and website

- Registered office: Gare Maritime, Picardstraat 11 box 505 in 1000 Brussels
- Telephone number: +32 2 882 10 00
- Website: www.nextensa.eu

The information that is made available through the website is not part of this universal registration document unless the information is included through a reference.

Date and country of constitution & term

Nextensa was incorporated on 21/11/1973 under the legal form of a 'Aktiengesellschaft' under Swiss Law after which the registered office was moved (17/11/1988) to Belgium and the company became a public limited liability company and a legal person under Belgian law, subject to Belgian law.

Park Lane II - Belgium



The company was converted on 8/06/1999 into a public real estate investment fund ('openbare vastgoedbevak') under Belgian Law under the legal form of a partnership limited by shares ('commanditaire vennootschap op aandelen') for an indefinite period with the name Leasinvest Real Estate through a deed executed by notary public Frank Celis in Antwerp and published in Annexes to the Belgian Official Gazette on 26/06/99 under number 990626- 330.

On 06/11/2014, the status of the company was changed into a public regulated real estate company ('openbare gereguleerde vastgoedvennootschap') under Belgian law, through deed of notary public Frank Liesse in Antwerp, and published in Annexes to the Belgian Official Gazette on 03/12/2014 under number 20141203-14216372.

On 19/07/2021, the company renounced its status of a public regulated real estate company under Belgian law and was converted to a public limited liability company under Belgian Law under the Code of Companies and Associations and the required amendments were made for the implementation of the Code of Companies and Associations through a deed of notary public Philippe Caeymaex in Antwerp, who rendered his office to notary public Tim Carnewal in Brussels and published in the Annexes to the Belgian Official Gazette on 12/08/2021 under number 21348709.

On 29/11/2021, the name of the company was changed into Nextensa through a deed of notary public Tim Carnewal in Brussels and published in the Annexes to the Belgian Official Gazette on 17/12/2021 under number 21374875.

The Articles of Association were modified several times, and the last time on 29/11/2021. These last coordinated Articles of Association are available on the website (www.nextensa.eu) and below in this annual report).

Place of registration, enterprise number and identification code for legal entities

Nextensa is registered in the register of legal entities in Brussels (Dutch division) and has enterprise number 0436.323.915. Its legal entity identifier code is (LEI) is 549300BPHBCHEODTG670.

Listing

The shares of Nextensa are listed on Euronext Brussels (BEL Small).

Type of shares

We refer to article 8 of the coordinated Articles of Association.

In accordance with article 7:155 of the Code of Companies and Associations, the rights of the shareholders can only be modified by a general meeting.

Company purpose

We refer to article 3 of the coordinated Articles of Association.

Capital and number of issued shares and voting rights

The company's capital amounts to one hundred and nine million nine hundred and ninety-seven thousand one hundred and forty eight euros and thirty-four cents (€ 109,997,148.34). It is paid up in full.

It is divided into ten million two thousand one hundred and two (10,002,02) shares without a specification of the value that each represent the same part of the capital. No outstanding warrants have been issued that give an entitlement to shares. The company has treasury shares in the portfolio within the framework of its buy-back programme of its own shares. For more information please refer to www.nextensa.eu – investor relations – purchase and disposal of own shares.

The extraordinary general meeting of the company on 19 July 2021 decided to introduce a loyalty voting right. This means that a double voting right is granted to each fully-paid up share that, in accordance with article 28 of the Articles of Association, has been registered for at least two years uninterrupted in the name of the same shareholder in the register of registered shares. The other shares give right to one vote. The period of two years begins as from the date of registration of the shares in the share register. For more information please refer to www.nextensa.eu – investor relations – shareholders and transparency.

Authorised capital

We refer to article 6 of the coordinated Articles of Association.

The board of directors is authorised to increase the capital on one or more occasions with a maximum amount (excluding the share premium) of one hundred and nine million nine hundred and ninety-seven thousand one hundred and forty-eight euros and thirty-four cents (EUR 109,997,148.34). The board of directors can exercise this authority during five years to start from the publication of this authorisation allocated on 19 July 2021 (i.e. 12 August 2021). It is renewable.

These capital increases can be executed (i) through a contribution in cash or in kind or as a mixed contribution, (ii) by converting reserves, share premiums or other equity components, (iii) with or without the issue of new shares (higher, lower or with the fraction value of the existing shares of the same type, with or without a share premium, with or without a voting right) or of other rights, or (iv) through the issue of subordinated or non-convertible bonds, warrants or other securities. The board of directors can, in the interest of the company, limit or cancel the pre-emptive right of shareholders when it exercises its authorisation under the authorised capital including in favour of one or more specific persons or of members of the personnel of the company or its subsidiaries.

The technique of the authorised capital allows for a certain level of flexibility, confidentiality, efficiency, cost restriction and/or speed of implementation every time when this is required, for example, to respond quickly to market opportunities or when a financing requirement or financing opportunity arises. The extensive and time-consuming procedure of convening an extraordinary general meeting for a capital increase or for the issue of convertible bonds or warrants can, for example, be restrictive in certain cases for a fast and efficient response to fluctuations on capital markets, certain opportunities or necessities that the company may be confronted with or to deal with threats that may damage its interests (including public takeover bids). The market conditions may change quickly and to an important degree during the period that is required to convene an extraordinary general meeting to the detriment of the interests of the company.

Limitations to the use of capital

For potential limitations to the use of capital of the company we refer to articles 5 to 12 of the coordinated Articles of Association.

Control in the company

In addition to the legal thresholds (i.e. 5% and multiples of 5% of the total of the existing voting rights), article 12.2 of the Articles of Association provides for an additional notification threshold of 3% in accordance with article 18, §1, of the so-called Transparency Act (Act of 2 May 2007).

For more information, please refer to www.nextensa.eu – investor relations – shareholders and transparency.

Financial year

Nextensa's financial year runs from 1 January to 31 December.

Available documents

The board of directors declares that, at least for the duration of the universal registration document, the following documents can be consulted on the www.nextensa.eu website:

- a) The coordinated Articles of Association of Nextensa;
- b) The annual and semi-annual financial reports;
- c) The special reports drawn up by the board of directors;
- d) The auditor's reports;
- e) The press releases and the legally required financial information;
- f) The Corporate Governance Charter and the Integrity Code;
- g) The obligations of the company and the rights of the shareholders as to the general meeting are extensively mentioned in the investor relations section of the website as from the publication of the convening notice to the announcement of the votes.

This information is available on the website during a period of at least 5 years as of the date of the general meeting they relate to. The annual and semi-annual financial reports remain accessible during a period of at least ten years.

The financial statements are filed with the National Bank of Belgium.

The decisions relating to the nomination and resignation of members of the board of directors and the daily management are published in the Annexes to the Belgian Official Gazette.

The convening notices for general meetings of shareholders are published in the Belgian Official Gazette.

Financial communication and convening notices to the shareholders for general meetings are also published, as far as mandatory, in the financial press.

ARTICLES OF ASSOCIATION NEXTENSA

*Coordinated articles of association
d.d. 29/11/2021*

TITLE I

NAME – LEGAL FORM –REGISTERED OFFICE – SUBJECT – TERM

ARTICLE 1. NAME - LEGAL FORM.

The company takes the form of a public limited liability company.

It has the name "NEXTENSA".

ARTICLE 2. REGISTERED OFFICE.

2.1. The registered office of the company is located in the Brussels Capital Region.

2.2. The registered office can be moved through a simple resolution of the board of directors insofar as this resolution does not have an impact on the language regime that applies to the company in accordance with the applicable language legislation. If the registered office relocation leads to a change of the applicable language regime, only the general meeting can adopt this resolution whilst taking into account the requirements for the amendment of the Articles of Association.

2.3. The company may set up through simple resolution of the board of directors administrative seats, operational seats and branches both in Belgium and abroad.

2.4. The email address of the company is:
info@nextensa.eu.

2.5. The website of the company is: www.nextensa.eu.

Bijou building - Cloche d'Or - Luxembourg



ARTICLE 3. PURPOSE.

3.1. The company has as its purpose both in Belgium and abroad for its own account or for the account of third parties, or by participation:

3.1.1. The performance of all acts in relation to real estate rights of any kind, and in relation to the goods and/or movable rights arising therefrom, such as buying or selling, transferring or disposing of, building or converting, (re) developing, renting or leasing (including real estate leasing herein), subletting, taking or granting a long lease, or taking or granting a building lease right directly or indirectly or through an intermediary operate, manage, exchange, divide horizontally and vertically, subdivide, place under the regime of co-ownership, and, in general, do everything that directly or indirectly relates to the commercial, technical and/or administrative management, the valorisation for itself or for the account of third parties of all built-up or unbuilt-up immovable property of any kind.

3.1.2. All contracting of private or public buildings, or developments of activities within the framework of public-private partnerships, the subdivision and preparation of land for construction, the drawing up of plans and specifications, the commissioning of all construction work by subcontractors and the coordination of this work, the performance of all infrastructure and equipment works of all built or unbuilt real estate with a view to their subdivision and their valorisation, the performance of all renovation works and conversion works to and interior decoration in real estate as well as the management and maintenance of real estate.

3.1.3. Providing various services to tenants, lessees and users or equivalent as well as other users, leaseholders, superficiaries, owners of the land and subsoil and such and the collection of all types of rents, costs, charges, levies, taxes and such of holders of business-related rights and personal rights linked to immovable goods being managed;

3.1.4. Performing all actions with regard to the profession of a real estate agent, real estate promotion and trade in immovable goods including but not limited to the following:

- developing real estate projects including the commercialisation thereof;
- brokering and management of immovable goods for a fixed amount or on a contract basis;
- brokering during the acquisition, purchase, sale, exchange, contribution, transfer, making available, leasing, renting or subletting immovable goods for a fixed amount or on a contract basis;
- acting as an intermediary in the acquisition, purchase, sale, exchange, contribution, transfer and leasing or subleasing of immovable and movable property and in the acquisition of businesses, as well as all activities belonging to those of a real estate agency;
- acting as syndicate manager, as well as performing all duties and acts related thereto;

3.1.5. Performing all actions with regard to infrastructure work including entering into or joining agreements with a public client and, where appropriate, in partnership with third parties such as Design, Build and Finance (DBF), Design, Build, (Finance) and Maintain (DB(F)M) and Design Build Finance, (Maintain) and Operate (DBF(M)O) contracts or contracts for the concession of public works with regard to buildings and/or other infrastructure of an immovable nature;

3.1.6. Develop, have developed, set up, have set up, manage, have manage, operate, have operate or make available directly or indirectly and, where appropriate, in partnership with third parties facilities and storage for transport, distribution or storage of electricity, gas, fossil or non-fossil fuels and energy in general and related goods;

- utilities for transport, distribution, storage or purification of water and related goods;
- systems for the generation, storage and transport of renewable or non-renewable energy and related goods;
- waste and incineration systems and related goods;
- any similar systems.

3.1.7. Developing or having developed in technological applications with regard to immovable goods including technological applications that optimise or update the designing, constructing, using, valuing, renting, leasing, buying, selling and managing of immovable goods;

3.1.8. Performing all actions related to the delivery, management, advising and consultancy, carrying out studies and estimates, providing technical and administrative assistance and project management in the widest sense with regard to the actions described above.

3.1.9. Performing all activities in the catering sector and business including in relation to caterer and catering services.

3.1.10. Making available and leasing/renting all types of spaces and rooms as well as operating palaces and halls for meetings, exhibitions, seminars, events and cultural or other manifestations and providing all services that are related to these as well as the organisation of all types of events and parties.

3.1.11. Operating and managing car parks, service centres, business centres, offices, shopping centres and similar.

3.2. The company also has the purpose of installing, judiciously expanding and managing movable assets in its own name and at its own expense; all activities with regard to movable goods and rights of whatever nature whatsoever such as purchasing, selling, renting, leasing and exchanging; in particular, the management and commercialisation of all tradeable equity securities, shares, bonds and state funds.

3.3. The company can, on its own or as a co-ownership enterprise, obtain, operate or put into operation or rent out and rent and make the use and/or obtaining by third parties easier under whatever form whatsoever all material, machines, equipment, means or transport or intellectual rights.

3.4. The company can assume interests through association, by making a cash contribution or a contribution in kind, through a merger or activities deemed equal to a merger, a subscription, a participation, a financial intervention or in any other way whatsoever in all existing companies, associations or enterprises or those to be formed in Belgium or abroad with an identical, concurring or related purpose as the one the company has or that can be of a nature that benefits the development of its enterprise or represents a source of selling and disposing of such interests.

3.5. The company can enter into and issue all loans and credits and perform financing activities with regard to subsidiaries, to companies in which it participates directly or indirectly and to third parties. The company can finance all or a part of the investments possibly in association or with the collaboration with third parties or through the issue of real estate certificates.

3.6. The company can vouch or issue a security to safeguard its own commitments and to safeguard the commitments of third parties by, for example, mortgaging or pledging its goods including its own business enterprise. It may vouch or issue business securities

3.7. The company may exercise the positions of director or liquidator in other companies and provide general (consultancy) services as a holding company.

3.8. If specific actions should be subject to prior conditions in relation to access to the profession, the company will make its acts in relation to the performance of these actions subordinate to the fulfilment of these conditions.

3.9. The company also has the purpose of performing all financial and commercial transactions to the degree that may facilitate the realisation of its purpose.

3.10. The company has, in general, full legal capacity to complete all actions and transactions that are linked directly or indirectly to its purpose or that may be of such a nature that they make the realisation of this purpose easier in full or in part directly or indirectly.

ARTICLE 4. TERM.

4.1. The company has been set up for an indefinite period.

TITEL II

CAPITAL – SHARES – OTHER SECURITIES

ARTICLE 5. CAPITAL.

- 5.1. The capital amounts to one hundred and nine million nine hundred and ninety-seven thousand one hundred and forty-eight euros and thirty-four cents (EUR 109,997,148.34).
- 5.2. It is represented by ten million two thousand one hundred and two (10,002,102) shares, with no par value, each representing an equal part of the capital.
- 5.3. The capital is fully subscribed and paid-up.

ARTICLE 6. AUTHORISED CAPITAL.

- 6.1. The board of directors is authorised to increase the capital in one or more goes with a maximum amount (excluding the share premium) of one hundred and nine million nine hundred and ninety-seven thousand one hundred and forty-eight euros and thirty-four cents (EUR 109,997,148.34).
- 6.2. The board of directors can exercise this authority during five years starting from the publication of this authorisation allocated on 19 July 2021.
- 6.3. These capital increases occur in accordance with the modalities determined by the board of directors such as,

for example, (i) through a contribution in cash or in kind or a mixed contribution, (ii) by converting reserves, share premiums or other equity components, (iii) with or without the issue of new shares (higher, lower or with the fraction value of the existing shares of the same type, with or without an share premium, with or without a voting right) or of other rights, or (iv) through the issue of subordinated or not convertible bonds, warrants or other securities.

- 6.4. The board of directors can, in the interest of the company, limit or cancel the pre-emptive right of shareholders when it exercises its authorisation under the authorised capital including in favour of one or more specific persons or of members of the personnel of the company or its subsidiaries.
- 6.5. The possible share premium will be specified on one or more separate accounts under the equity on the liabilities of the balance sheet.
- 6.6. The board of directors is also expressly authorised to increase the capital even after the time that the company receives the notification from the Financial Services and Markets Authority (FSMA), that it has been informed about a public takeover bid regarding the securities of the company within the limits allowed by the applicable legal provisions. This authorisation is valid with respect to public takeover bids for which the company receives the aforementioned notification no more than three years after 19 July 2021. Any member of the board of directors and any person specifically authorised to do so by the board of directors is authorised, after any capital increase effected within the limits of the authorised capital, to bring the articles of association into line with the new situation of the capital and securities.

ARTICLE 7. MODIFICATION OF THE CAPITAL.

- 7.1. Except for the possibility to increase the capital using the authorised capital by a decision of the board of directors, an increase or decrease of the capital can only be decided by an extraordinary general meeting of the shareholders in the presence of a notary public.
- 7.2. Should the general meeting decide to ask for the payment of a share premium within the framework of a capital increase, this must be entered in one or more separate accounts under the equity in the liabilities section of the balance sheet.

ARTICLE 8. NATURE OF THE SHARES.

- 8.1. The company has only one type of shares and they all have the same rights.
- 8.2. The shares of the company are registered or dematerialised, and this according to the choice of their owner or holder (hereafter the "Holder") and in accordance with legal limitations. Each Holder of shares can at any given time, and at his own expenses, ask for the conversion of his registered shares into dematerialised shares, or vice versa.
- 8.3. For registered shares, ownership is exclusively proven by inscription in the register of shares of the Company held at its registered office; the register of shares may potentially be held in an electronic form. The board of directors can indicate a third party of its choice to maintain this electronic register.

8.4. Dematerialised shares are represented by booking into an account, at the name of the owner or holder, with a recognised account holder or clearing institution. The number of dematerialised shares in circulation is registered in the name of the clearing institution, in the register of registered shares.

8.5. In relation to the company, the shares are indivisible. The undivided owners, usufructuaries and bare owners must have themselves represented by one single person in relation to the company and notify the company about this; as long as this has not taken place, the rights linked to these shares will be suspended.

8.6. If the entitled persons cannot reach agreement, the competent court may appoint a provisional administrator at the request of any of the involved parties to exercise the involved rights in the interest of the joint entitled persons.

8.7. In the event of usufruct, the usufructuary shall exercise all rights attached to the shares, and the bare owner of the share shall be represented vis-à-vis the company by the usufructuary, except with regard to (the exercise of) the pre-emptive right in the event of an increase of capital to which the bare owner(s) is entitled. The aforementioned rule applies unless otherwise stipulated in an agreement between the parties or in a will. In that case, the bare owner(s) and usufructuary(s) must notify the company of this rule in writing.

ARTICLE 9. OTHER SECURITIES.

9.1. In addition to shares, the company may issue any securities not prohibited by or under the law or these Articles of Association.

ARTICLE 10. TRANSFER OF SECURITIES.

10.1. The transfer of shares is not subject to any restriction.

10.2. This arrangement applies to all shares of the company as well as to all possible other securities issued by the company.

ARTICLE 11. ACQUISITION, PLEDGE AND DISPOSAL OF TREASURY SHARES.

11.1. The company may acquire, pledge and dispose of treasury shares and certificates relating to them in accordance with the formalities and conditions prescribed by the Code of Companies and Associations.

11.2. The board of directors is authorised to acquire and pledge, whether on or off the stock exchange, by way of purchase or exchange, contribution or any other means of acquisition, treasury shares or depositary receipts relating thereto, without the total number of treasury shares or certificates relating thereto held or pledged by the company in application of this authorisation exceeding the maximum number of shares permitted by law at a consideration of at least the lowest of the last twenty (20) closing prices preceding the day of repurchase of treasury shares, less ten per cent (10%) and at a maximum price

per share corresponding to the highest of the last twenty (20) closing prices preceding the day of repurchase of treasury shares, plus ten per cent (10%). This authorisation was granted for a period of five years from the publication of this authorisation granted on 19 July 2021.

11.3. The board of directors is authorised to acquire its treasury shares or certificates that are related to these shares (through a purchase or exchange, contribution or whatever other method of acquisition whatsoever) and to dispose of them (by selling, exchanging or any other form of transfer (that may be in return for payment or not) when this acquisition or disposal is required to prevent a threatening serious negative effect for the company. This authorisation has been allocated for a period of three years to start as from the announcement of this authorisation allocated on 19 July 2021. This authorisation of the board of directors also applies to acquiring or disposing of shares within the meaning of Article 7:221 of the Code of Companies and Associations.

11.4. The board of directors is, moreover, authorised to dispose of the shares of the company (through selling, exchanging, contributing, converting bonds or any other form of transfer (for a payment or not)) by means of an offer to sell addressed to one or more specific persons who are not members of personnel of the company or its subsidiaries. This authorisation of the board of directors also applies to the disposal of shares within the meaning of Article 7:221 of the Code of Companies and Associations.

11.5. The authorisations in 11.2 and 11.3 do not affect the possibilities in accordance with the applicable legal provisions for the board of directors to acquire, pledge or dispose of its treasury shares and certificates that are

related to these shares if no authorisation based on the Articles of Association or authorisation of the general meeting is required. As long as the shares are the property of the company or a person who acts in his/her own name at the expense of the company, the voting right linked to these shares will be suspended. The dividend rights linked to the shares that the company or a person who acts in his/her name but at the expense of the company owns will lapse. Unless otherwise decided by the general meeting, the time for the determination of the dividend entitlement and therefore the expiry of the dividend rights attached to those treasury shares will be set at 23:59 Belgian time on the day prior to the so-called "ex-date" (as stipulated in the Euronext VadeMecum 2020, as amended from time to time).

12.3. Except for exceptions foreseen by the Code of Companies and Associations, nobody can participate to a voting at a general meeting of shareholders of the company with a number of votes that is higher than the number of votes related to the securities he/she has reported holding, at least twenty (20) days prior to the date of that general meeting.

ARTICLE 12. LISTING ON THE STOCK EXCHANGE AND NOTIFICATION OF IMPORTANT PARTICIPATIONS.

12.1. The shares of the company may be traded on a Belgian regulated market.

12.2. In accordance with article 18 of the Act of 2 May 2007 regarding the disclosure of important participations in issuers regarding whom shares are allowed to be traded on a regulated market and comprising various provisions, the threshold value as set down by the Articles of Association applies, in addition to the legally provided threshold values of five percent (5%) and multiples of five percent (5%), of three percent (3%) of the total number of existing voting rights.

TITLE III BOARD AND CONTROL

ARTICLE 13. COMPOSITION OF THE ADMINISTRATIVE BODY.

- 13.1. The company is managed by a collegial administrative body referred to as board of directors that is composed of at least three (3) directors who are natural or legal persons who may or may not be shareholders.
- 13.2. The majority of the directors does not practice an executive position in the company.
- 13.3. At least three (3) directors must be independent. The directors who meet the conditions of independence as laid down in article 7:87 of the Code of Companies and Associations are deemed independent directors.
- 13.4. At least one-third of the members of the board of directors shall be of a different gender from that of the other members of the board of directors, the required minimum number being rounded to the nearest whole number. If a director is a legal entity, his gender shall be determined by that of his permanent representative.
- 13.5. The directors are appointed by the general meeting for a term of up to six (6) years and are eligible for reappointment. They may be dismissed by the general meeting at any time.

- 13.6. The mandate of departing and not re-elected directors ends immediately after the general meeting that has provided for the new appointments.
- 13.7. The director whose mandate has come to an end shall, if the number of directors falls below the minimum provided for by law or the articles of association, remain in office until such time as the general meeting, for whatever reason, does not provide for his replacement.
- 13.8. If a director's position becomes vacant, the other directors are entitled to provide in the vacancy in a provisional manner until the next general meeting that will make the effective appointment.
- 13.9. The board of directors shall elect a chairperson from among its members. If the chairman is unable to attend a meeting, or in the absence of the appointment of a chairman, the function of chairman at that meeting shall be assumed by the director appointed among the directors present by the board of directors, or in the absence of agreement by the oldest director present at the meeting. In the case of a director-legal entity, the age of its permanent representative is determinative.

ARTICLE 14. REMUNERATION.

- 14.1. The general meeting may decide whether or not to remunerate the mandate of director by granting a remuneration.
- 14.2. Directors will be remunerated for the normal and justified expenses and costs, which they can claim to have incurred in the performance of their duties.

- 14.3. The entire variable remuneration of the daily manager and the members of the executive committee may, notwithstanding Article 7:121, third paragraph in conjunction with 7:91, second paragraph of the Code of Companies and Associations, be linked to predetermined and objectively measurable performance criteria over a period of one year.

ARTICLE 15. MEETINGS - DELIBERATION AND THE DECISION- MAKING PROCESS.

- 15.1. A board of directors will be convened by the chairperson, a managing director or two directors every time that the interests of the company require this. The board of directors will meet at least four (4) times a year.
- 15.2. The meeting shall be convened at least three (3) calendar days before the date of the meeting, unless all directors waive this requirement. The convening notice shall be validly given by letter or e-mail or any other written means as referred to in article 8:1, 1° of the New Civil Code. Exceptionally, a convocation by telephone is also considered valid provided such convocation is immediately followed by a written confirmation. All notices shall state the place, date and time of the meeting and shall include a reasonably detailed agenda of the meeting and a copy of all relevant documentation reasonably required to deliberate and decide on the items on the agenda. Where appropriate, any dial-in details to participate in the meeting by tele- or videoconference may be communicated by separate and subsequent notice.
- 15.3. Every director who attends a meeting of the Board or has himself or herself represented there is deemed regularly convened.

15.4. Meetings of the board of directors are held in Belgium or abroad at the location indicated in the notice.

15.5. All directors can give a proxy to another member of the board of directors by means of every communication resource that can be shown in writing and that includes his/her signature to represent him/her during a specified meeting and vote in his/her name. A director may represent several of his/her colleagues and may, besides his/her own vote, vote as many times as he/she has received powers of attorney. This must, nevertheless be without breaching the rules of collegiality.

15.6. The board of directors can only deliberate and adopt resolutions validly if at least half of its members are present or represented. Directors who may not participate in the deliberations due to a conflict of interests are deemed to be present for determining the attendance quorum. If this condition has not been fulfilled, a new meeting may be convened that will deliberate and adopt resolutions in a valid manner about the issues that appeared on the agenda of the previous meeting if at least two directors are present or represented.

15.7. Every member of the administrative body may participate through any possible telecommunication or videography method in the deliberations of a board of directors and vote in order to organise meetings between different participants who are apart from each other geographically so that they can communicate at the same time.

15.8. Resolutions of the board of directors shall be passed by a simple majority of the votes cast by the directors present or represented. Any abstentions and invalid or blank votes shall not be counted among the votes cast.

15.9. If the votes are tied, the vote of the person who chairs the meeting will be decisive except in the case when the board of directors consists of only two members. In this case, the proposal will be rejected if the votes are tied.

15.10. The resolutions of the board of directors can be adopted by unanimous written approval of the directors.

15.11. The resolutions of the board of directors will be recorded in minutes that are signed by the chairperson of the meeting and the directors that request this. The minutes will be included in the special register. The powers of attorney will be attached to the minutes of the meeting for which they have been given. Copies of the extracts from the minutes intended for third parties will be signed by the CEO or by one or more directors with representation authorisation except the copies and extracts of the minutes that will be executed through an authentic instrument and that will be signed by the executing notary public.

ARTICLE 16. BOARD AUTHORISATION - DELEGATION - COMMITTEES - DAILY MANAGEMENT.

16.1. The board of directors has the most extended powers to perform all acts of internal management necessary or useful for realizing the purpose of the company, except for those acts for which only the general meeting is competent by virtue of law or the Articles of Association.

16.2. The board of directors takes all decisions as it sees fit.

16.3. The board of directors may set up one or more advisory committees in its midst and under its liability. Within the board of directors, an audit committee and a remuneration committee is set up in accordance with the relevant provisions the Code of Companies and Associations. The board of directors shall determine the composition, mission and working method of these advisory committees, as well as the conditions for the appointment of the members of these advisory committees, their dismissal, their remuneration and the duration of their assignment, in compliance with the applicable regulations.

16.4. The board of directors may delegate the daily management of the company to one or more natural or legal persons who may be directors or not. If a director is charged with the daily management of the company, he/she will have the title of "managing director", "CEO" or "Chief Executive Officer". If a non-director is charged with the daily management of the company, he/she will have the title of director or general manager or any other title with which he/she is referred to in the appointment resolution. If the day-to-day management is delegated to several persons, they shall form a collegiate body, the functioning of which shall be regulated by the board of directors.

16.5. If the board of directors delegates day-to-day management to one director, referred to as Chief Executive Officer or CEO, in accordance with Article 16.4, the board of directors may establish a committee, referred to as an executive committee, and compose this committee from the CEO and one or more other persons essentially charged with discussing the general management of the company. The board of directors decides on the composition, role and operation of the executive committee.

16.6. The board of directors, the delegated director(s) and/ or the other persons charged with the daily management of the company within the framework of this board may each delegate specific competences to one or more persons of their choice within their own competence limits and under their own responsibility. Only special and limited powers for specific or for a series of specific legal acts are permitted.

ARTICLE 17. POWER OF REPRESENTATION.

17.1. The board of directors represents the company towards third parties and in law as claimant or respondent.

17.2. Without prejudice to the general representation power by the board of directors as a body, the company will be represented towards third parties and in law as a claimant or respondent as well as in relation to all instruments for which the intervention of a public officer or a notary public is required by two directors who will act jointly or by the chairperson of the board of directors or the managing director acting together with a member of the executive committee.

17.3. Within the framework of the daily management, the company will also be legally represented by a managing director who acts on his/her own and/or the possible other persons charged with the daily management who act on their own or jointly as determined when they were appointed.

17.4. The company is, moreover, legally bound by special proxyholders/ mandatories without prejudice to the responsibility of the board of directors in case of an excessive proxy within the framework of the granted proxy.

17.5. The company can, moreover, be represented abroad by every person appointed expressly for this purpose by the board of directors.

ARTICLE 18. CONTROL.

18.1. The audit of the financial situation of the company, of the annual accounts and of the regularity of the transactions to be reflected in the annual accounts in relation to the Code of Companies and Associations and the articles of association, is entrusted to one or more statutory auditors appointed by the general meeting from among the members of the Institute of Company Auditors for a renewable term of three (3) years.

18.2. In case of appointment of a firm of auditors or a registered audit firm as statutory auditor, it shall rely on a corporate auditor natural person it appoints itself to perform the duties of statutory auditor; it may also appoint a deputy representative from among its members who meet the conditions of appointment, if necessary.

18.3. The auditor's remuneration shall be determined by the general meeting at the time of its appointment.

TITLE IV GENERAL MEETINGS

ARTICLE 19. AUTHORITY OF THE GENERAL MEETING.

19.1. The lawfully composed general meeting of the shareholders of the company represents all shareholders. The decisions of the general meeting that were validly taken are binding upon all shareholders, even for those who were absent or for those who voted against a proposal.

19.2. The general meeting has the power a/o to deliberate and to decide on the following matters, namely:

- the approval of the financial statements;
- the appropriation of the result;
- the appointment and dismissal of the directors;
- the determination of the remuneration of the directors;
- the approval of the remuneration policy (with binding vote) and the remuneration report (with advisory vote) in accordance with the Code of Companies and Associations;
- the nomination and the dismissal of the auditor;
- the determination of the remuneration of the statutory auditor;
- the filing of the company action or the giving discharge to the directors and the statutory auditor.

19.3. The general meeting is also authorised to make changes to the Articles of Association, namely to decide about the increase or decrease of the capital, the powers

with regard to the authorised capital by decision of the board of directors, the conversion of the company into a company with a different legal status, about deciding about an early dissolution of the company, the distribution of interim dividends of optional dividends, the issue of convertible (or not) bonds or warrants, the merger or an equal operation with one or more companies.

ARTICLE 20. DATE OF THE ORDINARY GENERAL MEETING – EXTRAORDINARY/ SPECIAL GENERAL MEETING.

20.1. The ordinary general meeting, also called annual meeting, is held each year on the third Monday of the month of May at 4 p.m. Belgian time; should this day be a public holiday, the next working day at the same time.

20.2. A special or extraordinary general meeting may be convened whenever the interest of the company demands this.

20.3. The general meetings will be held at the registered office of the company or at any other place in Belgium or abroad that will be announced in the convocation.

ARTICLE 21. CONVOCATION.

21.1. The board of directors and every statutory auditor can convene both an ordinary general meeting (annual meeting) and an exceptional or extraordinary general meeting. They must convene the annual meeting on the day as determined by the Articles of Association.

21.2. The board of directors and every statutory auditor are obliged to convene an exceptional or extraordinary meeting when one or more shareholders who represent, individually or collectively, a tenth (1/10th) of the registered capital request it and must at least include the agenda items proposed by the involved shareholder or shareholders.

21.3. The convocations a general meeting must be issued in accordance with the applicable legal provisions. The convocations mention the agenda, listing the subjects to be treated and the proposals for decision, and all other date that are mandatory to be included in virtue of the applicable legal provisions.

21.4. One or more shareholders representing together at least three per cent (3%) of the capital of the company, in accordance with the provisions of the Code of Companies and Associations, can have subjects to treat added to the agenda of the general meeting and introduce proposals for decision with regard to items on the agenda or those that were added. The company should receive these requests on the twenty-second (22nd) day prior to the date of the general meeting at the latest. The subjects to be treated and the related proposals for decision that could be added to the agenda, should the case arise, will be published according to the modalities prescribed by the Code of Companies and Association. The subjects to be treated and proposals for decision that were added to the agenda in application of this paragraph are only discussed if all related provisions of the Code of Companies and Associations were respected.

21.5. The persons who by virtue of the applicable legal provisions must be convened for a general meeting and who participate in a meeting or are represented there are deemed as regularly convened.

ARTICLE 22. MAKING DOCUMENTS AVAILABLE.

22.1. Except when this is relinquished in writing, a copy is sent together with the convocation to the persons who are entitled to this by virtue of the applicable legal provisions of the documents that must be made available to them by virtue of the applicable legal provisions.

ARTICLE 23. ADMISSION TO THE MEETING.

23.1. A shareholder can only participate to the general meeting and exercise his voting right based on the recording of his shares in book-entry form in his name, at the registration date, or by inscription in the register of registered shares of the company, or by inscription in the accounts of an authorised account holder or clearing organisation, or upon presentation of the bearer shares to a financial intermediary, regardless of the number of shares the shareholder owns at the general meeting. The fourteenth (14th) day prior to the general meeting, at midnight Belgian time applies as the registration date.

23.2. Holders of dematerialised shares who want to participate to the general meeting, must present a certificate issued by an authorised account holder or the settlement body, stating how many dematerialised shares are registered in their accounts at the registration date, in the name of the shareholders, and for which the shareholder has indicated wanting to participate to the general meeting. This filing has to take place at latest the sixth (6th) day prior to the date of the general meeting at the office or at the institutions mentioned in the convocation.

23.3. Holders of registered shares who wish to participate in the meeting, must inform the company via email or ordinary post by the sixth (6th) day at the latest prior to the meeting date of their intention to participate in the meeting. Where relevant, by transferring their proxy or vote form.

23.4. The board of directors will keep a register for each shareholder having communicated his/her wish to participate in the general meeting, stating his/ her name and address or office, the number of shares he/she owned on the registration date and for which he/she has indicated wishing to participate in the general meeting, and a description of the documents that prove that he/ she was a holder of the shares on that registration date.

23.5. The holders of convertible bonds, warrants or certificates that were issued with the cooperation of the company may attend the general meeting, but only with an advisory vote provided that there is observance of the aforementioned admission conditions that apply to shareholders that must be applied in that case *mutatis mutandis*.

ARTICLE 24. PARTICIPATION IN THE MEETING - REPRESENTATION.

24.1. Every shareholder of the company may have himself/ herself represented at the general meeting by a proxyholder who may or may not be a shareholder.

24.2. A shareholder of the company may only appoint (1) one proxyholder for a specific general meeting. Derogation to this principle is only possible in accordance with the related rules of the Code of Companies and Associations.

24.3. A person acting as a proxyholder can have proxies of more than one shareholder. If a proxyholder has proxies from several shareholders, he can vote differently in the name of one shareholder than in the name of another shareholder.

24.4. The appointment of a proxyholder by a shareholder is done in writing or via an electronic form and has to be signed by the shareholder in handwriting or using an electronic signature.

24.5. The designation of a proxyholder by a shareholder shall be made in writing or via an electronic form and must be signed by the shareholder, by hand or with an electronic signature.

24.6. The company has to receive the proxy at latest the sixth (6th) day prior to the meeting date.

24.7. Without prejudice to the possibility, in accordance with article 7:145, second paragraph, of the Code of Companies and Associations to derogate from the instructions under certain circumstances, the proxyholder expresses his vote in accordance with the possible instructions of the shareholder who has appointed him/her. The proxyholder has to hold a register for at least (1) year of the voting instructions and confirm, at the request of the shareholder, that he respected the voting instructions.

24.8. In the case of a potential conflict of interest as defined in article 7:143, paragraph 4, of the Code of Companies and Associations between the shareholder and the proxyholder he/she has appointed, the proxyholder must disclose the precise facts that are of interest to the shareholder to judge if the risk exists that the proxyholder promotes any other interests than that of the shareholder. Moreover, the proxyholder can only vote in the name of the shareholder

provided that he has specific voting instructions for each agenda item.

24.9. In the case of an addition to the agenda, in accordance with article 21.4 of the Articles of Association, and if a proxy has already been communicated to the company before the publication of the amended agenda, the proxyholder has to respect the related provisions of the Code of Companies and Associations .

ARTICLE 25. ATTENDANCE LIST.

25.1. Before participating in the meeting, the shareholders or their proxyholders must sign the attendance list whilst indicating their surname, first name or names and the place where they live or the name and the registered office of the shareholders and the number of shares that they represent. The form and signing modalities of the list are determined for each meeting by the board of directors (or the appointed person).

ARTICLE 26. COMPOSITION OF THE BOARD - MINUTES.

26.1. The general meetings are chaired by the chairperson of the board of directors or, should he/she not be available, by a director indicated by the meeting or, if no directors are present, by the shareholder with the most voting rights.

26.2. The chairman of the meeting appoints a secretary and one or more vote counters, who do not need to be (a) shareholder(s). The chairman, the secretary and the vote counters altogether form the bureau.

26.3. The minutes of the general meetings are signed by the members of the board and the shareholders that ask this. These minutes are recorded in a special register.

ARTICLE 27. DELIBERATION - ATTENDANCE QUORUM.

27.1. The deliberation and voting at the general meeting are directed by the chairman of the meeting and take place in accordance with the habitual rules of proper meeting techniques.

27.2. The directors will give answers to the questions that are asked by the shareholders or holders of convertible bonds or registered warrants or registered certificates issued with the cooperation of the company prior or during the meeting verbally or in writing and that are related to the agenda items insofar as the notification of data or facts is not of the type that may damage the company or contrary to the confidentiality commitments made by them or the company.

27.3. The statutory auditors will reply to the questions that are asked by the shareholders or holders of convertible bonds or registered warrants or issued with the cooperation of the company, before or during the meeting, orally or in writing, which relate to the items on the agenda on which they report, insofar as the communication of data or facts is not of such a nature that it may harm the Company or contravene confidentiality undertakings entered into by them or by the Company. They shall have the right to speak at general meetings concerning the performance of their duties.

27.4. If different questions are related to the same subject, the directors and statutory auditors are allowed to respond to these with one answer. As soon as the convocation is published, the shareholders, holders of convertible bonds or registered warrants or issued with the collaboration of the company can ask the aforementioned questions in writing in accordance with the related provisions of the Code of Companies and Associations.

27.5. The board of directors is entitled to adjourn each ordinary, exceptional or extraordinary general meeting one single time for five (5) weeks, unless the meeting has been convened at the request of one or more shareholders, representing at least one tenth (1/10th) of the capital, or by the statutory auditor. Such adjournment does not prejudice the other decisions that were taken, except if the general meeting decides otherwise on this matter.

27.6. The general meeting can only legally deliberate or decide on the items recorded or implicitly stated in the agenda. There can only be a deliberation on items that were not included in the agenda if all persons that are to be invited according to the Code of Companies and Associations are present or represented by their body or permanent representative and nobody objects to extending the agenda. The required agreement is definite if no protest has been recorded in the minutes of the meeting.

27.7. The general meeting may legally deliberate and adopt resolutions regardless of the number of shares present and represented except in the cases where the law demands a specific attendance quorum.

ARTICLE 28. VOTING RIGHT.

28.1. Each share with a voting right entitles to one voting at the general meeting.

28.2. The fully paid-up shares that are registered for at least two years without interruption in the name of the same shareholder in the register of shares regardless of whether this register should be maintained in electronic form or not also grant, in accordance with article 7:53 of the Code of Companies and Associations, a double voting right.

28.3. The period of two years begins as from the date of registration of the registered shares in the share register. The double voting right will no longer apply as from the date of deletion in the aforementioned register except for the cases as referred to in law.

28.4. In relation to capital increase, the double voting right will be granted to the bonus shares that are issued for the benefit of shareholders for the old shares regarding which they had this right as from the date of issue.

28.5. If a shareholder dematerialises part of his/her registered shares or transfers the ownership thereof, first the registered shares that were registered in the register of shares will be deducted from his/her total number of registered shares in relation to the determination of the double voting right unless the request for dematerialisation of the transfer documentation expressly determines otherwise.

28.6. To determine whether a single or double voting right of a shareholder exists, the company may solely base itself on the registrations in the register of registered shares without this being in breach of its right to decide otherwise based on the information the company is aware of and the legal provisions.

28.7. If issues or circumstances occur that entail the loss of the double voting right for a shareholder that remains unchanged in the register of registered shares, this shareholder must inform the company immediately about this and, at the first request, submit proof in relation to this.

28.8. If issues or circumstances occur that entail the retention of the double voting right despite the change of shareholder in the register of registered shares, this shareholder who appeals to the double voting right must inform the company immediately about this and, at the first request, submit proof in relation to this.

28.9. The shareholders participate in the general meeting with the number of voting rights that they have on the registration date.

ARTICLE 29. PARTICIPATION AND REMOTE VOTING.

29.1. Every shareholder can if the board of directors determines this in the convocation participate remotely in the general meeting through an electronic communication resource made available by the company except in the cases when this is not allowed by law.

29.2. Shareholders who participate in this manner in the general meeting are deemed to be present at the location where the meeting is being held for the fulfilment of the conditions regarding attendance and majority quorum.

29.3. The electronic communication resource referred to previously must allow the company to check the capacity and identity of the shareholder.

29.4. The shareholder who wishes to use this, must at least be able to directly, simultaneously and uninterruptedly take cognisance of the discussions during the meeting and exercise his/her voting right with regard to all issues on which the meeting must express an opinion.

29.5. If the board of directors determines this in the convocation, every shareholder can also vote by letter or electronically by means of a form drawn up by the board of directors that entails the following information: (i) the identification of the shareholder, (ii) the number of votes to which he/she is entitled to and (iii) the specification of 'yes', 'no' or 'abstention' for every resolution that must be adopted by the general meeting in accordance with the agenda; the form is sent to the company and must arrive at the registered office three working days before the meeting at the latest.

ARTICLE 30. MAJORITY.

30.1. Except in relation to the cases defined by law, the resolutions are adopted through an ordinary majority of votes when participating in the voting. Abstentions or blank votes and invalid votes are ignored in the calculation of the majority. In the case of equality of votes, the proposal is rejected.

ARTICLE 31. COPIES AND EXTRACTS OF THE MINUTES.

31.1. At each general meeting minutes are drawn up during the meeting.

31.2. The minutes comprise the information prescribed by law and are signed by the members of the board and the shareholders that request this.

31.3. The copies and/or extracts of the minutes of the general meetings intended for third parties are signed by one or more persons who have representation authorisation of the board of directors in accordance with article 17.2.

TITLE V

FINANCIAL YEAR - FINANCIAL STATEMENTS - DIVIDENDS - PROFIT APPROPRIATION.

ARTICLE 32. FINANCIAL YEAR - FINANCIAL STATEMENTS - ANNUAL REPORT.

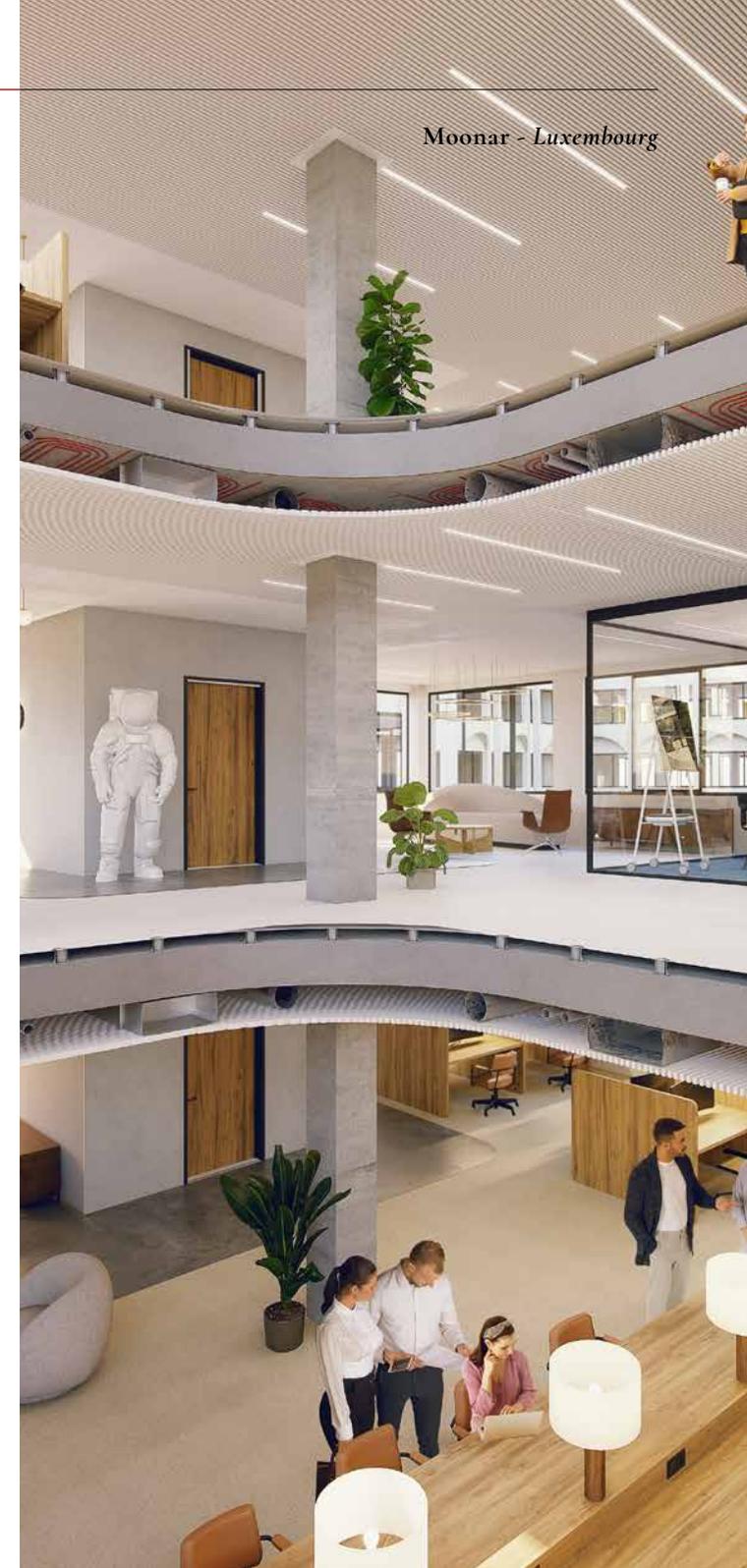
- 32.1. The financial year begins on 1 January and ends on 31 December of each year.
- 32.2. At the end of every financial year, the board of directors draws up an inventory and the financial statements.
- 32.3. The annual and half-year financial reports of the company that include the consolidated accounts of the company and the report of the statutory audit are made available to the shareholders in accordance with the provisions that apply to issuers of financial instruments that are allowed for trading on a regulated market.
- 32.4. The annual and half-year financial reports of the company and the financial reports are published on the company's website.

ARTICLE 33. PROFIT ALLOCATION.

- 33.1. If and for as long as legally required, at least five from hundred is taken for the creation of the reserve regarding the net profits of the company.
- 33.2. Upon the proposal by the board of directors, the general meeting will decide about the allocation of the balance of the net profits within the limits set out in law and in the Articles of Association.

ARTICLE 34. INTERIM DIVIDENDS.

- 34.1. The board of directors may, under its responsibility, decide to pay out interim dividends in the cases listed in and within the terms allowed by the Code of Companies and Associations.



TITLE VI

DISSOLUTION AND LIQUIDATION

ARTICLE 35. LOSS OF CAPITAL.

35.1. If the net assets have decreased to less than half of a fourth of the capital, the board of directors must submit to the general meeting the question of whether dissolution should take place as a consequence of and in accordance with the forms specified in article 7:228 of the Code of Companies and Associations.

ARTICLE 36. NOMINATION AND AUTHORITY OF LIQUIDATORS.

36.1. The company may be dissolved at any time by a resolution of the general meeting, deliberating in the manner required by law, or be dissolved in the cases provided for by law.

36.2. Upon dissolution of the company under liquidation, for any reason and at any time, a liquidator or a board of liquidators, if any, shall be appointed by the general meeting in accordance with the applicable legal provisions. In the absence of the appointment of a liquidator, the directors in office shall be regarded as liquidators in respect of third parties.

36.3. The liquidator or liquidators has or have the most extensive authorisations in accordance with articles 2:87, 2:88 and 2:89 of the Code of Companies and Associations unless the general meeting should decide otherwise through a simple majority.

36.4. The liquidation of the company shall be concluded in accordance with the provisions of the Companies and Associations Code.

ARTICLE 37. LIQUIDATION BALANCE.

37.1. The shareholders distribute the balance of the liquidation in relation to their rights in the company.

TITLE VII GENERAL AND TRANSITIONAL PROVISIONS

ARTICLE 38. CHOICE OF DOMICILE.

38.1. Every holder of registered shares residing abroad shall be obliged to elect domicile in Belgium for all matters relating to the implementation of the present Articles of Association. Failing such choice of domicile, it will be deemed to have been made at the registered office, where all summonses, notices and demands will be validly served.

38.2. Directors, daily managers and liquidators residing abroad shall be deemed to elect domicile at the registered office of the company, where all summons, notices and notices may be served on them concerning the affairs of the company. Directors, daily managers and liquidators residing in Belgium may elect domicile at the registered office of the company for all matters relating to the performance of their mandate.

ARTICLE 39. JURISDICTION.

39.1. Exclusive jurisdiction is given to the courts of the company's registered office for all disputes between, on the one hand, the company and, on the other hand, its directors, its holders of securities and/or its liquidators regarding company matters and the implementation of the current Articles of Association unless the company expressly renounces to it.

ARTICLE 40. APPLICABLE LAW.

40.1. For everything that is not explicitly defined in Articles of Association, or with regard to the legal provisions that were not validly derogated from in these articles of association, the provisions of (a) the Code of Companies and Associations and its implementation decrees and regulations and (b) the other legal provisions, decrees and regulations under Belgian law are applicable as far as they apply to the company.

40.2. Moreover, the provisions of these Articles of Association that would have unlawfully deviated from the dispositions of the laws, acts and regulations referred to in the previous paragraph shall be deemed not to have been included in the present Articles of Association, and the clauses contrary to the imperative dispositions of those laws, acts and regulations shall be deemed as not written.

ARTICLE 41. EVOLUTIVE EFFECT.

41.1. A reference to any law, decree, decree or any other regulatory provision shall be deemed to include any law, decree, decree or any other regulatory provision adopted in implementation of the aforesaid provisions or amending or replacing the aforesaid provisions.

ARTICLE 42. INTERNAL REGULATION.

42.1. The board of directors may, within the legal limits, issue an internal regulation.

42.2. The internal regulation and every amendment thereto will be notified to the shareholders in accordance with the legal provisions.

42.3. If an internal regulation is drawn up or amended, a reference to the approved version of the internal regulation will be included and made public by the board of directors in the Articles of Association.

ARTICLE 43. AUTHORISATIONS.

43.1. The authorisation related to the authorised capital and the authorisation regarding the acquisition of treasury shares allocated through a resolution adopted by the extraordinary general shareholders' meeting of 16 December 2019 will continue to be in force until the publication in the Annexes to the Belgian Official Gazette of the renewal of the authorisations as decided upon by the extraordinary general shareholders' meeting of 19 July 2021.

STATEMENTS

Statement regarding universal registration document

The board of directors states that:

- a) this annual financial report has been filed as a universal registration document with the FSMA as the competent authority under regulation (EU) 2017/1129, without prior approval, in accordance with Article 9 of that Regulation;
- b) the universal registration document may be used for the purpose of an offer of securities to the public or the admission of securities to trading on a regulated market, provided that, where applicable, it has been approved by the FSMA together with any amendments and a securities note and summary approved in accordance with regulation (EU) 2017/1129.

The information provided on the website is not part of this universal registration document unless that information has been included by reference.

The annual financial report can be obtained from the Company's registered office and may be consulted on the website www.nextensa.eu in 2 language versions (Dutch and English). A printed copy can be obtained by registering on www.nextensa.eu and by simply requesting it from Nextensa's registered office.

Residential Cloche d'Or - Luxembourg



Persons responsible for the content

The members of the board of directors of Nextensa state that, as far as they are aware:

- the financial statements have been established in accordance with the applicable accounting standards, present a fair view of the assets, liabilities financial situation and the results of Nextensa and the companies included in the consolidation;
- the financial report gives a true and fair view of the development and the results of Nextensa and of the position of the company and the companies included in the consolidation, and also comprises a description of the main risks and uncertainties, in accordance with regulation (EU) 2017/1129, which the company is facing.
- the information in this annual financial report corresponds, to the best of their knowledge, to reality, and that no information has been omitted, the inclusion of which would alter the scope of this annual financial report, subject to the press releases that have been published since this annual report appeared.

Statements with regard to the directors and the members of the executive committee

The members of the board of directors of Nextensa state that, as far as they are aware:

- neither the directors, nor the members of the executive committee, at least during the past 5 years:
 - a) have been convicted of a fraud-related offence,
 - b) have been the subject of official and publicly expressed accusations and/or sanctions imposed by statutory or regulatory authorities or have been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting as such within the framework of managing or exercising activities of a company and
 - c) have ever had any managerial role as senior manager or as a member of the administrative, management or supervisory bodies of a company, at the time of bankruptcy, receivership or liquidation;

- that no (employment) contracts have been concluded to date with the directors, or with the company or its subsidiaries, which provide for the payment of a severance payment upon termination of the contract that exceeds 12 months;
- that the contracts concluded between the company or its subsidiaries and the members of the executive committee do not provide for any special payments upon termination of employment, subject to the usual termination arrangements with the members of the executive committee, under which payment is due in the event of failure to observe the (usual) notice period;
- that no director or member of the executive committee holds shares in Nextensa;
- that there are no family ties between the directors or the members of the executive committee.

Hangar 26-27 - Belgium



Third-party information

The statutory auditor of the company has accepted that its reports have been included in this annual financial report, in the form of 'Report of the auditor to the general meeting of Nextensa for the financial year ended 31 December 2022'.

The board of directors confirms that the information from third parties has been accurately reflected and that, to the best of its knowledge and belief, no facts have been omitted from the information published by those third parties which would render the information reflected inaccurate or misleading.

Forward-looking statements

As far as this annual financial report contains forward-looking statements, these statements involve unknown risks and uncertainties which may cause the actual results to be substantially different from the results that can be assumed by such forward-looking statements in this annual financial report. Important factors that may influence such results are changes in particular in the economic situation, commercial, fiscal and environmental factors.

Statements on historical financial information included by reference

The annual financial reports of the last five years as well as the half-year reports are available at www.nextensa.eu (investor relations - reports).

All the aforementioned historical financial information has been audited by the company's statutory auditor, and an unqualified opinion has been delivered by him for each financial year.

The annual financial reports relating to the two previous financial years are included by reference.



Information included by reference

Item	Document	Section	Page-numbers
Historical financial information – financial situation – auditor's reports	Annual Financial Report 2020	- Key figures - Comments on the consolidated income statement and balance sheet - Consolidated financial statements - Auditor's report	- P 32-35 - P 46-47 - P 126-205 - P 192-195
	Annual Financial Report 2021	- Key figures - Comments on the consolidated income statement and balance sheet - Consolidated financial statements - Auditor's report	- P 63-67 - P 82-84 - P 233-342 - P 344-356
Activities	Annual Financial Report 2020	Activity Report	- P 38-42
	Annual Financial Report 2021	Activity Report	- P 72-79
Investments	Annual Financial Report 2020	Activity Report	- P 38-46
	Annual Financial Report 2021	Activity Report	- P 72-79
Main markets	Annual Financial Report 2020	Consolidated financial statements – Note 3 Segment information	- P 148-151
	Annual Financial Report 2021	Consolidated financial statements – Note 3 Segment information	- P 280-289
Evolution of capital resources	Annual Financial Report 2020	Consolidated financial statements – Note 31 Share capital, share premium, treasury shares and net result	- P 169-171
	Annual Financial Report 2021	Consolidated financial statements – Note 28 Share capital, share premium, treasury shares and net result	- P 318-319
Evolution of cash flows	Annual Financial Report 2020	Consolidated financial statements – Consolidated cash flow statement	- P 131
	Annual Financial Report 2021	Consolidated financial statements – Consolidated cash flow statement	- P 242-243
Funding need and structure	Annual Financial Report 2020	Consolidated financial statements – Note 33 Information on financial instruments	- P 172-187
	Annual Financial Report 2021	Consolidated financial statements – Note 29 Information on financial debt	- P 320-334
Dividend	Annual Financial Report 2020	Consolidated financial statements – Note 32 Number of shares, dividends and result per share	- P 171-172
	Annual Financial Report 2021	Consolidated financial statements – Note 28 Number of shares, dividends and result per share	- P 318-319
Related-party transactions	Annual Financial Report 2020	Consolidated financial statements – Note 38 Related-party transactions	- P 189
	Annual Financial Report 2021	Consolidated financial statements – Note 34 Related-party transactions	- P 337



10.

APPENDICES

APPENDIX 1

LEXICON

ALTERNATIVE PERFORMANCE MEASURES

Since 3 July 2016, the Alternative Performance Measures (APM) guidelines of the European Securities Markets Authority (ESMA) have been in force. For the definition and detailed calculation of the Alternative Performance Measures used, please refer to Appendix III to this report.

BADWILL

Badwill or negative goodwill equals the amount by which the stake of the party acquiring, in the fair value of the acquired identifiable assets, liabilities and contingent liabilities, exceeds the price of the business combination on the date of the transaction.

BULLET LOAN

A loan which is reimbursed in one time at the end of the duration.

CAP

Financial instrument of the option type for which the underlying, in the case of Nextensa, is the short-term interest rate. As a buyer, Nextensa has acquired the right, within a predefined period, to exercise its option. At that moment, Nextensa pays the capped interest rate (= CAP) instead of the (higher) short term interest rate. For the acquisition of this right, the buyer pays a premium to the seller. Via this interest rate hedging, Nextensa hedges against unfavourable interest rate increases.

CCA

The Belgian Code of Companies and Associations of 23 March 2019.

CODE 2020

The Belgian Corporate Governance Code published by the Corporate Governance Commission on 9 May 2019. The code contains the corporate governance recommendations that Belgian listed companies must comply with. This Code is available on the website www.corporategovernancecommittee.be.

CONTRACTUAL ANNUAL RENTS

The indexed basis rents as contractually defined in the leases in force per 31/12/2022.

CORPORATE GOVERNANCE

Proper management of the company. These principles, such as transparency, integrity and balance of responsibility rely on the recommendations of the 2020 Code.

DEBT RATIO

The debt ratio is the financial debts divided by the balance sheet total.

DIVIDEND YIELD

Gross dividend / closing price of the financial year concerned.

DURATION

Weighted average duration of the leases for which the weight is equal to the relation of the rental income to the total rental income of the portfolio.

FAIR VALUE

The fair value is the investment value as defined by an independent real estate expert, from which, the transfer rights have been deducted; the fair value is the accounting value under IFRS.

FLOOR

Financial instrument of the option type for which the underlying, in the case of Nextensa, is the short-term interest rate. As a seller, Nextensa has the obligation to, within a predefined period, deliver the floor (minimum interest rate). In exchange for this, Nextensa, as the seller, receives a premium from the buyer. The received premium on the floor limits in this way the premium paid on the CAP.

FREE FLOAT

The free float is the number of shares freely tradable on the stock exchange.

GOODWILL

Goodwill equals the amount by which the cost of the business combination exceeds, at the transaction date, the interest in the fair value of the identifiable assets, liabilities and conditional liabilities taken over from the acquiring party.

GRI (GLOBAL REPORTING INITIATIVE)

GRI is the organisation behind the establishment of a globally recognised reporting standard on Social Responsibility. It is committed to its continuous improvement and application worldwide (www.globalreporting.org).

IAS-STANDARDS

The international accounting standards (IAS, International Accounting Standards/IFRS, International Financial Reporting Standards) have been drawn up by the International Accounting Standards Board (IASB), which develops the international standards for preparing the financial statements. The listed companies in Europe must apply these rules to their consolidated accounts for the financial years starting as from 01/01/2005. Nextensa has also been applying these rules since the financial year beginning on 01/07/2006 to its statutory financial statements.

INTEREST RATE SWAP

Financial instrument by which parties agree contractually to swap interest payments over a defined term. This allows parties to swap fixed interest rates for floating interest rates and vice versa.

INVESTMENT VALUE

The investment value is the value as defined by an independent real estate expert, and of which, the transfer rights have not yet been deducted.

LIQUIDITY PROVIDER

Liquidity providers are members of Euronext who signed an agreement with Euronext in which they, amongst other things, agree to, continually, make a bilateral market, composed of buy and sell rates, to guarantee a minimum turnover and furthermore to make the market within a maximum spread.

NET ASSET VALUE (NAV) PER SHARE

NAV (Net Asset Value): shareholder's equity attributable to the shareholders of the parent company, divided by the number of shares (excluding the consolidated number of treasury shares).

NET CASH FLOW

Net cash flow = net result plus additions to amortizations, depreciations on trade debtors and the additions to and withdrawals on provisions minus negative and positive changes in the fair value of investment properties minus the other non-cash elements.

OCCUPANCY RATE

The occupancy rate takes into account all buildings, except those carried under 'assets held for sale' and 'development projects' and is calculated in function of the estimated rent as follows: (estimated rental - estimated rental on vacancy / estimated rental).

SWAPTION

A swaption is an option on an interest rate swap. There are 2 types: a payer swaption and a receiver swaption. A payer swaption grants a right to the buyer to conclude an interest rate swap in the future, for which the buyer pays the fixed interest rate and receives the variable interest rate. A receiver swaption grants a right to the buyer to conclude an interest rate swap in the future, for which the buyer pays the variable interest rate and receives the fixed interest rate.

TAKE-UP

The total number of square meters which are rented in the real estate market.

VELOCITY

Represents how many shares are traded on an annual basis, or in other words, the annual traded volume of shares divided by the total number of listed shares.



APPENDIX 2

ALTERNATIVE PERFORMANCE MEASURES

In presenting the financial results, Nextensa NV uses a number of Alternative Performance Measures (APMs) in accordance with the guidelines of the European Financial Markets Authority (ESMA; European Securities and Markets Authority) of 5 October 2015. These APMs are regarded as industry-standard within the sector in order to provide a better understanding of the financial results and performance that have been reported.

Measures defined by IFRS or physical or non-financial measures are not regarded as APMs. In addition, the ESMA guidelines do not apply to the APMs that are reported in the financial statements or that are reported in accordance with the applicable legislation.

Reconciliation tables for alternative performance measures (APMs) used by Nextensa

NET RESULT - GROUP SHARE (AMOUNT PER SHARE)	31/12/2022	31/12/2021
Net Result - group share (€ 1,000)	71,310	53,244
Number of registered shares in circulation (at closing date)	10,002,102	10,002,102
Net result - group share per number of shares at closing date	7.13	5.32
Number of dividend bearing shares in circulation (at closing date)	9,937,102	9,993,778
Net result - group share per number of dividend bearing shares at closing date	7.18	5.33

NET ASSET VALUE BASED ON FAIR VALUE (AMOUNT PER SHARE)	31/12/2022	31/12/2021
Equity attributable to the shareholders of the parent company (€ 1,000)	838,798	779,970
Number of registered shares in circulation (at closing date)	10,002,102	10,002,102
Net asset value (RW) group share per number of shares at closing date	83.86	78.00

NET ASSET VALUE BASED ON INVESTMENT VALUE (AMOUNT PER SHARE)	31/12/2022	31/12/2021
Equity attributable to the shareholders of the parent company (€ 1,000)	838,798	779,970
Investment value of the investment properties at 31/12 (€ 1,000)	1,294,968	1,439,107
Fair value of the investment properties at 31/12 (€ 1,000)	1,278,716	1,407,919
Difference investment value - fair value at 31/12 (€ 1,000)	16,252	31,188
TOTAL	855,050	811,157
Number of registered shares in circulation at closing date	10,002,102	10,002,102
Net asset value (IV) group share per number of shares at closing date	85.49	81.12

AVERAGE FUNDING COST IN %	31/12/2022	31/12/2021
Interest costs on an annual basis (€ 1,000)	-16,492	-14,313
Commitment fees on an annual basis (€ 1,000)	-519	-1,385
Interest paid incl. commitment fees on an annual basis (€ 1,000)	-17,011	-15,698
Average weighted outstanding debt (€ 1,000)	783,217	756,920
Average funding cost in %	2.18%	2.07%

FINANCIAL DEBT RATIO IN %	31/12/2022	31/12/2021
Financial debts	752,600	920,593
Total assets	1,768,401	1,895,961
Financial debt ratio in %	42.56%	48.56%

APPENDIX 3

GRI CONTENT INDEX



“For the Content Index - Advanced Service, GRI Services reviewed that the GRI content index is clearly presented, in a manner consistent with the Standards, and that the references for all disclosures are included correctly and aligned with the appropriate sections in the body of the report.”

STATEMENT OF USE	Nextensa has reported in accordance with the GRI Standards for the period 2022 January 1st – 2022 December 31st
GRI 1 USED	GRI 1: Foundation 2021
APPLICABLE GRI SECTOR STANDARD(S)	/

GRI STANDARD / OTHER SOURCE	DISCLOSURE	PAGE NUMBER(S), URL(S) AND/OR DIRECT ANSWERS	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
General disclosures					
GRI 2: General Disclosures 2021	2-1 Organizational details	5, 30, 32			
	2-2 Entities included in the organization's sustainability reporting	86			
	2-3 Reporting period, frequency and contact point	86, 322			
	2-4 Restatements of information	No restatements of information have been made from previous reporting periods			
	2-5 External assurance	86			
	2-6 Activities, value chain and other business relationships	5			
	2-7 Employees	114, 128, 129			
	2-8 Workers who are not employees	114, 128, 129			
	2-9 Governance structure and composition	Corporate Governance Charter 32-37, 39, 42, 76, 78			
	2-10 Nomination and selection of the highest governance body	Corporate governance (nextensa.eu) 30			
	2-11 Chair of the highest governance body	33			
	2-12 Role of the highest governance body in overseeing the management of impacts	38, 76, 77, 123			
	2-13 Delegation of responsibility for managing impacts	77			
	2-14 Role of the highest governance body in sustainability reporting	85			
	2-15 Conflicts of interest	52, 53			

GRI 2: General Disclosures 2021	2-16 Communication of critical concerns	38, 39, 44		
	2-17 Collective knowledge of the highest governance body	77		
	2-18 Evaluation of the performance of the highest governance body	38, 39, 48		
	2-19 Remuneration policies	Remuneration Policy 41, 46, 48, 49, 50, 115		
	2-20 Process to determine remuneration	Remuneration Policy 46, 48, 50		
	2-21 Annual total compensation ratio	50, 51		
	2-22 Statement on sustainable development strategy	11		
	2-23 Policy commitments	Corporate governance (nextensa.eu) 42, 43		
	2-24 Embedding policy commitments	43		
	2-25 Processes to remediate negative impacts	83		
	2-26 Mechanisms for seeking advice and raising concerns	Dealing Code 42, 43		
	2-27 Compliance with laws and regulations	No instances of non-compliance or fines were incurred during the reporting period		
	2-28 Membership associations	41		
	2-29 Approach to stakeholder engagement	83, 119, 123-125		
2-30 Collective bargaining agreements	114			
Material topics				
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Sustainability Report 2021 84-85 23		
	3-2 List of material topics	84		
Indirect economic impacts (CO2 neutrality, Mixed neighbourhoods and biodiverse environments, Providing opportunities)				
GRI 3: Material Topics 2021	3-3 Management of material topics	88-98, 109-112, 119-122		
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	93, 109, 121		
	203-2 Significant indirect economic impacts	93, 121		
Anti-corruption (Exemplary organisation)				
GRI 3: Material Topics 2021	3-3 Management of material topics	43		
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Dealing Code		
	205-3 Confirmed incidents of corruption and actions taken	No incidents of corruption reported		

Materials (Circularity)					
GRI 3: Material Topics 2021	3-3 Management of material topics		99-103		
GRI 301: Materials 2016	301-1 Materials used by weight or volume		100, 101		
Energy (CO2 neutrality)					
GRI 3: Material Topics 2021	3-3 Management of material topics		88-98, 126-127		
GRI 302: Energy 2016	302-1 Energy consumption within the organization		126, 127	Information unavailable/incomplete	The energy consumption was complicated to compute due to office relocation.
	302-2 Energy consumption outside of the organization		92, 127		
	302-3 Energy intensity		92, 127	Information unavailable/incomplete	The energy intensity was complicated to compute due to office relocation.
	302-4 Reduction of energy consumption		90		
	302-5 Reductions in energy requirements of products and services		92		
Water and effluents (Water Management)					
GRI 3: Material Topics 2021	3-3 Management of material topics		104-106		
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource		104-106		
	303-2 Management of water discharge-related impacts		104, 106		
	303-3 Water withdrawal		106		
	303-4 Water discharge		106		
	303-5 Water consumption		105		
Biodiversity (Mixed neighbourhoods and biodiverse environments)					
GRI 3: Material Topics 2021	3-3 Management of material topics		109-112		
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		111		
	304-2 Significant impacts of activities, products and services on biodiversity		109, 111		

Emissions (CO2 neutrality)					
GRI 3: Material Topics 2021	3-3 Management of material topics		89-98, 126-127		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions		89, 90, 96, 126		
	305-2 Energy indirect (Scope 2) GHG emissions		89, 126, 127		
	305-3 Other indirect (Scope 3) GHG emissions		91-92, 127		
	305-4 GHG emissions intensity		92, 127		
	305-5 Reduction of GHG emissions		91, 94		
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GRI 3: Material Topics 2021	3-3 Management of material topics		89-98, 99-103, 126-127 Sustainability Report 2021 106		
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts		91, 99		
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GRI 3: Material Topics 2021	3-3 Management of material topics		114-118, 128-130		
GRI 401: Employment 2016	401-1 New employee hires and employee turnover		130		
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GRI 3: Material Topics 2021	3-3 Management of material topics		114-118, 128-130 Sustainability Report 2021 161		
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GRI 3: Material Topics 2021	3-3 Management of material topics		114-118, 128-130		
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees		114, 128		
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GRI 3: Material Topics 2021	3-3 Management of material topics		114-118		
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken		115		
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GRI 3: Material Topics 2021	3-3 Management of material topics		119-121		
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs		120		
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GRI 3: Material Topics 2021	3-3 Management of material topics		107-108, 128-130		
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories		130		
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NEXTENSA IDENTIFICA- TION CARD

nextensa.

Legal form	Naamloze vennootschap (public limited liability company)
Registered seat	Gare Maritime, Picardstraat 11 box 505, 1000 Brussels, Belgium
Contact	+32 2 882 10 00
E-mail	info@nextensa.eu
Web	www.nextensa.eu
RLE	Brussels
VAT	BE 0436.323.915
Term	Indefinite term
Financial year	1 January – 31 December
Listing	Euronext Brussels, BEL Small
Liquidity provider	Bank Degroof Petercam
Main paying agent	Delen Private Bank
Statutory auditor	Ernst & Young Bedrijfsrevisoren BV, represented by auditor Joeri Klaykens, De Kleetlaan 2, 1831 Machelen

INVESTOR RELATIONS CONTACT¹



MICHEL VAN GEYTE
CHIEF EXECUTIVE OFFICER

+32 2 882 10 08
investor.relations@nextensa.eu

nextensa•

PLACES
YOU PREFER

Registered office:

Gare Maritime
Picardstraat 11 box 505
BE-1000 Brussels

+32 2 882 10 00
info@nextensa.eu
www.nextensa.eu

RLE: 0436.323.915
ISIN code BE0003770840
LEI 549300BPHBCHEODTG670

¹ 2-3-d Contact point for questions