# 2023
# ANNUAL REPORT

nextensa

PLACES
*YOU* PREFER

# CONTENTS

# CONTENTS

- This annual financial report of Nextensa dated 29 March 2024 on the financial statements per 31 December 2023 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 of this 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 in this annual report 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 Standards. The GRI content index can be found in the annexes of chapter 10. GRI Services reviewed that the GRI content index has been presented in a way consistent with the requirements for reporting in accordance with the GRI Standards, and that the information in the index is clearly presented and accessible to the stakeholders.
- This annual financial report indicates, where relevant, if the information provided contains a 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


CLOCHE D'OR
*LUXEMBOURG*

# MISSION[1]

*"Nextensa[2] is a real estate developer and landlord focusing on mixed projects in mainly urban environments. We combine sustainability, innovation and hospitality to build and manage places where it is good to live and where you can work, meet, shop and enjoy."*


[1] 2-6 Activities, value chain and other business relationships.
[2] 2-1-a Legal name of the organisation.

HIGH 5!
*LUXEMBOURG*

# VISION

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 being a reliable and resilient real estate player managing complexity with innovative, qualitative and surprising solutions positively impacting our local surroundings. 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.

# WE WANT TO CREATE PLACES *YOU* PREFER BASED ON THREE PILLARS:

1

## (RE)DEVELOPING CLIMATE ADAPTIVE BUILDINGS

Nextensa develops projects and invests in healthy and resilient buildings that make every effort to limit their energy consumption to a minimum. The energy that we use is maximally 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 vibrant and healthy neighbourhoods that offer a mix of functions. In these 15-minute neighbourhoods, you will find everything you need within a short walking distance. Car traffic is redundant and soft mobility takes over. This means more space for green environment landscaping that contributes to improving biodiversity on the site. We make space for integration of culture and art. For all our development projects, we aim for the highest possible sustainability certification.

3

## INVESTING IN HUMAN CAPITAL

Nextensa develops and Nextensa exploits opportunities that grow all internal and external stakeholders. Our people are our greatest assets. The people we work with provide our greatest added value. We pursue social partnerships and sustainable initiatives that strengthen our communities from within. Nextensa facilitates exchanges, synergies and co-creation through partnerships in B2B and B2C environments.


TOUR & TAXIS
QUAI AUX POISSONS
*BELGIUM*

# 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 residents.

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 property management while implementing sustainable developments. 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, our divestment strategy helps generate capital gains within our portfolio at regular times. We ensure our recurring revenue stream thanks to leases and residential sales. Always based on a thoughtful 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.

HYGGE
*LUXEMBOURG*

# VALUES

*At Nextensa, our daily operations are driven by a deep-seated* **passion**, *which shines through in every project we undertake. We foster an entrepreneurial spirit, emphasizing autonomy and trust within our talented team. This approach goes beyond merely managing our people; we aim to inspire them, firmly believing in their expertise and intrinsic motivation to make a difference.*

**Reliability** *is at the heart of our commitment. We focus on delivering tangible results while prioritizing the personal development and potential of each individual, ensuring collective excellence in our field. Moreover, we are dedicated to* **positively surprising** *our clients but also our partners, by exceeding expectations and redefining the standards of real estate.*

*Together, at Nextensa, we transform visions into exceptional realities, strengthening our position as a market leader.*

HÔTEL DES DOUANES
*BELGIUM*

KNAUF POMMERLOCH
*LUXEMBOURG*

# THE 2023 MILESTONES

## January

- We partnered with Madaster to create a "passport" for each of our projects. This passport clearly demonstrates the circularity of the building.

## February

- Renovation of the office park Moonar: Building D completed and was ready to accommodate new tenants.
- Exciting projects are on the horizon for Tour & Taxis: Nextensa welcomed Bullpadel, Tempora S.A and Battle Kart to the site.

## March

- The new office building "White House" located in the Cloche D'Or district fully let to Intertrust.
- The inauguration of our new ponds at Tour & Taxis.
- Sustainable choices for our shopping centers in Luxembourg: we equipped Knauf Shopping Centers Schmiede en Pommerloch with several Chargy stations.
- The building formerly called Montimmo, located at 35 avenue Monterey in Luxembourg, has been renovated and renamed Hygge.

## April

- Nextensa sells office building "Treesquare" in Brussels to KGAL investment management.
- Nextensa applies for permit for the final phase called "Lakeside" at Tour & Taxis.
- The launch of a new Grand Café concept by LA VARENNE in Knauf Shopping Schmiede.

# THE 2023 MILESTONES

**May**

- Nextensa acquires building located at 18 Avenue Monterey in Luxembourg.
- The installation of 16 Tesla electric charging stations at Brixton Business Park.

**June**

- Nextensa, working closely with WeSmart and residents on the Tour&Taxis site, launched a new energy community in Brussels.
- Michel Van Geyte, CEO of Nextensa appointed also as ULI Belgium & Luxembourg Chair.

**July**

**August**

- Nextensa acquires office building Montoyer 24 in Brussels.

**September**

**October**

- The developers Nextensa and Promobe sell the Darwin II office building to the Luxembourg State.

**November**

- Nextensa celebrates its 200th sale on Phase II of Park Lane, residential neighborhood in Tour & Taxis.
- Nextensa continues its digital transition by implementing the Coniq fidelity system, which drives customer engagement in the Knauf Knauf Shopping Centres.

**December**

- Sale of Imperial residential building to QUARES RESIDENTIAL INVESTMENT.

LAKE SIDE
*BELGIUM*

# 2.

# LETTER TO SHAREHOLDERS

MAISON DE LA POSTE
*BELGIUM*

We tell you nothing new when we say that 2023 was a very challenging year for the real estate industry. The abrupt speed with which interest rates climbed upward in the first quarter of the year has rarely been seen and have hit an interest rate sensitive product like real estate hard. The institutional investment market has come to a complete standstill and residential markets are also in a high degree of uncertainty. Moreover, the geopolitical situation and upcoming elections for more than half of the world's population have put us in a period of unpredictability.

Despite these difficult conditions, Nextensa held up well in 2023 and our hybrid model once again proved its worth. The investment portfolio showed its strength by generating higher rental income and the choice to build the most sustainable products as a leading developer will pay off over time.

In 2023, income generated by the investment portfolio increased by 4.6%, and this while in 2022 and 2023, Nextensa successfully sold 4 buildings. This increase led to a like-for-like rental growth of 12%.

Rental activity in both Luxembourg, Austria and at Tour & Taxis in Belgium has been growing. At the Tour & Taxis site in Brussels, our largest project, we were able to prove in 2023 that a sustainable story, with a great mix of functions, works. The events, food market and many activities directly or indirectly increase the revenue stream.

In Luxembourg, we were able to show that our tenants see the value of quality offices: 75% of the Moonar project's tenants, have decided to return to the spaces renovated over the past year.

In 2023, Nextensa has also made an even more explicit commitment to take its new projects to the highest level of sustainability. This ensures that the new TreeMont and MonTree projects will meet the two most important criteria for real estate: prime location and fossil-free. The construction of these 2 wood-structure office buildings will start in the near future.

Despite the weakened residential real estate market, the apartments on Park Lane at Tour & Taxis have continued to sell, with 64% of the 346 apartments of phase II already sold.

Nextensa did experience a slowdown in its second residential market, the Grand Duchy of Luxembourg. Although apartment sales in Luxembourg have almost stopped, apartments at Cloche d'Or were sold, but at a much slower pace. In addition, the Emerald and White House office buildings at Cloche d'Or are fully leased and are waiting for a buyer.

The organization was further made more efficient, resulting in a €2.1 m decrease in overhead costs in 2023.

The higher interest rates obviously had an impact on the financial costs, which increased with €6m.

The revaluation of derivatives, the revaluation of the portfolio and the delay in sales at Cloche d'Or halved Nextensa's net profit in 2023.

Nextensa's board of directors has therefore decided to reduce the dividend to €1.50 per share. We believe that this will give the company even more breathing space to continue its strategy of sustainability in the future. We will give our shareholders the choice to receive this dividend in cash or in new Nextensa shares and this supported by our reference shareholder Ackermans & van Haaren.

We hope 2024 will be a year of revival of the financial markets, in which Nextensa will be able to develop further within the transition plan to a net-zero portfolio that is on the table.[1]

Drawn up in Brussels on March 29, 2024

**MICHEL VAN GEYTE**

**Chief Executive Officer**

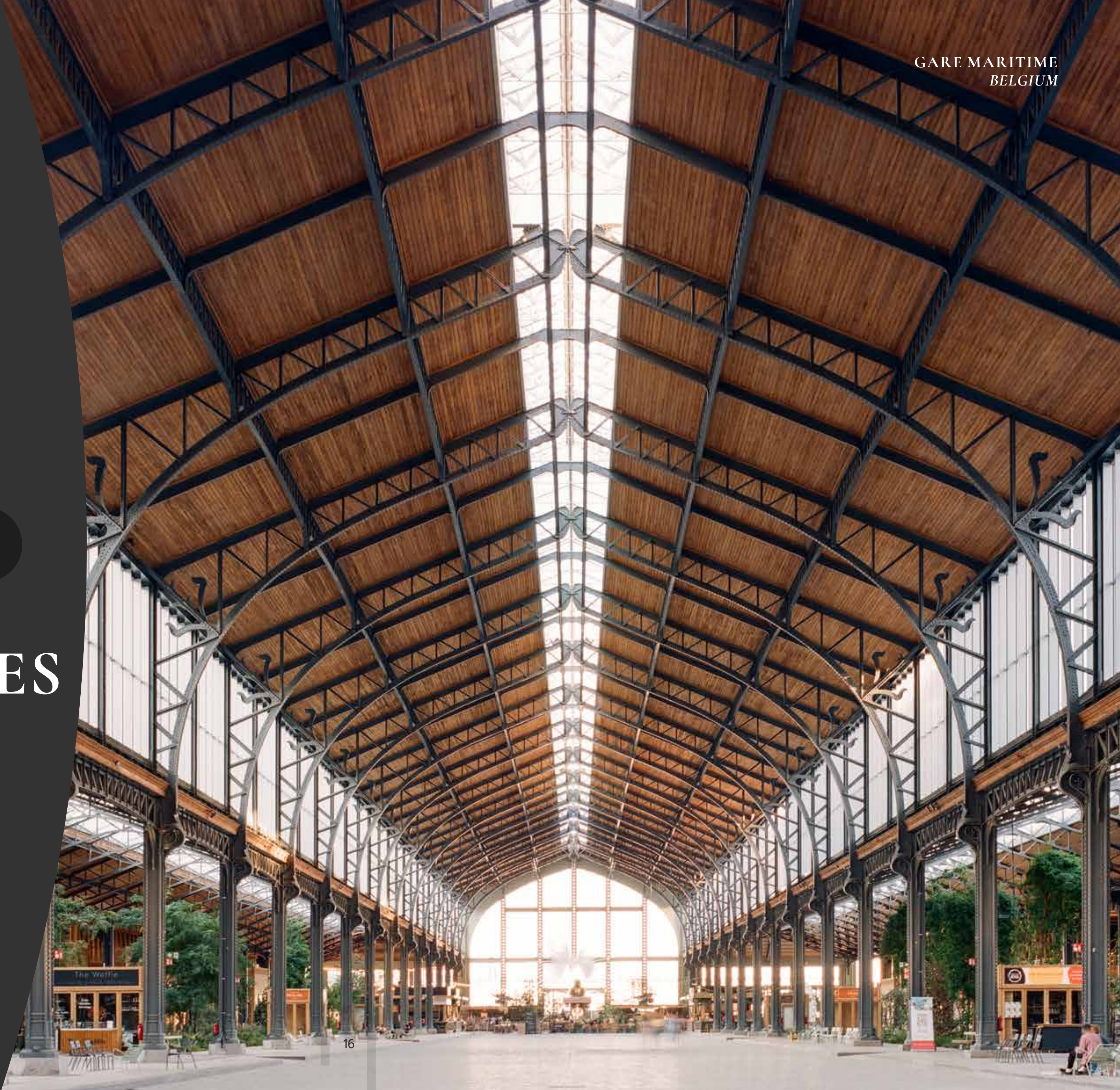
**PIET DEJONGHE**

**Chairman of**
**the board of directors**

[1] 2-22 Statement on sustainable development strategy.

# 3.

# KEY FIGURES



GARE MARITIME
*BELGIUM*


# THE KEY FIGURES AS AT 31 DECEMBER 2023

## KEY FIGURES INVESTMENT PORTFOLIO

| KEY FIGURES INVESTMENT PORTFOLIO [1] | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Fair value investment portfolio (€ 000s) [2] | 1,298,074 | 1,278,716 |
| Fair value investment properties, incl. participation Retail Estates (€ 000s) [2] | 1,385,369 | 1,362,499 |
| Investment value investment properties (€ 000s) [3] | 1,323,221 | 1,294,968 |
| Rental yield based on fair value [4][5] | 5.74% | 5.30% |
| Rental yield based on investment value [4][5] | 5.50% | 5.24% |

[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 31/12/2023.

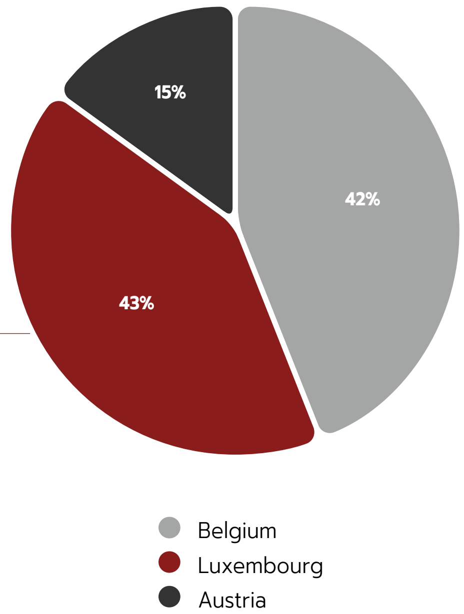
[3] The investment value is the value as determined by an independent real estate expert and from which mutation costs have not yet been deducted.

[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, excluding the re-developments of investment properties and the assets held for sale.

## THE CONSOLIDATED INVESTMENT PORTFOLIO

The consolidated investment portfolio of Nextensa NV at the end of 2023 comprises 30 buildings (including the re-developments of investment properties) with a total lettable surface area of 403,207 sqm. The investment portfolio is geographically spread across the Grand Duchy of Luxembourg (43%), Belgium (42%) and Austria (15%).



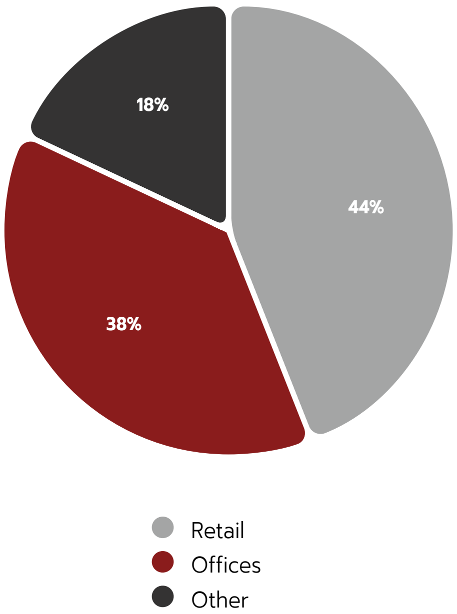

## PIPELINE DEVELOPMENT PROJECTS

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

PROJECT DEVELOPMENT

| | UNDER CONSTRUCTION | | PERMITS OBTAINED | | IN STUDY | |
|---|---|---|---|---|---|---|
| | 🇧🇪 | 🇱🇺 | 🇧🇪 | 🇱🇺 | 🇧🇪 | 🇱🇺 |
| Residential | 36,520 sqm | 33,766 sqm | N/A | 32,401 sqm | 93,000 sqm | 12,000 sqm |
| Offices | N/A | N/A | N/A | 13,500 sqm | 37,500 sqm | 66,066 sqm |

**TOTAL:** 🇧🇪 **167,020 sqm** 🇱🇺 **157,733 sqm**




## THE FAIR VALUE OF THE INVESTMENT PORTFOLIO

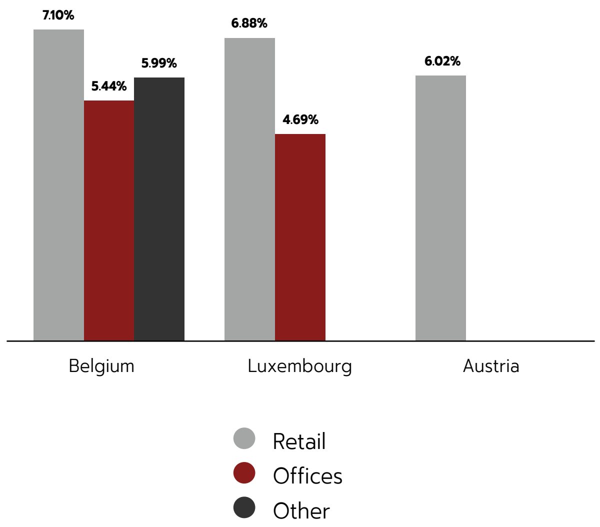
The fair value of the investment portfolio amounts to € 1.30 billion at the end of 2023 compared to € 1.28 billion at the end of 2022. This increase is explained by the acquisition of a couple of buildings during 2023.

Consequently, the company held 38% offices in portfolio, 44% retail and 18% others at the end of 2023 (compared to 47% offices, 44% retail and 9% others at the end of 2022).

## THE CONSOLIDATED DIRECT AND INDIRECT INVESTMENT PORTFOLIO

The consolidated direct and indirect investment portfolio (including the participation in REIT Retail Estates NV) reached a fair value of € 1.39 billion by the end of 2023.

The rental yield of the investment properties, based on the fair value, amounts to 5.74% (compared to 5.30% at the end of 2022), and based on the investment value of 5.50% (compared to 5.24% at the end of last year).




## KEY FIGURES BALANCE SHEET AND INCOME STATEMENT

| KEY FIGURES BALANCE SHEET | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Fair value investment portfolio (€ 000s) | 1,298,074 | 1,278,716 |
| Fair value investment properties, incl. participation Retail Estates (€ 000s) | 1,385,369 | 1,362,499 |
| Investment value investment properties (€ 000s) | 1,323,221 | 1,294,968 |
| Net asset value group share (€ 000s) | 834,048 | 838,798 |
| Net asset value group share per share | 83.39 | 83.86 |
| Closing rate at balance sheet date | 48.85 | 51.90 |
| Financial debt ratio (financial debts/total assets) | 44.80% | 42.56% |
| Net financial debt | 786,820 | 721,493 |
| Average duration credit lines (years) - investment portfolio | 2.31 | 2.85 |
| Average duration hedges (years) | 2.95 | 3.52 |
| Hedge ratio - investment portfolio | 79% | 74% |

| KEY FIGURES INCOME STATEMENT | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Rental income (€ 000s) | 70,522 | 67,400 |
| Income from development projects (€ 000s) | 18,136 | 22,243 |
| Average funding cost - investment portfolio | 2.67% | 2.18% |
| Net result group share (€ 000s) | 24,492 | 71,310 |
| Net result group share per share (number of shares at closing date) | 2.45 | 7.13 |

# 4.
# ANNUAL REPORT

MOONAR
*LUXEMBOURG*


MONTECO
*BELGIUM*

# ACTIVITY REPORT

## *Highlights*

### INVESTMENT PROPERTIES

- Nextensa realises a higher rental income (+€ 3.1 M) in 2023 compared to 2022, i.e. a like-for-like rental growth of +12%.
- Property costs decrease by € 0.9 M due to higher occupancy rate.
- The revaluation of the investment properties at the end of 2023 has a limited negative impact of -0.9%.
- A profit of € 2.1 M was realised on the sale in early April 2023 of the Treesquare office building in Brussels.

### DEVELOPMENT PROJECTS

- **Tour & Taxis:** Higher development result (€ 4.4 M margin recognised) in Belgium due to successful sales at Tour & Taxis. Of the 346 apartments of Park Lane phase II 64% have already been sold or reserved.
- **Cloche d'Or:** 100% letting of the delivered office buildings Emerald and White House. Slower sales of apartments and office buildings lead to a lower contribution in the 2023 result (contribution of € 13.8 M in 2023 vs contribution of € 19,8 M in 2022).

## OPERATIONAL EFFICIENCY

Decrease in overhead costs compared to the same period last year (€ -2.1 M), despite the inflationary environment.

## ACTIVE FINANCIAL MANAGEMENT

The average cost of funding increases slightly from 2.18% to 2.67%, thanks to the hedging policy. At the end of 2023, the hedge ratio was 79% and a headroom existed of € 88 M on the existing credit lines.

## NET RESULT

Net result (group share) amounts to € 24.49M or € 2.45 per share.

The lower result compared to the exceptional year 2022 (net result of € 71.3 M) is mainly due to:

- Limited activity in the institutional real estate market in 2023, where in 2022 profits were realised on sales of the Monnet and Titanium buildings (€ 28.3 M vs € 2.1 M in 2023).
- The negative revaluation of the financial assets and liabilities in 2023 (€ -7.3 M) versus the positive revaluation in 2022 (€ +15.6 M).

## CLEAR CHOICE FOR A FOSSIL-FREE PORTFOLIO

In 2023, the decision was taken to align all new developments with the criteria of the EU taxonomy (within the climate mitigation objective) and an action plan was drawn up to move towards a fossil-free portfolio.

# Building the future and reshaping cities

## TOUR & TAXIS:

*More than one million visitors in 2023 coming to work, shop, live and enjoy the many activities in this 5-minute neighbourhood.*

- The occupancy rate of the offices and the retail spaces at the Tour & Taxis site continues to rise. For the **retail spaces** at Gare Maritime, new leases were signed in 2023 for a total of 4,045 sqm. This brings the occupancy rate of the retail at Gare Maritime to 72% at the end of 2023.

  New leases for offices were furthermore signed for the Depot des Colis building, part of the Gare Maritime, for a total of 582 m². This brings the occupancy rate of the **offices** at Tour & Taxis to 92,19%.

- The higher occupancy is not only visible in terms of retail and office rentals, but also in terms of **events** on site, both in the Sheds and Gare Maritime, and in the conference centre, **Maison de la Poste**.

- Part of the **Sheds**, the site's event hall totalling 28,000 m², was given a permanent occupation in 2023 with the signing of lease agreements with the Tour & Taxis padel club (2,380 m²), with exhibition organiser Tempora (2,700 m²) and with the indoor karting Battle Kart (1,780 m²). Discussions are also ongoing for an additional permanent occupation of 1,650 m². Some 9,500 m² of the Sheds will remain available for temporary events.

- In the course of 2024, another 6,500 m² of available office space will be added to the site with the completion of the **Hôtel des Douanes**. This building, which originally served as the administrative centre for customs matters at the Tour & Taxis site, will once again become a showcase of sustainability. The renovation focuses on preserving the individuality of the historic building and installing sustainable techniques such as a geothermal system and solar panels. The renovation is aligned with the EU taxonomy criteria. The project has also been nominated for the RES (Real Estate Society) Awards 2023 in the 'Commercial Development' category. The commercialisation of this building is ongoing.

HÔTEL DES DOUANES
*BELGIUM*

- Nextensa submitted the permit application for the **Lake Side project**, the final phase of urban development on the Tour & Taxis site, at the end of Q1 2023. More specifically, it involves the development of some 140,000 m², with a largely residential programme, of some 800 new homes, as well as 37,000 m² of offices, 2,800 m² of shops and 3,800 m² of public facilities. The new district will be completely free of fossil fuels, while also aiming for a lower ecological footprint through a well-founded choice of building materials. Lake Side will thus become one of the most sustainable neighbourhoods in Brussels. For the office buildings a BREEAM Outstanding certification is aimed for, the highest level of an internationally recognised quality label promoting sustainable construction.

  The completeness certificate for this permit application was obtained at the end of September. The environmental impact study is currently ongoing. If everything goes according to plan, the works could start in mid-2025, ensuring the continuity of the development activities at Tour & Taxis. Until mid-2025, Nextensa will complete the Park Lane residential area, which comprises some 800 residential units, with the second phase currently under construction.

- Sales of the **second phase of the Park Lane project**, comprising 346 apartments, continue to run smoothly. At the end of 2023, the Imperial building was sold to Quares Residential Investment, bringing the number of apartments sold or reserved to 64%. The site is on track to start the first deliveries by the end of 2024.

LAKE SIDE

## CLOCHE D'OR:

*The further development of an urban district in Luxembourg City in joint venture with Luxembourg developer Promobe.*

The developments at Cloche d'Or of both office and residential projects make a positive contribution of € 13,8 M to the 2023 results.

## OFFICE BUILDINGS

| Project | Status | Details | Letting |
|---|---|---|---|
| **Darwin II office building** | Delivered March 2022 - sold end October 2023 to Luxembourg state following exercise of purchase option | Approx. 5,000 m²: 6 above-ground and 2 underground floors | 100% leased to Luxembourg state, with the Ministry of Health as main user |
| **Emerald office building** | Delivered Q4 2023 | Approx. 7,000 m²: 6 above-ground and 1 underground floor | 100% let: Intertrust and Stibbe - LOI signed for last 2 available floors |
| **White House office building** | Delivered Q1 2024 | Approx. 7,000 m²: 6 above-ground and 1 underground floor | 100% leased: Intertrust |
| **Lofthouse office building** | In planning phase | Approx. 5,000 m²: 5 above-ground and 1 underground floor | Discussions ongoing with potential tenants |
| **Stairs office building** | In planning phase | Approx. 8,500 m²: 10 above-ground and 1 underground floor | Discussions ongoing with potential tenants |

## RESIDENTIAL DEVELOPMENTS

| Project | Status | Details | Letting |
|---|---|---|---|
| **D-Nord** | Delivered in Q1 2023 | 194 apartments | 186/194 apartments reserved/sold |
| **D5-D10** | Under construction - delivery of first phase expected in Q2 2024 | 185 apartments (117 apartments under construction) | 90/117 apartments reserved/sold |
| **B&B HOTELS** | Under construction - delivery expected in Q2 2025 | Hotel of approx. 4,500 sqm with 150 rooms - lease signed with B&B HOTELS in 2022 | |
| **D-Tours** | In planning phase | Approx. 374 apartments | |

# *Investing in the future*

- Montimmo was rebranded as '**Hygge**'. Located on Avenue Monterey 35 in Luxembourg City and built in 2009, the office building returned to the market in 2023 with a new identity after a short period of renovation and upgrading. The building consists of a total area of 1,600 m² spread over 7 floors and 15 underground parking spaces. Five floors have already been let (total approx. 1,068 sqm). Discussions are ongoing for the letting of the remaining floors.

- The **Moonar site**, located near Luxembourg airport, is undergoing extensive redevelopment to make these buildings modern and future-proof. The office park consists of 5 buildings (about 21,000 m² in total), of which buildings 'D' (3,546 m²) and 'B' (3,620 m²) were delivered in 2023. The redevelopment of the remaining buildings will be completed in the course of 2024.

  Nextensa aims to make this site attractive and vibrant by providing all kinds of facilities, such as a library, a gym, a coffee corner, several meeting rooms and by appointing a community manager.

  Already 69% of the available surface (about 21,500 m²) has been leased at a prime rent of EUR 32/month/m², which is new for the Luxembourg Airport District and represents a significant increase compared to the previous rent of EUR 24/month/m².

- At the end of August, Nextensa acquired the leasehold rights of the office building located at **24 Rue Montoyer** in Brussels from Fedustria, the sectoral federation of the Belgian textile, woodworking and furniture industries.

  The office building is located in the Leopold district, one of the most sought-after office locations in Brussels, just a few metres from the Monteco building and is currently leased to several European associations.

  Nextensa plans to develop an carbon-neutral wooden office building of some 2,800 sqm, called '**TreeMont**', on this site. The permit application was submitted at the end of September and has in the meantime been declared complete. Through the use of energy-efficient systems, preservation and reuse of part of the existing structure and a new wooden structure, the building aims to achieve a 'BREEAM excellent' certification upon completion of the works and to be aligned with the criteria of the EU taxonomy.

- The permit application for the new building '**MonTree**', the redevelopment of the office building located at 20 Avenue Monterey together with the building acquired in 2023 located at 18 Avenue Monterey in Luxembourg City is in full preparation. Current tenant CVC will vacate the Monterey 20 building at the end of Q2 2024, after which both buildings will also be redeveloped into one new CO2-neutral office building in wood following the example of Monteco and Treemont in Brussels.

# Towards a more sustainable future

- The **Monteco** office building won the public's prize in the Belgian edition of the Green Solutions Awards 2022-2023 in the 'Building' category. The Green Solutions Awards are organised annually by the international trade organisation Construction 21 with the aim of applying innovation and sustainability on a large scale. In addition, the building was also nominated for the MIPIM awards 2024 in the Best Office & Business Project category.

- **Renewable energy in the investment portfolio:** by 2023, the total number of solar panels on the roofs was increased to 26,904 (+ 2,311 panels in 2023), accounting for 8,898 kWp of installed capacity on the roofs of the entire investment portfolio. An average of 7,500 MWh of green electricity will be generated annually, the equivalent consumption of nearly 2,200 households.

- In addition, a 425-kWp (780-panel) **mobile solar farm** was installed at Tour & Taxis to power the site of Park Lane phase II, the residential neighbourhood at Tour & Taxis currently under construction, as much as possible with locally generated green electricity.

- Since 1 May 2023, apartment residents on Park Lane can also enjoy locally generated electricity by joining a **new energy community**. The creation of the Energy Community at Tour & Taxis is a pilot project with the aim of offering the production surplus from the solar panels installed on neighbouring buildings to neighbourhood consumers at an advantageous rate.

- **Additional charging infrastructure:** 153 additional charging points were installed in 2023 to further accelerate the transition to electrified mobility. This brings the total in the Nextensa portfolio to 279 charging points. In Belgium, 537 MWh was charged at these charging points, or a reduction of 715.5 tonnes of $CO_2$.

BOOMERANG
*LUXEMBOURG*

# Luxembourg is key

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

- The **occupancy rate of the offices in Luxembourg** is rising, partly due to new leases signed for buildings such as Hygge and High 5.

- Visitor numbers at **Knauf Shopping centres** rose sharply in 2023 compared to 2022. The Knauf Shopping in Pommerloch welcomed more than 2.4 M visitors, which is an all-time high in the centre's history. The Knauf Shopping in Schmiede saw an increase in visitor numbers of 10.32% and also welcomed more than 2 M visitors.

Underlying this success are Nextensa's investments, the attractiveness and quality of the retail offered and the management and animation of the centres.

The **Knauf Shopping Schmiede** opened the new catering concept, consisting of a Grand Café and a Food Village, at the end of the summer. The additional rental income resulting from the 8 new shops in the extension of about 8,500 m², which was completed last year, is increasingly noticeable in these results (+10%).

The **Knauf Shopping Pommerloch** is 100% let.


KNAUF POMMERLOCH


KNAUF SCHMIEDE

# Stable diversification in Austria

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

- In 2023, the renovation of the **Vösendorf 16 retail park** was completed. In the last quarter of 2023, the last tenants moved into the renovated spaces. This had a positive impact on the Austrian rental income.
- Several lease renewals and new leases keep the occupancy rate in Austria at 100%.


VÖSENDORF 16

TOUR & TAXIS PARK
*BELGIUM*

# EVENTS AFTER THE CLOSING OF FINANCIAL YEAR 2023

Early February 2024 Nextensa sold its retail property of about 4,200 m² on rue du Brill in Foetz, Luxembourg to a local investor for a price of € 9.23 M. The buyer also owns the adjacent Cora hypermarket, which is located on the same retail site. The property is currently leased to clothing retailer Adler until February 2032. The sale price is in line with the valuation, as recorded on 31/12.

The sale is part of Nextensa's planned divestment programme.


FOETZ


FRUNPARK
*AUSTRIA*

# COMMENTS ON THE CONSOLIDATED INCOME STATEMENT AND BALANCE SHEET

## *Key figures*

As the real estate market largely came to a standstill during 2023, fewer buildings could be sold than desired. This leads to an increase in the net debt position and related financial debt ratio. However, the sale of the building in Foetz (Luxembourg) will again slightly reduce this debt position. The available headroom still amounted to € 88 M on 31 December 2023.

The average funding cost slightly increased from 2.18% at the end of 2022 to 2.67% at the end of 2023. Although interest rates continued to rise significantly during 2023, hedging with derivatives ensures that this increase only has a limited impact on the average funding cost. Due to the active management of the derivatives portfolio, the hedging ratio increased to 79% at 31 December 2023 with an average remaining duration of 2.95 years.

The equity (part of the group) amounts to €834M, or €83.39/share. The closing price of €48.85 on 31 December 2023 thus implies a 41% discount.

The value of investment properties increased compared to last year despite the sale of the Treesquare building during 2023. Indeed, investments were made through the acquisition of the buildings Montoyer 24 in Brussels (the future "TreeMont") and Monterey 18 in Luxembourg CBD (the future "MonTree"). In addition, further investments were made in the renovation of the Knauf shopping centre at Schmiede and in the conversion of the old EBBC office park at Luxembourg Airport into the new Moonar project.

# Consolidated financial statements

The net rental income from the investment properties is € 3.1 M higher compared to last year, despite the sale of several properties. The indexation and the increased occupancy resulted in a like-for-like rental growth of 12% compared to 2022. In addition, the increased number of events at the Tour & Taxis site generate positive side effects such as higher revenue of the parking and higher sales for the Food Market at the Gare Maritime.

In addition, property costs decreased due to the increased occupancy rate of the properties but also because some maintenance-intensive buildings were sold in 2022.

The sale of the Treesquare building generated a profit of € 2.1 M. In addition, a negative revaluation of € 11.2 M was recorded on the existing real estate portfolio, corresponding to -0.9% on fair value at 31/12/2023. In early February 2024, the Foetz building was sold at a value in line with the fair value on 31/12/2023.

Other costs and revenues of the investment properties mainly include the net revenues from solar panels. These were lower than in 2022 as electricity prices fell back to more normal levels in 2023 after the extremely high prices in 2022.

The operating result of the investment properties thus amounts to € 49.0 M.

The sum of the lines "Revenue from development projects" and "Costs of development projects" reflect the contribution (€4.4 M) of the Belgian development projects, which in 2023 mainly consisted of phase II of the Park Lane project at Tour & Taxis. In addition, some units from phase I and 2 more retail units from the Riva project (on the right bank of the canal opposite the T&T site) were also sold.

The lines 'Other results of development projects' and 'Share of profit/loss of investees accounted for using the equity method' largely cover the contribution from Cloche d'Or (€ 13.8 M). Both office buildings Emerald and White House are now 100% let. Construction works on the B&B HOTELS project have started, with an expected delivery date in mid-2025. Construction work on the D5-D10 residential project is on schedule and more than half of the apartments have already been sold or reserved.

The company's overhead costs are significantly lower (-18%) compared to 2022, despite inflation.

The financial income is € 1.5 M higher compared to last year, on the one hand due to higher working capital requirements of the joint venture on Cloche d'Or in Luxembourg and on the other hand due to a higher dividend received from Retail Estates. The financial costs are €7 M higher than last year due to the generally rising interest rate environment. However, this increase was restrained by the derivatives portfolio, which ensures that the average financing cost associated with the investment properties increases only slightly from 2.18% last year to 2.67% over 2023.

The changes in fair value of the financial assets and liabilities are negative and amount to € -7.3 M. On the one hand, the derivatives portfolio was revalued downwards by € 10.6 M. On the other hand, there was a positive revaluation on the stake in Retail Estates with an amount of €3.5 M. This stake has to be valued every balance sheet date at the Retail Estates share price on that date.

The result before tax is thus € 33.7 M. After deduction of taxes of € 9.5 M, this results in a net result of € 24.2 M, or € 24.5 M net result (group share). In terms of result per share, this corresponds to € 2.45 on the total number of shares and to € 2.46 per share entitled to dividend taking into account the 65,000 treasury shares held by Nextensa.

CLOCHE D'OR - D SUD
*LUXEMBOURG*

# 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 €1.50 and net, free of withholding tax of 30%, €1.05 per share.

The board of directors plans to offer this dividend as an optional dividend, which will allow Nextensa to react to new opportunities in the future. The final decision on the timing of the payment and the terms and modalities of the optional dividend will be taken by the board of directors further to the shareholders' meeting of 21 May 2024 in the light of the market conditions prevailing at that time.

GARE MARITIME
*BELGIUM*

# OUTLOOK FOR FINANCIAL YEAR 2024

In 2023, macroeconomic conditions and the geopolitical environment were challenging, resulting in a sharp rise in interest rates, tighter credit conditions, higher financing costs and a significant drop in transaction volume. Whereas 2023 was characterised by this total standstill, we think that in 2024 the first signs of cautious **recovery** will be felt.

Nextensa's goal in 2024 remains to further reduce its **debt ratio** by selling some of its non-strategic investment properties. This **sale programme** is under preparation and will be carried out under the right conditions.

In any case, Nextensa will in 2024 and in subsequent years be fully dedicated to making its investments and developments **more sustainable**. In 2023, the decision was taken to align all new developments with the criteria of the **EU taxonomy** (within the climate mitigation objective) and an action plan was drawn up to move towards a **fossil-free portfolio**. This will continue to be worked on in 2024.

The coming year already has a lot planned in terms of **(re) developments**. The developments at the Cloche d'Or and at Tour & Taxis are progressing steadily, the redevelopment of the Moonar project will be finished and the redevelopments of office buildings such as TreeMont and MonTree will be started. In addition, we are already looking to the farther future: the Lake Side project is in full preparation and new projects are also being planned at Cloche d'Or.

In terms of **residential developments** in Luxembourg, the fiscal measures announced by the new Luxembourg government to support the residential market send a good signal. These measures should help turn around the slowing residential market.

As for the office market in Belgium and Luxembourg, we see that the **letting** of sustainable offices at prime locations continues to do well. Companies continue to focus on prime offices to provide employees with a positive work experience and to meet the stricter sustainability standards. The goal in 2024 remains to maintain high occupancy rates for the investment portfolio and to continue offering our tenants a pleasant rental experience.

Due to the **structural imbalance between demand and qualitative supply** of residential real estate and prime offices in both Belgium and Luxembourg, Nextensa is convinced that its strategy, as a developer and investor, is the right one. The investment properties have helped absorb the slowdown in development activities in 2023.


HANGAR 26/27
*BELGIUM*


# 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 substantiated explanation.

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 non-executive directors of Nextensa only receive compensation in cash. 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.

**Provision 4.14 of the Code 2020** sstates that an independent audit function should be established. However, the Code also states that, if this independent audit function is not established, the need for such function should be reviewed at least annually.

An independent auditor is not currently considered necessary given the limited size of the group and the other control systems in place, including external audit and internal control, compliance and risk management systems.

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 ("CCA"). The Corporate Governance Charter is available at www.nextensa.eu.

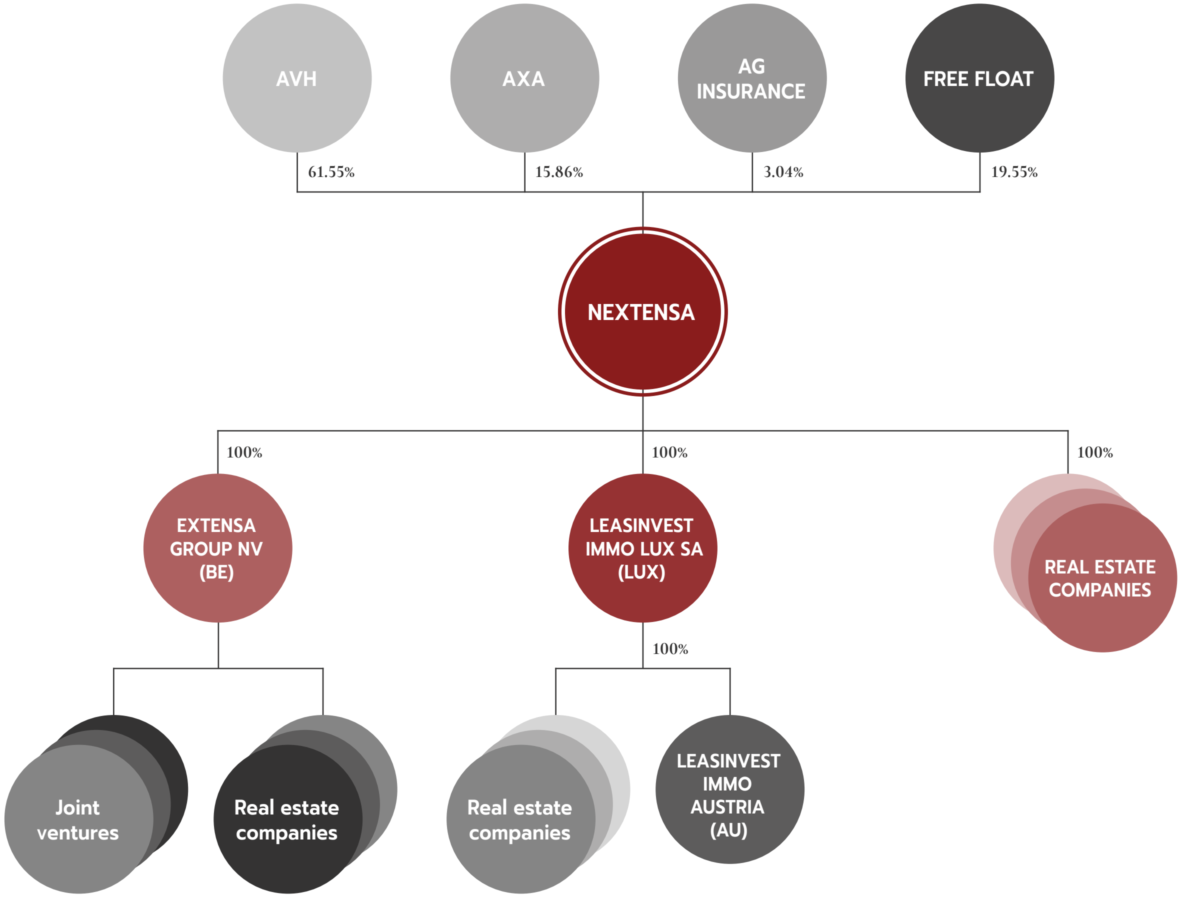
[1] 2-10 Nomination and selection of the highest governance body..

# Group structure and shareholders

## GROUP STRUCTURE

The control over the company is exercised by Ackermans & van Haaren NV, 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 PER 31/12/2023:[2]




[2] 2-1-b Nature of ownership.

## SHAREHOLDERS

The following table shows the shareholders of Nextensa that at the end of 2023 held 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 SHAREHOLDER | DENOMINATOR | % OF VOTING RIGHTS | % OF SHARES* |
|---|---|---|---|---|
| 20 July 2023 | Ackermans & van Haaren | 15,875,379 | 75.55% | 61.55% |
| 24 July 2023 | AXA | 11,875,379 | 9.99% | 15.86% |
| 26 July 2021 | AG Insurance | 11,804,919 | 2.58% | 3.04% |

*Determined based on the transparency notifications received and the information at hand on registered shares held.

For more information on this we refer to www.nextensa.eu - investors - shareholders & 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 is different from 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 CCA since 19 July 2021.[3]

### 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]:

| | END DATE OF MANDATE |
|---|---|
| **Piet Dejonghe**<br>President, non-executive director<br>Representative of Ackermans & van Haaren | 18/05/2026 |
| **Midhan BV, permanently represented by Michel Van Geyte**<br>Managing director<br>CEO Nextensa | 18/05/2026 |
| **Dirk Adriaenssen**<br>Non-executive director<br>Independent director | 18/05/2026 |
| **Lupus AM BV, permanently represented by Jo De Wolf**<br>Non-executive director<br>Independent director | 17/05/2027 |
| **Stellar BV, permanently represented by Arne Hermans**<br>Non-executive director<br>Independent director | 17/05/2027 |
| **SoHo BV, permanently represented by Sigrid Hermans**<br>Non-executive director<br>Independent director | 17/05/2027 |
| **An Herremans**<br>Non-executive director<br>Representative of Ackermans & van Haaren | 18/05/2026 |
| **Hilde Delabie**<br>Non-executive director<br>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 CCA and in provision 3.5 of Code 2020.

In accordance with provision 5.5 of Code 2020, non-executive directors should not take on more than five board memberships in 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:*

### PIET 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 (KU Leuven), a postgraduate degree in business administration (KU Lieuven) 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 outside the Nextensa group at 31 December 2023 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•, 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.•, Deep C Holding NV, Van Laere NV•, Voltis NV, SOS Kinderdorpen België VZW•.[10]

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 on 31 December 2023: 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 via Midhan BV**

Michel Van Geyte holds a master's degree in applied economics and a postgraduate degree in real estate studies from KU 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 KU Leuven. He has been chairman of the ULI Belgium & Luxembourg National Council since 1 July 2023.

**Mandates outside the Nextensa group at 31 December 2023 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, UP 4 NORTH VZW.[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 on 31 December 2023: 685

## DIRK ADRIAENSSEN

(° 1970)

**Independent director – non-executive director**

**Member of the nomination and remuneration committee**

**Current function:**
Senior Advisor Transaction & Portfolio Management Credit Suisse – UBS, Bahnhofstrasse 45, 8001 Zurich, Switzerland.

Mr Adriaenssen holds a master's degree in law from the Free University of Brussels and a postgraduate degree in real estate studies from KU 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, ProWinko and Credit Suisse - UBS).

**Mandates outside the Nextensa group at 31 December 2023 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 Felelösségü Társaság, Redevco, Seratos Expert SRL•, Redevco, Jotta Wirtschafgütervermietungsgeschellschaft 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 on 31 December 2023: 0

[11,12] 2-9-c-iv Number of other significant positions held by each member, and the nature of the commitments.

## ARNE HERMANS

(° 1984)

**Independent director – non-executive director via Stellar BV**

**Current function:**
CEO of Diggit StudentLife, Helihavenlaan 44, 1000 Brussels

Mr Hermans holds a master's degree in law from the Free University of Brussels, a master's degree in marketing management from Vlerick Business School and a postgraduate degree in real estate studies from Solvay Brussels School. He started his career as a corporate real estate lawyer at Eubelius. In 2015, he joined Xior Student Housing, where he was a member of the executive management as Chief Investment Officer and Compliance Officer. In 2020, he founded Diggit StudentLife, of which he is CEO. Diggit StudentLife is responsible for managing student rooms and providing assistance to various private and public stakeholders in the context of student housing projects.

**Mandates outside the Nextensa group at 31 December 2023 and in the five previous financial years:**
Cereal BV, Studence BV (as representative of Cereal BV), Stellar BV and Vinostelli BV.[13]

Start date of mandate at Nextensa: 15 May 2023
End date of mandate at Nextensa: 17 May 2027
Number of Nextensa shares held on 31 December 2023: 0

## JO DE WOLF

(° 1974)

**Independent director – non-executive director via Lupus AM BV**

**Current function:**
Chief Executive Officer of Montea NV REIT (as permanent representative of Montea Management NV, sole statutory director of Montea NV REIT, Industrielaan 27, 9320 Aalst).

Mr De Wolf holds a master's degree in applied economics from KU Leuven, obtained an MBA from Vlerick Business School and followed the Master in Real Estate programme at KU Leuven. He has been active in real estate since 1997 (Leasinvest Real Estate, Extensa Group and Brussels Airport Company). Since October 2010, he has been Chief Executive Officer at Montea (www.montea.com), a Belgian public real estate investment trust specialising in logistics and industrial real estate in Belgium, the Netherlands, France and Germany.

**Mandates outside the Nextensa group at 31 December 2023 and in the five previous financial years:**
Montea Management NV, **Montea NV REIT**, BVS-UPSI vzw, Good Life Investment Fund cv, The Shift vzw, Premier Development Fund 2 BV and Lupus AM BV.[14]

Start date of mandate at Nextensa: 15 May 2023
End date of mandate at Nextensa: 17 May 2027
Number of Nextensa shares held on 31 December 2023: 0

[13,14] 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:**
CEO L.I.F.E. NV, Mechelsesteenweg 271/ box 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 (KU Leuven/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). As of December 2023, she is CEO of L.I.F.E NV.

**Mandates outside the Nextensa group at 31 December 2023 and in the five previous financial years:**
SoHo BV, NOLITA BV•, Life NV, Lifeworld.BE NV, Life.be NV, Lammp NV•, Montevideo Assets NV, Himmos Living NV, HS Immo NV, 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•, Hembrug Holding BV, Hembrug Comm 1 BV, Hembrug Comm 2 BV, Hembrug 8 BV, Maison Osain BV.[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: 17 May 2027
Number of Nextensa shares held on 31 December 2023: 0

## 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 (KU 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 outside the Nextensa group at 31 December 2023 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 on 31 December 2023: 0

[15,16] 2-9-c-iv Number of other significant positions held by each member, and the nature of the commitments.


DE MOT
*BELGIUM*

## HILDE DELABIE

(° 1968)

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

**Current function:**
Senior business controller Ackermans & van Haaren NV, Begijnenvest 113, 2000 Antwerp.

Ms Delabie holds a master's degree in economic sciences from KU 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 outside the Nextensa group at 31 December 2023 and in the five previous financial years:**
Hofkouter NV.

Start date of mandate at Nextensa: 16 May 2022
End date of mandate at Nextensa: 18 May 2026
Number of Nextensa shares held on 31 December 2023: 0

## Changes in directors' mandates during financial year 2023

At the company's ordinary general shareholders' meeting of 15 May 2023, the mandates of Brain@Trust BV (permanently represented by Marcia De Wachter) and Colette Dierick expired. During this meeting it was also decided to (re) appoint the following directors until the ordinary general shareholders' meeting of 2027: SoHo BV (permanently represented by Sigrid Hermans), Lupus AM BV (permanently represented by Jo De Wolf) and Stellar BV (permanently represented by Arne Hermans).

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 4 times during the financial year 2023 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 (re)developments;
- monitoring of the debt and hedging ratios;
- optimisation of the corporate structure;
- 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 executive committee, 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 policy;[18]
- 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 this. 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.

[17,18] 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.

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.

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

the board of directors currently has two consultative committees that assist the board in carrying out its responsibilities in accordance with the principles of Code 2020 and as 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 CCA.

[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 oversight mission of the audit committee and the related reporting duty covers the company and its subsidiaries.

### The audit committee was composed as follows during the past financial year:

1. SoHo BV, permanently represented by Sigrid Hermans, independent director, 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 (end of mandate: 15 May 2023).

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 5 times during 2023. 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;
- follow-up procedure appointment of new statutory auditor.

Unless the audit committee decides otherwise, the CEO and the CFO have the right to attend meetings of the audit committee, as 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 CCA.

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 CCA 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:

1. Piet Dejonghe, non-executive director, 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 2 times in 2023. The agenda items discussed included the following:

- the HR and remuneration policy;
- the evaluation of the performances of the executive committee 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;
- the results of the evaluation of the board of directors;
- the remuneration report, which forms part of the annual report.

### 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 CCA.

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 as permanent representative of 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 liability 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.

**Tim Rens**
**(Chief Financial Officer), through Montevini BV**
Tim Rens (°1981) joined the company as CFO on 1 May 2017. After studying commercial engineering at KU Leuven, he gained more than 12 years of audit experience at Deloitte, including 4 years as Senior Audit Manager for, among others, regulated real estate companies. During his career at Deloitte, he completed his traineeship as an auditor in 2012. He acts as a director of several subsidiaries of Nextensa NV.

- Number of Nextensa shares held on 31 December 2023: 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 14 years of experience in asset & investment management. He acts as director of various subsidiaries of Nextensa NV.

- Number of Nextensa shares held on 31 December 2023: 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 on 31 December 2023: 0

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 Organization of the Belgian Real Estate Sector (UPSI-BVS), the Belgian Luxembourg Council for Retail and Shopping Centres (BLSC), the European Public Real Estate Association (EPRA), the Flemish Federation of Investors (VBF), the Belgian Association of Listed Companies (BVBV), the Institute for Directors (Guberna), the Brussels Port Community, UP 4 North and the Brussels Chamber of Commerce.[25]

[24] 2-19-a-iii Termination payments.
[25] 2-28 Membership associations.


CLOCHE D'OR
*LUXEMBOURG*

# *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 codes of conduct and Corporate Governance Charter.

As regards diversity, the company applies the provisions of article 7:86 of the CCA 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. On 31 December 2023 the ratio of male to female staff members in the whole organisation was 37 M / 38 F and the board of directors consisted of 5 men and 3 women.[27]

[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.

# Compliance

## CODE OF CONDUCT STAFF MEMBERS[28]

The Nextensa group's code of conduct for staff members was created 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 staff member of the Nextensa group. This policy includes various engagements, such as compliance with laws and regulations, prevention of conflicts of interest, prevention of corruption and bribery, and policies around corporate gifts and hospitality.

The compliance officer monitors compliance with the integrity code and answers questions about its application.[29]

The code of conduct for staff members is established by the board of directors and all staff members receive and sign a copy when they are hired. Every year, every staff member and director must confirm their knowledge of and agreement to comply with this code of conduct. In addition, training is regularly organised for staff members (in general or in specific roles) on subjects relevant in the framework of this code.[30]

The code of conduct for staff members was last updated on 17 November 2023.

## CODE OF CONDUCT PARTNERS[31]

This code of conduct for business partners and suppliers defines, on the one hand, the minimum standards to which the Nextensa group commits itself and all its staff members and, on the other hand, sets out the expected behaviours that the Nextensa group imposes on its customers, purchasers and other users of its properties and on its suppliers, contractors, and other external service providers. Indeed, Nextensa wishes to establish strong partnerships with its business partners and suppliers based on (mutual) respect, honesty, fairness and integrity.

The code of conduct for partners is established by the board of directors. This code articulates the 'S' (Social) and the 'G' (Governance) of the Nextensa Group's ESG policy towards its partners. The sustainability objectives and obligations that the group imposes on its partners, being the 'E' (Environmental) of its ESG policy, can be found, among other things, in the "Green lease" provisions that are included in the agreements with the users (tenants, etc.) of its real estate portfolio or in the sustainable procurement policy that forms part of its contracting conditions[32].

The code of conduct for partners was last updated on 17 November 2023.

## CODE OF CONDUCT ON FINANCIAL TRANSACTIONS[33]

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 staff members.

The compliance officer monitors compliance with the Dealing Code and answers questions on its application.[34]

[28] 2-23 Policy commitments.
[29] 2-26 Mechanisms for seeking advice and raising concerns.
[30] 2-24 Embedding policy commitments.
[31,32,33] 2-23 Policy commitments.
[34] 2-26 Mechanisms for seeking advice and raising concerns.

The Dealing Code is established by the board of directors and all staff members receive and sign a copy when they are hired. Existing and new staff members also receive regular information sessions on the principles in this code that apply to them.[35]

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. Indeed, Nextensa believes that innovation and technology bring new opportunities to light and can lead to sustainable growth for all stakeholders.

The innovation policy relies on a bottom-up strategy where potential initiatives are identified at the operational level and flow through to the executive level. Unlike the top-down strategy, which usually starts with strategic goals at the management level that are then translated into operational guidelines, the innovation bottom-up strategy focuses on operational capabilities and efficiency to achieve strategic goals.

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

## SUSTAINABLE PROCUREMENT POLICY

In 2024, Nextensa's sustainable procurement policy for suppliers, service providers and other partners will be further formalised and implemented.

The sustainability requirements in our supply chain apply to all entities of the Nextensa real estate group itself, as well as to its suppliers and service providers and, not exhaustively listed, (sub)contractors, (sub)suppliers of goods and services, consultants, all workforces, etc.

The sustainability requirements also apply to building users (tenants, usufructuaries, holders of other rights of use or in rem, etc.). These requirements are included in the "Green lease" provisions in the agreements with building users.

The sustainable procurement policy applies not only to new acquisitions, but also to all work carried out on the existing buildings in Nextensa's real estate portfolio, in terms of maintenance, repair, replacement, renovation and possible expansion.

Nextensa also asks its suppliers and service providers for a commitment to pass on the prescribed sustainability requirements to its own suppliers, service providers and workforce.

With regard to the ethical supply chain, the sustainable procurement policy refers to a separate code: Nextensa's code of conduct for partners.

For the environmentally friendly supply chain, building users (tenants, usufructuaries, etc.), suppliers and service providers should, wherever possible, communicate to Nextensa their energy and natural resource use, emissions, discharges, carbon footprint and waste management and minimise negative impacts on the environment as much as possible. Nextensa will work with its stakeholders to assess their impact on the environment on a regular basis and continuously strive for sustainability on this basis.

When assessing the partners with which it will work, Nextensa will take into account sustainability criteria as included in its sustainable procurement policy.

[35] 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.


NEXTENSA'S PEOPLE

# *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.[36]

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.

[36] 2-16 Communication of critical concerns.

# Other stakeholders

## STATUTORY AUDITOR

The statutory auditor, appointed by the general meeting of shareholders, audits the statutory and consolidated 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, Kouterveldstraat 7B 001 (company number - RLE Brussels 0446.334.711), registered with the Institute of Company Auditors under number B00160, the auditor being represented at present by Mr Christophe Boschmans.

The mandate of Ernst & Young Bedrijfsrevisoren expires after the ordinary general shareholders' meeting of 2024.

The annual remuneration of the auditor for the audit of the company's statutory and consolidated financial statements in respect of the 2023 financial year amounts to EUR 78,153 (excluding VAT and out-of-pocket expenses).

The auditor's remuneration for auditing the annual accounts of the company's Belgian subsidiaries amounts to 222,084 (excluding VAT).

The remuneration of the statutory auditor for the audit of the annual accounts of the company's foreign subsidiaries totals EUR 159,720 for the audit mandate.

In addition, a total of EUR 74,493 (excluding VAT) in fees were paid to the statutory auditor for special assignments.

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 2023 financial year, Nextensa has engaged two real estate experts for the valuation of its investment properties:

i. Cushman & Wakefield Belgium NV (with registered office at Marnixlaan 23, 1000 Brussels, Belgium), for the valuation of the investment properties in Belgium and the Grand Duchy of Luxembourg, and

ii. Örag Immobilien Vermittlung GmbH (with registered office at Bankgasse 1, 1010 Vienna, Austria), for the valuation of the investment properties in Austria.

Nextensa's investment properties are valued annually only on 30 June and 31 December and on a voluntary basis.

# Remuneration report

## INTRODUCTION

This remuneration report contains information on the remuneration of the members of the board of directors and the members of Nextensa's executive committee for their services within Nextensa during the 2023 financial year.

The remuneration report has been drawn up in accordance with Article 3:6, §3 of the CCA 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.[37]

The company's current remuneration policy was approved by the ordinary general shareholders' meeting on 16 May 2022 and applies from 1 January 2022.[38]

The board of directors did not deviate from the approved remuneration policy at any point with regard to performance remuneration in 2023.

The remuneration report of the 2022 financial year was approved by a large majority of 98.22% of the votes present at the ordinary general meeting held on 16 May 2022 and there were no specific comments to be taken into account in the remuneration for the 2023 financial year.

## 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/year
- Additional remuneration for the chair of the audit committee: €4,000/year
- 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.

The executive director receives no remuneration for the performance of their directors' mandate within Nextensa.

[37] 2-19-a Remuneration policies.
[38] 2-20 Process to determine remuneration.

# OVERVIEW OF THE REMUNERATION OF THE COMPANY'S DIRECTORS IN 2023

| | FIXED REMUNERATION | | | ATTENDANCE | | | ATTENDANCE FEE | | TOTAL REMUNERATION (EXCL. VAT) |
|---|---|---|---|---|---|---|---|---|---|
| | Board of directors | Member AC | Member NRC | Board of directors | AC | NRC | Board of directors | Committees | |
| Piet Dejonghe | 45,000 | - | - | 4/4 | - | 2/2 | 10,000 | 5,000 | 60,000 |
| Dirk Adriaenssen | 22,000 | - | - | 4/4 | - | 2/2 | 10,000 | 5,000 | 37,000 |
| Hilde Delabie | 22,000 | - | - | 4/4 | 5/5 | - | 10,000 | 12,500 | 44,500 |
| An Herremans | 22,000 | - | - | 4/4 | 5/5 | - | 10,000 | 12,500 | 44,500 |
| Sigrid Hermans (through SoHo BV) | 22,000 | 4,000 | - | 4/4 | 5/5 | 2/2 | 10,000 | 17,500 | 53,500 |
| Jo De Wolf (through Lupus AM BV) - director since 15/05/2023 | 11,000 | - | - | 1/2 | - | - | 2,500 | - | 13,500 |
| Arne Hermans (through Stellar BV) - director since 15/05/2023 | 11,000 | - | - | 2/2 | - | - | 5,000 | - | 16,000 |
| Colette Dierick - director until 15/05/2023 | 11,000 | - | - | 2/2 | - | - | 5,000 | - | 16,000 |
| Marcia De Wachter (through Brain@Trust BV) – director until 15/05/2023 | 11,000 | - | - | 2/2 | 2/2 | - | 5,000 | 5,000 | 21,000 |
| Michel Van Geyte (through Midhan BV) | - | - | - | 4/4 | - | - | - | - | - |
| **TOTAL** | | | | | | | | | **306,000** |

This table shows per director the remuneration to which they are entitled for the fulfilment of their mandate for financial year 2023. This remuneration will be paid, following approval of the statutory annual accounts of Nextensa by the ordinary general shareholders' meeting scheduled for 21 May 2024.

The remuneration of Piet Dejonghe, An Herremans and Hilde Delabie 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 COMMITTEE[39]

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.[40] 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.

### FIXED REMUNERATION IN CASH

Any increases in the fixed remuneration are discussed annually at the nomination and remuneration committee and submitted to the board of directors for approval.

The fixed remuneration of the CEO and the other executive committee members was increased by approximately 5.5% in 2023.

In addition, based on a benchmark exercise and taking into account the increased responsibilities and the development of relevant competencies and skills, it was decided in 2023 by the board of directors, upon the proposal of the nomination and remuneration committee, to increase the fixed remuneration of certain members of the executive committee in addition to these increases.

### 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.).[41]

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.

[39] 2-19-a-i fixed pay and variable pay.
[40] 2-20-a-i Whether independent highest governance body members or an independent remuneration committee oversees the process for determining remuneration.
[41] 2-18-a The process for evaluating the performance of the highest governance body.

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 in granting the variable remuneration for 2023 to the members of the executive committee were:[42]

| | |
|---|---|
| Financial criteria → | Not achieved |
| Residential income → | Achieved |
| Residential sales → | Achieved |
| Asset sales → | Not achieved |
| Developments → | Achieved |
| Strategy → | Achieved |
| Operations → | Achieved |
| ESG/Innovation → | Achieved |
| Human Capital → | Achieved |

Nextensa does not disclose the concrete performance criteria as this would require disclosure of commercially sensitive information.

## 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 in the event of death. 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 |

[42] 2-19-b Objectives and performance in relation to the management of the organization's impacts on the economy, environment, and people.

## 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.[43]

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

## CLAW-BACK PROVISIONS[44]

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 2023, the following remuneration was provided on an individual basis to the CEO and the other members of the executive management:

| in € | Fixed remuneration | Variable remuneration | Group insurance | Total remuneration | Ratio fixed to variable remuneration |
|---|---|---|---|---|---|
| **CEO** | | | | | |
| **Financial year 2023** | 445,000 | 140,000 | 22,129.60 | 607,129.60 | 76% vs 24% |
| **Financial year 2022** | 425,000 | 170,000 | 25,571.08[(45)] | 620,571.08 | 68.5% vs 27.4% |
| **Other members of the executive committee** | | | | | |
| **Financial year 2023 [(45)]** | 813,800 | 224,000 | NVT | 1,037,800 | 78% vs 22% |
| **Financial year 2022 [(46)]** | 700,000 | 165,000 | NVT | 865,000 | 80.9% vs 19.1% |

# 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 members (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 most important aforementioned proposals, on a global and not individual basis.[46]

The ratio of the CEO's fixed remuneration to the lowest employee wage in 2023, expressed on a FTE basis, is 1 to 9.0.[47]

[43] 2-19-a-v Retirement benefits.
[44] 2-19-a-iv Clawbacks.
[45] Typo in annual report 2022: group insurance 2022 is indeed 25,571.08 instead of 5,571.08.
[46] 2-20-a-i Process for determining remuneration.
[47] Annual total compensation ratio.

# ANNUAL EVOLUTION OF REMUNERATION

| | 2019 vs 2018 | 2020 vs 2019 | 2021 vs 2020 | 2022 vs 2021 | 2023 vs 2022 |
|---|---|---|---|---|---|
| **Total remuneration of non-executive directors (in %)** | +100%[48] | +31% | +71%[49] | -27% | -16% |
| **Total remuneration of the CEO [50] (in %)** | +3% | -4% | -7% | +32% | -6% |
| **Total average remuneration of the other members of the executive management [51] (in %)** | NVT | +6% | +31% | +20% | +20% |
| **Total average remuneration of the employees based on FTE [52][53] (in %)** | -18% | +2% | +15%[54] | +12% | +7.5% |
| **Performance of the company** | **31/12/2019** | **31/12/2020** | **31/12/2021** | **31/12/2022** | **31/12/2023** |
| **Net result share group (€ 000s)** | 49,900 | 7,683 | 53,244 | 71,310 | 24,492 |
| **Financial debt ratio (financial debts/total assets)** | 54.78% | 54.01% | 48.56% | 42.56% | 44.80% |

[48] The differences between the remuneration in 2018 and 2019 can be explained by the introduction of attendance fees for the meetings of the board of directors, the audit committee, the nomination and remuneration committee and the committee of independent directors, which were not yet granted during the 2018 financial year.

[49] The differences between the remuneration in 2020 and 2021 and 2021 and 2022 are mainly due to the increased number of board meetings during 2021, considering the business combination with Extensa Group NV.

[50] Michel Van Geyte & Midhan BV.

[51] Only other members of executive management within the company since financial year 2019. Since financial year 2021: executive committee consisting of 3 members (in addition to 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 salary 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, although the Extensa group has only been part of the Nextensa group since mid-2021.

# Related-party transactions - conflicts of interest[55]

## ARTICLE 7:96 CODE OF COMPANIES AND ASSOCIATIONS

In accordance with Article 7:96 of the CCA, 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 statutory 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 article 7:96 of the CCA occurred in the following cases.

### EXTRACT FROM THE MINUTES OF THE BOARD MEETING OF 14 FEBRUARY 2023

#### Deliberation and decisions:

*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 remuneration of the executive committee in 2022 and 2023 (agenda item 10.2).*

*(...)*

#### Agenda item 10.2: remuneration executive committee 2022 and 2023: for approval

*Following his aforementioned statement pursuant to article 7:96 CCA, Michel Van Geyte (and with him the other members of the executive committee) leaves the meeting at the start of the deliberations on this agenda item.*

*The board of directors takes note of the proposal of the nomination and remuneration committee regarding the variable remuneration of the members of the executive committee in respect of 2022. This proposal is approved and these variable remunerations will be included in the remuneration report.*

*The board of directors takes note of the proposal of the nomination and remuneration committee regarding the fixed remuneration of the members of the executive committee as of 1 January 2023. This proposal is approved and a power of attorney is granted to each member of the board of directors, acting individually, to sign the addenda to the management agreements of the members of the executive committee - which will be drawn up in this regard.*

*(...)*

### EXTRACT FROM THE MINUTES OF THE BOARD OF DIRECTORS MEETING OF 17 NOVEMBER 2023:

#### Deliberation and decisions

*(...)*

*Michel Van Geyte (as permanent representative of Midhan BV) further declares, in accordance with article 7:96 of the Code of Companies and Associations (CCC), to potentially have an interest of a patrimonial nature conflicting with the*

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

*interest of the Company in the context of the proposed adjustment of the performance criteria for the 2023 variable remuneration (agenda item 5.5).*

*(...)*

***Agenda item 5.5: performance criteria variable remuneration 2023: for approval***

*Following his aforementioned statement regarding the possible application of article 7:96 of the CCA and mainly in the context of good governance, Michel Van Geyte (as permanent representative of Midhan BV) left the meeting at the start of the deliberations on this agenda item.*

*The chairman of the nomination and remuneration committee explained the proposed adjustment of the performance criteria for Mr Van Geyte's variable remuneration 2023. After deliberation, the board of directors approved the proposed adjustment of the performance criteria for Mr Van Geyte's variable remuneration 2023.*

*(...)*

## 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 CCA 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 statutory 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.

## CONFLICT OF INTERESTS PROCEDURE IN CORPORATE GOVERNANCE CHARTER

In its Corporate Governance Charter, the company has also provides a policy with regard to transactions with a director that do not fall under article 7:96 of the CCA.

Such a conflict of interest other than in the meaning of article 7:96 of the CCA 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 CCA 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 CCA 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.

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*LUXEMBOURG*

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 mandate. The dealing code covers the confidentiality required in the case of inside information.

The company's code of conduct for staff members deal more specifically with the professional secrecy to which both members of the corporate bodies and of staff members are held within the framework of their functions.

[56] 22-15-b Disclosure of conflicts of interest.

# 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.

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 2023, 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: 4,590,842.30 euros

# 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.

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# 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 to allocate stock options to employees.

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 Nextensa.

## 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 CCA, 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 the same registered shareholder, the shares last acquired by him are the first shares that will be deducted from his global holding of nominative shares of the company in the event of subsequent transfer or dematerialisation, unless the request for dematerialisation or the transfer documentation expressly provides otherwise.

No other securities granting voting rights have been issued. There are no legal or 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 the company may validly deliberate and decide on an amendment to the articles of association only if the shareholders present or represented represent at least half of the capital, without prejudice to stricter statutory provisions.

An amendment to the articles of association is only adopted when it has obtained three-quarters of the votes cast attaching to the shares present or represented without prejudice to stricter legal provisions.

## 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, ING Luxembourg, 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. 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 section deals with (a) financial risks, (b) risks related to market conditions and external economic factors, (c) risks related to the company's 9.40% stake in REIT Retail Estates, (d) property-related risks and (e) operational risks.

Each of the following risks, individually or in combination, may adversely affect the group and its 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 group, according to their probability of materialisation and the estimated extent of their negative impact on the group. 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 group's assessment of the relevance of the risk are presented first.

# A. Financial risks

## A.1. LIQUIDITY RISK

The group's financial model is based on structural indebtedness. The group finances its operations through bank financing and bond financing. As at 31 December 2023, the group has confirmed credit lines for EUR 871 million, of which EUR 164 million are unused. The average duration of the credit lines was 2.08 years at 31 December 2023 for the part of the investment portfolio and 1.31 years for the part of the financing related to the development portfolio. As at 31 December 2023, the group's financial debt ratio (calculated as follows: financial debt/balance sheet total) was 44.80%. For more information on these debts, please refer to section T.5.27 of the consolidated financial statements, as included in chapter 8 of this annual report.

Several negative scenarios, such as the disruptions in the international financial debt and equity capital markets, a reduction in the lending capacity and/or willingness of banks, a downgrading of the group's credit rating, an increase in interest rates, may occur, making it difficult or even impossible to attract new or (on favourable terms) renewed debt financing.

In addition, if the group breaches the terms (undertakings and covenants) of its financing agreements, the credit lines may be cancelled or called early, or the group may be forced to repay them immediately. Moreover, there is a risk of early termination in case of change of control of the group, in case of breach of the prohibition of new collateral or other covenants and obligations of the group and, more generally, in case of default as stipulated in each of the financing agreements.

The materialisation of this risk may lead to (i) the inability to finance acquisitions or projects (both equity and debt) or increased costs reducing profitability, (ii) unavailability of financing for the repayment of interest, capital or operational costs and (iii) the increased cost of debt due to higher banking margins, resulting in an impact on results and cash flows.

If exposed to a liquidity problem, the group could be forced to sell its assets in the worst case scenario. Therefore, due to the early maturity of the financing, the survival of the group in its current form and with its current property portfolio could be jeopardised.

To mitigate this risk, the group maintains regular and transparent relationships with banks. Nextensa also consciously pursues developments that meet high ESG standards, such as alignment with the European taxonomy.

Nextensa believes that the probability of this risk is low, but that if the risk materialises, the potential impact would be high.

## A.2. RISK ASSOCIATED WITH THE RISE IN INTEREST RATES AND THE USE OF DERIVATIVE FINANCIAL PRODUCTS

As a result of (significant) debt financing (the financial debt ratio was 44.80% on 31 December 2023), the group's return depends on the evolution of interest rates. An increase in interest rates makes debt financing more expensive for the group. Short- and/or long-term interest rates on the (international) financial markets can fluctuate widely.

Despite relatively low short-term interest rates in recent years, the European Central Bank and other central banks had to adjust their monetary policy in 2023 by repeatedly raising their repo rate (i.e. the interest rate at which a central bank lends money to commercial banks) to counter inflation spikes caused by the aftermath of the Covid-19 pandemic and the ongoing conflict in Ukraine. By the end of 2023, it was unclear whether inflation levels would fall to more moderate levels in line with ECB targets in the near future, leading the ECB and other central banks to reconsider their monetary policies and repo rates. Sustained inflation over the next two to three years could be inherently very damaging to the overall economic landscape. A prolonged period of high interest rates could have a negative impact on the group's profitability. However, it should also be noted in this context that inflation generally has a positive effect on sales prices and rents in the property segment. Therefore, the negative effect of rising interest rates is generally offset by an increase in sales prices and rents received by the group.

An increase of 100 basis points in the Euribor interest rate has a negative impact of EUR 1.9 million. To hedge the risk of a rise in interest rates, the group finances part of the debt (15% of the total debt at 31 December 2023, or EUR 163 million) through fixed-rate financing and finances the rest of the debt with variable interest rates. To hedge the longer-term risk, the group may use "interest rate swaps" or "CAPs" for floating-rate loans (hedging ratio as at 31 December 2023 of 79%).

Moreover, the fair value of the hedging instruments is also subject to changes in interest rates in the financial markets. A 0.25% change in the yield curve would affect the fair value of the instruments by approximately EUR 3.4 million. An increase in interest rates would have a positive effect on the overall result and a decrease in interest rates would have a negative effect on the overall result. Based on the outstanding loans as at 31 December 2023, if interest rates were to rise by 1%, the weighted average interest expense, including interest rate swaps, would increase from 2.6% to 3.0%. In addition, it will not be certain that the group will find the hedging instruments it wishes to enter into in the future, nor that the terms associated with the hedging instruments will be acceptable.

Nextensa believes that the probability of this risk is medium and that if the risk materialises, the potential impact would be medium.

# B. Risks related to market conditions and external economic factors

The group's income depends largely on the rental income derived from its investment portfolio and on the volume and sales value of its developments. In that context, the group, and the real estate sector in general, is exposed to economic conditions and other events affecting (the type of) markets of its investments and developments.

A general slowdown in the group's markets on or global scale, changes in key macroeconomic indicators, the geopolitical environment or the economic cycle and economic conditions in general, or a structural change in customer or societal behaviour patterns, may lead to lower demand for properties, both in the investment property market and in the development market and in some or several property segments or locations within those markets, leading to a possible decrease in revenues for the group and in the overall value of properties in the group's portfolio. These factors also bring higher default risk from tenants, service providers, construction contractors and other counterparties (see also risk factor E.2. Risks related to tenants' weakened financial situation).

## B.1. RISKS ASSOCIATED WITH LOWER DEMAND FOR RESIDENTIAL AND OFFICE PROPERTIES - IMPACT ON INCOME FROM DEVELOPMENTS

As at 31 December 2023, the developments represented around 14% of the group's balance sheet total (book value of around EUR 247 million).

The breakdown of developments by country is as follows: Belgium (65%) and Luxembourg (35%) with focus on residential real estate (68%), office buildings (29%) and other (3%: retail).

The residential and office markets depend on the confidence of investors, being the potential buyers of the properties developed by the group, on the one hand, and private companies, households and government agencies, being the potential tenants of these properties, on the other. The residential property segment also depends on the financial resources (equity and credit) that the households can spend on their properties (buy or rent).

Lower demand and risk appetite among buyers may lead to lower sales prices and/or more capital expenditure to adapt projects, leading to lower returns and margins for the developed projects.

Note that this risk does not apply to the developments that have been pre-sold to a third party, but it remains relevant for the other developments and for any future developments that the group may persue.

This risk is linked to the risk of changing economic conditions (see Risk Factor B 'Risks related to market conditions and external economic factors') and can occur equally in adverse political and economic conditions. Due to the recent global supply chain disruptions caused by the aftermath of the Covid-19 pandemic, the ongoing conflict in Ukraine and rapidly rising interest rates, real estate investors have been in a wait-and-see mode since July 2022. As a result, sales of certain projects, and consequently their contribution to the group's income, have not materialised in line with the predetermined timing.

Quantification of this risk is possible through the description of the various components in the carrying amount of around EUR 247 million:

- Contract-related assets (book value EUR 75 million) mainly relate to the almost fully sold first residential phase of Cloche d'Or and the ongoing Park Lane II residential project at Tour & Taxis (Low risk).
- The Cloche d'Or developments (book value EUR 70 million) concern the ongoing residential and office development projects on the Cloche d'Or site: residential projects ('D Sud', 'D Nord' and 'D5-D10') and 2 office buildings under construction (2 of which are pre-let). The book value also includes the book value of the option rights on the land (exercise prices significantly lower than current market prices) (Low risk)
- The Cloche d'Or development is taking place in phases, with limited impact on net financial position and balance sheet total. Grossfeld PAP SA has option rights to the land to be developed, whose exercise prices are significantly lower than current market prices. These option rights will only be exercised after the required permits are obtained and construction will only be started after sufficient sales on plan (residential) and leased office buildings (Low risk)
- Inventories (book value EUR 102 million) mainly relate to Lake side and the land bank.
- Business combination under common control (book value method): as a result of using the book value method, the book values of the developments are lower than determined by the external valuation experts. (Low risk)

The risk associated with lower demand for residential and office properties is therefore mainly limited to the assets included in Inventories.

The delay in the sale of certain projects (and consequently their contribution to the group's revenue) may, to varying degrees, entail additional operational and/or financial costs. The aforementioned projects for which the group is behind schedule with the intended sales are not covered by project-level financing and are therefore not exposed to short-term maturities. The delay in project sales generates additional financing costs (in 2023 EUR 1 million).

Nextensa considers the probability of this risk occurring to be generally average, but significantly higher for 2023, 2024 and 2025. If the risk occurs in relation to a project whose contribution was expected during a specific financial year, this risk would have a potentially significant negative impact on the group's results for the year in question.

We additionally refer to risk factor D.2. Developments - various risks in the context of the development strategy, permits and external factors during the construction phase.

## B.2. RISKS ASSOCIATED WITH LOWER DEMAND FOR RETAIL AND OFFICE PROPERTIES - IMPACT ON RENTAL INCOME OF INVESTMENT PORTFOLIO

The group's income and the value of its investment portfolio depend heavily on the type of property its portfolio consists of (offices, retail and other (logistics, events, car parks) and its location (Luxembourg, Belgium and Austria).

As at 31 December 2023, the investment portfolio represented around 73% of the group's balance sheet total (fair value around EUR 1.3 billion). The fair value of the investment portfolio by property type represents: offices (38%), retail (44%), other (18%, events, parkings, logistics) in Luxembourg (43%), Belgium (42%) and the retail market in Austria (15%).

Chapter 7 "Real Estate Report" provides a more detailed overview of the composition and location of the portfolio.

In the context of lower demand, the rental income and cash flow of the investment portfolio may be affected by increasing vacancy rates, lower rents and higher capital expenditure or other commercial commitments, such as rent-free periods to attract new tenants or maintain existing tenant relationships. This has a direct negative impact on the group's income and indirectly on the value of the group's investment portfolio.

The effect on the rental income of the group's investment portfolio can be illustrated as follows: as at 31 December 2023, a 1% decrease in rental income would result in a 2.5% decrease in the group's net income, while a 1% increase in rental vacancy would imply a decrease of around 1% in net income.

The fact that the retail investment portfolio as at 31 December 2023 has an average occupancy rate of 91.10% in Belgium, Luxembourg and Austria taken together and is composed of 33% tenants of essential shops and of mainly large branded chains integrating, among other things, e-commerce into their business model, makes this retail portfolio more resilient to the lower demand for retail real estate, in addition to the weighted average duration of current commercial leases of 4.31 years.

As the office investment portfolio also has an average occupancy rate of 84.88% for the three countries and the weighted average duration of office space leases as at 31 December 2023 is 4.86 years, the potentially lower demand for office properties will mainly impact on office vacancy rates and leases coming to contractual expiry in the short term.

Nextensa believes that the probability of this risk is medium and that if the risk materialises, the potential impact would be medium.

## B.3. RISKS RELATED TO LOWER DEMAND FOR RETAIL PROPERTIES - 9.40% STAKE IN REIT RETAIL ESTATES

Indirectly, lower retail demand also has an impact on Nextensa's 9.40% stake in REIT Retail Estates, as its main business is the leasing of peripheral retail properties. As of 31 December 2023, the stake in Retail Estates represented around 5% of Nextensa's balance sheet total. Lower demand and other circumstances and events affecting the property segment in which Retail Estates operates, the real estate sector as a whole and equity markets in general may therefore result in a possible decrease in Retail Estates' share price, which in turn may lead to a negative revaluation of the stake in Nextensa's income statement.

For the potential impact of this risk, please refer to risk factor C.

Nextensa believes that the probability of this risk is medium and that if the risk materialises, the potential impact would be medium.

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*BELGIUM*

# C. Risks associated with the company's 9.40% stake in REIT Retail Estate

As at 31 December 2023, Nextensa owns a 9.40% stake in Retail Estates NV, a REIT (regulated real estate company) that owns mainly peripheral real estate. This participation is considered to be a noncurrent financial asset that is measured at fair value (i.e. at the share price on the balance sheet date) (i.e. EUR 64.60 per share as at 31 December 2023), with fluctuations in value recognised through the income statement in accordance with IFRS 9.

The share price of Retail Estates may be affected by changes, developments or publications surrounding Retail Estates or the niche market in which it operates; or more generally by certain political, economic, monetary or financial factors having an impact on equity markets.

If Retail Estates' share price decreases, this decrease leads to a negative revaluation of the stake in Nextensa's income statement. As of 31 December 2023, Nextensa held about 1.35 million shares of Retail Estates, which means that a decrease in the share price of EUR 10 per share leads to a negative revaluation of about EUR -13.5 million, which must be fully added to Nextensa's results as a financial income in accordance with IFRS.

Retail Estates is a REIT and is therefore subject to statutory minimum distribution obligations imposed by applicable law. If Retail Estates had decided not to pay a dividend during FY2023, this would have resulted in a EUR6.6 million decrease in financial income for Nextensa for FY2023.

Nextensa believes that the probability of this risk is medium and that if the risk materialises, the potential impact would be medium.

# D. Property related risks

## D.1. INVESTMENT PORTFOLIO - FAIR VALUE

The fair value of the investment portfolio is subject to fluctuations due to, among other things, exogenous factors beyond the group's control, which may have a negative impact on the group's net result.

The fair value of the group's investment portfolio is estimated annually as at 30/06 and 31/12 and any fluctuations in value are accounted for in accordance with IAS 40. See chapter 7 "Real Estate Report" of this annual report for an overview of the group's investment portfolio as at 31 December 2023 and chapter 8 "Consolidated Financial Statements" regarding the valuation of the group's investment portfolio by external property valuation experts.

These fluctuations are due to various factors. Some of these factors are exogenous and therefore beyond the group's control, such as:

- declining demand in the submarkets in which the group operates (see risk factor B.2.);
- occupancy rate (see risk factor E.1.);
- changes in interest rates and in the expected investment return (yield) (see risk factor A.2.);
- changes in legal requirements (on sustainability and taxation: transaction costs and/or applicable tax regimes of real estate transactions) (see risk factor E.4.).

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 property (at the end of December 2023, 45% of the investment portfolio consisted of buildings that are more than 15 years old, 3% of buildings that are between 10 and 15 years old, 27% of buildings that are between 5 and 10 years old and 25% of buildings that are at most 5 years old),
- commercial positioning,
- requirements for capex investments, and
- sustainability.

However, as part of the net zero carbon pathway, the group has established a long-term capex strategy to improve the quality of its buildings and move towards a portfolio aligned with the EU taxonomy in order to reduce emissions from its investment portfolio to net zero by 2050.

The impact of a decrease in fair value is a decrease in the group's equity which has a negative impact on the debt ratio. A 1% fall in the fair value of the group's investment portfolio as at 31 December 2023 would have an impact of EUR -13.0 million on the group's net income. This would cause an increase in the debt ratio to 45.16%.

Nextensa believes that the probability of this risk is medium and that if the risk materialises, the potential impact would be medium.

# D.2. DEVELOPMENTS - VARIOUS RISKS IN THE CONTEXT OF THE DEVELOPMENT STRATEGY, PERMITS AND EXTERNAL FACTORS DURING THE CONSTRUCTION PHASE

Developments are usually subject to various risks, each of which can lead to late delivery of a project, thus prolonging the development period until the intended sale or lease, or to a budget overrun, a loss or decrease in expected revenues from a project or even, in some cases, to its final termination.

## DEVELOPMENT STRATEGY:

When project development investments are considered, the group makes certain evaluations and assumptions, based on feasibility studies, regarding future economic conditions, market trends and other conditions, such as evaluations and assumptions regarding the potential return on investment upon completion of a project. If not all factors are considered or if the evaluations and assumptions prove incorrect, this may have an impact on the projects' revenues (through sales or rental transactions) and on the demand for such projects in general (see risk factor B.1.).

Unexpected issues related to external factors (such as new rules and regulations, such as those related to energy performance, land contamination or circularity of materials), and unnoticed risks may arise in projects developed by the group, leading to delays, budget overruns or even a significant change to the original project.

## PERMITS - URBAN PLANNING:

Operations could be further adversely affected if the group fails to obtain, maintain or renew the necessary permits, or if these permits entail onerous obligations. All developments depend on obtaining planning, building and environmental permits (with or without reasonable conditions) and are therefore exposed to the risk that the required permits for the construction or conversion of a property and the pursuit of activities may not be granted or may be challenged. Failure or delay in obtaining such permits on reasonable terms may have an adverse impact on the group's operations. Moreover, the group must comply with various urban planning regulations that may be amended by the competent authorities or administrations.

In addition, the group may face various other uncertainties regarding the permits related to its developments, such as possible opposition from neighbourhood committees or other third parties to certain developments, unclear legislation, potentially difficult cooperation with (local) authorities, the interpretation of permit conditions (including planning charges) and, in general, the higher complexity of multifunctional urban developments.

## EXTERNAL FACTORS DURING THE CONSTRUCTION PHASE:

The construction and development of the developments may be delayed or at risk due to a variety of factors, such as the extreme weather conditions (e.g. storms, floods, etc), accidents at the construction site, labour disputes or shortage of (sustainable) construction materials. The Group may also incur additional costs in the construction and development of its projects beyond the original estimates, for example, in case of higher material, labour and other related costs.

Given the above risks, there may therefore be uncertainty as to whether a particular development project can be delivered within the expected timeframe and/or budget, or even whether it can be developed at all.

To cope with these specific risks, the group has introduced and refined control systems over the years and has staff experienced in developments. Despite these systems and experienced staff, significant risks remain. If they materialise, these risks, which have a medium probability, could have an impact on cash flows (in particular by increasing the costs of service providers and reducing the selling price) and ultimately on the expected profitability of the projects concerned and, therefore, on the expected contribution of one or more projects to the group's results.

These risks also apply to the redevelopment projects in the investment portfolio and they may result in lower rental income or the deferral or loss of expected rental income.

For the potential impact of this risk, see risk factor B.1.

Developments are subject to various risks in the context of the development strategy adopted by the group, the permits and external factors during the construction phase, which may lead to uncertainty as to whether a particular development project can be delivered within the expected timeframe and/or budget, or even whether it can be developed at all.

## D.3. RISKS RELATED TO (REAL ESTATE) TRANSACTIONS

### ACQUISITION OF REAL ESTATE:

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

There is a risk that the acquired investment property or development project may not meet the group's expectations, even if the potential investments are the subject of extensive strategic and market risk analyses and due diligence. Misjudging the risks associated with an investment, or the likelihood of those risks materialising, may result in an inappropriate choice of investment or development.

Although the group takes the necessary precautions in these types of transactions, such as performing due diligence and including warranty terms in the acquisition agreements, it cannot be excluded that residual liabilities are transferred to the group through these transactions. Moreover, the guarantees stipulated are usually limited in time and the sellers usually include limitations on their maximum liability under the guarantees. Finally, the group remains exposed to the risk of insolvency of its counterparties.

### TRANSFER OF REAL ESTATE:

The group is also involved in sell-side merger and acquisition transactions when it disposes of investment properties or developments. In such context, it is a market practice to provide certain warranties and indemnities. Although the group seeks to limit such liabilities over time and also limit its maximum liability, it cannot be excluded that the group may be exposed to liabilities to the acquirer.

The foregoing may result in failure to achieve expected returns or exposure to certain liabilities, which may have a negative impact on the group's profit and risk profile.

If it were found that the properties acquired in, say, 2023 were 5% overvalued, this would result in a reduction in the value of the property portfolio and an impact on net income of EUR 0.9 million.

Nextensa believes that the probability of this risk is medium and that if the risk materialises, the potential impact would be medium.

# E. Operational risks

## E.1. RENTAL VACANCY

The group's revenues depend largely on the (recurring) rental income derived from its investment portfolio. If the group fails to conclude (or maintain) certain lease agreements, this constitutes a significant business risk. The group is exposed to the risk of loss of rental income in the context of tenants leaving before or upon expiry of current agreements, with the additional risk associated with entering into new agreements with new tenants. This results in the following risks:

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

As at 31 December 2023, the consolidated occupancy rate of the investment portfolio was 91.10%. Geographically, vacancy rates are highest in Belgium. The retail segment is the asset class with the highest vacancy rate.

Rental vacancy can be negatively affected by lower demand for retail or office properties (where supply exceeds demand, in addition to an evolution in the nature of demand, influenced by external factors such as e-commerce, the COVID-19 pandemic, teleworking, sustainability criteria, among others).

As at 31 December 2023, a 1% change in the occupancy rate in the group's investment portfolio would have an impact of around EUR 0.7 million on the buildings' operating profit.

Direct rental vacancy costs (being the costs and taxes on vacant buildings, including property tax and management costs, among others) are estimated at EUR 4.6 million, which is about 6.5% of total rental income.

Maintaining cash flows depends mainly on obtaining rental income. In that context, the group aims to conclude long-term leases and to keep the spread of the portfolio and of the major tenants and the sectors in which they operate as wide as possible, with a view to maximising diversification of the property portfolio, tenant risk and rental income. This should limit the group's dependence in the event of the loss of one or more tenants due to, inter alia, lease termination or bankruptcy (see risk factor E.2) and secure it against lower or changed demand for a particular asset class.

As at 31 December 2023, the weighted average term of the current leases in the investment portfolio until the next expiry date was 4.31 years, a relatively long term.

Nextensa believes that the probability of this risk is medium and that if the risk materialises, the potential impact would be medium.

## E.2. RISKS ASSOCIATED WITH TENANT SOLVENCY

The group cannot rule out the possibility that its tenants will default on their financial obligations to the group due to their financial situation.

There is a risk that, if the tenants concerned do not fulfil their financial obligations to the group, the rent guarantee will not be sufficient and, even if the group can claim recovery from the tenant, it still runs the risk of not obtaining the full amount due from the tenant. In addition, following up on debtors entails additional internal and external costs (sending formal notices, subpoenas, court costs). If the tenants concerned default for a long period, these agreements will eventually end prematurely, resulting in no rental income during the period when a new tenant needs to be found.

A loss of rental income may also have a negative impact on the valuation of the affected property (see risk factor D.1.). A gloomy economic climate, high inflation or other factors that may have a material impact on the cost structure (both general and financial costs) and thus the tenants' ability to pay (including significant indexation in response to high inflation), may also lead to renegotiations with existing tenants on current leases (read: rent reductions, which also has the effect of changing future income potential).

During FY2023, the accumulated provision for doubtful debts related to the investment property was EUR 0.7 million, or 0.8% of rental income.

Nevertheless, by 31 December 2023, 95% of the rental income from the group's investment portfolio had been collected thanks to the regular follow-up of outstanding receivables.

It should be noted here that there is no specific concentration risk thanks to the diversified tenant base. Nextensa's 10 largest retail tenants as at 31 December 2023 together account for 20% of rental income. Of these top 10 retailers, 70% are retailers of essential shops. In turn, the top 10 office tenants account for 18% of rental income.

Nextensa believes that the probability of this risk is medium and that if the risk materialises, the potential impact would be medium.

## E.3. COUNTERPARTY RISK

In the context of its development or renovation activities, the group is subject to the risk that a counterparty, such as a contractor, an architect, another service provider or a buyer of a pre-sold project, may fail to perform its contractual obligations or perform them late. Although the group maintains certain quality standards (including with regard to solvency and reliability) and strives to diversify as part of the selection process of its counterparties and a monitoring of their performance, such inability of a counterparty to fulfil its contractual obligations may impact the group's planning, its ability to fulfil its own contractual obligations, potential litigation and, ultimately, its results.

Although there may be discussions with contractors from time to time in the ordinary course of the group's business, we do not foresee any major risks related to this. The probability of this type of risk materialising is considered average.

As part of its business strategy, the group actively pursues joint investments in properties and assets with third parties, and it intends to continue to acquire and develop properties in joint ventures or enter into partnerships with other players in the property market. The joint ownership or development of real estate assets may, in certain circumstances, involve additional risks, such as (i) the possibility of the group incurring liabilities as a result of actions of such a partner or co-investor and (ii) the fact that the partners or co-investors in the venture may have differing views on the development or sale of properties of the venture, its strategy or management, or on their rights upon termination or transfer of the venture. Under these arrangements, the group may not be able to exercise exclusive control over the venture and, in certain circumstances, a disagreement with a partner or co-investor may lead to an impasse that may adversely affect the value of the assets involved, the operations and profitability of the joint venture or partnership and, ultimately, the financial position of the group.

The Cloche d'Or development project is developed in a partnership (50% Nextensa) representing on the end of 2023 39% of the group's total developments (you will find more details in Chapter 7 "Real Estate Report" of this annual report).

Moreover, Nextensa assumes that the likelihood of future disputes arising with partners or co-investors, with a potentially material impact on its results, is very low, and that if such risk materialises, its negative impact would be medium.

The group is subject to the risk that its counterparties to developments and in renovations/developments in the investment portfolio may fail to meet their contractual obligations or fail to do so in a timely manner, which could negatively impact the group's planning, its ability to meet its own contractual obligations, potential litigation and ultimately its results.

## E.4. REGULATORY RISKS

The group operates in a highly complex regulatory environment, where it is exposed to uncertainty due to the interpretation of regulations and changes thereto, concerning both its own operation as a listed company, its investment portfolio and its developments. New (European, national, federal, regional or local) regulations or changes to existing regulations, or a changed application and/or interpretation of such regulations by the government (including tax authorities) or the courts, may have an impact on the group's operations and financial results, as well as on the fair value of its assets (see risk factor D.1.).

The group runs the risk that one or more of the group's buildings may not immediately comply with all the new standards and regulations that would apply to them. This results in a negative impact on the group's reputation and increases the risk of litigation. Furthermore, if additional investments would be required, this increases the costs for the group.

The group operates in Belgium, Luxembourg and Austria, and is therefore taxable in these three jurisdictions. The group's tax burden depends specifically on the interpretation of the local tax rules in each of these jurisdictions. Changes in these tax systems, or new taxes (such as the (future) imposition of $CO_2$ emissions-related taxes on buildings if they do not meet certain requirements) may have an impact on the group's tax burden.

Despite the policies and procedure (such as the corporate governance charter, the code of conduct for employees, the dealing code and the code of conduct for partners) that Nextensa has put in place to draw attention to the obligation to comply with applicable regulations, the risk of non-compliance with these codes can never be completely ruled out. The group runs the risk that this would have a negative impact on its reputation.

Nextensa believes that the probability of this risk is medium and that if the risk materialises, the potential impact would be medium.

## E.5. RISKS ASSOCIATED WITH HUMAN CAPITAL

The performance, success and ability to achieve the group's strategic objectives depend on attracting and retaining management and personnel with experience in the group's real estate business. Taking into account the relatively small size of the team, the loss of only a few key personnel could have a material adverse effect on the group's ability to effectively manage its business and execute its strategy, and may give rise to a negative perception by the market or the industry.

The group's ability to attract and retain key staff will depend on its ability to offer competitive compensation, training and benefits, as well as its ability to continue to develop and maintain its culture of emancipating its staff and promoting entrepreneurial spirit. Nextensa assesses the probability of the risk materialising as low. If the risk materialises, the negative impact would be medium.

# 5.

# SUSTAINABILITY REPORT 2023

TOUR & TAXIS
*BELGIUM*

# CONTENTS


MONTECO
*BELGIUM*

# NEXTENSA'S VISION & ESG STRATEGY[1]

## *Positively impacting our local surroundings*

***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 being a reliable and resilient real estate player managing complexity with innovative, qualitative and surprising solutions positively impacting our local surroundings.***

We do this based on a transparent 'Environmental, Social and Governance' strategy. The foundation of this strategy is to make a substantial positive contribute to the following 4 Sustainable Development Goals (SDG) of the United Nations (UN), without negatively impacting others:


[1] 2-22 Statement on sustainable development strategy.

# WE CREATE 'PLACES YOU PREFER' BY:

## 1. (Re)developing climate-adaptive buildings:

Nextensa develops projects and invests in healthy and resilient 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 neighbourhoods which offer a mixed selection of functions. In these 15-minute neighbourhoods, 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. We go for social partnerships and sustainable initiatives that strengthen our communities from the inside.

## 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. Nextensa facilitates exchanges, synergies and co-creation by means of partnerships in a B2B and a B2C setting.


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)[2], 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.

[2] 2-25 Processes to remediate negative impacts.


# 1. NEXTENSA' S SUSTAINABILITY GOVERNANCE

## 1.1 Nextensa's Sustainability Governance structure

Since 2021, Nextensa has an ESG committee[3] responsible for advising management on ESG topics (Environmental, social and governance), fine-tuning and translating the Sustainability strategy into actions and reporting the results.

In 2023, Nextensa's ESG committee consisted of 4 members, particularly representative of the organisation, both in terms of gender, age and their focus on the different activities within Nextensa.[4]

The ESG Committee reports directly to the Executive Committee of Nextensa and plays a key role in advising the CEO and the Executive Committee on strategic decisions that involve key ESG priorities[5]. This 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 processes.[6]

[3] 2-9: b) Committees responsible for decision-making on economic, environmental and social topics.
[4] 2-13: a) Whether it has appointed senior managers responsible for impact management.
[5] 2-9: b) Committees responsible for decision-making on economic, environmental and social topics.
[6] 2-12: a) Role of the highest governance body and senior executives in creating strategy, goals and elements linked to sustainable development.

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.[7]

**VALÉRIE VANDERVEKEN**
**Project Manager ESG**

**TIM VAN DORPE**
**Energy Manager**

**JAN BERGÉ**
**Head of Property**

**TREES VERHOOGEN**
**Project & Sustainability Manager**

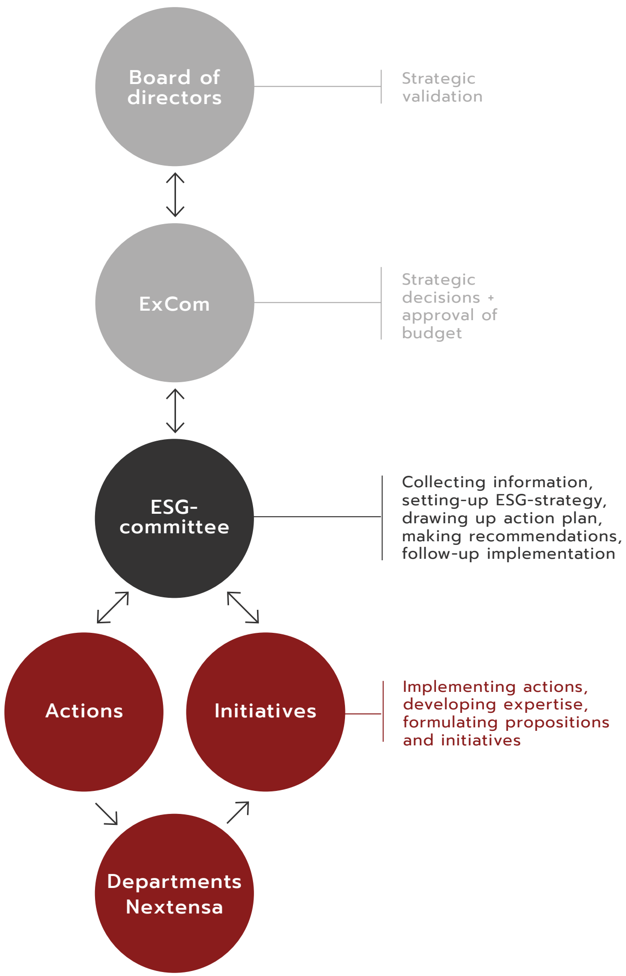
[7] 2-12: b) Whether and how the highest governance body engages with stakeholders to support these processes.

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 sustainability[8]. Michel Van Geyte, in his capacity as CEO, has ultimate responsibility for implementing and achieving sustainability matters across the organisation.[9] In line with the previous years, 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. Additionally, there is a monthly meeting between the ESG committee and the Executive committee to stay on top of things.[10]

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 actions and increase the positive impacts[11]. ESG should not remain an abstract concept filled with empty words, but this vision must be fully embedded in daily business operations and decision-making, progressively becoming an integral part of the overall strategy.

In early 2023, the ESG committee organised a Nextensa Academy for all Nextensa employees to share objectives with colleagues and enhance overall awareness of the sustainability impact. In-depth information sessions were conducted for each department on ESG aspects relevant to their specific functions to ensure a targeted focus. The ESG committee developed various tools (asset sheets, development document, etc.) to support departments in this endeavor. The executive committee also receives information sessions on new policies or updated insights.[12]

The sustainability governance structure at Nextensa is as follows:[13]




[8] 2-12: a) Role of the highest governance body and senior executives in creating strategy, goals and elements linked to sustainable development.

[9] 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.

[10] 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. 2-12: 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.

[11] 2-12: a) Role of the highest governance body and senior executives in creating strategy, goals and elements linked to sustainable development.

[12] 2-17 Collective knowledge of the highest governance body.

[13] 2-9: a) Describe its governance structure, including committees of the highest governance body.

# 1.2
# Nextensa's journey towards the CSRD

The EU aims to achieve climate neutrality by 2050, delivering on the commitments under the Paris Agreement. The European Green Deal is a package of policy initiatives, which aims to set the EU on the path to a green transition, with the ultimate goal of reaching climate neutrality by 2050. This supports the transformation of the EU into a fair and prosperous society with a modern and competitive economy.

It underlines the need for a holistic and cross-sectoral approach in which all relevant policy areas contribute to the ultimate climate-related goal.

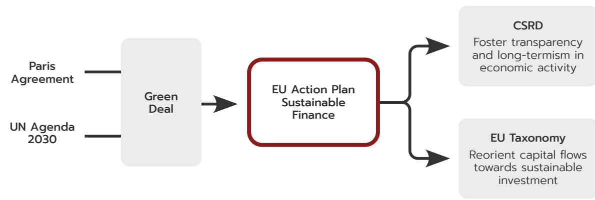
The package includes initiatives covering 10 action areas:


To finance this transition, The EU Action Plan on Sustainable Finance is an important part of the Green Deal.

This action plan is defined around three key pillars, translated into 3 key pieces of legislation to make companies accountable for their activities and orient capital towards more sustainable activities.

1. The EU Taxonomy Regulation: to reorient capital flows towards a more sustainable economy
2. The Corporate Sustainability Reporting Directive (CSRD): to foster transparency and long-termism
3. The Sustainable Finance Disclosure Regulation (SFRD): to mainstream sustainability into risk management.

The Corporate Sustainability Reporting Directive (CSRD) was adopted by the European Union in November 2022 as part of the EU Action Plan on Sustainable Finance. **Its purpose is to foster sustainable growth** by harmonizing existing reporting standards to enable reliable, comparable, and relevant sustainability information.



The Corporate Sustainability Reporting Directive is a reporting directive that aims to ensure that companies publicly disclose in their management report information about the sustainability risks and opportunities, as well as the impacts that they have on society and the environment.

Although Nextensa only enters the scope of this directive from the reference year 2025, the integration of this new directive began in 2023.

Approx **50 000** companies affected

**NFRD**
Report in 2025,
on **2024**

**Large Companies**
Report in 2026,
on **2025**

nextensa
PLACES
YOU PREFER

**Listed SMEs**
Report in 2027,
on **2026**

**Non-EU parent companies**
Report in 2029,
on **2028**

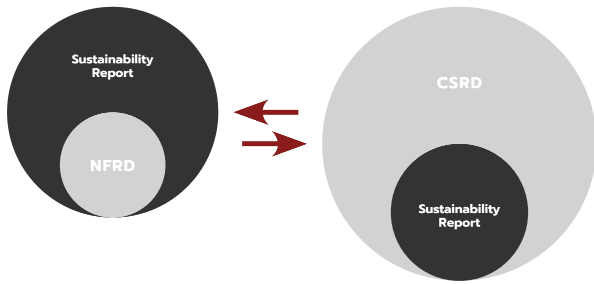
The European Sustainability Reporting Standards **each have requirements in 4 areas:**

## THE TRANSITION FROM GRI STANDARDS TO CSRD

Nextensa has taken the first steps towards full compliance with the European Sustainability Reporting Directive (CSRD). As part of this process, however, this report still relies on the GRI standards, as was the case in previous reports. The GRI Sustainability Reporting Standards meet different needs in the sustainable development reporting landscape. Despite its differences with the CSRD, these two frameworks have a common goal: to promote transparency, accountability and sustainable business practices. An analysis of the differences between the GRI standards and those of the CSRD was conducted to determine Nextensa's roadmap through the complexities of sustainability reporting.

Reporting scope:

**The Corporate Sustainability Reporting Directive (CSRD) has a broader scope than previously commonly used directives and frameworks such as NFRD and GRI.**




- Governance
- Strategy
- 'Impacts, Risks, Opportunities' (IROs)
- Metrics & Targets

## 1.2.1 NEXTENSA'S DOUBLE MATERIALITY

### THE DOUBLE MATERIALITY ASSESSMENT IS THE CORNERSTONE OF THE CSRD

The CSRD follows a 'comply or explain' approach. It requires companies to report in accordance with the European Sustainability Reporting Standards (ESRS), which provide a more prescriptive reporting framework. The ESRS require companies to report on a set of mandatory disclosures and then execute a double materiality assessment process to determine the additional, most relevant sustainability matters to report on.

The CSRD emphasizes the 'double materiality' perspective, considering both the impact of sustainability factors on the company and the impact of the company's activities on planet and society. The CSRD requires companies to report on impacts, risks and opportunities related to governance, environmental and social factors as outlined in the various ESRS standards.

Companies under scope must conduct the assessment to define their material topics, update their strategy's priorities, and use it as a basis for their non-financial reporting.

The concept of 'double materiality' was introduced in 2019 by the European Commission, it implies that ESG issues create risks and opportunities that are material from a financial or impact perspective, or both.

## ESRS structure in a nutshell:

**3 LAYERS**

1) Sector-Agnostic
2) Sector-Specific
3) Entity Specific

**3 AREAS**

1) Strategy
2) Implementation
3) Perf. Measurement

**3 TOPICS**

1) Environmental
2) Social
3) Governance

**SET 1** (drafts published)

**CROSS-CUTTING STANDARDS**

| ESRS 1<br>General Disclosures | ESRS 2<br>General Disclosures |
|---|---|

**TOPICAL STANDARDS**

| Environment | Social | Governance |
|---|---|---|
| ESRS E1<br>Climate change | ESRS S1<br>Own workforce | ESRS G1<br>Business Conduct |
| ESRS E2<br>Pollution | ESRS S2<br>Workers in the value chain | |
| ESRS E3<br>Water & Marine resources | ESRS S3<br>Affected communities | |
| ESRS e4<br>Biodiversity & ecosystems | ESRS S4<br>Consumers and end-users | |
| ESRS E5<br>Resource use & circularity | | |

**SET 2** (in preparation)

**SECTOR-SPECIFIC STANDARDS**

**SME STANDARDS**

## The resulting Materiality Matrix covers two Dimensions:

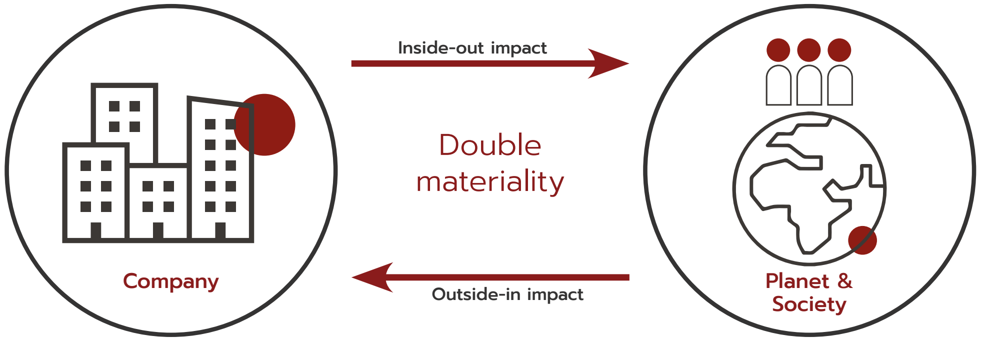
On the horizontal axis, there is the outside-in impact:
**Financial effect of ESG topics on Nextensa**.
A sustainability topic is material from a financial perspective if it triggers financial effects on organisations, i.e., generates risks or opportunities that influence or are likely to influence the future cash flows and therefore the enterprise value of the organisation in the short, medium or long term but are not captured by financial reporting at the reporting date.

On the vertical axis, there is the inside-out impact:
**Impact of Nextensa's ESG topics on planet & society**.
Impacts can be of a positive or negative nature. A sustainability topic or information is material from an impact perspective if the organization is connected to actual or potential significant impacts on people or the environment over the short, medium or long term.

Performing a double materiality assessment helps companies identify their impacts, risks and opportunities on environmental, social and governance (ESG) challenges, including the ones with the biggest impact, that could significantly affect Nextensa's performance and/or stakeholders' decisions.

To complement and feed into the ESG Topics that are of priority to Nextensa going forward in its ESG Strategy, an extensive double materiality assessment was conducted in 2023 together with Greenfish, Part of Accenture.

**The double materiality assessment approach is aligned with the CSRD requirements and results in the creation of a double materiality matrix specific to Nextensa**.




## STEP 1. IDENTIFICATION OF ESG TOPICS:

This step entails the gathering of an extended list of material topics through desktop research, regulatory requirements, benchmark and previous materiality assessment from Nextensa.

For this step, topics are gathered from (sector-specific) recognized sustainability standards, frameworks and legislation. For Nextensa, topics were compiled from SASB, MSCI, GRESB, European Sustainability Reporting Standards (ESRS) standards and competitors.

Starting from the long list, a shortlist was established.[14]

This evaluation of material subjects for Nextensa made it possible to update the priorities of the strategy, the subjects already identified previously were grouped, renamed and completed in order to be able to serve as a basis for extra-financial reporting according to CSRD.[15]

[14] 2-12 Role of the highest governance body in overseeing the management of impacts.
[15] 3-2: b) Report changes to the list of material topics compared to the previous reporting period.

For Nextensa, 11 ESG topics were identified. The 11 ESG topics list and their definitions were validated with Nextensa's ESG Committee and Board of Directors on November 17th 2023.[16]

Nextensa's ESG Topics were mapped on the value chain. The mapping was realised as a pre-requirement to identify impacts, risks and opportunities (IROs) throughout Nextensa's value chain.[17]

## Nextensa's 11 ESG Topics

### Climate adaptive buildings

1. Energy & Emission Management
2. Water Management
3. Circularity
4. Innovation & Technology
5. Healthy & Resilient Buildings

### Sustainable Society

6. Biodiversity
7. Lively Neighbourhoods
8. Waste Stream Management

### Human Capital

9. Nextensa's people
10. Partnerships & Co-creation in the Value Chain
11. Exemplary Governance

## Mapping of Nextensa's Material topics and the ESRS:

| NEXTENSA'S MATERIAL TOPIC | ESRS TOPIC - SUBTOPIC |
|---|---|
| Energy & Emission Management | **ESRS E1 Climate change** - Climate change mitigation; Energy |

| ESG TOPIC'S TO BE MANAGED | ESRS TOPIC - SUBTOPIC |
|---|---|
| Circularity | **ESRS E5 Circular Economy** - Resource outflows related to products and services; Resources inflows, including resource use |
| Healthy & Resilient Buildings | **ESRS E1 Climate change** - Climate change adaptation<br>**ESRS S4 Consumers and End-users** - Personal safety of consumers and/or end-users |
| Lively Neighbourhoods | **ESRS S3 Affected Communities** - Communities' civil and political rights; Communities' economic, social and cultural rights<br>**ESRS S4 Consumers and End-users** - Social inclusion of consumers and/or end-users |
| Nextensa's People | **ESRS S1 Own workforce** - Equal treatment and opportunities for all; Working conditions |
| Exemplary Governance | **ESRS S2 Workers in the value chain** - Equal treatment and opportunities for all; Working conditions; Other work-related right<br>**ESRS S4 Consumers and End-users** - Information-related impacts for consumers and/or end-users<br>**ESR G1 Business Conduct** - Corporate culture; Corruption and bribery; Management of relationships with suppliers including payment practices; Protection of whistle-blowers |

[16] 2-14 Role of the highest governance body in sustainability reporting.
[17] 2-6 Activities, value chain and other business relationships.

# Nextensa ESG topics definitions

| | | |
|---|---|---|
| Climate adaptive buildings | **Energy & Emission Management** | Nextensa's efforts to monitor and reduce the environmental impact of its operations, projects and properties with the aim of minimising its carbon footprint to mitigate climate change. This involves adopting sustainable building practices, implementing and using renewable energy sources (e.g. geothermal, solar, ...), and enhancing energy efficiency. |
| Climate adaptive buildings | **Water Management** | Responsible water management of buildings and (construction) sites, striving to reduce water consumption by maximizing rainwater collection, water recovery, infiltration and minimizing the discharge of clear water into the sewerage. |
| Climate adaptive buildings | **Circularity** | Nextensa's constructions must transition towards circular constructions. Besides aiming for an efficient and effective use of resources through designing adaptable and multifunctional buildings that last for decades while employing strategies to reduce, reuse, and recycle building materials, we also want to standardise the utilisation of biobased materials. |
| Climate adaptive buildings | **Innovation & Technology** | Integrating innovations and new technologies that foster sustainability in own operations, properties and projects to use fewer natural resources, to be more efficient, to foster co-creation or to improve performances and well-being. |
| Climate adaptive buildings | **Healthy & Resilient Buildings** | Integrating health, safety, and well-being of people in buildings by providing a healthy indoor climate and a pleasant and safe indoor living environment, for both non-residential and residential buildings. Moreover, this topic includes Nextensa's capability to develop buildings that adapt and resist to climate change risks such as frequent or high-impact extreme weather events. |
| Sustainable Society | **Biodiversity** | Enhancing biodiversity in existing and new projects by preventing soil pollution, fostering preservation and restoration of local ecosystems, and enabling greener building environments, thereby creating space for both people and nature. |
| Sustainable Society | **Lively Neighbourhoods** | Creating lively and mixed environments, for both occupants and the local community, by implementing different complementary programs and contributing to the unbuilt while promoting access to smart and sustainable mobility options. This topic also consists of creating prosperity and offering opportunities to the local community, including affordable living, and the integration of culture and (local) art into projects to create an inclusive society with social cohesion. |
| Sustainable Society | **Waste Stream Management** | Managing and cutting down waste generated throughout operations and from its own offices. This includes the proper collection, recycling, disposal, and reduction of waste in order tovalorize waste as a new resource and to minimize environmental impact. |
| Human Capital | **Nextensa's People** | Investing in the well-being of the workforce by providing a healthy workplace where the principles of equal opportunities, diversity and inclusion are essential. Ensuring an engaged workforce through the provision of decent working conditions, training and career opportunities. |
| Human Capital | **Partnerships & Co-creation in the Value Chain** | Nextensa's engagement with stakeholders, throughout various partnerships and collaborations. Co-creation is key for Nextensa to achieve its sustainability ambitions. This topic also includes occupier engagement and creating incentives for tenants to participate in measures that lower the impact on the environment. |
| Human Capital | **Exemplary Governance** | Nextensa's governance structure and approach to managing risks and opportunities surrounding business ethics, human rights, conflict of interest and transparency. Protecting human and environmental rights in every link along the value chain, from responsible sourcing and economic partnerships to good working conditions for workers. This topic also includes the importance of cyber security and data privacy. |


## STEP 2.
## FIRST DIMENSION: FINANCIAL EFFECT ON NEXTENSA

The first dimension is the financial effect on Nextensa related to ESG topics. The financial effect of the topics was assessed in a dedicated workshop. Risks and opportunities were scored together with Nextensa's management and department representatives.

Financial risks and opportunities were identified for each ESG topic, according to Nextensa's activities and linked to ESRS subtopics.

The financial assessment was aligned with the risk assessment methodology of Nextensa.

The size of financial effect on Nextensa was determined during a workshop, where key internal stakeholders attended: Nextensa's management and a representative per department. Participants were asked to score all risks and opportunities according to the size of the effect (on revenues/costs, assets/liabilities, and capital/risk profile), and the likelihood and provide the rationale for their score.

To compute the financial effect, **the highest-scored risk or opportunity of the ESG topic is retained as the financial materiality score of the topic**. This is also the score used to map the topics on the financial effect axis of the final materiality matrix.

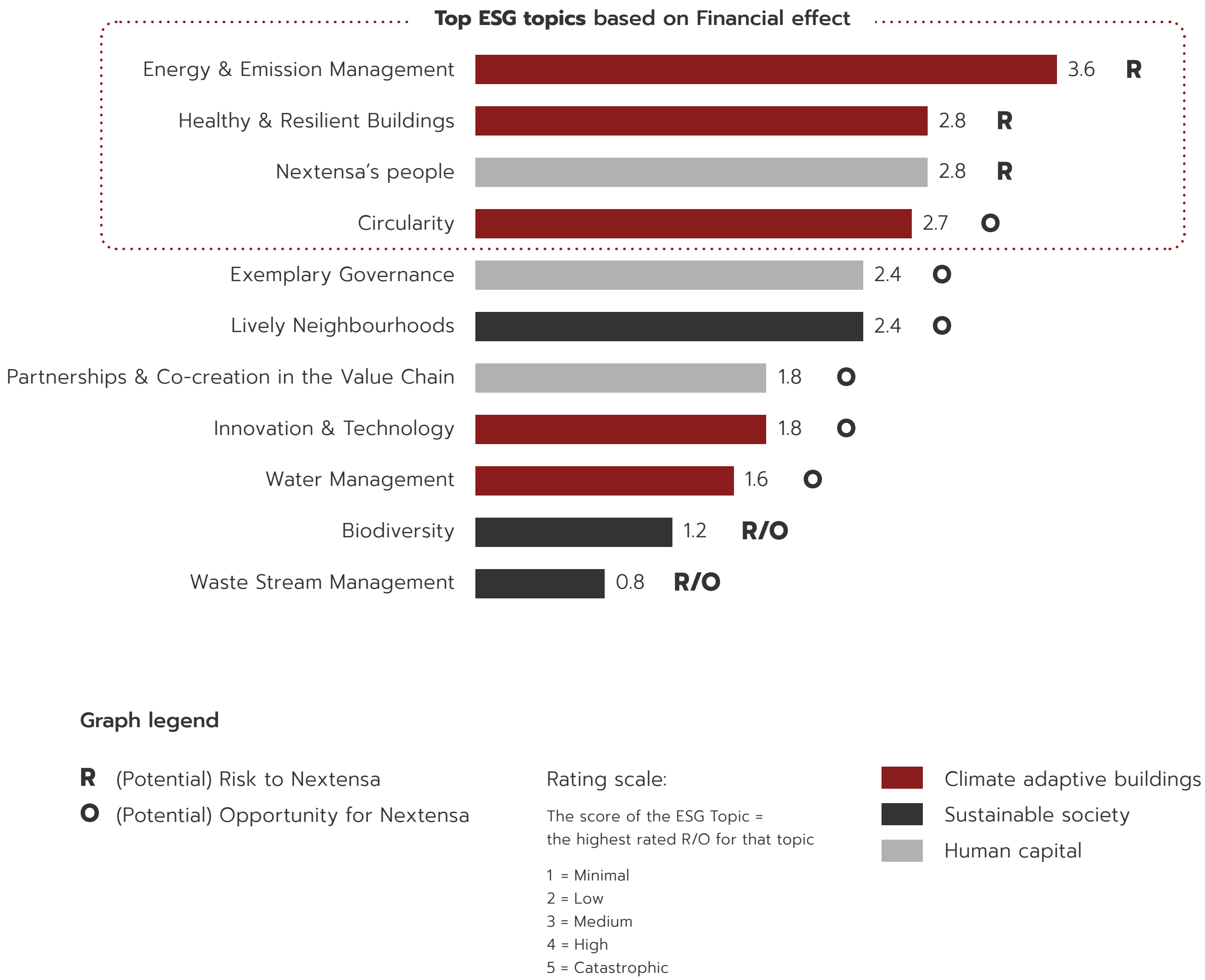
## Financial Materiality Results[18]

The **highest Financial effect** on Nextensa is allocated to a financial risk related to **Energy & Emission Management**. The Financial effect scored high due to a short-term (> 1 year) time horizon, a high effect (> 10% - 25%), and a very likely (90%) likelihood, resulting in a 3,6 financial effect:

*"Designing buildings that are not energy-efficient or have high GHG emissions will be less valuable. As sustainability becomes a more significant factor in property valuation, Nextensa may find it challenging to sell or lease properties that do not meet sustainability standards."*

The reason for the size of the impact is that property values for inefficient buildings could experience a substantial decrease by 2030, with greater risk for new developments compared to existing portfolios.

The **lowest Financial effects** of ESG topics on Nextensa are **Biodiversity** and **Waste Stream Management**.




[18] 201-2 Financial implications and other risks and opportunities due to climate change.

## STEP 3.
## SECOND DIMENSION: IMPACT ON PLANET & SOCIETY

The second dimension is Nextensa's impact on the planet & society. This dimension was defined by consulting internal and external Subject Matter Experts (SMEs) with expertise related to Nextensa's ESG topics.

The Impact Materiality Assessment process was the following[19]:

### Listing:

Actual and potential impacts Nextensa could have on the planet and the society were identified for each ESG topic, according to Nextensa's activities and linked to ESRS subtopics.

### Alignment:

Scoring levels for the severity have been reduced to 3 scales (low, medium, high) compared to 5 scales for the financial assessment. The impact materiality is determined by the severity of the impact multiplied by the likelihood.

### Scoring:

The actual and potential impact of Nextensa on the planet and society was determined during interviews, by subject matter experts. Experts were selected based on their knowledge of a specific topic[20]. Interviews were dedicated to specific ESG topics during which the experts scored each positive and negative impact according to the factors mentioned in the scoring table (scale, scope, irremediability, and likelihood).
To compute the final impact score, the highest-scored positive or negative impact of the ESG topic is retained as the impact materiality score of the topic. This score is also the final score used to map the topics on the 'impact' axis of the final materiality matrix[21].

[19] 3-1: a) Process to determine material topics including actual and potential, negative and positive impacts.
[20] 3-1: b) Stakeholders and experts who informed the process of determining material topics.
[21] 3-1: a) Process to determine material topics including actual and potential, negative and positive impacts.

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*BELGIUM*

## Impact Materiality Results

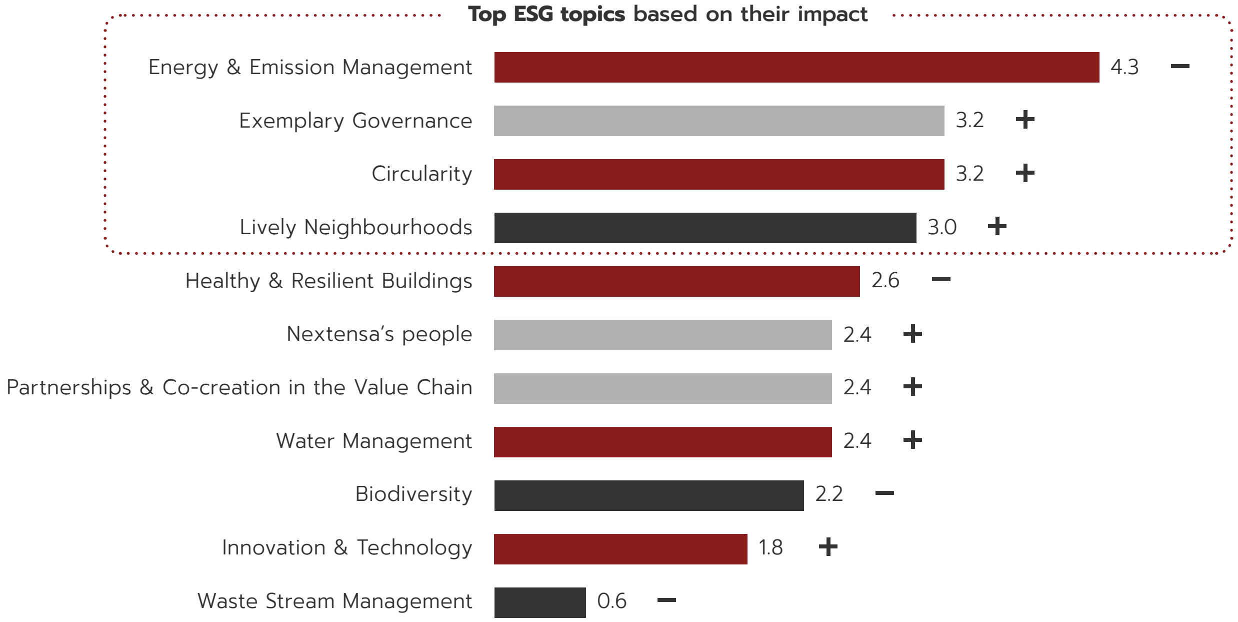
The **highest impacts on the planet and society** are negative and are allocated to **Energy & Emission Management**. The impacts scored high due to a high scale of impact, a Global/ Total scope, and an actual impact likelihood, resulting in an impact score of 4,3.

*"Not investing in the renovation of portfolio buildings to improve energy efficiency, thus contributing to high CO2 emissions" and "by using building material with a high 'embodied carbon', Nextensa's construction and renovation projects contribute to global warming".*

The main reason for the size of the impacts is that the energy consumption of buildings, and construction/ renovation of buildings contribute to high emissions, hence representing a significant impact.

The **lowest impact of Nextensa on the planet and society** is **Waste Stream Management**.

ESG topics' impact scores are mostly aligned with the results of the Eco-impact analysis from 2022, which is based on sector-specific sustainability standards and frameworks.




**Graph legend**

- \+ Positive impact
- − Negative impact of Nextensa on planet & society

Rating scale:

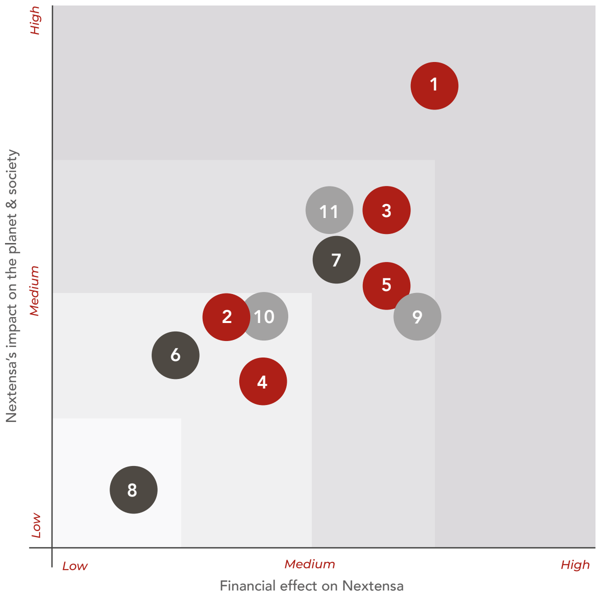
The score of the ESG Topic = the highest scored impact for that topic

1 = Low
3 = Medium
5 = High

- Climate adaptive buildings
- Sustainable society
- Human capital

## CONCLUSION OF THE DOUBLE MATERIALITY ASSESSMENT

Nextensa's Double Materiality Matrix




### Graph legend

**Climate-adaptive buildings**

1 Energy & Emission Management
2 Water Management
3 Circularity
4 Innovation & Technology
5 Healthy & Resilient Buildings

**Sustainable Society**

6 Biodiversity
7 Lively Neighbourhoods
8 Waste Stream Management

**Human Capital**

9 Nextensa's people
10 Partnerships & Co-creation in the Value Chain
11 Exemplary Governance

## TOP 4 OF HIGHEST SCORING RISKS AND OPPORTUNITIES

### RISK

#### Energy & Emission Management 1

**Financial risk:**
Designing buildings that are not energy-efficient/ have high GHG emissions will be less valuable. As sustainability becomes more significant in property valuation, Nextensa may find challenging to sell or lease properties that do not meet ESG standards.

#### Healthy & Resilient Building 2

**Financial risk:**
As climate change brings more extreme weather events, investing in buildings that are not designed to withstand these challenges may experience damage, leading to costly repairs and potential insurance claims.

#### Nextensa's people 3

**Financial risk:**
Bad working conditions (lack of work-life balance, well-being, adequate wages) leads to low productivity of employees and difficulties to retain employees due to dissatisfaction. Shortage in employees and loss of effectiveness and knowledge can impact Nextensa's operations.

### OPPORTUNITY

#### Circularity 4

**Financial opportunity:**
Developing reusable, multifunctional and adaptable buildings can lead to financial benefits. Well-designed, aesthetically pleasing buildings can lead to an increase in the building value and are more likely to stand the test of time.

## TOP 4 OF HIGHEST SCORING IMPACTS

### NEGATIVE impacts

#### Energy & Emission Management 1

–

By using building materials with a high "embodied carbon" Nextensa's new construction and renovation projects cause CO2 emissions and contribute to global warming (scope 3).

#### Energy & Emission Management 2

–

Not investing in the renovation of buildings in the portfolio to improve energy efficiency, contributes to high emissions generated by the energy-intensive buildings.

### POSITIVE impacts

#### Energy & Emission Management 3

+

Designing energy efficient buildings powered by renewable energy (fossil free) reduces CO2 emissions from energy consumption (gas and electricity).

#### Energy & Emission Management 4

+

Investing in renewable energy for buildings in the portfolio (solar panels, geothermal energy) reduces CO2 emissions from energy consumption.

## Out of 11 ESG topics 1 is material (in bold) and 5 require increased attention (in red).[22]

### Climate adaptive buildings

1. **Energy & Emission Management**
2. Water Management
3. Circularity
4. Innovation & Technology
5. Healthy & Resilient Buildings

### Sustainable Society

6. Biodiversity
7. Lively Neighbourhoods
8. Waste Stream Management

### Human Capital

9. Nextensa's people
10. Partnerships & Co-creation in the Value Chain
11. Exemplary Governance

## Key Findings from the financial materiality assessment:

The ESG topic exerting **the greatest financial impact on Nextensa is "Energy & Emission Management"**, with a risk score of 3.6/5, categorizing it as a **high-risk** concern. This is primarily attributed to the fact that the construction of buildings, a core element of Nextensa's business activities, is a highly-emitting activity. Additionally, there is a potential significant decrease in property values for inefficient buildings in the future, posing a greater risk for new developments compared to existing portfolios. Following closely are **"Healthy & Resilient Buildings" (2.8/5 - Risk) and "Circularity" (2. 7/5 - Opportunity)**, both falling under the umbrella of Climate Adaptive Buildings. The first one is more related to the activity investments properties, the second one is closely related to the development activity of Nextensa.

Also **"Nextensa's people"** (2.8/5 - Risk), incorporating the investments in good working conditions, equal treatments and providing training for the staff members is an important topic to manage by the company.

Conversely, Biodiversity (1.2/5 – Opportunity) and Waste Stream Management (0.8/5 – Risk) rank as the lowest-scoring topics (two out of three topics under Sustainable Society). This indicates that risks and opportunities associated with these topics may represent the lowest priority for mitigation or pursuit by Nextensa. Nevertheless, they remain part of the topics in scope to mitigate for Nextensa.

## Key findings from the impact materiality assessment:

Regarding Nextensa's impact on the planet and society, **"Energy & Emission Management" emerges as the highest impacting topic due to high CO2 emissions** from energy consumption of (older) assets and the use of building materials with a high "embodied carbon" in Nextensa's construction and renovation projects, thereby contributing to global warming. This topic also scores high on the positive contribution Nextensa has and could have by designing energy efficient buildings and through the investment in renewable energy. Two other topics score high with (potential) positive impacts; **"Exemplary governance"**, by fostering a positive corporate culture and setting up a compliance program, as well as **"Circularity"**, by designing multifunctional, adaptable buildings with a timeless design, this way extending the lifespan of a building and decreasing the resource use.

In stark contrast, "Waste Stream Management" stands out as the lowest-scoring ESG topic (0.6/5), highlighting a negative impact linked to the generation of hazardous waste during construction and renovation. Nextensa implements measures and adheres to regulations to mitigate this impact, reducing the likelihood of its occurrence.[23]

[22] 3-2: a) List of material topics.
[23] 2-25 Processes to remediate negative impacts.

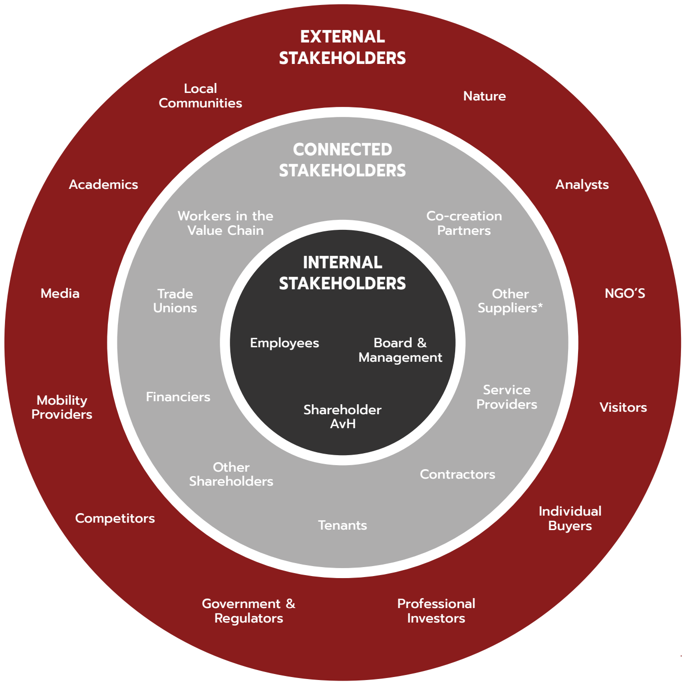
## 1.2.2 NEXTENSA'S ENGAGEMENT WITH STAKEHOLDERS

Nextensa strives, since years, to build strong relationships with its stakeholders and takes great interest in the needs and expectations of investors, tenants, residents, local communities and visitors, … Partnerships and co-creation continue to occupy an important place in the Materiality Matrix and also require efforts. By actively involving the stakeholders in shaping Nextensa's approach, Nextensa is committed to engage them directly or indirectly in the decision-making processes by holding regular consultations. The communication methods used for the different stakeholders can be found in the Appendix to this Sustainability Report[24].

Engaging with stakeholders is a key element within the GRI Sustainability Reporting Standards. It becomes even more important in the CSRD as one fundamental step of the double materiality assessment. As part of the Materiality Assessment a stakeholder assessment was conducted.

The aim of the assessment was to broaden the outlook beyond just our own business operations into Nextensa's value chain. By integrating the concerns and ambitions of groups within this chain, we aimed to better understand how to collaborate on key sustainability topics. This approach also allows us to identify the strengths and weaknesses of Nextensa's strategy in the context of business risks and opportunities. Additionally, the aim was to capture future priorities for Nextensa as per stakeholders' input. By gathering and balancing the different views, Nextensa is able to identify the topics which are most material for its business[25]. A practical way to ensure effective stakeholder selection is to engage with those who have a higher impact on the company's sustainability performance. To identify the right stakeholders the value chain analysis was used as a tool for stakeholder engagement. One of the steps of the analysis focuses on the mapping of the impact generated at each stage of the value chain and for every material topic. This mapping provides a clear picture of where the greater impacts take place at a stakeholder level and for which topic.

Nextensa's stakeholders were categorised according to their relationship to Nextensa as external, connected and internal stakeholders[26].




An online survey was sent to all stakeholder groups for a quantitative assessment of the 11 ESG topics.

In total, 152 stakeholders were reached out to, to fill in the survey and 10 key stakeholders were contacted, to conduct interviews, to understand their perspective on ESG priorities for Nextensa.

In the online survey, two main questions were asked to determine the current performance and the future priorities. The results give insight into how different stakeholders perceive the importance of ESG topics for Nextensa.

***Other Suppliers:**

- Sub-contractors
- Architects
- Engineers
- Technical consultants
- Urban planners

[24,25,26] 2-29: a) Description of approach to engaging with stakeholders.

## GENERAL SURVEY INSIGHTS

### Perception of current performance

- Stakeholders rated Nextensa as having the highest performance for the topics: **Healthy & Resilient Buildings, Water Management, Partnerships & Co-creation in the Value Chain, Energy & Emission management**.

- The lowest-scoring topics are: Waste Stream Management & Biodiversity.

### Vision on future priorities

- Stakeholders gave the highest future priority rating to the following topics: **Energy & Emission Management, Healthy & Resilient Buildings, and Water Management**.

- The lowest-scoring topics: Biodiversity and Lively Neighbourhoods.

## DEEP-DIVE KEY STAKEHOLDER INTERVIEWS

According to ESRS 1 companies would not be required to report in relation to every single entity in the value chain, but only those that are considered "material" (on the basis of double materiality).

Nextensa invited, besides the online survey, key stakeholders for a longer in-depth interview concerning the ESG strategy of Nextensa. Ten of them accepted the invitation representing: tenants, suppliers, analysts, financial institutions and the main shareholder.

Stakeholder involvement has always been an essential element in Nextensa's strategic planning: identifying, understanding and involving people who have an interest in or who are (in)directly impacted by Nextensa's activities.

However, considering the outcome of the stakeholder engagement conducted for this first Materiality Assessment, it is evident that understanding and improving Nextensa's impacts along the value chain holds the potential to serve as a strategic tool to accelerate sustainability.

Therefore, Nextensa requires a more effective stakeholder management for a more comprehensive approach that includes ongoing communication, listening and collaboration in the coming years. It will allow Nextensa to manage a further notable aspect of CSRD reporting: the requirement for companies not only to report with respect to their own operations, but also their broader value chain. Reporting companies will therefore be required to report information on the material impacts, risks, and opportunities connected to the in-scope entity through its direct and indirect business relationships in the upstream and/or downstream value chain.

A key aspect of this extension of reporting requirements to include the broader value chain is the fact that Nextensa will address significant ESG data requests of companies of its value chain that are themselves not within the scope of the CSRD in order to meet own reporting requirements under the CSRD.

The EU has recognised that procuring such information may prove challenging in the short term and has included a three-year grace period within the CSRD for reporting on these issues. For the first three years of application, companies may explain their efforts in relation to obtaining value chain information and the reasons they have not been able to procure such information.

## FUTURE GOAL

Now that the CSRD has been enacted, the timeline for implementation has become clear for Nextensa.

Thanks to this first Materiality Assessment and the gap analysis in relation to GRI Sustainability Reporting Standards (reference reporting framework used by Nextensa) and the ESRS carried out this year, Nextensa has put in place a roadmap to facilitate obtaining limited insurance required by 2025.

Nextensa considers the first results to be positive.

The materiality assessment made it possible to consolidate Nextensa's Materiality Matrix with a clear priority for the topic Energy & Emission Management closely related to the ESRS E1 subtopic Energy and Climate Management. The focus for Nextensa for the coming years is very clear.

By executing the analysis new knowledge was acquired regarding the further steps to be taken in Nextensa's sustainable strategy and the reporting requirements

Due to the stakeholder assessment crucial information was gathered from the deep dive interviews with the key stakeholders and awareness was raised among stakeholders regarding the need to collaborate to achieve common goals.

By conducting the analysis, new knowledge was gained on the further steps to be taken in Nextensa's sustainability strategy and reporting requirements. It will remain to be seen when EU member states transpose the CSRD directive into national legislation what adjustments will still be needed for Nextensa with subsidiaries in the Belgium, Luxembourg and Austria as well as incorporating the sector-specific standards that will soon be available for the real estate sector.

## ASSURANCE OF SUSTAINABILITY INFORMATION

A final important aspect of CSRD reporting is the requirement to provide an assurance by an independent third party. As of 2025, the auditor or a company auditor must provide limited assurance on the compliance of the sustainability information in Nextensa's annual report with the requirements of CSRD (including the ESRS), the process implemented by Nextensa to identify the information reported according to the ESRS, compliance with the requirement to flag the sustainability information and certain other issues identified during this initial assessment.

Nextensa's board of directors proposes to appoint the company's auditor for this assurance of the sustainability information. The proposal to appoint a new statutory auditor within Nextensa, which will be submitted to its general meeting, is aligned within the framework of this engagement, which also extends to Nextensa's sustainability information from 2025, to ensure the required limited assurance in 2026.[27]

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[27] 2-5 External assurance.

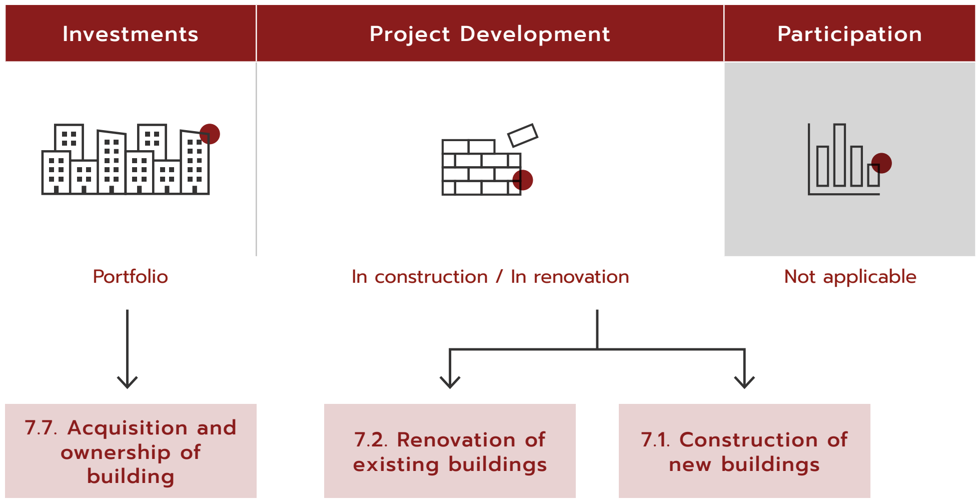
## 1.2.3 FOCUS ON THE EU TAXONOMY

The CSRD is far from the only legislative initiative being developed by the EU in relation to ESG requirements. The EU Taxonomy, a classification system which seeks to define economic activities as "sustainable" or not, was enacted in 2020, and contains, among other things, a requirement for companies subject to the NFRD to report the Taxonomy-alignment of their activities beginning in 2023. This requirement will be extended to all EU companies that are subject to the CSRD once the reporting requirements of the CSRD come into effect. Nextensa is already familiar with the calculations and criteria required to be met to be Taxonomy-aligned.

The EU Taxonomy 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 Social Safeguards" (MS).

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




**Nextensa considers the EU taxonomy classification tool as an opportunity to transition towards a green portfolio.**

**Since 2023, it was decided that the criteria of this legislation form, amongst others, the minimum requirements for all new development projects and major renovations.**

## THE EU TAXONOMY IS A TWO-STAGE CLASSIFICATION:

### STEP 1: ELIGIBILITY

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

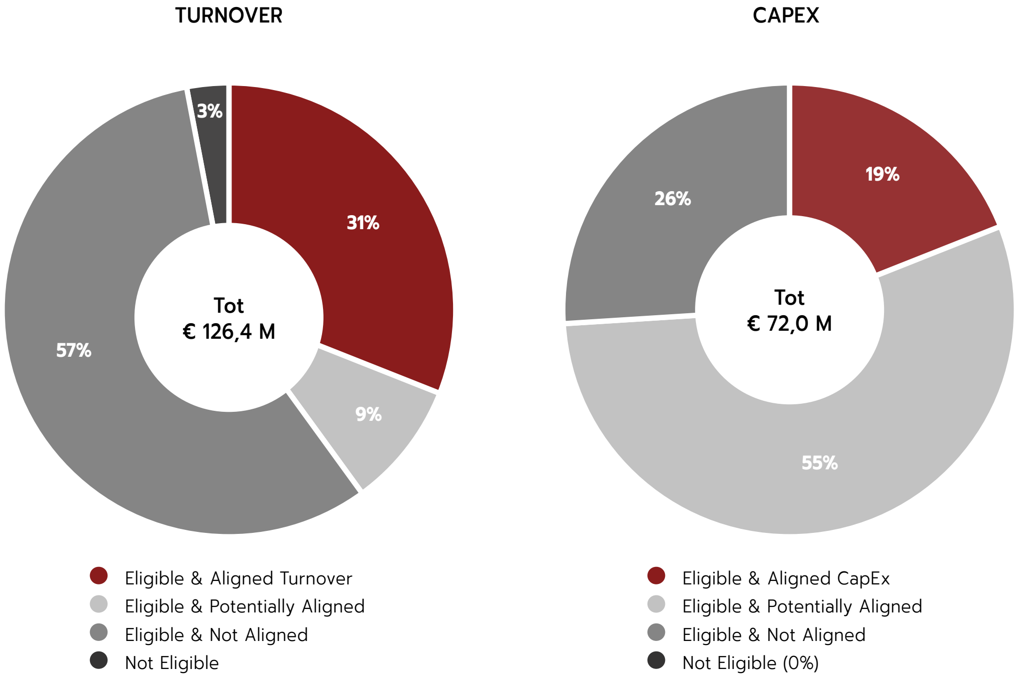
More than 97% of Nextensa's turnover and 99% of its CapEx are 'eligible' for the EU Taxonomy. These figures mainly concern real estate development activities and the letting of real estate in its portfolio.

### STEP 2: ALIGNMENT

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.

After assessing several pilot projects in 2022, the screening process was expanded in 2023 to include all assets and projects for which necessary information is available and that, for strategic reasons, are not on the list for redevelopment or sale.

## Conclusion EU Taxonomy assessment of 2023:




**31%**

**EU Taxonomy Aligned Turnover**
**(Climate Change Mitigation)**

**19%**

**EU Taxonomy Aligned CapEx**

### For the 'Construction of New Buildings', almost 50% is aligned.

For these activities, the result is mainly coming from the revenues of the project Park Lane Phase 2. For Park Lane Phase 2 compliance with the technical screening criteria of the "Construction of new building" activity has been demonstrated by assessing a limited number of buildings. 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 D2, D3 and UV5, buildings that are representative for the total of phase 2. 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 2 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 (50%) of the turnover is taken into account in the Taxonomy-aligned activity.

### For the Renovation activity, the renovation of Hôtel Des Douanes is aligned.

Nonetheless, the main part of the turnover and CapEx within renovation is linked to the Moonar project. This project has a great potential of being aligned, but still has an unfinished assessment due to missing documentation and measurements.

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 while the legal framework in terms of urban planning is not very flexible. The result we have now, are projects that were not developed with the criteria of EU taxonomy as a guidance. As a result, it takes some years to see the result of the decisions made for the upcoming projects and renovations which are all designed with the criteria as a guideline.

### Path to improvement for portfolio activities.

Although currently only a limited part of the portfolio meets all criteria, Nextensa is working hard to address this. The properties that are aligned underwent a full assessment. However, for a number of assets, the assessment has not yet fully taken place as necessary documents were still missing or they are assets that will be redeveloped or sold in the near future.

The main part of the orange CapEx is linked to the acquisition of Monterrey 20 and Montoyer 24 where respectively MonTree and TreeMont will be developed, both with the goal of being aligned.

All buildings in the orange and red zones are subject to an action plan that was put in place in 2023 to evolve towards a green portfolio over time.

One of the projects of 2024 is renewing the insulation on the roof of Royal Depot and replacing its condensation gas boilers with heat pumps.

## FUTURE GOAL:

The alignment assessment will be further extended to all new and renovation projects and the relevant part of the active portfolio.

In the coming years the activities 'Construction of New Buildings' and 'Renovation' will shortly be completely aligned with the criteria of the EU Taxonomy (for the objective of Climate Change Mitigation) because the of taking the criteria into the minimum requirements of the (re)developments.

The biggest challenge remains the portfolio which contains a diverse type of buildings. Therefore, an action plan was put in place to redirect the different assets towards an aligned portfolio over time due to strategic acquisitions, redevelopments, renovations and the disinvestment of buildings. Nextensa is aware that this activity will require major actions and finance for the coming years and that it will take some time to develop the complete action plan.

# 1.3
# About this year's Sustainability Report

This is Nextensa's third Sustainability Report which covers the calendar year 1 January - 31 December 2023 and will be published on 29 March 2024[28] as part of the annual report[29].

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[30].

Last year, on 31 March 2023, Nextensa published its 2022 Sustainability Report in which an account was given on the prioritized topics for all Nextensa's (re)developments and investment activities.

Since 2022, an organisational process has been established to consolidate information and collect data for ESG monitoring, management, and performance reporting for the upcoming years, following GRI standards. The objective is to annually enhance the coverage of various KPIs.

This sustainability report is the first step towards full compliance with the European Sustainability Reporting Directive (CSRD). As part of this process, however, this report still relies on the GRI standards, as was the case in previous reports. The GRI standards meet different needs in the sustainable development reporting landscape. Despite its differences with the CSRD, these two frameworks have a common goal: to promote transparency, accountability and sustainable business practices. Analysis of the differences between the GRI standards and those of the CSRD was conducted to determine Nextensa's roadmap through the complexities of sustainability reporting.

In 2023, a double materiality assessment and a stakeholder assessment has been established to define the most material topics for the activities of Nextensa. In this report, Nextensa consolidates the information on these most material topics.

Nextensa reports in accordance with the GRI Standards. The Sustainability Report has not been externally verified[31].

[28,29] 2-3: a) Reporting period and frequency of sustainability reporting.
[30] Entities included in the organisation's sustainability reporting.
[31] 2-5: External Assurance.


# SUSTAINABILITY FIGURES 2023

**31%** EU-taxonomy **aligned turnover** (all activities)

**49%** EU-taxonomy **aligned turnover** (new construction)

| | 2023 | 2022 | EVOLUTION | |
|---|---|---|---|---|
| EU-taxonomy aligned turnover (all activities) | 31% | 24.70% | +26% | + |
| EU-taxonomy aligned turnover (new construction) | 49% | 42.50% | +15% | + |
| | | | | |
| **Scope 1 (ton CO2eq)** | **104.51** | **109.69** | -5% | + |
| GHG from gas and fuel offices (ton CO2 eq) | 11.99 | 18.48 | -35% | ++ |
| GHG from company cars (ton CO2 eq) | 92.52 | 91.21 | +1% | — |
| **Scope 2 (ton CO2eq)** | **1.51** | **6.46** | -77% | ++ |

| | 2023 | 2021 (baseline) | EVOLUTION | |
|---|---|---|---|---|
| **Scope 3 Investment Emissions (ton CO2 eq)** | **6,431** | **9,233** | **-30%** | ++ |
| Total energy consumption portfolio (MWh) | 49,321 | 51,804 | **-5%** | + |
| Data coverage for energy consumption | 90% | 76% | **+18%** | + |
| | | | | |
| Autoconsumption self produced electricity in Nextensa assets | 47% | 46% | **+2%** | + |
| Sqm solar panels on Nextensa assets | 49,983 | 32,983 | **+52%** | ++ |
| Production solar panels (MWh) | 6,219 | 6,841 | **-9%** | – |
| | | | | |
| Number of charging stations | 281 | 115 | **+144%** | ++ |
| | | | | |
| Total waterconsumption (m³) | 65,205 | 80,355 | **-19%** | ++ |

# Other

42% of Nextensa's portfolio are **reused buildings**

82% of the reused buildings **exceed a lifespan of 100 year**

More than 1,000,000 people visited Tour & Taxis in 2023 for one of the **inspiring events**

**Pilot project Energy community covered almost** 30% of electricity demands of participating residents

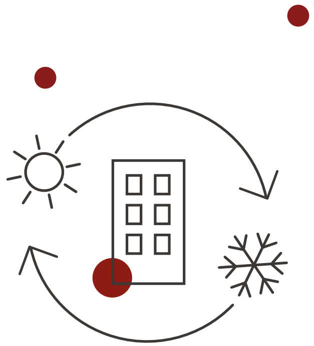
Transport of 7,000 ton **of silica blocks to Park Lane Phase 2 by boat,** saved 45,000km of road transport (one trip around the world!)

Recycling 60% of Nextensa's **office waste** represents a CO2 saving equal to power a fridge for 79 years

**Amount of solar panels** on Nextensa's assets equals 10 football fields


GARE MARITIME
BELGIUM

# 2. DEVELOPING CLIMATE-ADAPTIVE BUILDINGS



## 2.1
## *Energy & Emission management*

*Nextensa's efforts to monitor and reduce the environmental impact of its operations, projects and properties with the aim of minimising its carbon footprint to combat climate change. This involves adopting sustainable building practices, implementing and using renewable energy sources (e.g. geothermal, solar, ...), and enhancing energy efficiency.*

**CSRD** ESRS E1: Climate change - Climate change mitigation

## APPROACH

Stakeholders in the real estate sector play an essential role in tackling climate change. The buildings sector represents 40 percent of Europe's energy demand, more or less 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 and energy transition.

The decarbonisation of its portfolio towards net-zero by 2050 is Nextensa's ultimate goal. Emission & Energy Management 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, reduce the independence on fossil fuels and increase commitments with its partners alongside actions and investments in energy efficiency.

Energy & emission management is linked to the ESRS E1 described in the CSRD and the substantial contribution that Nextensa wishes to make to the "Climate change Mitigation" category within the framework of the EU Taxonomy for its activities.

ESRS E1 covers disclosure requirements related to sustainability issues relating to "Climate Change Mitigation" and "Climate Change Adaptation". It also covers energy-related issues, as they are relevant to climate change.

Climate change mitigation concerns the company's efforts to limit the increase in global average temperature to 1.5°C above pre-industrial levels, in line with the Paris Agreement. This standard covers information requirements related to greenhouse gas emissions for which Nextensa adopts the GHG Protocol. It also covers disclosure requirements on how the company manages its GHG emissions as well as associated transition risks.

Climate change adaptation relates to the undertaking's process of adjustment to actual and expected climate change.

Adaptation to climate change is, according to Nextensa, closely linked to the health and safety of the occupants of its buildings in addition to an impact on the increase in energy demand. This is why, in the context of this report, the approach to Climate Change Adaptation is linked to the ESG Topic "Healthy & Resilient Buildings".

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.

Nextensa's emission sources are represented as follows:

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

## SCOPE 1 & 2

Nextensa continues to report on scope 1 and scope 2 emissions in Belgium, the Grand Duchy of Luxembourg and Austria.[32]

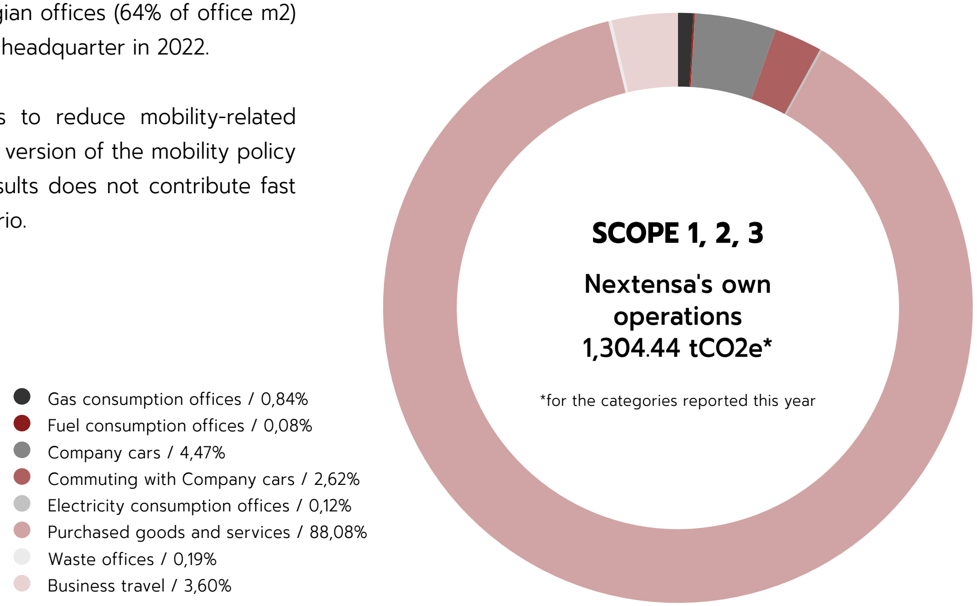
Scope 1 accounted for 104.51 tons of CO2eq[33] (-5% compared to 2022)[34]. These direct GHG (Greenhouse Gas) emissions were generated by fuel combustion of company owned cars (92.52 tCO2) and fuel consumption for heating the offices (11.99 tCO2).

Scope 2 accounted for 1.51 tons of CO2eq[35] (-77% compared to 2022)[36], all purchased electricity for Nextensa's own offices is produced from renewable energy sources with guarantees of origin[37] and 23% of the 79.94 MWh electricity consumed by Nextensa's offices is self-produced solar electricity.[38]

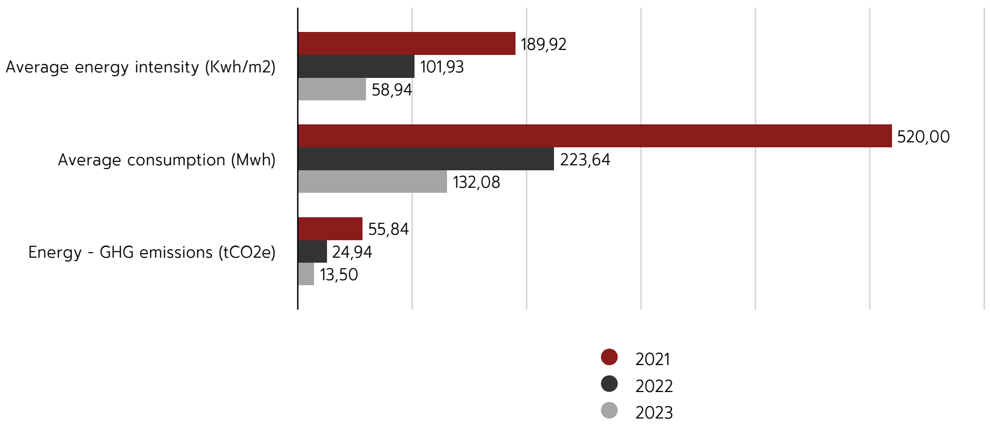
The 132.08 MWh[39] of total energy consumption for Nextensa's offices (2,241m2)[40] accounted for only 13% of the GHG emissions since the Belgian offices (64% of office m2) were moved to a sustainable headquarter in 2022.

The main challenge remains to reduce mobility-related GHG emissions and a revised version of the mobility policy is needed in 2024 as the results does not contribute fast enough to a "net-zero" scenario.

**CO2-emission for Nextensa's own operations**




**Energy - Nextensa's offices**




[32] 2-1: d) Countries of operation.
[33] 305-1 Direct (Scope 1) GHG emissions.
[34] 305-5 Reduction of GHG emissions.
[35] 305-2 Energy indirect (Scope 2) GHG emissions.
[36] 305-5 Reduction of GHG emissions.
[37] For Belgium's Headquarters purchased electricity: based on electricity production from green energy in Belgium's (FEBEG) representative mix, an emission factor (EF) upstream/production fuel of 8 grams of CO2 per kWh is charged.
For Grand duchy of Luxembourg's offices: the electricity is produced by the "Centrales Hydrauliques" where the EF charged of 4 grams of CO2 per kWh include the CO2 emissions resulting from the construction and demolition of the hydroelectric power station. This conservative approach was chosen instead of "Well to Wheel" approach where the Life Cycle Analysis (LCA) is not taken into account resulting into zero emissions. The same conservative approach was used for solar electricity produced by PV installations: emissions are zero if the "Well to Wheel" approach is used. By using the LCA approach to include the CO2 emissions resulting from the construction and demolition of the solar panels, 61 grams of CO2 per kWh are charged.
[38] 302-1: b) Total fuel consumption within the organization from renewable sources, in joules or multiples, and including fuel types used.
[39] 302-1: e) Total energy consumption within the organization, in joules or multiples
[40] 302-3 Energy intensity (within the organisation).

## 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 because its scope includes own operational and assets emissions, those of the building portfolio and development activities.

### OPERATIONAL EMISSIONS

In 2023 the emphasis was placed on the alignment of 'scope 3 own operations' reporting with the accounting figures of the various entities of the group for which harmonization of accounting systems proved necessary following the merger which took place in 2021.

With the integration of all the group's legal entities into a single accounting program, the reporting of scope 3 operational GHG emissions is not only made easier but has also gained granularity in the data collected. In addition, aligning the reporting of non-financial figures with accounting will facilitate audits in the years to come. As specified in the CSRD, all companies within its scope are required to seek limited assurance over "the compliance of the sustainability reporting". The adoption of the CSRD, along with the supporting ESRS, is intended to increase the breadth of nonfinancial information reported by companies and to ensure that the information reported is consistent, relevant, comparable, reliable, and easy to access.

Out of 15 scope categories, 3 were identified of high relevancy for the operational emissions of Nextensa which are "purchased goods and services", "waste management" and "business travel".

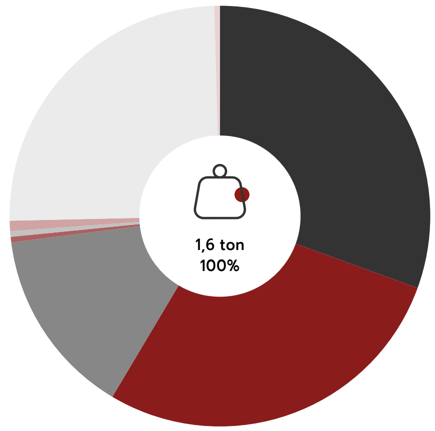
For the "purchased goods & services" category, the spend-based method[41] was used which accounts for 1,148.91 tons of CO2eq[42] with an estimated data coverage rate of 91% due to lack of granularity in the numbers of Austria.

In this category, Nextensa has identified suppliers that contribute the most to CO2 emissions, for which intensive supplier engagement will be organised by 2024. This initiative will serve two purposes: Firstly, it aligns with Nextensa's sustainable purchasing policy, aimed at promoting awareness among suppliers about Nextensa's ESG Strategy and fostering sustainability throughout the supply chain. Secondly, it aims to gather product-level cradle-to-gate GHG inventory data from these suppliers, if available, to enhance the accuracy of emission calculations.

In terms of waste management[43], Nextensa uses the supplier-specific method[44] for the calculation of this category which accounts for 2.29 tons of CO2eq[45] (coverage of 64% of the offices in m2) with 59,6% of raw material recovery and a CO2 saving of 13,412kg.

Although the absolute value of 1.6 tons total waste[46] is -53% better than previous year, those numbers are not comparable. The 3.1 tons waste collected in 2022 were partly a result of the move to the new headquarter office in Brussels.

**2023**




- Residual waste 499 kg / 30,5%
- Paper and cardboard 475 kg / 28%
- Vegetable waste / Swill 236 kg / 14,5%
- Glass 7 kg / 0.4%
- Construction & demolition 7 kg / 0,4%
- Wood / pallets 13 kg / 0,9%
- PMDs 407 kg / 24,9%
- Electrical scrap 7 kg / 0,4%


[41] Estimates emissions for goods and services by collecting on the economic value of goods and services purchased and multiplying it by relevant secondary (e.g. industry average) emission factors (e.g. average emissions per monetary value of goods).
[42] 305-3 Other indirect (Scope 3) GHG emissions.
[43] 306-3 Waste generated, 306-4 Waste diverted from disposal, 306-5 Waste directed to disposal.
[44] CO2 footprint is calculated on the basis of CO2 emissions according to Kyoto Convention 1990. Saving CO2 is determined by TNO according to the publication Value of Book of Van Gansewinkel.
[45] 305-3 Other indirect (Scope 3) GHG emissions.
[46] 306-3 Waste generated.

Nextensa's target is to increase monitoring coverage to 100% of its office area (10% better in 2023 than previous year), to achieve 75% recycling of its waste (7% better in 2023 than previous year) and to reduce waste to less than 10kg/year/workplace by 2025 (not comparable).

The integration of all legal entities in the same accounting program revealed an error in the reported emissions linked to the business travel category in previous years, which led Nextensa to place the reference year in 2023 with an amount of 47.01 tons of CO2eq[47].

## INVESTMENT EMISSIONS

Climate change might endanger the business case of real estate companies if no measures to transform the property stock under management are taken. Risks and uncertainties must be understood adequately to sustain economic growth and the quality of life of occupants. Therefore, a strong focus on climate change risk management is essential and a material topic for Nextensa.

Nextensa's strategy and risk management will ensure that the efforts to mitigate CO2 within its portfolio will fulfill EU targets to meet future market expectations.

Thanks to the investments made in recent years to implement an Energy Management Platform for detailed monitoring and optimal control, processing real-time data from most of its locations, Nextensa is not only able to manage securely energy consumption, remote control and people's comfort but is also able to make informed strategic decisions.

Analysis of regulatory requirements and effective data management (based on energy and emission data) is essential to assess the exposition of assets to stranding risks. Climate change and strengthened regulation will require particular retrofitting measures that have an effect on current investment decisions.

After the merge of Leasinvest & Extensa, a first roadmap for the investment portfolio was drawn up in 2022. A detailed inventory of the building portfolio (age, type of usage, type of installations, occupancy etc.) and a first list of measures to reduce CO2 emissions with the focus on the most energy-intensive buildings in terms of absolute consumption, intensity and CO2 emissions was carried out based on the available data.

In 2023, a more detailed short-term action plan (2023-2025) prioritises and groups investments based on costs, implementation schedules and expected impact of the measures.

The aim for 2024 is to accelerate the decarbonization and climate change resilience of the portfolio by taking into consideration the negative financial risks associated with poor energy performance and quantifying the financial implications of climate change on the building stock. To achieve this, Nextensa will equip itself with a platform that will provide appropriate science-based carbon reduction pathways for the building, portfolio and enterprise level, as well as financial risk assessment tools to cost-effectively manage carbon mitigation strategies. The project aims to optimise investments in energy-efficient renovations by making risks more transparent and revealing related opportunities.

The energy source and performance of buildings play a key role in helping achieve Nextensa's ambitious CO2eq emission reduction targets for 2030 and 2050. Thanks to the Energy Management Platform, Nextensa was able to extend the coverage ratio of the data collected to 90% of its portfolio this year. Additional data collected in 2023 linked to the 2022 reporting year has also been added to the figures reported last year, increasing coverage ratio from 55% to 86%.

Based on this coverage ratio, the total CO2 emissions originating from Nextensa's portfolio is 6,431 tCO2eq.[48] This calculation includes the purchased grid electricity (the self-produced energy is not included), natural gas, fuel oil, district heating & cooling consumption for 49,321 MWh[49].

[47,48] 305-3 Other indirect (Scope 3) GHG emissions.
[49] 302-2 Energy consumption outside of the organization.

Although the absolute figures taking into account the coverage ratio, cannot be compared, it is nevertheless important to emphasize that a reduction is recorded in 2023 of 5% on the total energy consumption of the portfolio and a 30% reduction on total CO2 emissions[50] compared to the reference year 2021, in which coverage ratio was 76%, while it reaches 90% in 2023[51].

At the end of 2023, the total m2 electrical solar installation raised with 52% i.c.w. baseline 2021 to reach almost 50,000m2. The total power installed on Nextensa's assets amounted to 8,898 kWp (+ 2,866 kWp i.c.w. 2021, from a total of 19 installations) with a total production of 6,219 MWh (-9% i.c.w. 2021 depending on the ratio sunny days/year). This is equivalent to the annual electricity consumption of 1,777 households and corresponds to a reduction of 4,727 tons of CO2eq in 2023[52].

Besides investing in renewable energy installations, Nextensa hopes to demonstrate that non-energy professionals can play an active role in the energy transition by creating eco-systems. The Energy Community pilot project on the Tour&Taxis site authorized until April 2024 by Brugel (the Brussels regulatory authority in the areas of electricity, gas and water price control) started in May 2023. During this 8 months (May-December 2023), the Energy Community shared 55 MWh of the produced electricity on Gare Maritime at an attractive rate with more than 40 residents of Park Lane willing to participate in this innovative pilot project. In doing so, the principle of collective selfconsumption makes renewable energy accessible to all and makes a real contribution to the achievement of climate objectives by reducing C02 emissions. In total, more than 32% of the electricity consumption of the residents was covered by on site produced green energy, reaching about 50% during the summer.[53]

More general, of all the produced electrical power by the photovoltaic panels owned by Nextensa, 47% was consumed by the portfolio on site (autoconsumption). In Belgium the autoconsumption selfproduced electricity reaches a ratio of 59%[54].

Next year, Nextensa foresees an additional installation of 1,234 kWp on both Knauf Shopping Centres in Luxembourg.

To push its commitments even further, Nextensa explores combined services based on the integration of energy and mobility services.

With growing concerns about climate change and air pollution, Electric Vehicles (EV) have gained significant traction worldwide. However, the successful adoption and proliferation of electric vehicles rely heavily on the development of robust charging infrastructure. This infrastructure serves as the lifeblood of the EV ecosystem. To enabling convenient and reliable charging options for EV owners, Nextensa continues to expand its charging infrastructure in and around the portfolio to reach 281 charging stations in 2023 (+144% i.c.w baseline 2021).[55]

## 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 entire 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:

- **Purchased goods and services:**
  The raw materials and services purchased for construction (e.g. steel, cement, contractors, etc.).

- **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).

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

[50] 305-5 Reduction of GHG emissions.
[51] 302-5 Reductions in energy requirements of products and services.
[52] 305-5 Reduction of GHG emissions.
[53] 203-1 Infrastructure investments and services supported.
[54] 302-1: b) Total fuel consumption within the organization from renewable sources, in joules or multiples, and including fuel types used.
[55] 203-1 Infrastructure investments and services supported.

These three categories mean dual impact during the development phase:

### 1. Pursuing minimal energy consumption of the buildings

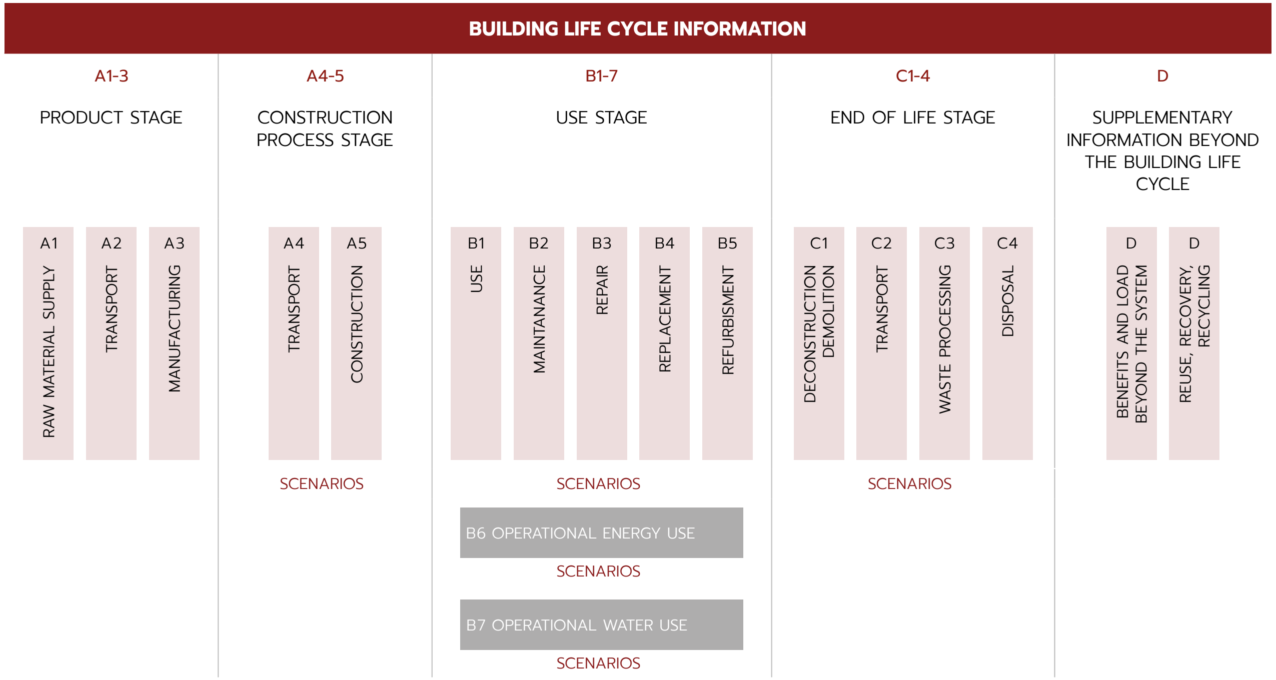
To reduce energy consumption, all new projects require an energy performance certificate in line with regional legislation on passive buildings or so-called NZEB (Nearly Zero Energy Buildings) buildings, which must achieve a score of at least class A. Since 2023, the internal requirements at Nextensa for projects with building permit applications are even stricter by following the criteria of the EU taxonomy in order to do at least 10% better than national (or regional) standards with regard to primary energy consumption. It is also chosen for these projects to use only renewable energy sources and ban all fossil fuels for heating and cooling the buildings to get the carbon footprint as low as possible.

These requirements have already been implemented in the entire Lake Side project and in the redevelopments of Montree (Luxembourg) and Treemont (Brussels).

### 2. Opting for materials with lower carbon emissions throughout the building's life cycle.

Monitoring the carbon emissions of materials throughout the life phase is done on the basis of life cycle assessments (LCAs). Life cycle assessment (LCA) consists of an analysis of the full life cycle of all components in the building ("cradle to grave"). The life cycle starts with the selection and supply of materials for the construction process: the product and transport phase. It then analyses the actual construction process, the commissioning of the building (including maintenance, repair and replacement), energy and water consumption and the end-of-life of all components in the building. The final stage involves looking for opportunities to reuse or recycle components to minimise the amount of waste in the construction process. The basic components included in the life cycle analysis are the external walls (building envelope, structure and finishes), external windows, floor finishes and structure, internal walls and roof. In addition to these basic components, other building elements related to the building structure and technical installations are also included.

## Life Cycle Assessment & Stages




Overview of the life cycle stages and system boundaries within the European standard EN 15978.2011 (CEN 2011).

EMBODIED CARBON

OPERATIONAL CARBON

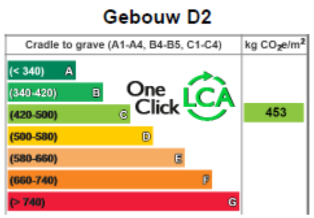
On the one hand, conducting an LCA is a substantial criteria in carrying out the EU climate mitigation taxonomy assessment; on the other hand, Nextensa uses this data to benchmark the inherent emissions of its developments and renovations pending national regulations.

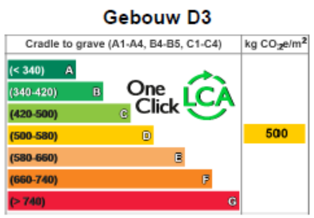
Reporting on emissions from property activities is done in the year these projects are delivered.

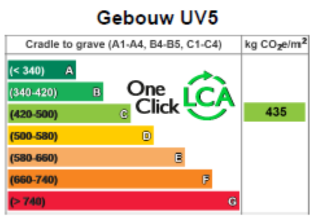
No deliveries took place in 2023, but actions were taken at various stages to reduce emissions in ongoing projects. For instance, an LCA was carried out for three reference buildings in Park Lane Phase 2 (D2, D3 and UV5). The results suggest that these buildings have a total Global Warming Potential (GWP) ranging between 650 and 750 kgCO2eq/m². During the life of the building, the greatest material impact, nearly half, happens in the early stages of 'building materials'. This is when raw materials are extracted and converted into building products. The 'maintenance and replacement' stage, when products are replaced at the end of their useful life, also has a significant impact. The impact of the latter category can be reduced when materials are recycled or reused or by choosing material elements with a long lifespan. In addition, a large part of the impact, about one third, is due to operational energy consumption through gas and electricity.

The study, conducted with OneClick LCA, uses the Carbon Heroes Benchmarking to evaluate the performance of the results. It is set up with the comparative dataset 'Belgium all building types - 2023' and for a fixed lifetime of 60 years.

The scope of this benchmarking is from 'cradle to grave' (A1-A3, A4, B4-B5 and C1-C4 included. Biogenic carbon storage is not subtracted). Buildings D2, D3 and UV5 score label C, D and C, respectively, as shown in the figures below. Building D3 also achieves a poorer result here, mainly due to the greater amount of parquet. The other building components and materials are very similar in the three buildings studied.




Furthermore, for the Park Lane Phase 2 development project, 7000 tonnes of silicate blocks were brought to the site by boat. This saves 75tonnes of CO2 during the construction phase.[56]

For Montree in Luxembourg, Treemont in Brussels, and the wooden office building (projectname A20) and two residential buildings of the Lake Side development at Tour & Taxis, a wooden structure is positively chosen to make a significant impact (up to 30% less CO2) in the product phase.[57]

For all projects, consideration is being given to the end-of-life phase by choosing quality materials with a long lifespan that require little maintenance and replacement.

Nextensa will benchmark more projects in the coming years with the aim of establishing a maximum carbon footprint for its projects and drawing lessons from this to reduce the environmental impact of future projects. This limit will lead the company to net-zero developments by 2050.

[56,57] 305-5 Reduction of GHG emissions.

# 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, these long-term goals, are broken down into short-term actions:

## 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 as those emissions represents in 2023, 87% of the total amount of CO2eq of both scopes. A revised version of the mobility policy is needed in 2024 as the results does not contribute fast enough to a "net-zero" scenario.

## FOR SCOPE 3:

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 prioritize actions. Besides the operational emissions generated by the company itself, the impact of the portfolio and the developments were also mapped out. Nextensa commit to report in addition to the "high relevancy" categories of scope 3 also in "medium relevancy" categories from 2024..

For investments activities, the implementation of the ESG platform in 2024, based on science-based carbon emissions reduction pathways, will facilitate more detailed reporting on energy performance at building typology, portfolio and company level, where carbon reduction strategies can be managed even more cost-effectively.

In the meantime, Nextensa continues to implement the concrete actions planned in its short-term action plan investing in renewable energies and climate mitigation. For example, in Q1/2024, the Royal Depot's (on Tour&Taxis in Brussels) gas boilers will be replaced with air-water heat pumps in combination with a VRF system. The cooling machines that will be dismantled there will be reused in Openbaar Pakhuis. In Luxembourg, Knauff Shopping centers will be equipped with solar panels with a power of 1,234 kWp.

For new (re)developments, Nextensa will ban the use of fossil fuels and integrate renewable energy for heating and cooling. Electricity will be generated with solar panels wherever possible and any shortfalls will be made up with green purchased electricity. The embodied carbon will be monitored for all new developments, and where possible for major renovations, through an LCA calculation, to map full carbon footprint. In this way, Nextensa can collect more data to establish a proper benchmark to achieve its long-term goal.

TOUR & TAXIS
*BELGIUM*


# 2.2 Circularity

*Nextensa's constructions must transition towards circular constructions. Besides aiming for an efficient and effective use of resources through designing adaptable and multifunctional buildings that last for decades while employing strategies to reduce, reuse, and recycle building materials, we also want to standardise the utilisation of biobased materials.*

CSRD ESRS E5: Circular Economy - Resource outflows related to products and services; Resources inflows, including resource use

## APPROACH

Construction and building materials account for 11% of global carbon emissions. Construction materials and building operational materials account for half of all extracted raw materials used in Europe[58]. Since most of these materials come from finite resources, we need to move away from a linear approach to raw materials (extraction, production, consumption, waste)[59] and move to the untapped potential of a circular approach.

[58] Vlaio.be.

[59] 306-1: a.i) Inputs, activities, and outputs that lead or could lead to waste generation and waste-related impacts.

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

Nextensa therefore wants to keep existing materials in the cycle for as long as possible, preserve their value and avoid waste to achieve circular constructions. It also wants to look at materials with the lowest possible impact, especially renewable and bio-based materials, for the new materials needed.

This approach is reflected in the greatest financial opportunity for this topic according to the materiality analysis:

***Developing reusable buildings that are multifunctional and adaptable (individual layers and timeless design) can lead to financial benefits (increase in property values). In addition, developing well-designed, aesthetically pleasing buildings can lead to buildings of higher value and more likely to stand the test of time***

This approach also allows managing the biggest risk and impact Nextensa has within this topic:

***Construction and developments rely heavily on natural resources, leading to a less stable supply chain. Without circular practices, Nextensa will become increasingly dependent on these global resources and its operations could be disrupted.***

***By designing multifunctional, adaptable buildings with timeless design, Nextensa can extend the life of a building, which has a direct positive impact on resource use.***

It is therefore important for Nextensa to even more consciously integrate circularity into its (re)construction projects. Therefore, Nextensa's construction and renovation projects are founded on three principles that lead to more circular buildings, focusing on efficient and low-emission use of materials[60]:

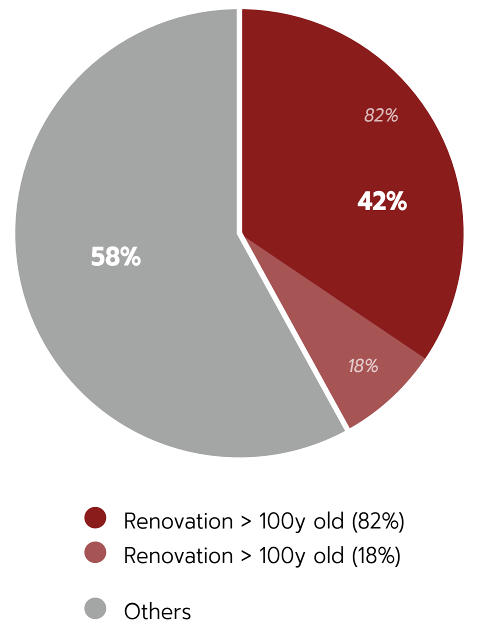
- **Principle 1:** The reusable building
- **Principle 2:** Thoughtful use of materials
- **Principle 3:** Catalysts for circularity

This approach corresponds to 'the Ladder of Lansink', where the aim is to first preserve as many of the materials as possible, then reduce, reuse, only then materials with renewable resources, recycled materials and finally the choice of new materials.

## THE REUSABLE BUILDING[61]

42% of the sqm in portfolio are buildings that were given a new life after redevelopment or renovation.

82% of these buildings are more than 100 years old and were also given a completely new function.




[60] 306-2: a) Actions, including circularity measures taken to prevent waste generation, and to manage waste-related impacts.
[61] Recycled input materials used.

Nextensa not only has extensive experience in redeveloping (historic) buildings such as the buildings at Tour & Taxis or Hangar 26/27 but also built up great expertise in the thorough renovation of end-of-life buildings to extend their life span. This redevelopment of buildings is therefore a strategic part of the investment activity.

The reusable building is both about future-proofing existing constructions, through a thorough energy renovation, the reprogramming of the infill or the reuse of parts of a building, but also about developing adaptable and multifunctional projects that can easily be transformed in the further future to go through several lifetimes in order to use the resources tapped as efficiently as possible.

In 2023, the finishing touches were put on the century-old 'Hotel Des Douanes', preserving the entire original structure and all valuable details while preparing the building for a zero-emission future. All the details of this magnificent building can be found in the highlight.

The renovation works of the Moonar office park also continued, with five buildings near Luxembourg airport also to be equipped with a full range of services for tenants after the thorough renovation of external joinery and techniques. The end of the renovation works is scheduled for 2024.

## THOUGHTFUL USE OF MATERIALS[62]

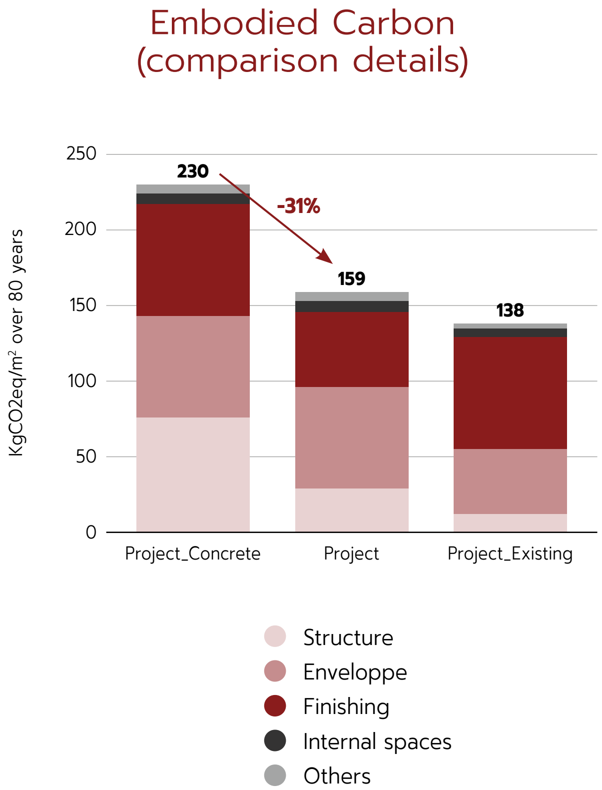
Preserving structures and materials is always the first step. In some cases, due to technical reasons, this is difficult or it concerns a new construction project.

In that case, thoughtful use of materials is the next step. The 'Ladder of Lansink' described above is thus extremely important in the entire development process when choosing materials.

Finally, for new materials, the full environmental impact needs to be looked at. Embedded carbon plays a role, but availability, location, processing methods, etc. are also important to know this overall impact. For this choice, the tools described below will play a role.

In 2023, for Montoyer 24 (Montree) in Brussels, the trade-off was between keeping the existing concrete structure or redeveloping it with a new structure. Keeping the structure is always preferred, but in this case, the concrete was found to be in an outdated state and the building only has limited storey heights. A life cycle analysis was used to check which scenario has the least impact over its entire life cycle: redevelopment with a concrete skeleton or wooden structure or preserving and restoring the current structure. The latter scenario obviously has the least impact, but is not desirable because of the limited floor height.

As a wooden structure gives a reduction of more than 30% compared to a new concrete structure and concerns renewable material, this option was chosen. During design, further research will be carried out on how to further reduce the impact of the façade and finishing material.




[62] 301-1 Materials used.

For the wooden office building in Lake Side, the design team also continues to search for building elements and materials with the lowest possible impact: materials coming from other (demolition) projects (floor tiles, raised floors), materials with high recycled fractions (interior finishes, roofing), bio-based materials (wood structure, insulation). It is an ongoing part of the development project.

## ENABLERS FOR CIRCULARITY

To promote circularity, Nextensa uses a lot of tools. First, all development and project managers are required to use the Development Fiche during project development and construction. Among other things, this fiche contains the principles discussed above to promote circularity.

In addition, one of the most important tools remains life cycle analysis (LCA), which aims mainly at calculating the embedded carbon of a building throughout its life cycle.

Since 2022, Nextensa has also been using the TOTEM tool to calculate the full environmental impact of development projects and specific building elements. This way, targeted choices can already be made during design for elements with the least impact.

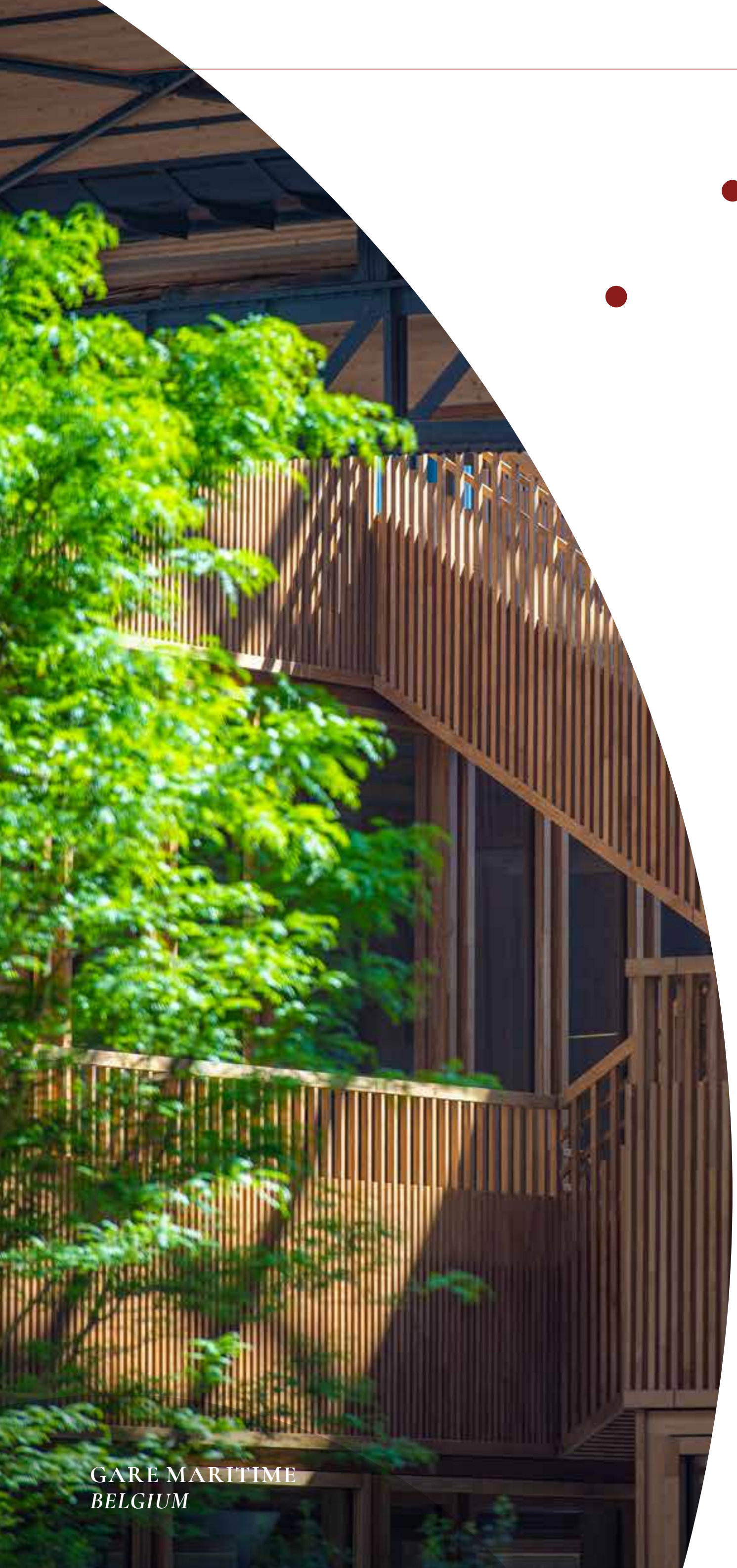
In addition to the TOTEM tool, Nextensa is also a partner of Madaster Max. Madaster is a platform that provides users with an archive for construction, material and product data and facilitates circular management using the Madaster Circularity Indicator. The Madaster Circularity Indicator is designed to improve circularity-oriented building design and increase the circular value of buildings. The platform can also be used to create a materials passport. For each building, the materials passport contains the essential information on resource use, climate impact and the material cycle. In this way, all the necessary information is provided to best support the construction of 'urban mines', the completion of circular renovations and new buildings, and circular demolition. In 2023, some BIM models of the Lake Side development were tested in Madaster for the first time to see to what extent the design models already contain sufficient information to calculate circularity and which elements in the design still need further elaboration.

The same BIM models from the Lake Side project are also being used in a study by Bureau Bouwtechniek on a digital tool to score the circularity of a building or flat and make it transparent to potential buyers. Based on a number of criteria, designs are checked and given a score per criteria that indicates whether it is more or less circular. The layout of the tool was done in close cooperation with Nextensa, through several workshops and revision moments.

## FUTURE GOALS

Besides integrating circular principles through Nextensa's development fiche that has been in use since 2023, Nextensa will collect even more data in the coming years to establish a reliable benchmark to determine maximum emissions for materials.

The target of having an LCA calculation for at least 70% of building elements (in terms of cost) for all new development by 2030 will be tightened to an LCA calculation for all projects for all building materials.



GARE MARITIME
*BELGIUM*

# 2.3
# Healthy and resilient buildings

*Integrating health, safety, and well-being of people in buildings by providing a healthy indoor climate and a pleasant and safe indoor living environment, for both non-residential and residential buildings. Moreover, this topic includes Nextensa's capability to develop buildings that adapt and resist climate change risks such as frequent or high-impact extreme weather events.*

CSRD

ESRS E1: Climate change - Climate change adaptation

ESRS S4: Consumers and End-users - Personal safety of consumers and/or end-users

3 GOOD HEALTH AND WELL-BEING

13 CLIMATE ACTION

## APPROACH

Climate change is a major global challenge that affects various sectors, including the construction industry. The built environment is particularly vulnerable to climate change impacts such as extreme weather events, sea-level rise, and temperature increases, which can result in structural damage, increased energy demand, and compromised occupant health and safety.

No wonder the topic "Healthy and resilient buildings" appeared as a significant risk for Nextensa during the assessment of the double materiality matrix: as climate change leads to more extreme weather events, investing in buildings that are not designed to withstand these challenges can suffer damage, leading to costly repairs and claims.

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 their capability to adapt to climate change challenges with a focus on climate resilience and risk assessment.

Climate change and its consequences, such as heat waves, have a profound impact on people's health and productivity. In Nextensa's opinion, property developers are key players in this relationship and are responsible for designing buildings that protect their occupants. That's why both concepts were consolidated into one topic.

## RESILIENT BUILDINGS

Regarding the climate risks and the adaptation of buildings to climate change, a number of issues are to be considered prior to identifying building-scale climate adaptations: EU Taxonomy climate-related hazards, minimising carbon emissions, climate vulnerability & risk assessment, future climate impacts, climate adaptation strategies for historical buildings.

Since last year, Nextensa uses the EU Taxonomy as a basis for defining climate-related hazards that impact real estate. Whilst all temperature, wind, water and solid mass-related hazards are highlighted within this regulation as 'priority hazards' that significantly impact buildings and their users depending on the location and the context.

To meet the evidence base for the EU taxonomy, firstly a climate risk and vulnerability assessment should be carried out, consisting of identifying the risks, assessing these risks and proposing physical and non-physical adaptation solutions to significantly reduce the climate risk. Secondly, the assessment must be carried out according to a transparent methodology and using the highest available resolution, state-of-the-art climate projections (future scenarios from 10 to 30 years).

And finally, the implemented adaptation solutions do not have a negative impact on the adaptation efforts of other people, nature or buildings. Where possible, preference is given to blue or green infrastructure.

Adaptations must therefore focus on the building and its immediate surroundings or plot. In the meantime, when adapting buildings to climate change, it is required to find a balance between structural resilience and the embodied carbon emissions of building materials over the full lifecycle of the building.

European taxonomy regulations are constantly evolving and supporting documents are subject to change. To date, Nextensa has commissioned several risk assessments from several specialist companies to evaluate their methodology using frameworks, public data and 2050 forecasts. The latest survey carried out for Park Lane phase II buildings under construction shows that the vulnerability of buildings to climate risks identified in terms of flooding is low or very low. While the risks associated with heat stress are medium, the addition of exterior blinds can reduce the risk to low.

For new projects and for Nextensa's existing portfolio, climate risks identified for Western and Central Europe in which Nextensa's activities are concentrated, will be integrated into the architectural design and renovation works. Any adaptations that are necessary will be implemented following the "Building Adaptation Hierarchy" provided by the EU Best Practice Guidelines.

For the historic buildings, specific strategies are put in place for each of them because the need to adapt and protect historical and cultural heritage buildings is particularly acute and complex.

## HEALTHY BUILDINGS[63]

Although best practice building adaptations will improve resilience against climate-related hazards, climate change is already causing observable effects on the environment and impacting the buildings in which we live and work. Some of these observable effects include more extreme temperatures, higher wind speeds and heavier precipitations, all of which negatively impact buildings but also their occupants.

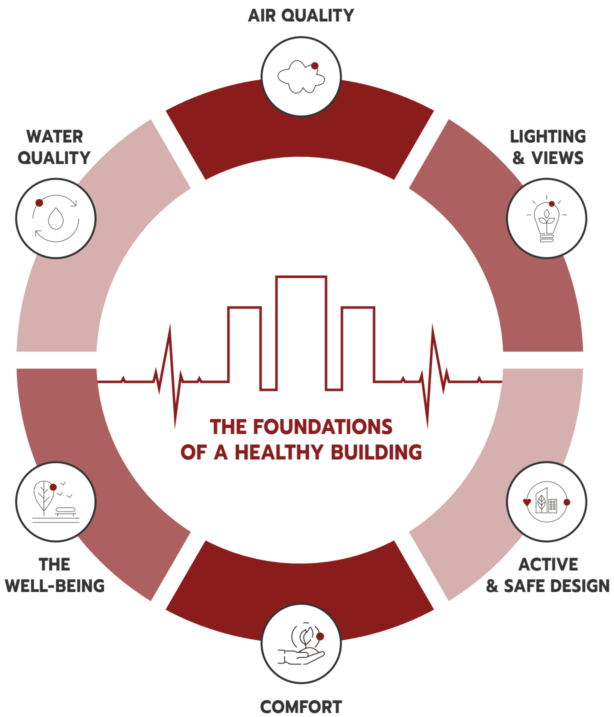
Indeed, this year's summer has shown again that extreme heat waves can occur regularly in European countries, which is a huge burden on the population due to heat stress. Past studies have shown how hot temperatures above 32°C outside and inside buildings lead to adverse health outcomes among the population and more particularly on the cognitive performance of the working population.

[63] 416-1 Assessment of the health and safety impacts of product and service categories.

It is proven that the sick leave of office employees that are in green, healthy buildings is 2% lower as compared to office workers in a conventional building. Bad ventilation also translated into weaker analytical and strategic thinking. These findings are just the tip of a rapid increase of research results. The general insight is that indoor environmental conditions matter a lot for human health and performance. And given that we spend 90% of our time indoors, it's about time we start thinking more about this important topic.

Good ventilation and air quality, a comfortable temperature, low noise levels, and natural light are all components of a "healthy" building, according to experts at Harvard T.H. Chan School of Public Health.

Based on these elements, Nextensa follows the foundations of healthy building as follows:




**Air Quality**
*must be ensured within the premises. This requires in particular taking measures to ensure a sufficient supply of outside air, purify the air and eliminate as much as possible the contaminants present in the atmosphere.*
*It also covers a careful choice of 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.*

**Lighting & views**
*Light influences the mood of occupants and their biological cycle with an impact on their productivity. It is important to take care of the lighting, favouring natural light. All work and habitation spaces should have direct lines of sight to large exterior openable windows and providing outdoor spaces where possible.*

**Active & Safe design**
*Buildings must be designed to encourage physical activity among occupants in order to keep them in shape over the long term. For example, stairwells will be made easy and pleasant to use without compromising on fire safety.*
*All buildings are inclusive and accessible for all including people with reduced mobility to give comfort and a safe space.*

**Comfort**
*Everything that is likely to cause discomfort must be analysed carefully, this includes, among other things, temperature, overheating, interior layout, protection against noise -whether exterior or interior- etc.*

**The well-being**
*Physical, psychological and emotional well-being must be promoted through different aspects such as the layout of the premises and the provision of vegetation, natural colours and materials. As far as possible, the spaces in and around buildings must contribute to greater well-being. Creating green areas, integrating art and culture or even promoting healthy food which encourages occupants to adopt a varied and balanced diet are examples of constituent elements of well-being.*

**Water Quality**
*Water must be of good quality and easy to access for occupants. Topics taken into account: Treatment, filtration and choice of location of water points.*

Although certain fundamentals seem obvious, they nevertheless require particular attention. Thanks to certifications by independent parties such as BREEAM[64], Leed[65] or Well[66] which integrate health criteria into their assessment in addition to the energy performance of buildings, these aspects are already – partly – scored.

Along the same lines, Nextensa believes that while the transition to net zero emissions remains crucial, these aspects should be integrated in line with broader social

[64] Building Research Establishment (BRE) Environmental Assessment Method (BREEAM) is a global standard and rating system for buildings.
[65] Leadership in Energy and Environmental Design. A LEED credential denotes proficiency in today's sustainable design, construction and operations standards.
[66] Developed by the International WELL Building Institute (IWBI), WELL certification evaluates the performance of buildings toward sustainability, health, and well-being.

development goals. For Nextensa, the social dimension includes the well-being but also the satisfaction of the occupants.

Current and potential occupants and users are looking for spaces that align with their values and prioritize social well-being and engagement. Meeting this demand is not only a moral imperative but also a business necessity.

Nextensa is convinced that the real estate sector must now evolve towards a paradigm shift in its approach to the "S" in ESG.
Collaborating with stakeholders is essential to integrate this rapidly evolving trend: for employees, offices are becoming a destination and residents are not just buying a home, they are buying a lifestyle.

Understanding which elements of the social framework contribute to property differentiation and performance will help both ensure that the most applicable social elements are pursued. The impact can be measured through occupancy ratio, retention, rent and the overall assessment of building performance.

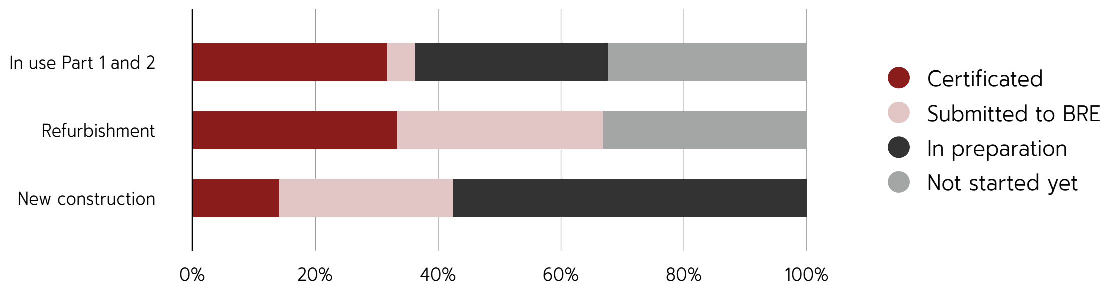
Nextensa carried out various licensed assessments to verify and ensure healthy buildings. Moreover, the certifications guide the organization in improving buildings' general sustainability performance.

However, companies based in Europe will need to report on EU Taxonomy compliance as this directive aims to harmonize the assessment system at European level, in the absence of common basic principles and comparable scoring methods.

While Nextensa will focus on the EU taxonomy, current assessments at building level will contribute to the company's overall compliance with the taxonomy, which also align with some of the technical screening criteria that must be reported.

Based on the requirements of EU Taxonomy, the results of the assessment process and the scores of the obtained certifications, additional standards were set for new construction and refurbishment projects as a benchmark for Nextensa as for property management.

BREEAM certification




## FUTURE GOALS

By 2024, Nextensa aims to fulfill, for all office and retail buildings under its own property management, the certification assessments 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 will score each of its buildings on quantitative "S" components in its ESG strategy.

Based on this mapping Nextensa will engage with its stakeholders to anticipate and improve its understanding of the elements of the social framework that will contribute in a qualitative way to property differentiation and performance.

Climate risk assessments are ongoing on location level for the portfolio (A Climate risk assessment has already been carried out for 35% of the portfolio). The results (adaptation solutions) will be classified by priority and integrated in the capex ESG action plan. For new construction and refurbishment projects a thorough risk assessment is mandatory (100% of the projects will be screened) to address the adaptations needed at building and environment level.

# Highlight:

*The redevelopment of*

## *Hôtel des Douanes,*

*where preserving heritage meets sustainable targets.*

Tour & Taxis is blossoming once more. Its timeless architecture is home to successful commercial activities, sustainable housing & offices, large-scale events & citizen-led initiatives. Nextensa aims to create an inclusive living environment for all. An inspiring destination for the innovators of tomorrow, with respect for the history & architectural heritage of yesterday.

Hôtel des Douanes is the very latest historical building renovated of the Tour & Taxis site located in the city center of Brussels.

This multimodal hub was the important component of the capital city's thriving trade in the early 20th century.

At the time, internationally, the place is a unique example of the functional and rational approach to the organisation of public facilities for transporting and distributing goods for which customs and taxes were paid.

At its peak, the site employed thousands of people in this Belgian industry hub. Tour & Taxis is therefore an endless source of stories and is part of the collective memory of the city and the country in terms of customs and postal services.

Hôtel des Douanes, a fascinating industrial heritage, designed in 1907 by famous Belgian architect Ernest Van Humbeek, was originally intended as the administrative hub for all customs affairs at Tour & Taxis.

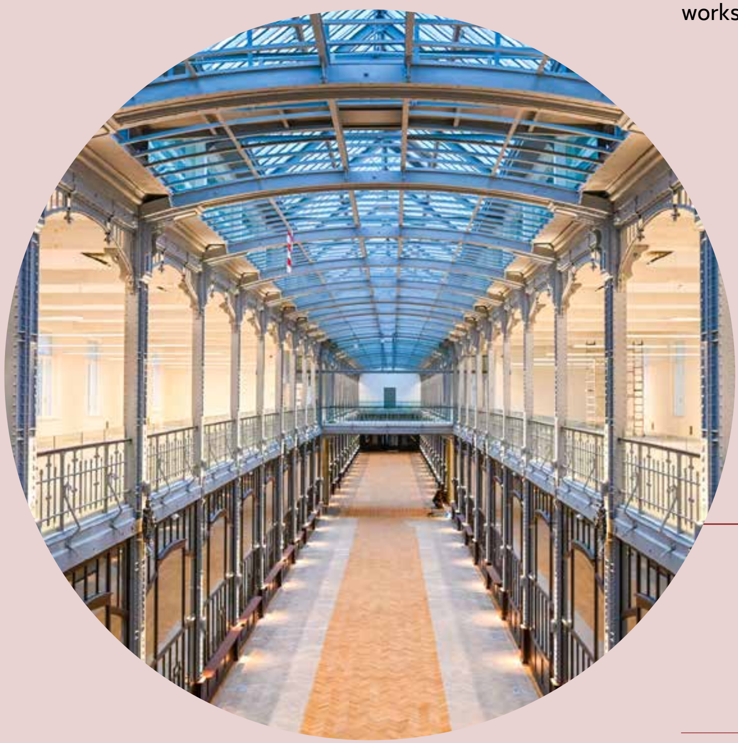
It's been over 100 years since the final brick was laid and Hôtel des Douanes was completed. Today, the customs building is on the verge of becoming an exemplary redevelopment project that preserves the original heritage with the greatest respect, combining it with extreme sustainability and optimal circularity. Setting the gears in motion for a truly special workspace.

Sustainability is one of the key items of Hôtel des Douanes. Tenants will benefit from a new geothermic heating and cooling installation for a comfortable temperature in every season, while solar panels will help power the building. A smart water recovery system ensures that rainwater is reused for the toilets on the ground floor.[67] Circularity is key here: the aim was to avoid destruction and needless waste, making the most of existing materials and historical architectural elements.[68] Natural light through the central atrium allows for optimal communication between the different levels.

If desired, the building of 9,065 sqm (6,432 sqm above ground) can be split into two symmetrical and identical parts of about 3,216 sqm or up to 12 units ranging between 400 and 600 sqm as a multi-tenant office building. But the iconic building can also become a true gem for single tenants. This modularity makes the building a unique prospect in Brussels, a blank canvas that is waiting to be filled in by the tenant's imagination.

An outstanding BREEAM rating at design stage, the highest possible standards of sustainability and circularity, combined with a rich heritage, make this a truly extraordinary place to work.

With its rich past and timeless construction, Hôtel des Douanes is now ready to be repurposed. An iconic 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.



Tour & Taxis isn't just a development; it's a revolution. Its ability to seamlessly blend heritage, innovation, sustainability, and community engagement embodies the essence of a changemaker in the real estate sector.

It's not just about redefining spaces; it's about redefining possibilities, paving the way for a more sustainable and inclusive future in real estate.

Today, the future looks bright for Hôtel des Douanes, iconic building that combines exceptional heritage with sustainability and circularity, ready to become a versatile workspace.

## HÔTEL DES DOUANES

[67] 303-1 Interactions with water as a shared resource.

[68] 306-2: a) Actions, including circularity measures taken to prevent waste generation, and to manage waste-related impacts.

SHEDS
*BELGIUM*

# 3. SUSTAINABLE SOCIETY

## *3.1 Lively neighbourhoods*

*Creating lively and mixed environments, for both occupants and the local community, by implementing different complementary programs and contributing to the unbuilt while promoting access to smart and sustainable mobility options. This topic also consists of creating prosperity and offering opportunities to the local community, including affordable living, and the integration of culture and (local) art into projects to create an inclusive society with social cohesion.*

CSRD

ESRS S3: Affected Communities - Communities' economic, social and cultural rights

ESRS S4: Consumers and End-users - Social inclusion of consumers and/or end-users

## 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 lively, 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[69].

For the development of its neighbourhoods, Nextensa strongly focuses on creating multipurpose, inspiring and lively environments (the 15-minute neighbourhoods) mitigating its impact by well-thought space use and preserving open and green spaces where soft mobility is favoured and shared services and installations are provided[70].

This vision is reflected in the opportunity with the highest score for this topic in the Materiality Assessment:

***Inclusive neighbourhoods are increasingly valued by tenants, investors, and the general public. Succeeding in creating such neighbourhoods can lead to a better reputation, making it easier to attract tenants and investors.***

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. Through dialogue, this inclusive and healthy environment can be built and will contribute to the creation of a sustainable society[71].

Nextensa acknowledges the impact it has on its environment as this is also envisioned in the highest impact scores for this topic[72]:

***Inclusive neighbourhoods often foster stronger social bonds, as people from diverse backgrounds come together to share resources, experiences, and a sense of belonging.***

***By creating property and job opportunities within the local community, Nextensa can help boost employment and entrepreneurship, improving the financial well-being of people.***

## 15-MINUTE NEIGHBOURHOODS

The 15-minute neighbourhood 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.

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.

At Tour & Taxis, the most significant changes could be witnessed in the residential development of Park Lane. Following the successful completion of Park Lane phase 1 in 2022, construction of the second phase of this high-quality development was in full swing in 2023 (details of which are further elaborated in the highlights)[73].

In the spring, the recently constructed ponds were officially opened in the presence of Brussels and Federal authorities, becoming a popular spot for those seeking tranquility and refreshment on warm days.

[69] 203-1: Infrastructure investments and services supported.
[70] 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.
[71] 2-29: a) Description of approach to engaging with stakeholders.
[72] 203-1: Infrastructure investments and services supported: Current or expected impacts on communities and local economies.
[73] 413-2: a.i) Operations with significant actual and potential impacts on local communities: location of operations.

Adjacent to Park Lane, Gare Maritime also experienced a record-breaking year in 2023, with various successful events (such as the Makersmarket, the Voddemet, the Designmarkt, the art festival Sculptura, book fairs, the World Padel Tour, etc.) attracting over one million visitors. Since 2023, a portion of the Sheds has been rented out for permanent use, including the World of Mind museum, Battle Kart, and the new indoor padel club. In addition to these permanent activities, several temporary attractions were also present on the site in 2023. More than 200,000 people visited the playful world of Bubble Planet, the immersive Tintin exhibition, and explored Tim Burton's Labyrinth. The second edition of Kids Winterwonderland and the inaugural Kids Spring Wonderland, organised by Nextensa itself, were almost sold out every day. Thanks to all these events, the FoodMarket also had a stellar year. The efforts of recent years demonstrate that bringing together various programs yields results in making the site a hotspot and vibrant neighbourhood.

For tenants, there were annual gatherings such as the Christmas drink, but in June, they could also participate in the Fun Trophy for the first time, where different companies could compete in sports and playful challenges. Park Lane residents enjoyed an annual summer drink.

For the last undeveloped plot of the site, the urban planning and environmental permit for Lake Side were submitted in March 2023. Lake Side combines various programs with housing, offices, commercial spaces, and public facilities, along with large biodiverse public spaces and private gardens promoting accessibility and soft mobility. Twenty percent of the housing in the project is reserved for subsidized housing, offering people with limited incomes the chance to purchase their first home[74].

In 2023, Nextensa also focused on diversifying programs on other sites.

For instance, in Hangar 26/27 (Antwerp), the renowned chef Bart de Poorter opened the new seafood restaurant 'Vis van A', featuring a spacious terrace overlooking the Scheldt.

In April, a new Grand Café 'La Varenne' opened its doors in the Knauf Shoppingcenter of Schmiede, providing visitors with a pleasant resting place. The Grand Café and the Food Village together accommodate up to 800 visitors. Soon, the Grand Café will be expanded with a spacious rooftop terrace.

The Moonar site, located near Luxembourg Airport, is undergoing extensive renovation to modernize and future-proof the buildings. The office park consists of 5 buildings, 2 of which have already been completed, and 3 are undergoing renovation. Nextensa aims to make this site attractive and vibrant by providing various facilities such as a library, a coffee corner, and various meeting rooms, and by appointing a community manager. A gaming room and fitness center will follow next year.

[74] 413-2: a.ii) Operations with significant actual and potential impacts on local communities: actual and potential impacts.

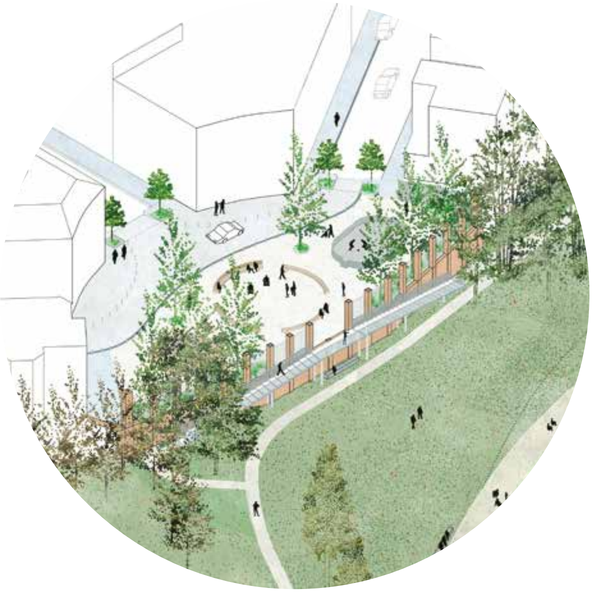
VIS VAN A - HANGAR 26/27
*BELGIUM*

## SMART AND SUSTAINABLE MOBILITY

To ensure a safe environment, Nextensa promotes soft, green, and smart mobility by consistently considering the mobility pyramid in all its activities.

For the Tour & Taxis site, the following measures were taken in 2023:

- The plans to connect Laekenveldsquare to the park of Tour & Taxis were finalised and the construction was started. If all goes well, the inhabitants of that part of Molenbeek will have a renewed square and direct and safe access to the park by the summer of 2024.



- Closing one of the main entrances to cars and buses to make the area safer for pedestrians and cyclists.
- The opening of the new public bicycle parking next to the Gare Maritime.
- The HUME project, a research project in collaboration with Vito and the Katholieke Universiteit Leuven, entered its final phase. The results of this long-running research are expected by the end of 2024.

As mentioned in part 2 of this sustainability report, Nextensa encourages the use of cleaner transport methods with lower emissions by providing charging points for electric cars and bicycles.

In 2023, the number of charging points on Nextensa's premises more than doubled to a total of 279 charging points (an increase of 153 charging points in 2023) to further accelerate the transition to electrified mobility.

## PROVIDING OPPORTUNITIES[75]

Nextensa not only puts residents, tenants and visitors at the centre of its sustainability ambitions, but also recognizes the potential when the community is supported on a broader level.

Nextensa aims to create wealth at and provide opportunities for the local community by contributing to a better living environment and providing community facilities.[76] By supporting initiatives for young people and local entrepreneurs, Nextensa aims to help create a sense of community through partnerships and actively involve local people in inspiring activities.

Nextensa offers a rich and varied programme through social, cultural, sports and educational activities. To this end, it works with local associations through co-creation and actively supports new and already long-term initiatives in the neighbourhoods.

Nextensa supports projects and organizations active in sustainable food, circular economy, social economy or cultural and welfare projects, and welcomes them to Tour & Taxis or other locations in its portfolio.

Nextensa makes space for new facilities of collective interest to boost the social cohesion and active participation of surrounding neighbourhoods. Spaces are made available (for free or at a substantial discount) to organizations that have a positive impact on society. The network of stakeholders is tapped to provide additional support for initiatives.

[75] 203-2: Significant indirect economic impacts.
[76] 203-1: b) Current or expected impacts on communities and local economies through infrastructure investments and services.

## SOME INITIATIVES SUPPORTED BY NEXTENSA IN 2023 IN THE SPOTLIGHT:

**Happy Curien** is a socio-cultural, culinary and inclusive project. Developed by a merry band of bon vivants, eager to create a place in Belgium dedicated to the inclusion of people with intellectual disabilities.

In 2023 Happy Curien organized a "charity" Gala to raise funds to enable them to devise activities (trips, training, etc.) for their extraordinary members. A dinner prepared by Michelin-starred and publicly-renowned chefs (Elliot Van de Velde, Mallory Gabsi) and performance by well-known artists.

The mission at **Youthstart** is simple but powerful; they aim to give young people the skills and confidence they need to reach their full potential and seize life's opportunities, reactivating them through entrepreneurship.

*"We believe that every young person, regardless of their background or circumstances, has the right to dream and strive for a successful future: whether this means resuming studies, finding a suitable job or becoming self-employed."*

In August and September 2023, Youthstart organized 46 training courses for young people between 16 and 30 years old, who do not work nor go to school and have not obtained a secondary education diploma.

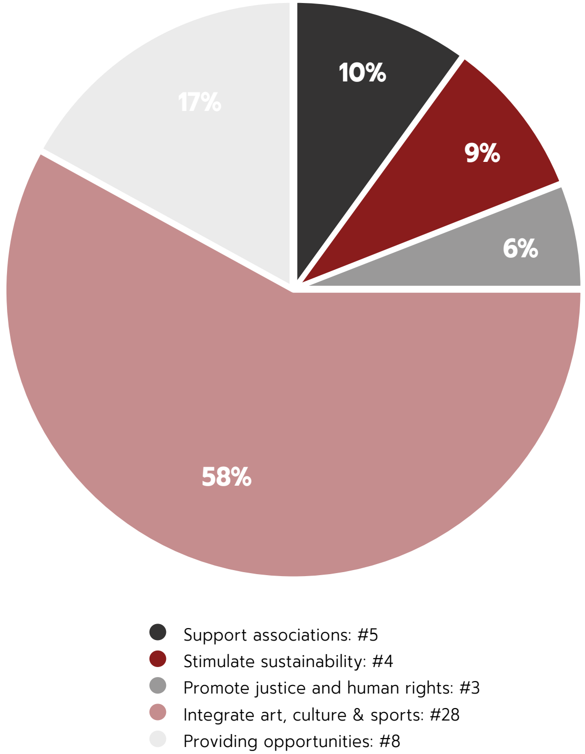
**Festival The Wonder** is a festival by and for start-ups, companies, major players, investors, consumers, employees and citizens that proposes concrete sustainable solutions for a desirable future.

Each year, Nextensa aims to support at least 25 initiatives that work towards a sustainable and inclusive society or circular economy, both ongoing and new projects.

This year, Nextensa exceeded its target of supporting at least 25 initiatives with a positive impact each year, including both ongoing and new projects.[77] In 2023, Nextensa supported projects for more than € 450,000.

YOUTHSTART

48 projects in 2023




[77] 413-1 Operations with local community engagement, impact assessments, and development programs.

Highlight:

# *Park Lane Phase 2*

*Tour & Taxis' Park Lane: the second phase of a new residential district embodying all aspects of Nextensa's sustainability vision.*

The Park Lane residential district at Tour & Taxis in Brussels showcases the many facets of sustainability and how they can result in one of the most inspiring urban neighborhoods in Brussels—from design and material selection to completion. In 2023, Park Lane phase 2 was in full construction.

## PARK LANE PHASE 2 BY THE NUMBERS:

- 346 apartments
- 11 buildings ranging from 4 to 6 floors
- 252 parking spaces
- 626 bicycle racks

## EMISSION & ENERGY MANAGEMENT:

All homes are designed with an EPC A-label in accordance with Passive House standards, resulting in high energy efficiency through advanced insulation and compactness. Notably, in 50% of the units in Park Lane Phase 2, the primary energy demand is 10% lower than the required threshold, seamlessly aligning with the substantial criteria of the EU taxonomy for objective 'mitigation'.

The integration of triple glazing and strategically placed sun protection not only enhances energy efficiency but also ensures a comfortable living environment by preventing overheating of indoor spaces. A highly innovative energy community initiative was launched in 2023 to divert surplus energy from Gare Maritime to Park Lane, demonstrating Nextensa's ongoing efforts to optimize energy resources within the Tour & Taxis community.

During the construction process, there is also a strong focus on reducing emissions.

A mobile solar park, with an impressive capacity of 409 kWp, was installed to power the construction cranes and site offices.

Due to traffic congestion in major cities like Brussels, certain materials for this project are transported to the construction site via the canal, and excavated soil from the site is also transported via water. Compared to busy road networks, water transportation is more reliable, cost-effective, and leads to a reduction in CO2 emissions. For example, 7,000 tons (or 3,875 m³) of silica blocks will be transported to Park Lane Phase 2 via water, saving 75 tons of CO2 emissions and avoiding 45,000 km of freight transport on Belgian roads, equivalent to more than one trip around the world[78]. For this purpose, the contractor collaborates with Shipit, a leader in multimodal transport in Belgium.

This method not only improves efficiency but also reduces traffic congestion, noise pollution, and the risk of accidents. Additionally, this approach benefits construction site facilities by requiring less space for material storage.

Koen Onsia, project manager of Xella for Tour & Taxis, states: *"This project should be an example of how a building can be sustainable from the initial planning phase to completion, without sacrificing modernity. We are proud of the progress of the project and look forward to bringing our experience to other locations."*

## CIRCULARITY:

The pursuit of circularity primarily involves the choice of high-quality materials such as concrete, solid brick facades, and quality finishing materials, prolonging the lifespan of the buildings for future generations. The selection of low-maintenance materials also minimizes environmental impact. A life cycle analysis (LCA) is conducted during the construction of the building to increase transparency regarding the materials used.

Furthermore, standardization and prefabrication techniques are utilized where possible to reduce waste.

## SOME EXAMPLES OF CIRCULAR APPROACHES INCLUDE[79]:

- Surplus concrete is used to produce on-site prefabricated lintels to avoid concrete waste.
- A total of 7,000 tons of calcium silicate blocks are used, with a production process that is less energy-intensive than traditional bricks or concrete. The main benefits include load-bearing capacity, thermal inertia, and sound insulation. As a mineral and fully recyclable building material, it is particularly suitable for sustainable ecological projects.
- Some buildings have prefabricated facades, using elements with smaller brick slips, resulting in less and more efficient use of materials. The installation of these elements is faster, reducing construction costs.
- Custom door thresholds were cut from remnants of blue stone, originating from the renovation of Gare Maritime
- The use of BIM methods played a significant role in the planning phase. BIM stands for Building Information Modeling, a design method where all parties collaborate on a single 3D building model. Precise and fully networked planning in advance can save materials and avoid unnecessary costs.

[78] 305-5: Reduction of GHG emissions.

[79] 306-2: a) Actions, including circularity measures taken to prevent waste generation, and to manage waste-related impacts.

Nelis Van Loock, responsible for BIM at contractor MBG, explains: *"The benefit lies mainly in design, engineering, prefabrication, and complex issues. The return on investment from working with BIM ranges from five to ten percent"*.

## WATER MANAGEMENT:

The water management strategy at Park Lane Phase 2 focuses on infiltration and reuse. Green roofs contribute to evaporation and temper the heat island effect, while rainwater is collected and reused for plantations, without overflowing into the sewer system. The ingenious use of wadi systems ensures efficient infiltration, and excess rainwater is directed straight to the canal.

Groundwater, pumped during the construction of the parking, was reused to fill the ponds located in front of Gare Maritime (in 2022)[80].

## VIBRANT NEIGHBORHOODS:

Park Lane is part of a mixed 5'-neighbourhood, promoting a vibrant community with a range of activities. The 9-hectare park, along with public and private gardens and green flowery streets, creates biodiverse environments within the urban landscape. Accessible parks and shared infrastructure foster a dynamic and inclusive neighborhood for all residents, including those from outside the site[81].

With sustainable mobility as a priority, Park Lane offers only underground parking to promote a pedestrian- and bike-friendly environment. The number of public charging stations was also more than doubled in 2023.

## PARTNERSHIPS AND CO-CREATION:

Nextensa actively collaborates with companies to promote sustainability and forges partnerships with organizations and associations to promote inclusivity and community engagement[82]. The Customer Community of Park Lane further strengthens the sense of connection and shared responsibility among the site's residents.

Park Lane is more than just a collection of buildings; it creates a unique living experience and offers residents the opportunity to thrive in a progressive, environmentally conscious community.

[80] 303-1: Interactions with water as a shared resource, 303-3 Water withdrawal, 303-4 Water discharge

[81] 413-2: a.ii) Operations with significant actual and potential impacts on local communities: actual and potential impacts.

[82] 413-1: Operations with local community engagement, impact assessments, and development programs: local community development programs based on local communities' needs.


# 4. INVESTING IN HUMAN CAPITAL

## 4.1 Nextensa's people: our most valuable asset

*Invest in staff well-being by ensuring a healthy workplace where the principles of equal opportunities, diversity and inclusion are essential. Ensure engaged employees by providing good working conditions, training and career opportunities.*

CSRD

ESRS S1: Own workforce - Equal treatment and opportunities for all; Working conditions

4 QUALITY EDUCATION
5 GENDER EQUALITY
8 DECENT WORK AND ECONOMIC GROWTH
10 REDUCED INEQUALITIES

# APPROACH

Nextensa recognises the vital importance of its employees as its organisation's most valuable asset. People's well-being and ongoing professional development are crucial not only in fostering a positive working environment, but also in promoting long-term sustainable business success.

This chapter highlights the investments Nextensa is making to ensure the well-being of its staff, including targeted training programmes that not only support individual growth but also contribute to a resilient and inclusive corporate culture.

This approach is also reflected in the highest-scoring risk in the materiality analysis: 'Bad working conditions (lack of work-life balance, well-being, adequate wages) leads to low productivity of employees and difficulties to retain employees due to dissatisfaction. Shortage in employees and loss of effectiveness and knowledge can impact Nextensa's operations.'

Only limited data are explained in this chapter, the full dataset can be found in the appendices.

NEXTENSA'S PEOPLE

# NEXTENSA'S PEOPLE[83]

The ratio of male to female employees in the organisation in 2023 was 51% men vs 49% women. Three out of eight (37.5%) board members are women (down 25% from last year) and there are no women on Nextensa's executive committee.[84]

Nextensa has a four-member executive committee and has 10 employees in middle management (50% women - 50% men). These employees manage more than one other colleague.[85]

100% of Nextensa's employees are also represented under collective bargaining agreements, as per Belgian employment law.[86]

Due to the nature of the business, and the project-specific context of real estate (re)development, Nextensa continues to rely on its close-knit network of independent project managers and experts[87]. These are engaged temporarily based on changing demand for new projects to be realised or assets to be acquired[88]. Thus, the organisation also expects to rely on a large number of independent professionals in 2024, all of whom work in accordance with the labour and social laws laid down in the labour laws of the countries where they are based[89]. Therefore, they are considered part of Nextensa's workforce and are taken into account for all figures (except sickness, workplace accidents and remuneration).

The total workforce became smaller in 2023. Nextensa said goodbye to 17 colleagues, but was also able to welcome 12 new colleagues, of which 10 in Belgium and two in Luxembourg.[90]

In 2023, Nextensa had one female employee and three male employees who were entitled to and took parental leave. They all returned after their parental leave.[91]

**Global diversity by gender**


**Board diversity by gender**


**Executive Committee** (92)


**Fixed vs temporary contract**


**Employees vs Self-employed** (93)


**Workforce by region**


[83] Methodology: All numbers related to team members are expressed in headcount, based on the dates on 31 December 2023. These dates take into account all employees in employment and all self-employed persons with contracts of more than 50%. (2-7 c) & 2-8: b) describe the methodologies and assumptions used to collect the data, including whether the numbers are reported: i) in headcount, full-time equivalent (FTE) or using another methodology).
[84] 405-1: a.i) Percentage of individuals within the organisation's governance bodies by gender.
[85] S1-9 AR 71 Disclosure of own definition of top management used.
[86] 2-30: a) Percentage of employees covered under collective bargaining agreements.
[87] 2-8: a.ii) The type of work that workers who are not employees perform.
[88] 2-8: a.i) Most common types of workers who are not employees and their contractual relationship with the organisation.
[89] 2-8 Workers who are not employees.
[90] 401-1 New employee hires and employee turnover.
[91] 401-3: Parental leave.
[92] 2-7: a) Total number of employees, and a breakdown by gender and region.
[93] 2-7: b.i, b.ii, b.iii) Total number of permanent-, temporary-, non-guaranteed hours-employees, and a breakdown by gender and region.

## NEXTENSA'S FOCUS ON WELLBEING[94]

Investing in employee well-being always remains of great importance to the HR team.

This is also reflected in the highest-scoring risks and opportunities.

These good working conditions are about both the physical workplace and the mental workspace Nextensa provides for its employees.

In terms of the physical workplace, following the move to the new office in Gare Maritime in 2022, the past year focused on smaller adjustments to make the workspace more pleasant and even more tailored. Work on this will continue in 2024 and a survey will be conducted to identify needs.

A workplace move is also planned for the Luxembourg team and this move will also be used to make the physical workplace a pleasant environment.

The mental well-being of employees remains a top priority.

A survey based on the SONAR method was conducted in 2023 to get a complete overview of psychosocial risks within the organisation that led to concrete action points to improve psychosocial well-being.[95] The survey measures three key KPIs: employee engagement, employee well-being and DEI (Diversity, Equity, Inclusion), which help the HR team make data-driven decisions to improve team well-being and collaboration. Equal opportunities, diversity and inclusion are critical to Nextensa and are embedded in the organisation's operating principles and corporate values through its Integrity Code and Corporate Governance Charter.

The survey strongly suggested that Nextensa can rely on a strong base of motivated colleagues who enjoy working at Nextensa, who on the one hand indicate that they are busy, but on the other hand believe that they can cope well with this.

The topics raised by employees that they wish the organisation could do even better are the communication on strategy and values, the culture of the company as well as the organisation of work and teams. The opportunities for training are appreciated and employees also expect this to be continued.

Accordingly, a detailed annual training plan was rolled out in 2023 and will be reviewed annually. In addition, the leadership team, together with an external partner and a number of key employees, reviewed the vision, mission and values and together determined the major yards for 2023 and the coming years.

The organisational structure was held against the vision and mission to also reflect the logic and eliminate any overlaps or ambiguities. This latter part of the exercise will continue in 2024.

The leadership team has been offered leadership and coaching training in order to be more responsive to the needs of employees.

[94] 403-6 Promotion of worker health.
[95] 403-4 Worker participation, consultation, and communication on occupational health and safety.

The town hall formula is regularly reviewed and employees actively provide their input in these town halls. Last year's best practices have been taken on board again in 2023, ensuring a well-filled social calendar with a place for internal networking at the afterworks and team build-ups. In October, the entire team went to Durbuy on a teambuilding trip where, in addition to an inspiring keynote speaker, they could also choose between various sporting, interactive and relaxing activities, provided of course with the necessary drinks.

In 2023, the wellness and sports components were further reinforced with a fitness offer on site.


## TRAINING[96]

Employee training is crucial to constantly update their skills and expertise within a fast-changing sector to ensure a strong human capital within the organisation every time. All employees (100%) of Nextensa can submit a training proposal appropriate to their position to their manager, via the HR platform.

There is also a strong culture of internal cross-cutting training and development, formalised under the name 'Nextensa Academy' through which staffs are supported and encouraged to share best practices, celebrate recognitions and awards, and learn from each other across all areas and functions. Some of these training courses are also mandatory for all colleagues.

The main shareholder of Nextensa (the listed holding company Ackermans van Haaren) also organises numerous training courses to share knowledge between their various holdings. To this end, various communities are set up to bring together people with similar functions (HR, Legal, CEO, ESG, Innovation, etc.) and initiatives are taken to bring these individuals together.

A total of 1,456 hours of training were attended by all employees[97].

By 2023, over €93,000 (+220%) has been invested in employee training and education, including participation in seminars and certification programmes abroad.

## EVALUATION AND REMUNERATION

All employees (100%) receive an annual performance appraisal.[98] To streamline the process and ensure a successful one, a number of evaluation documents are available to prepare and guide this interview using a set of questions and criteria. The conversation is also used to question everyone on job satisfaction, to what extent stress is experienced, as well as areas for improvement for the organisation or experience with management.

In the same vein, individual and team objectives are also considered: targets are set in consultation so that it is clear what the team's objectives are and how individual employees can contribute to them.

Setting good team and individual targets is key in achieving the business objectives.

The business objectives to be achieved are set by the executive management and validated by the board of directors. In doing so, each member of the executive committee further rolls out the main objectives in his department and ensures that the company objectives are met with the set individual and team objectives. These objectives are evaluated periodically.

[96] 404-2 Programmes for upgrading employee skills and transition assistance programmes.
[97] 404-1 Average hours of training per year per employee.
[98] 404-3: Percentage of employees regularly assessed for performance and career development.

The various teams can call on an external coach who uses 'high performing teams' sessions to help the team managers get the objectives clear and transparent.

The remuneration and bonus policy is geared to this and reflects this focus.

Nextensa's Remuneration Policy provides a clear framework with transparency on roles, duties and responsibilities relating to remuneration[99]. This document is publicly available on Nextensa's website.

As Nextensa relies on its network of external consultants, a job description was also introduced, in line with all legal requirements under Belgian labour law of consultants, to evaluate results and check off targets with the consultants on a frequent basis.

Nextensa bases its remuneration scales on years of experience and technical skills. A comparative study in 2023 confirmed that all team members receive equal pay in line with the applicable benchmarks. Although the gender factor does not play a role in these remuneration scales, a gender pay gap of 15.80 per cent can be identified for 2023 (excluding the executive committee).[100]

As Nextensa's workforce is rather limited and the positions are very different, no pay gap can be established by employee category. Additionally, it can be observed that the younger employees at Nextensa are mostly women and the older employees are mostly men. Thus, the pay gap is more in the number of years of experience than in the gender aspect.

## FUTURE GOALS

Nextensa recognises its employees as its most valuable asset and the impact Nextensa has on the lives of its staff. It therefore strives to create a healthy and inclusive working environment where equal opportunities, diversity and well-being are key. Investments in good working conditions, training and career opportunities reflect not only the commitment to a positive work culture, but also the promotion of long-term sustainable business success.

In line with the ESRS S1 objectives, Nextensa is committed to equal treatment and opportunities for all, as well as ensuring good working conditions. By continuously investing in the well-being of its employees, Nextensa strives to have a highly skilled, motivated and resilient workforce.

The focus on wellbeing is reflected in various initiatives, such as improving the physical workplace, addressing psychosocial risks, and fostering a culture of open communication and collaboration. In addition, attention is paid to continuous professional development through the Nextensa Academy and external training opportunities.

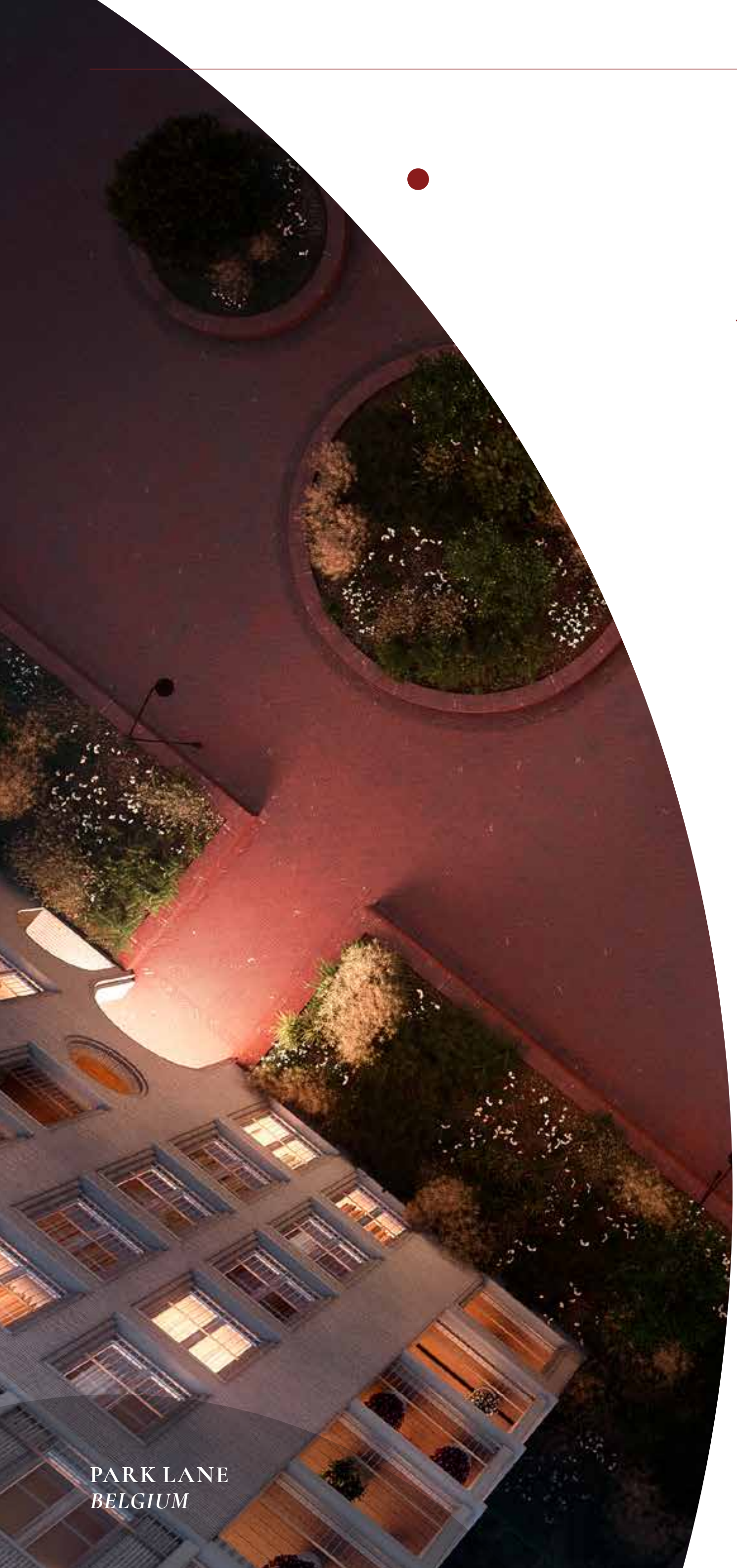
Nextensa's evaluation and remuneration policy aims to encourage individual and team goals, while pursuing transparency and equal pay for work of equal value. Although there is a gender pay gap, it is largely explained by differences in experience and position, rather than gender discrimination.

As an organisation, Nextensa remains committed to supporting, developing and valuing its staff as essential building blocks for its future success and growth.

[99] 2-19: a) Describe the remuneration policies for members of the highest governance body and senior executives.

[100] 405-2: a) Ratio of basic salary and remuneration of women to men for each employee category, by significant locations of operations.

# 5. SUSTAINABILITY APPENDIX



PARK LANE
*BELGIUM*

# 5.1
# Nextensa's communication with its stakeholders[101]

| Type | Group | Who | Methods of communication |
|---|---|---|---|
| CORE STAKEHOLDERS | Nextensa's peopke | 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 |
| | Financial stake-holders | 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 |

[101] 2-12 b i) whether and how the highest governance body engages with stakeholders to support these processes; 2-29 Approach to stakeholder engagement; 413-1 Operations with local community engagement, impact assessments, and development programs.

| Type | Group | Who | Methods of communication |
|---|---|---|---|
| | **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 |
| **CONNECTED STAKEHOLDERS** | **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. | Entering into a long-term partnership with suppliers |
| | | | 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 |
| | | | Newsletters |
| | **Building teams** | Architects, engineering firms, main contractors, large subcontractors, safety coordinators, etc. | 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 |
| | | | Monitoring new legislation |
| | **Local communities** | | Intense consultation and cooperation |
| | | | Organisation of events for neighbours |
| | | | Supporting local organisations by offering spaces and rooms or sponsorship |
| **EXTERNAL STAKEHOLDERS** | **Sustaina-bility rating agencies** | | Yearly Sustainability Report |
| | | | Exchange by e-mail about data |
| | | | Questionnaires |
| | **Competi-tors** | | Michel van Geyte appointed as ULI Belgium & Luxembourg Chair |
| | | | Informal meetings |
| | | | Nextensa is regularly a guest speaker at sector events: Realty, Spryg, Derde Long, etc. |
| | | | Participation in Taxonomy commission UPSI BVS |
| | | | Sharing insights and information during workshops |
| | **Other organisa-tions** | 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. | 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 and resource consumption

| | | ESRS | GRI dis-closures | Unit | 2023 data | 2023 coverage [1] | Evolution (previous year) | 2022 data | 2022 coverage [1] | 2021 data | 2021 coverage [1] |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **SCOPE 1** | **Stationary combustion [2]** | | 305-1 | | | | | | | | |
| | Gas consumption offices [3] | | | tCO2e | 10.96 | 100% | -35% | 18.48 | 100% | 39.84 | 100% |
| | Fuel consumption offices [3] | | | tCO2e | 1.03 | 100% | | | | | |
| | **Mobile combustion** | | | | | | | | | | |
| | Company cars | | | tCO2e | 58.29 | 100% | +2% | 57.40 | 100% | 52.38 | 100% |
| | Commuting with Company cars | | | tCO2e | 34.23 | 100% | +1% | 33.81 | 100% | 25.64 | 100% |
| | Number of company cars | | | | 31 | 100% | +7% | 29 | | 33 | |
| **GROSS SCOPE SCOPE 1 GHG EMSSIONS** | | **E1-6 44 a** | | | **104.51** | | **-5%** | **109.69** | | **117.86** | |
| | | | | | | | | | | | |
| **SCOPE 2** | **Purchased electricity [2]** | | 305-2 | | | | | | | | |
| | Electricity offices [3] | | | tCO2e | 1.51 | 100% | -77% | 6.46 | 100% | 16.00 | 100% |
| **GROSS SCOPE SCOPE 2 GHG EMSSIONS** | | **E1-6 44 b** | **305-2** | | **1.51** | | **-77%** | **6.46** | | **16.00** | |
| | | | | | | | | | | | |
| **TOTAL CO2EQ SCOPE 1 AND 2** | | | | | **106.02** | | **-9%** | **116.16** | | **133.86** | |
| | | | | | | | | | | | |
| **Energy - Nextensa's offices** | | | | | | | | | | | |
| | **Total** | | | m2 | 2,241 | 100% | | 2,194 | 100% | 2,738 | 100% |
| | Energy GHG emissions | | | tCO2e | 13.50 | 100% | -46% | 24.94 | | 55.84 | |
| | **Energy consumption absolute** | | 302-1 | Mwh | 132.08 | 100% | -41% | 223.64 | 100% | 520.00 | 100% |
| | From fossil sources | E1-5 37 a | 302-4 | Mwh | 52.14 | | | | | | |
| | From renewable sources | | | Mwh | 61.37 | | | | | | |
| | From self-generated non fuel renewable energy | E1-5 37 c | | Mwh | 18.57 | | | | | | |
| | **Average Energy intensity** | | 302-3 | Kwh/m2 | 58.94 | | -42% | 101.93 | | 189.92 | |

[1][2][3] See end of table.

| | ESRS | | GRI disclosures | Unit | 2023 data | 2023 coverage [1] | Evolution (baseline 2021) | 2022 data | 2022 coverage [1] | 2021 data | 2021 coverage [1] |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **SCOPE 3 Operational GHG emissions [4]** | | | | | | | | | | | |
| Purchased goods and services [5] | | | | tCO2e | 1,148.91 | 91.43% | | | | | |
| Waste offices [6][8] | | | 306-2 | tCO2e | 2.49 | 64.17% | | 5.27 | 54% | | 0% |
| Business travel [4] | | | | tCO2e | 47.01 | 100% | | | | | |
| **TOTAL SCOPE 3 OPERATIONAL GHG EMISSIONS** | | | | | **1,198.42** | | | | | | |
| | | | | | | | | | | | |
| **Investment portfolio GHG emissions** | | | | | | | | | | | |
| Downstream leased assets | | | 305-3 | | 2023 | | | 2022 | | 2021 | |
| % of total m2 portofolio included in reporting [7] | | | 302-3 | % | | 90% | +14% | | 86% | | 76% |
| Energy consumption mix: | E1-5 | 35 | 305-4 | | | | | | | | |
| Pruchased grid electricity | | | 302-2 | Mwh | 29,529 | | | 24,561 | | 24,360 | |
| Natural Gas consumption | | | 302-2 | Mwh | 15,990 | | | 15,217 | | 20,615 | |
| Fuel Oil consumption | | | 302-2 | Mwh | 3,208 | | | 2,062 | | 2,666 | |
| District heating & Cooling | | | 302-2 | Mwh | 594 | | | 201 | | 4,163 | |
| Total Energy Consumption Portofolio | | | 302-2 | Mwh | 49,321 | | -5% | 42,040 | | 51,804 | |
| Total GHG Emission Portofolio | | | 302-5 | tCO2e | 6,431 | | -30% | 5,628 | | 9,233 | |
| Production Solar Panels | E1-5 | 35 | | Mwh | 6,219 | | -9% | 7,011 | | 6,841 | |
| Total m2 Solar Panels | | | | m2 | 49,983 | | +52% | 44,510 | | 32,983 | |
| Total capacity (kwp) Solar Panels | | | | kwp | 8,898 | | +48% | 7,786 | | 6,032 | |
| Autoconsumption selfproduced electricity | | | 302-1 | Mwh | 2,934 | | | 3,254 | | no data | |
| % autoconsumption | | | | % | 47% | | | 46% | | no data | |
| GHG emissions selfproduced electricity | | | | tCO2e | 179 | | | 199 | | no data | |
| Injection surplus electricity | | | | Mwh | 3,285 | | | 3,811 | | no data | |
| Number of charging stations | | | | # | 281 | | +144% | 141 | | 115 | |
| **TOTAL SCOPE 3 INVESTMENT GHG EMISSIONS** | | | | | **6,610** | | | **5,827** | | **9,233** | |
| | | | | | | | | | | | |
| **Real estate activity GHG emissions** | | | 305-3 | | | | | | | | |
| Purchased goods and services | | | | tCO2 | no delivery | | | 3,679 | 67% | | |
| Use of sold products | | | | tCO2 | no delivery | | | 5,070 | 33% | | |
| End-of-life of sold products | | | | tCO2 | no delivery | | | 322 | 67% | | |
| **TOTAL SCOPE 3 REAL ESTATE ACTIVITY GHG EMISSIONS** | | | | | **0.00** | | | **9,071.00** | | | |
| | | | | | | | | | | | |
| **GROSS SCOPE SCOPE 3 GHG EMISSIONS** | **E1-6** | **44 c** | **305-3** | | **7,808.40** | | | **14,897.51** | | **9,233.00** | |

[1][4][5][6][7][8] See end of table.

| | ESRS | GRI disclosures | Unit | 2023 data | 2023 coverage [1] | Evolution (baseline 2021) | 2022 data | 2022 coverage [1] | 2021 data | 2021 coverage [1] |
|---|---|---|---|---|---|---|---|---|---|---|
| **Other Ressource Consumption** | | | | | | | | | | |
| **Investment portfolio** | | | | | | | | | | |
| Waterconsumption | | 303-5 | m3 | 65,205 m3 | 85% | -19% | 70,280 m3 | 78% | 80,355 m3 | 72% |
| Average tapwaterintensity | | | l/m2 | 182 | | -8% | 199 | | 235 | |

[1] For more transparency in the interpretation of the figures, the coverage indicates the number of m2 which are covered by accurate data.

[2] Methodology of the Greenhouse Gas Protocol (GHG Protocol).

[3] Calculation of tCO2e emissions, the emission factor provided by suppliers are used for emission from fossil sources. For Belgium's Headquarters purchased electricity: based on electricity production from green energy in Belgium's (FEBEG) representative mix, an emission factor (EF) upstream/production fuel of 8 grams of CO2 per kWh is charged. For Grand duchy of Luxembourg's offices: the electricity is produced by the "Centrales Hydrauliques" where the EF charged of 4 grams of CO2 per kWh include the CO2 emissions resulting from the construction and demolition of the hydroelectric power station. This conservative approach was chosen instead of "Well to Wheel" approach where the Life Cycle Analysis (LCA) is not taken into account resulting into zero emissions. The same conservative approach was used for solar electricity produced by PV installations: emissions are zero if the "Well to Wheel" approach is used. By using the LCA approach to include the CO2 emissions resulting from the construction and demolition of the solar panels, 61 grams of CO2 per kWh are charged. Source: CO2emissiefactoren.be.

[4] Methodology of the Greenhouse Gas Protocol (GHG Protocol).

[5] Calculation of tCO2e emissions, the monetary ratio emission factor provided by Ademe, EIO-LCA, Defra are used.

[6] For more transparency in the interpretation of the figures, the coverage refers to the numbers of the balance sheet.

[7] The CO2 footprint is calculated on the basis of the key figure for CO2 emissions in accordance with the Kyoto treaty of 1990.

[8] Assets not included in the reporting: during the reporting year sold, acquired, under construction/renovation, buildings with data coverage of less than 50%.

# 5.3
# Nextensa's people*

| | ESRS | GRI disclosures | 2023 | 2022 |
|---|---|---|---|---|
| **TEAM MEMBERS** | **S1-6 50a** | **2-7** | | |
| Board of Directors | | | 8 | 8 |
| Executive Committee | S1-6 50a | | 4 | 4 |
| Management | | | 10 | 7 |
| Other team members | | | 59 | 71 |
| **Global Team members (excl Board):** | | | **73** | **82** |
| **Team members by gender** | | **405-1** | | |
| Board diversity by gender | | | | |
| Woman | | | 3 | 5 |
| Men | | | 5 | 3 |
| Executive Committee | | | | |
| Women | | | 0 | 0 |
| Men | | | 4 | 4 |
| Management | | | | |
| Women | | | 5 | 2 |
| Men | | | 5 | 5 |
| Other team members | | | | |
| Women | | | 31 | 35 |
| Men | | | 28 | 36 |
| **Global diversity (excl. board):** | | **2-7** | | |
| Women | | | 49% | 45% |
| Men | | | 51% | 55% |
| **Workforce by region** | | **2-7** | | |
| Belgium | | | 62 | 71 |
| Luxembourg | | | 10 | 10 |
| Austria | | | 1 | 1 |
| Belgium (%) | | | 85% | 87% |
| Luxembourg (%) | | | 14% | 12% |
| Austria (%) | | | 1% | 1% |

| | ESRS | GRI disclosures | 2023 | 2022 |
|---|---|---|---|---|
| **INTERNAL ORGANISATION** | **S1-6 50b** | **2-7** | | |
| **Working time** | | | | |
| Full-time team members | | | 65 | 76 |
| Part-time team members | | | 8 | 6 |
| Women (FT) | | | 31 | 32 |
| Women (PT) | | | 5 | 5 |
| Men (FT) | | | 34 | 44 |
| Men (PT) | | | 3 | 1 |
| Full-time team members | | | 89% | 93% |
| Part-time team members | | | 11% | 7% |
| Women (%) Full-time team members | | | 48% | 42% |
| Men (%) Full-time team members | | | 52% | 58% |
| Women (%) Part-time team members | | | 63% | 83% |
| Men (%) Part-time team members | | | 38% | 17% |
| Fixed contracts | | | 72 | 79 |
| Temporary contracts | | | 1 | 3 |
| Women (FC) | | | 35 | 36 |
| Women (TC) | | | 1 | 1 |
| Men (FC) | | | 37 | 43 |
| Men (TC) | | | 0 | 2 |
| Fixed contracts | | | 99% | 96% |
| Temporary contracts | | | 1% | 4% |
| Women (%) Fixed contracts | | | 49% | 46% |
| Men (%) Fixed contracts | | | 51% | 54% |
| Women (%) Temporary contracts | | | 100% | 33% |
| Men (%) Temporary contracts | | | 0% | 67% |

* All number of team members are expressed in headcount, except for training hours and expenses, which are expressed in Full-Time Equivalents (FTE).

| | ESRS | | GRI disclosures | 2023 | 2022 |
|---|---|---|---|---|---|
| **WORKFORCE TURNOVER** | **S1-6** | **50b** | **2-7** | | |
| **Turnover by gender** | | | | | |
| Women | | | | 6 | 9 |
| Men | | | | 9 | 12 |
| Women (%) | | | | 40% | 43% |
| Men (%) | | | | 60% | 57% |
| **Global turnover:** | | | | **15** | **21** |
| **Turnover by region** | | | | | |
| Belgium | | | | 12 | 17 |
| Luxembourg | | | | 3 | 4 |
| Austria | | | | 0 | 0 |
| Belgium (%) | | | | 80% | 81% |
| Luxembourg (%) | | | | 20% | 19% |
| Austria (%) | | | | 0% | 0% |
| **DIVERSITY - WORKFORCE** | | | | | |
| **Workers who are not employees (self-employed contractors)** | S1-7 | 55a | 2-8 | | |
| Self-employed | | | | 24 | 32 |
| Employees | | | | 49 | 50 |
| Self-employed (%) | | | | 33% | 39% |
| Employees( %) | | | | 67% | 61% |
| **Workforce diversity by age per job category (%)** | S1-9 | 66b | 405-1 | | |
| Executive Committee (% of employees) | S1-9 | 66a | | 5% | 5% |
| Under 30 years | | | | 0 | 0 |
| Between 30 and 50 years | | | | 2 | 2 |
| Over 50 years | | | | 2 | 2 |
| Management | | | | 14% | 9% |
| Under 30 years | | | | 0 | 0 |
| Between 30 and 50 years | | | | 7 | 5 |
| Over 50 years | | | | 3 | 2 |
| Other team members | | | | 81% | 87% |
| Under 30 years | | | | 11 | 8 |
| Between 30 and 50 years | | | | 32 | 38 |
| Over 50 years | | | | 16 | 25 |

| | ESRS | | GRI disclosures | 2023 | 2022 |
|---|---|---|---|---|---|
| **CAREER DEVELOPMENT** | **S1-13** | | | | |
| **Workforce training and development** | **S1-13** | **83a** | **404-3** | | |
| Employees receiving annual appraisal by gender | | | | | |
| Women (%) | | | | 100% | 100% |
| Men (%) | | | | 100% | 100% |
| Average hours of training per person by gender | S1-13 | 83b | 404-1 | | 23.07 |
| Women | | | | 26.29 | |
| Men | | | | 37 | |
| Total hours of training per team member by gender | S1-13 | 83b | 404-1 | | |
| Women | | | | 851 | 189 |
| Men | | | | 605 | 255 |
| Employees (%) receiving annual appraisal by job category | S1-13 | 84 | 404-3 | | |
| Executive Committee | | | | 100% | 100% |
| Management | | | | 100% | 100% |
| Other team members | | | | 100% | 100% |
| Training expenses (€) | | | | 93,000 | 42,345 |
| **WORKFORCE PAY RATIO** | **S1-16** | | | | |
| **Remuneration metrics (pay gap and total remuneration)** | **S1-16** | | | | |
| Gender pay gap (% women/men) | S1-16 | 97a | 405-2 | | |
| Executive Committee | S1-16 | 98 | 405-2 | 0% | 0% |
| Management | S1-16 | 98 | 405-2 | 27.1% | 0.8% |
| Other team members | S1-16 | 98 | 405-2 | 18.7% | 17.0% |
| All team members are paid an edequate wage in line with applicable benchmarks | | | | 100% | 100% |
| **WELL-BEING** | | | | | |
| **Health and safety metrics** | **S1-14** | | | | |
| Work-related fatalities | S1-14 | 88b | 403-9 | | |
| Recordable work-related accidents (#) | | | | 1 | 0 |
| Work-related fatalities (#) | | | | 0 | 0 |

# 6.

# NEXTENSA ON THE STOCK EXCHANGE

MONTREE
*LUXEMBOURG*


HANGAR 26/27
BELGIUM

# Key figures and graphics

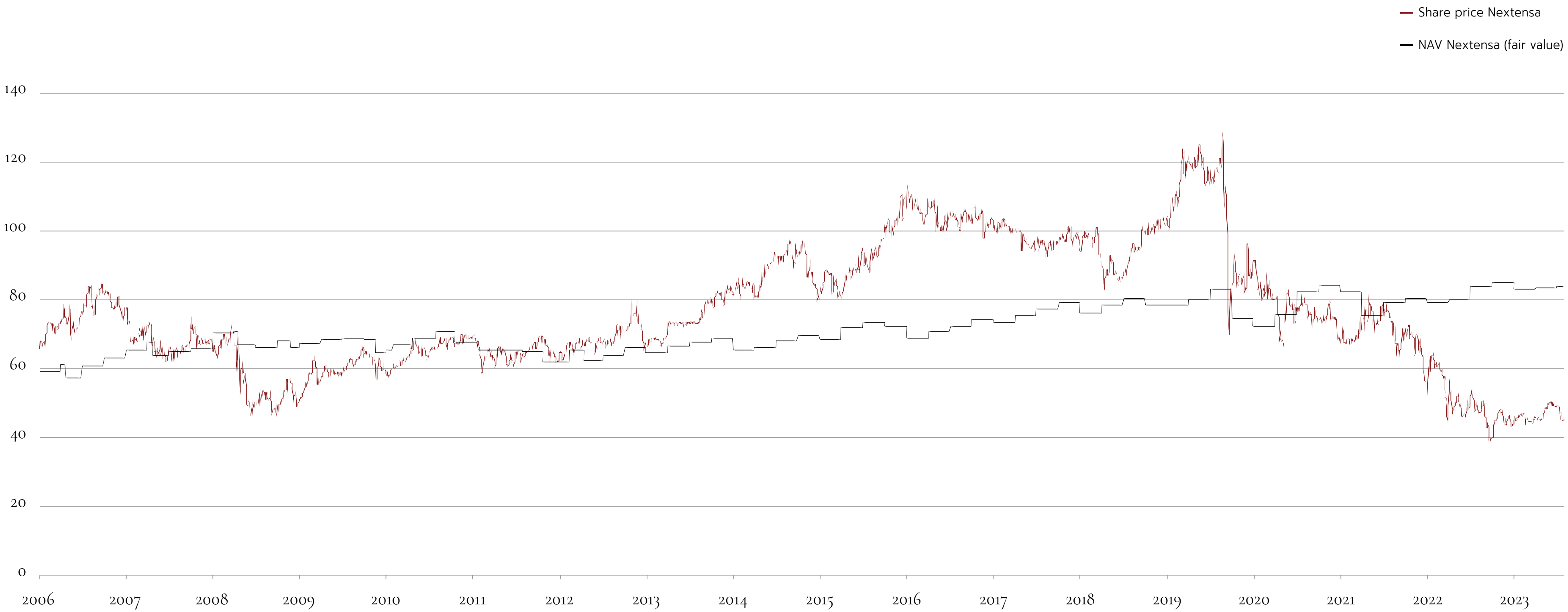
| | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Number of shares listed (#) | 10,002,102 | 10,002,102 |
| Number of issued shares (#) | 10,002,102 | 10,002,102 |
| Market capitalization based on closing price (€ million) | 489 | 519 |
| Free float (%) | 19.55% | 22.57% |
| Closing price (€) | 48.85 | 51.90 |
| Highest rate (€) | 54.40 | 79.40 |
| Lowest rate (€) | 38.85 | 44.55 |
| Average monthly volume (#) | 79,424 | 45,063 |
| Velocity (%) (1) | 9.53% | 5.41% |
| Free float velocity (%) (2) | 48.74% | 23.95% |
| Premium/discount based on closing price vs NAV (fair value) | -41% | -38% |
| Gross dividend (€) | 1.50 | 2.60 |
| Net dividend (3) (€) | 1.05 | 1.82 |
| Gross dividend yield (4) | 3.07% | 5.01% |
| Payout ratio - consolidated | 60.9% | 36.5% |

[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 €48.82 (2022: €51.90) on 31/12/2023, resulting in a discount of -41% to the net asset value based on fair value (2022: discount of -38%). This evolution can be attributed to the general stock market sentiment that prevailed during 2023.

The average transaction volume per month of the stock increased again last fiscal year to 79,424 shares compared to 45,063 in 2022.



# Analysts tracking the stock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# 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 the 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.

| | |
|---|---|
| 29/03/2024 | Annual financial report 2023 |
| 21/05/2024 | Interim statement Q1 (31/03/2024) |
| 21/05/2024 | Ordinary general meeting of shareholders |
| 13/08/2024 | Half-year financial report 2024 |
| 14/11/2024 | Interim statement Q3 (30/09/2024) |
| 12/02/2025 | Annual results 2024 (31/12/2024) |

# 7.

# REAL ESTATE REPORT

# MAIN (RE)DEVELOPMENT PROJECTS IN 2023

CLOCHE D'OR - BIJOU
*LUXEMBOURG*

*OFFICES*

# CLOCHE D'OR OFFICES

### The working district that sets a benchmark for businesses in Luxembourg

**PROJECT DESCRIPTION**

In the Grand Duchy of Luxembourg, Nextensa and Promobe are the driving forces behind the development of the Cloche d'Or. Combining offices, housing and leisure facilities, the Cloche d'Or aims to be a mixed, innovative, vibrant and sustainable district. By 2035, around 45,000 people will live, work, study and have fun here.

The Cloche d'Or is the new place to be for businesses in Luxembourg. Leading international businesses can already be found here: PwC, Deloitte, Intesa San Paolo, Alter Domus, etc.

## PARTNERS

Promobe • IMPAKT Real Estate • Axento Immo

## LOCATION

5 Rue Charles Darwin, Luxembourg

## CLOSE TO

The Cloche d'Or district is ideally located four kilometres from Luxembourg city centre and less than three kilometres from the central railway station.

- Near the new Howald railway station.
- A new tram line will provide a smooth connection to the Kirchberg district and the centre of Luxembourg City.
- Cloche d'Or shopping centre.

## TYPE OF PROJECT

Residential • Offices • Retail • Recreation

## SUSTAINABILITY PROFILE

- All the buildings meet the most stringent sustainability standards of the Deutsche Gesellschaft für Nachhaltiges Bauen (German Sustainable Building Council).
- Urban heating network.
- Cogeneration technology.
- Priority given to soft mobility.
- Creation of an ecological corridor linking the new Gasperich park, the capital's biggest park covering 16 hectares, bordered by the Weierbach stream.

## EYE-CATCHERS

- The Cloche d'Or boasts a balanced mix of 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 where events can be held.

## PROJECT DETAILS

- Status: under development
- Timing: 2014 – TBD

## UPDATE ON THE OFFICE BUILDINGS OF CLOCHE D'OR IN 2023

The Darwin II office building, delivered in March 2022 and subsequently sold to the Luxembourg state at the end of October 2023, exemplifies a successful full-circle project. This building, encompassing approximately 5,000 m² over six above-ground and two underground floors, is entirely leased to the Luxembourg state, with the Ministry of Health as the primary occupant, demonstrating our ability to cater to high-profile governmental needs.

Progressing to the Emerald office building, which was delivered in the fourth quarter of 2023, this structure adds roughly 7,000 m² of prime office space across six above-ground and one underground floor to the portfolio. It has achieved full occupancy, with PwC, Intertrust and Stibbe as notable tenants, underscoring the sustained demand for the office developments at Cloche d'Or.

The White House office building, delivered in the first quarter of 2024, continues this trajectory of success. With approximately 7,000 m² distributed over six above-ground and one underground floor, it has been fully leased to Intertrust.

Looking ahead, the Lofthouse and Stairs office buildings are in the planning phase. These projects are ready to meet the growing demand for high-quality office environments, with discussions currently underway with potential tenants, reflecting our proactive approach to future development.

OFFICES

# HÔTEL DES DOUANES

## 2.0 office solution combining heritage, circularity and sustainability

### 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

CES • DE MEUTER • CEVAN • WYCOR • SPIE • SCHINDLER • VANHOEY • ARCHI2000 • NEY&PARTNERS • SHAKE DESIGN

## 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

- The workspace heating and cooling system involves geothermal processes, keeping the use of fossil fuels to a minimum.
- Original construction elements such as the solid granite staircases, the steel columns and the roof have been preserved in the interests of circularity and to avoid waste.
- The electricity is generated by a maximum number of photovoltaic panels on the roof.
- The LED lights switch off automatically depending on the level of daylight or when no staff are present.
- Rainwater is collected and reused for the sanitary facilities.
- The goal is to obtain an excellent 'BREEAM' rating, gold Well Platinum certification and gold DNGB certification.

## EYE-CATCHERS

- Integration into the Tour & Taxis site with all its facilities: food, sport, daycare centre, events, etc.
- Emblematic building combining outstanding heritage, sustainability and circularity.
- Abundance of natural light thanks to the magnificent central atrium.
- Extraordinary impression of openness.
- Outstanding size and vast glazed surfaces.

## PROJECT DETAILS

| | |
|---|---|
| Status: | under development |
| Timing: | delivered in Q1 of 2024 |

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

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 airport.
- New tram line and a bus connection (as of 2024).
- P+R zone (as of 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 surfaces range from 300 sqm to 3,600 sqm in a stand-alone building.
- Several accessibility options and various services on site and outside.
- The team of caretakers provides a first-class service.

## PROJECT DETAILS

| | |
|---|---|
| Status: | under development |
| Timing: | renovation completed in the course of 2024 |


*RETAIL*

# KNAUF SCHMIEDE

## Large shopping mall located at the 3 borders

### PROJECT DESCRIPTION

This mall with around 55 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 Schmiede 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 Knauf Shopping Schmiede opened the new catering concept, consisting of a Grand Café and a Food Village, at the end of the summer 2023. In 2023 the Knauf Shopping in Schmiede saw an increase in visitor numbers of 10.32% and also welcomed more than 2 M visitors.

## PARTNERS

Scaht Architecture • Schilling • Arcadis

## LOCATION

3 Op d'Schmëtt, Schmiede/Huldange

## SURFACE AREA

35,684 sqm

## TYPE OF PROJECT

Retail

## SUSTAINABILITY PROFILE

- Recycling centre for tenants.
- Entire roof is fitted with photovoltaic panels as far as is possible.
- Installation of charging stations for electric cars.

## EYE-CATCHERS

- Activities throughout the year.
- The Grand Café and the Food Court can accommodate no fewer than 800 visitors spread over the ground floor and the first floor. There is also a roof terrace of no less than 600 sqm.

## PROJECT DETAILS

Status: completed

RESIDENTIAL

# PARK LANE

## Site of sustainable, high-quality housing in a green setting

### 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 is also oriented towards soft mobility. To meet this goal, Nextensa provides 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.
- Suzan Daniel Bridge.
- Public transport.

## TYPE OF PROJECT

Residential

## SUSTAINABILITY PROFILE

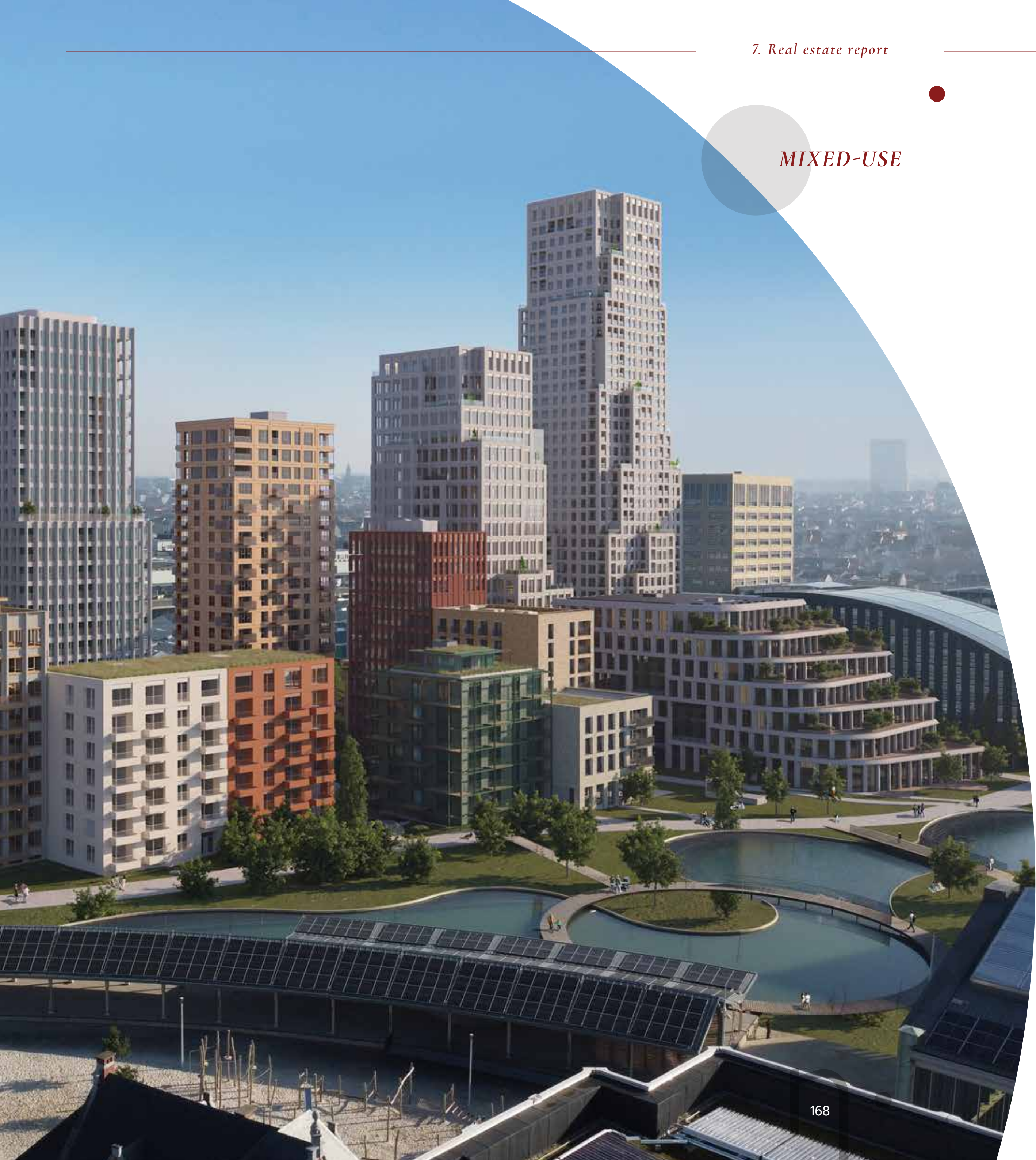
- Solar panels.
- Heat recovery.
- Green roofs.
- Water recovery.
- Car-free residential area.
- The earth from phase II of Park Lane is taken away by water. A total of 12,800 tonnes have been transported by boat. This equates to +/- 550 fewer lorries on the road.

## EYE-CATCHERS

- Living in a vibrant city district 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. The project will be delivered in the first half of 2025. |
| Timing Phase I: | 2019 – 2022 |
| Timing Phase II: | 2022 – 2025 |



*MIXED-USE*

# LAKE SIDE

## Mixed urban district, sustainable and inclusive, set in green surroundings

### PROJECT DESCRIPTION

The residential developments in the Tour & Taxis neighbourhood are founded on outstanding design, sustainability and social mixity. And with Lake Side, the final phase in the large-scale urban development of the site, Nextensa aims to go even further in terms of technology and materials. This project involves developing no less than 140,000 additional square metres as part of a mainly residential programme comprising 800 new housing units. Part of the residential programme will comprise high-rise buildings. The mixed programme will also include office spaces (+/- 40,000 sqm), restaurants, local shops (+/- 3,000 sqm) and public facilities (+/- 4,000 sqm).

An office pavilion built entirely of wood will serve as an example as regards energy management and circularity, with spacious terraces.

A U-shaped mixed tower is to be built towards Avenue du Port, the west side will contain offices and the east side housing units. The base of this connected building will include an atrium ensuring superb luminosity and containing shops that will generate footfall, interactions and activities.

The urban planning design includes a new green space open to the public between the buildings. This will contain multiple species of plants, grasses, shrubs and trees. The current Tour & Taxis park will be extended across the site.

The Lake Side project is one more step towards a district where housing, work spaces, relaxation areas and nature will be accessible in five minutes. The aim is also to create a car-free site and only to allow parking in the basement.

The three essential pillars will be the use of smart mobility, judicious positioning of the buildings and a variety of functions.

With this new, future-oriented construction project, Nextensa offers an innovative response to various social, urban, environmental and mobility challenges.

## PARTNERS

3xn • Binst-architects • Bureau-bouwtechniek-nv • Cobe • Effekt • Hub-architecten • Mvrdv • Polo

## LOCATION

Tour & Taxis, 1000 Brussels

## CLOSE TO

- Gare Maritime: Food Market, shops, co-working area of the company Spaces.
- Maison de la Poste: conference and meeting centre
- Sheds: large-scale events.
- Royal Depot: food, hammam, furniture and decoration, shops, hair stylist, daycare centre, etc.).
- Tour & Taxis Park with its new ponds.
- KANAL Centre Pompidou museum.
- Suzan Daniel Bridge.
- Public transport.

## TYPE OF PROJECT

Mixed-use

## SUSTAINABILITY PROFILE

- Carefully considered use of construction materials, advanced technologies and renewable energy concepts that stand the test of time.
- No fossil fuel use.
- Goal: to obtain the 'BREEAM' Outstanding certificate for all the office buildings.
- Reuse of rainwater.
- Optimised biodiversity with the creation of new open spaces between the buildings containing a variety of species of grasses, herbs, flowers, shrubs and trees.
- Maximum social mixity.

## EYE-CATCHERS

- Integration into the Tour & Taxis site: events, shops, varied catering range, sports activities, etc.
- Living in a green, dynamic district.
- Perfect mix of housing and workplaces.
- High-quality, affordable housing.

## PROJECT DETAILS

| | |
|---|---|
| Status: | in design phase |
| Timing: | permit application submitted Q1 2023 |

*RESIDENTIAL*

# CLOCHE D'OR RESIDENTIAL

## The new Urban Living district at the heart of Luxembourg

### PROJECT DESCRIPTION

The Cloche d'Or is innovative and sustainable, symbolic of the new Urban Living in Luxembourg. A pioneering urban district giving preference to agility and sustainability. A pleasant place to live, work, shop and relax. Combining housing offices, shops and leisure facilities, the Cloche d'Or aims to be a mixed and vibrant district. By 2035, around 45,000 people will live, work, study or have fun here.

The residential areas combine the needs of today's city dwellers with an ambitious view of sustainability. The housing units offer residents contemporary interiors filled with light, boasting high-end finishes and communal areas bathed in sunlight. Advanced home automation enables them to control their home from a distance.

Residents have restaurants, shops, health services, offices, schools and parks close at hand. An outstanding shopping centre covering 75,000 sqm with over 120 boutiques as well as local stores create a genuine neighbourhood lifestyle. The shopping centre stands at the centre of this neighbourhood. Its contemporary, airy design comprises

120 influential and inspiring stores on three levels. Over half of these are exclusive in the Grand Duchy of Luxembourg. The activities, pop-up stores and 20 restaurants, bars and cafés in the Food Hall ensure a lively atmosphere throughout the year.

The pedestrian areas and cycle paths promote alternative transport in the Cloche d'Or district, while easy access by bus, tram and train enables people to visit Luxembourg city or the green setting of Gasperich Park and Kockelscheuer with ease. The nearby motorways bring France, Belgium and Germany within reach.

This residential project consists of several subprojects:

- The D-Nord subproject (194 apartments) were completed in Q1 2023.
- The delivery of the D5-D10 subproject (185 apartments including 117 flats under construction) is expected in Q2 2024.
- A new subproject D-Tours (about 375 apartments) is in planning stage.

Additionally, the partnership with B&B HOTELS represents a significant expansion into the hospitality sector, with a hotel comprising approximately 4,500 sqm and 150 rooms. Slated for delivery in the second quarter of 2025, this development, for which a lease was signed in 2022, will enhance the area's accommodation options, catering to both short-term visitors and long-term residents.

## PARTNERS

Promobe • IMPAKT Real Estate • Axento Immo

## LOCATION

5 Rue Charles Darwin, Luxembourg

## CLOSE TO

- Cloche d'Or park, restaurants, brasseries and offices in the new district of the city.
- Cloche d'Or shopping centre.
- Near the new Howald peripheral railway station.
- A new tram line will provide a smooth connection between the Kirchberg district and Luxembourg city centre.

## TYPE OF PROJECT

Residential

## SUSTAINABILITY PROFILE

- All the buildings meet the most stringent sustainability standards of the Deutsche Gesellschaft für Nachhaltiges Bauen (German Sustainable Building Council).
- Urban heating network.
- Cogeneration technology.
- Priority given to soft mobility.
- Public transport stylishly integrated.
- Creation of an ecological corridor linking the new Gasperich park, the capital's biggest park covering 16 hectares, bordered by the Weierbach stream.

## EYE-CATCHERS

- The timeless, minimalist design of the different housing units provides sufficient space for a personal touch.
- Spacious loggias bring the outside world inside and/or vice versa.
- State-of-the-art home automation applications enable residents to control their homes from a distance.

## PROJECT DETAILS

| | |
|---|---|
| Status: | under development |
| Timing: | 2020 – TBD |

OFFICES

# TREEMONT

## From TREE to MONToyer

### PROJECT DESCRIPTION

Treemont is destined to become the next chapter in our focus on sustainable development; following earlier successful developments on the Square de Meeûs and Rue Montoyer, it will be the second timber construction with a carbon neutralnfootprint. Treemont will be an office building like no other. The new timber construction will feature approximately 2.783 sqm of office space on 6 floors. Each floor will have a free height of almost 2,90 metres with windows that stretch from ground to ceiling. The striking design and high-quality materials create a remarkable experience for anyone entering the building. But what truly sets Treemont apart, is the outdoor garden space that will be made visible from the street. A tranquil oasis in the busy city centre.

## PARTNERS

Archi2000 • SWECO • Arcade • Pauwels • Bureau De Fonseca • Sureal • Bopro

## LOCATION

Montoyerstraat 24, Brussels

## SURFACE AREA

2,783 sqm

## CLOSE TO

- Strategic location in the Montoyerstraat.
- At the heart of the European district.
- Green areas, shops and restaurants.
- Public transport.

## TYPE OF PROJECT

Offices

## SUSTAINABILITY PROFILE

- Timber-framed construction.
- PEFC wood from sustainable forestry.
- Green roof.
- Solar panels and heat pumps.
- Water recovery.
- Data-controlled heating and cooling.
- CO2 neutral.
- Expected Certification: 'BREEAM' Excellent.

## EYE-CATCHERS

- Basic elements in wood, will create a natural look.
- The glass walls and high ceilings will create a transparency and openness that offers an unparalleled working experience.
- The stunning views of the European Quarter.
- The high level of flexibility, co-working spaces and the transparent entrance lobby and meeting rooms.
- An automated air treatment system, motion detected LED lighting and data driven heating and cooling are all on the cards.
- The beautiful natural garden will connect the garden to the street offers a quiet oasis for tenants to reflect on their day and an ocean of calm for anyone who traverses it.

## PROJECT DETAILS

| | |
|---|---|
| Status: | in design phase |
| Timing: | permit application submitted Q3 2023 |

*OFFICES*

# MONTREE

## AN EXCEPTIONAL ADDRESS FOR AN ARCHITECTURAL JEWEL IN 100% WOOD

### PROJECT DESCRIPTION

The permit application for the new building 'MonTree', the redevelopment of the office building located at 20 Avenue Monterey together with the building acquired in 2023 located at 18 Avenue Monterey in Luxembourg City is in full preparation. Current tenant CVC will vacate the Monterey 20 building at the end of Q2 2024, after which both buildings will also be redeveloped into one new CO2-neutral office building in wood following the example of Monteco and Treemont in Brussels. With its timelessly elegant wooden facade, MonTree marks a turning point in architecture, a tribute to the beauty of a nature reconciled with the city. The building will be both an ecological manifesto and a new model of responsible chic.

## PARTNERS

Architect Moreno • Ney • CES

## LOCATION

18-20 Avenue Monterey, Luxembourg

## CLOSE TO

- One of the main streets in the city of Luxembourg's central business district: Boulevard Royal.
- Strategic location at the heart of the city of Luxembourg.
- This district, a real crossroads of economic life, meets all today's challenges in a superior environment.
- The tram station, car parks, restaurants, shops and public parks in the vicinity will provide all the comfort you need.

## TYPE OF PROJECT

Offices

## SUSTAINABILITY PROFILE

- Timber-framed construction.
- PEFC wood from sustainable forestry.
- Green roof.
- Solar panels and heat pumps.
- Water recovery.
- Data-controlled heating and cooling.
- $CO_2$ neutral.
- Expected Certification: 'BREEAM' Excellent.

## EYE-CATCHERS

- 250 sqm of green outdoor space.
- flexible, modular office floors.
- Luxembourg's most prestigious district.

## PROJECT DETAILS

Status: under study – permit application in preparation

# INVESTMENT PORTFOLIO

# GRAND DUCHY OF LUXEMBOURG

## KNAUF SHOPPING SCHMIEDE, 3 OP D'SCHMËTT, SCHMIEDE/HULDANGE

**Type:** Retail
**Surface:** 35,684 sqm
**Status:** Completed

This shopping centre with about 55 stores lies in the north of the Grand Duchy of Luxembourg, on the border between Luxembourg, Belgium and Germany.

## KNAUF SHOPPING POMMERLOCH, 19 ROUTE DE BASTOGNE, POMMERLOCH

**Type:** Retail
**Surface:** 33,082 sqm
**Status:** Completed

Shopping centre with some 60 shops, in the heart of the Luxembourg Ardennes, near Bastogne in Belgium.


## BOOMERANG SHOPPINGCENTER, ROUTE D'ARLON 2, STRASSEN

**Type:** Retail
**Surface:** 22,721 sqm
**Status:** Completed

Shopping centre located on one of the main access roads to Luxembourg City: the Route d'Arlon.

## HORNBACH, 31, RUE DU PUITS ROMAIN, BERTRANGE

**Type:** Retail
**Surface:** 12,153 sqm
**Status:** Completed

Construction, DIY and garden centre in Bertrange.

## RUE DU CIMETIÈRE, DIEKIRCH

**Type:** Retail
**Surface:** 10,199 sqm
**Status:** Completed

Retail site located on the N7 in Diekirch.

## PLACE SCHWARZENWEG, DUDELANGE

**Type:** Retail
**Surface:** 3,759 sqm
**Status:** Completed

This supermarket in Dudelange houses galleries, retail spaces, bakeries, warehouses, offices and a cafeteria, as well as numerous parking spaces in the immediate vicinity.

## MOONAR, ROUTE DE TRÈVES 6, SENNINGERBERG

**Type:** Offices
**Surface:** 22,252 sqm (5 buildings)
**Status:** Under development

Part of an office complex of six buildings within walking distance of Luxembourg airport. Nextensa owns 100% of 5 of the 6 buildings on the site.

## HIGH 5!, ROUTE D'ARLON 110-112, LUXEMBOURG

**Type:** Offices
**Surface:** 8,641 sqm
**Status:** Completed

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.

## HYGGE,
## AVENUE MONTEREY 35, LUXEMBOURG

**Type:** Offices
**Surface:** 1,639 sqm
**Status:** Completed

A renovated office building with every comfort located in one of the main streets of Luxembourg City's Central Business District.

## MONTREE,
## AVENUE MONTEREY 18-20, LUXEMBOURG

**Type:** Offices
**Surface:** 2,846 sqm
**Status:** Redevelopment in preparation

The permit application for the new building 'MonTree', the redevelopment of the office building located at 20 Avenue Monterey together with the building acquired in 2023 located at 18 Avenue Monterey in Luxembourg City is in full preparation.

# BELGIUM


## BRIXTON RETAIL PARK, WEIVELDLAAN 29, ZAVENTEM

**Type:** Retail
**Surface:** 15,072 sqm
**Status:** Completed

The site of Brixton Retail Park is ideally located close to the E40, one of the main access roads to Brussels, and consists of 7 shops.

## TREEMONT, MONTOYERSTRAAT 24, BRUSSELS

**Type:** Offices
**Surface:** 2,800 sqm
**Status:** In design phase

Nextensa plans to develop an emission-free timber-constructed office building of some 2,800 sq m called 'TreeMont'. The permit application was submitted at the end of September 2023. Works are expected to start in the second half of 2024.

## GARE MARITIME, TOUR & TAXIS, PICARDSTRAAT 7-13, BRUSSELS

**Type:** Mixed-use
**Surface:** 58,085 sqm
**Status:** Completed

This former railway station building, which was in use until the 1980s, is 280 metres long, 140 metres wide and 24 metres high, and now houses 12 wooden pavilions for workspaces, shops and events.

## HÔTEL DES DOUANES, TOUR & TAXIS, PICARDSTRAAT 1-3, BRUSSELS

**Type:** Offices
**Surface:** 6,433 sqm
**Status:** In development

In the first quarter of 2024, another 6,500 sqm of available office space was added to the site with the completion of the Hôtel des Douanes. This building, which originally served as the administrative centre for customs matters at the Tour & Taxis site, will once again become a showcase of sustainability.

## ROYAL DEPOT, TOUR & TAXIS, HAVENLAAN 88, BRUSSELS

**Type:** Mixed-use
**Surface:** 45,204 sqm
**Status:** Completed

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).

## MAISON DE LA POSTE, TOUR & TAXIS, PICARDSTRAAT 5-7, BRUSSELS

**Type:** Events
**Surface:** 3,000 sqm
**Status:** Completed

A historic administrative building renovated into a conference and meeting centre.

## SHEDS, TOUR & TAXIS, HAVENLAAN 88, BRUSSELS

**Type:** Events
**Surface:** 17,000 sqm
**Status:** Completed

One of the largest and most flexible event venues in Brussels.

## DE MOT, MOTSTRAAT 30, MECHELEN

**Type:** Offices
**Surface:** 13,927 sqm
**Status:** Completed

The business centre in the De Mot building in Mechelen offers flexible office solutions for one-man businesses or spacious, open offices for large companies, as well as first-class meeting and seminar rooms tailored to your individual needs.

## MONTOYERSTRAAT 63, BRUSSELS

**Type:** Offices
**Surface:** 6,052 sqm
**Status:** Completed

Montoyer 63 is located in the Leopold Quarter in Brussels, at the heart of the European institutions. The building was custom-built for the European Parliament to house their training centre.

## MONTECO, MONTOYERSTRAAT 14, BRUSSELS

**Type:** Offices
**Surface:** 3,655 sqm
**Status:** Completed

Nextensa, in a joint venture with ION, has developed a pioneer sustainable construction project in the European quarter: the first high-rise timber-frame project in Brussels. Monteco, a contraction of 'Montoyer' and ecological', is the reference for a new generation of circular office buildings.

## HANGAR 26/27, RIJNKAAI 100, ANTWERP

**Type:** Mixed-use
**Surface:** 9,171 sqm
**Status:** Completed

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.

# AUSTRIA

## THE INVESTMENT PORTFOLIO IN AUSTRIA CONSISTS OF 5 RETAIL PARKS:

### FRUNPARK ASTEN, HANDELSRING 8-10, ASTEN

**Type:** Retail
**Surface:** 20,000 sqm
**Status:** Completed

Frunpark Asten is located near the city of Linz and consists of 30 shops and 600 parking spaces.

### HORNBACH STADLAU, STADLAUERSTRASSE 37, VIENNA

**Type:** Retail
**Surface:** 13,000 sqm
**Status:** Completed

Retail site with a single tenant, HORNBACH Baumarkt.

## GEWERBEPARK STADLAU, GEWERBEPARKSTRASSE 2, VIENNA

**Type:** Retail
**Surface:** 10,977 sqm
**Status:** Completed

Gewerbepark Stadlau is a perfectly located, busy shopping centre with a leading position in the city of Vienna.

## NORDRING 2-10, VÖSENDORF

**Type:** Retail
**Surface:** 14,832 sqm
**Status:** Completed

The Vösendorf Nordring 2-10 retail park is located in Vösendorf, in the Vienna region, just next to Westfield Shopping City Süd, Austria's biggest shopping centre and the main shopping and leisure destination in the southern region of Vienna. It offers a wide range of leading international names.

## NORDRING 16-18, VÖSENDORF

**Type:** Retail
**Surface:** 11,035 sqm
**Status:** Completed

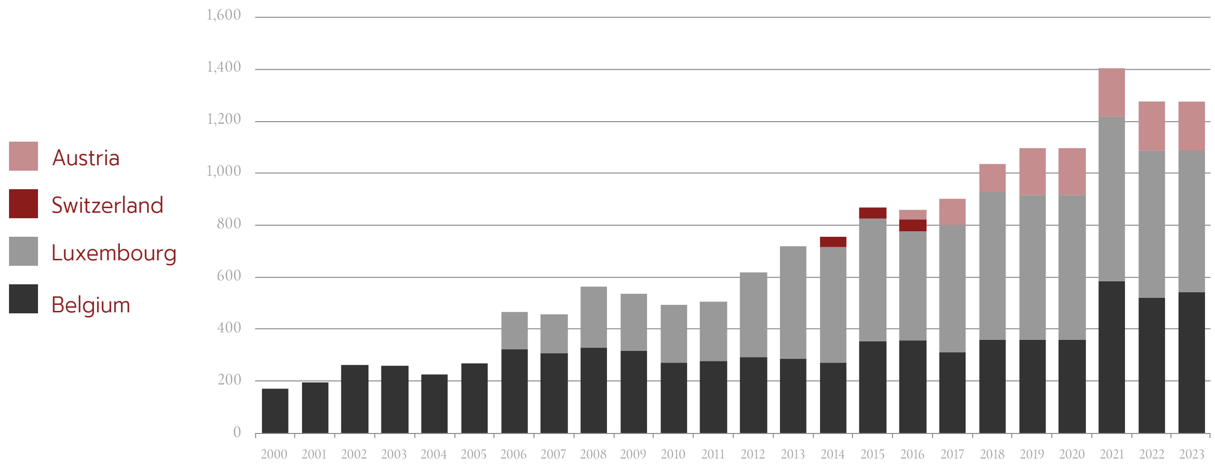
The Vösendorf Nordring 16-18 retail park is located in Vösendorf, in the Vienna region, just next to Westfield Shopping City Süd, Austria's biggest shopping centre and the main shopping and leisure destination in the southern region of Vienna. It offers a wide range of leading international names.


# ANALYSIS OF THE INVESTMENT PORTFOLIO

## Analysis of the investment portfolio based on fair value

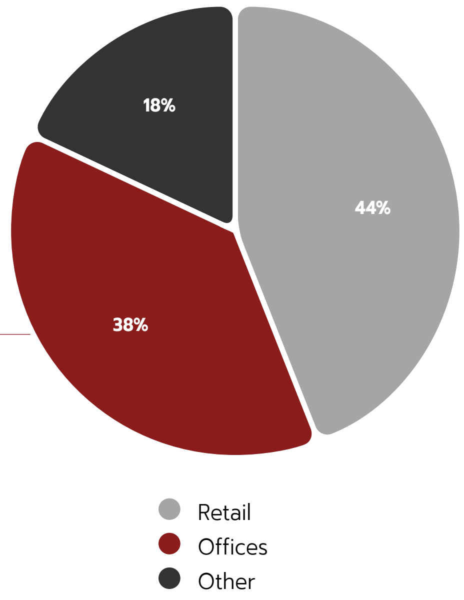
### 1. EVOLUTION OF THE FAIR VALUE

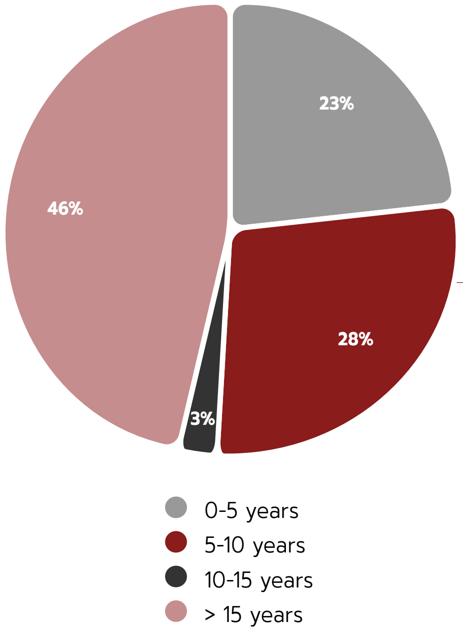
The fair value at the end of 2023 is €1.30 billion (2022: €1.28 billion). This increase is explained by the acquisition of some properties during 2023. Nextensa operates in 3 core countries, namely The Grand Duchy of Luxembourg (43%), Belgium (42%) and Austria (15%).



## 2. NATURE OF ASSETS

Offices represent 38% of the consolidated investment portfolio and retail 44%. The “other” portion represents 18% of the consolidated investment portfolio.



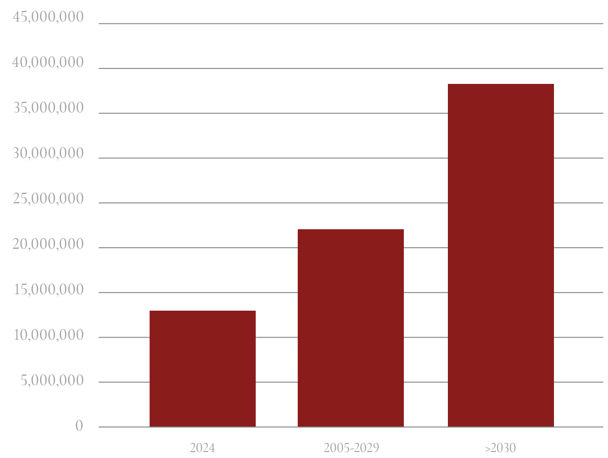




## 3. AVERAGE AGE

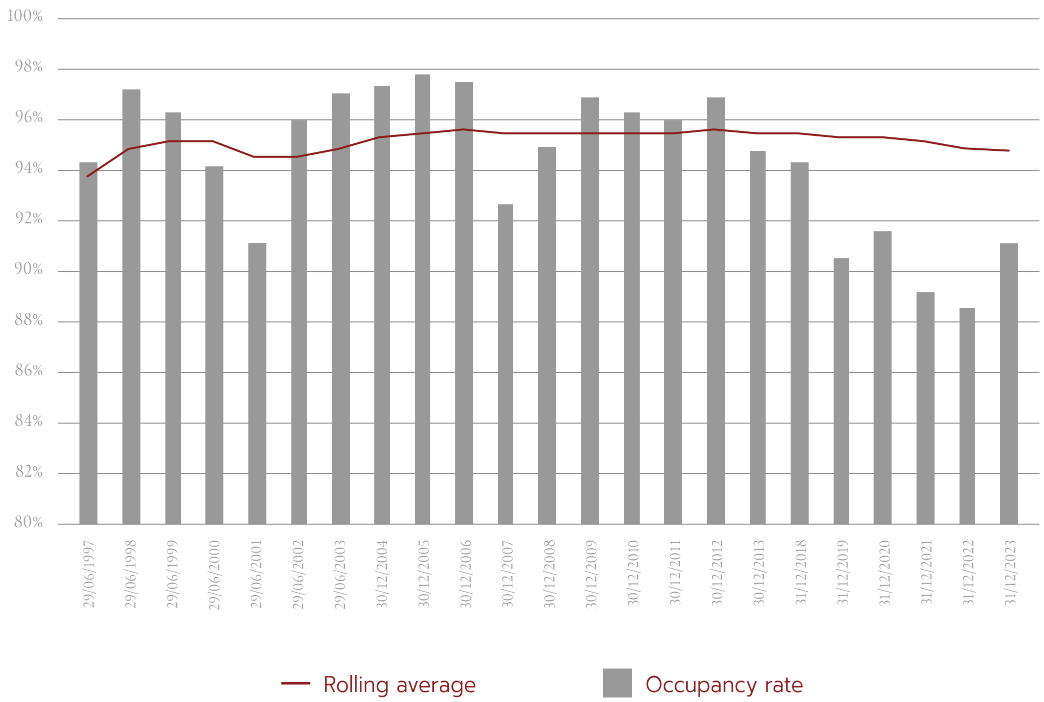
Due to redevelopments in the portfolio, the proportion of buildings 0-5 years old has increased significantly (mainly concerns offices), in accordance with Nextensa’s valuation rules. This criterion is less important for retail, as retailers take care of their own fit-out based on their retail concept and their choice is mainly location-specific.

## 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 4.31 years (2022: 3.81 years). 18% of annualized contractual rent expires next year. Within 5 years, 30% of the contractual rent expires. Rents that expired in 2023 were largely all renewed or filled by other tenants at market conditions. For more information, please refer to Appendix 4 of the financial statements.

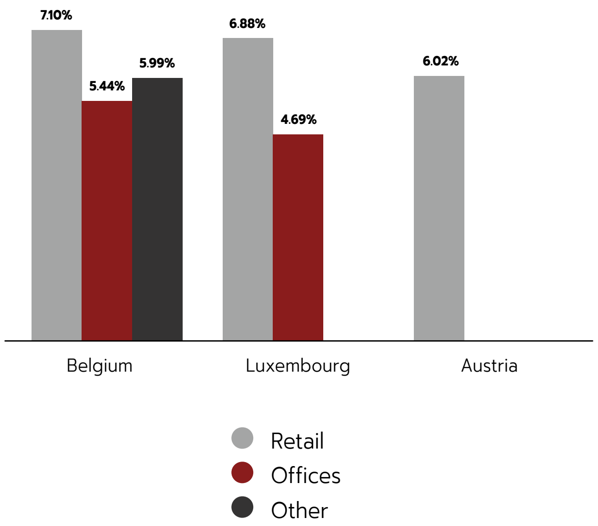


## 5. OCCUPANCY RATE




## 6. DETAIL OF THE RETURN

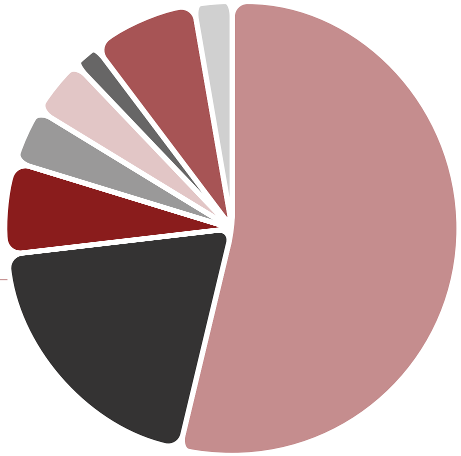
By asset class and geographic[1]




[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

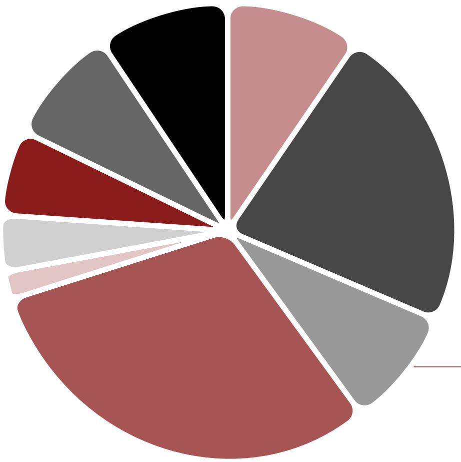
Retail and services make up 75% of the investment portfolio.



- 53% Retail & Wholesale
- 19% Services
- 7% Financial sector
- 4% ICT
- 4% Industry
- 2% Medical & Pharma
- 8% Government & Nonprofit
- 3% Transportation & Distribution

## 8. BREAKDOWN BY RETAIL CATEGORY

- 10% Deco/home
- 22% DIY
- 9% Leisure, toys, pets
- 30% Fashion, shoes, beauty
- 2% Multimedia
- 4% Other
- 6% Restaurant
- 8% Services
- 9% Food



CLOCHE D'OR
*LUXEMBOURG*

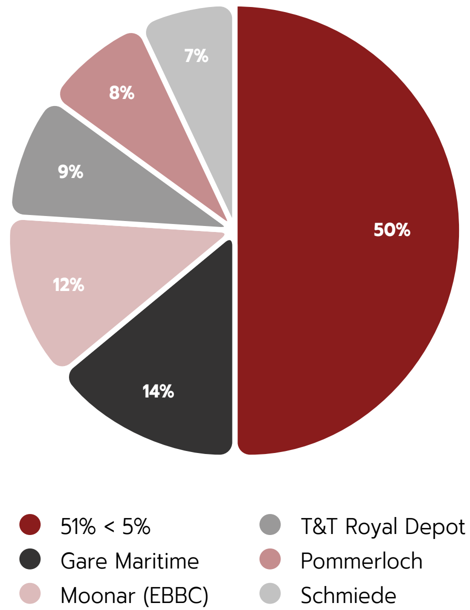

# Composition of the investment portfolio based on fair value

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



# 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 Luxembourg | 301.04 | 309.32 | 23% | 20.54 | 6.82% | 6.64% | 97.05% | 4.75 |
| Retail Belgium | 72.88 | 74.70 | 6% | 5.27 | 7.23% | 7.06% | 76.57% | 0.27 |
| Retail Austria | 190.93 | 195.70 | 15% | 11.49 | 6.02% | 5.87% | 100.00% | 5.41 |
| **Total Retail** | **564.85** | **579.72** | **44%** | **37.30** | **6.60%** | **6.43%** | **92.29%** | **4.37** |
| **Offices** | | | | | | | | |
| Offices Luxemburg | 136.33 | 139.72 | 11% | 9.75 | 7.15% | 6.98% | 73.82% | 3.06 |
| Offices Brussels | 315.20 | 314.85 | 24% | 15.58 | 4.94% | 4.95% | 92.50% | 6.82 |
| Offices rest of Belgium | 52.16 | 53.47 | 4% | 3.90 | 7.49% | 7.30% | 89.61% | 2.66 |
| **Total offices** | **503.69** | **508.04** | **39%** | **29.23** | **5.80%** | **5.75%** | **85.25%** | **4.86** |
| **Other** | | | | | | | | |
| Other Belgium | 85.43 | 87.81 | 7% | 5.62 | 6.58% | 6.40% | NA | 1.65 |
| Other Luxemburg | 0.78 | 0.80 | 0% | 0.00 | 0.00% | 0.00% | NA | 0.00 |
| **Total other** | **86.21** | **88.61** | **7%** | **5.62** | **6.52%** | **6.34%** | **NA** | **1.65** |
| **INVESTMENT PROPERTIES** | **1,154.75** | **1,176.37** | **89%** | **72.16** | **6.25%** | **6.13%** | **91.10%** | **4.31** |
| **ASSETS HELD FOR SALE** | **9.23** | **9.46** | **1%** | **0.64** | **6.93%** | **6.77%** | **100.00%** | **8.27** |
| **INVESTMENT PROPERTIES AVAILABLE FOR LEASE** | **1,163.98** | **1,185.83** | **90%** | **72.80** | **6.25%** | **6.14%** | **91.10%** | **4.31** |
| Right of use IFRS 16 | 2.28 | | | | | | | |
| **INVESTMENT PROPERTIES (INCL IFRS 16)** | **1,166.26** | | | | | | | |
| Projects Belgium | 20.84 | 21.36 | 2% | - | | | | |
| Projects Luxemburg | 110.97 | 113.75 | 9% | 0.48 | | | | |
| **TOTAL NEXTENSA INCLUDING PROJECTS** | **1,295.79** | **1,320.94** | **100%** | **73.28** | | | | |
| **TOTAL NEXTENSA INCLUDING PROJECTS (INCL. IFRS 16)** | **1,298.07** | | | | | | | |


HORNBACH
*AUSTRIA*

# *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.).

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 25 people by the end of 2023.

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.


KNAUF SCHMIEDE
*LUXEMBOURG*

MONTOYER 63
*BELGIUM*

# 8.

# CONSOLIDATED FINANCIAL STATEMENTS 2023

GARE MARITIME
*BELGIUM*

# CONTENT


# CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

The consolidated financial statements of Nextensa NV were approved for publication by the Board of Directors during February 2024.

| CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (€ 000s) | Note | 31/12/2023 | 31/12/2022 |
|---|---|---|---|
| Net rental income from investment properties | 4 | 70,522 | 67,400 |
| Property charges | 5 | -13,189 | -14,079 |
| Result of disposal of investment properties | 6 | 2,074 | 28,346 |
| Changes in the fair value of investment properties | 7 | -11,202 | -11,620 |
| Other charges/revenu from investment properties | | 778 | 1,598 |
| **OPERATING RESULT OF INVESTMENT PROPERTIES** | | **48,982** | **71,645** |
| Revenue from development projects | 8 | 51,024 | 65,215 |
| Costs of development projects | 8 | -46,650 | -62,793 |
| Other results of development projects | 8 | 4,858 | 3,383 |
| Share in the result of associated companies and joint ventures | 8 | 8,904 | 16,437 |
| **OPERATING RESULT OF DEVELOPMENT PROJECTS** | | **18,136** | **22,242** |
| **RESULT OF INVESTMENT PROPERTIES & DEVELOPMENT PROJECTS** | | **67,118** | **93,887** |
| General costs of the company | 9 | -11,255 | -13,718 |
| Other operating charges and income | | -672 | -265 |
| **OPERATING RESULT** | | **55,191** | **79,904** |
| Financial income | 10 | 11,080 | 9,609 |
| Financial charges | 11 | -23,503 | -16,466 |
| Other financial charges | | -1,749 | -1,801 |
| Changes in fair value of financial assets and liabilities | 12 | -7,286 | 15,582 |
| **FINANCIAL RESULT** | | **-21,458** | **6,924** |
| **PRE-TAX RESULT** | | **33,733** | **86,828** |
| Deferred taxes | 13 | 5,771 | -9,548 |
| Corporation tax | 14 | -15,300 | -6,073 |
| **TAXES** | | **-9,529** | **-15,621** |
| **NET RESULT** | | **24,204** | **71,208** |
| Minority interests | | -288 | -102 |
| **NET RESULT (attributable to group)** | | **24,492** | **71,310** |

| OTHER ELEMENTS OF COMPREHENSIVE INCOME (€ 000s) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Variations in the effective portion of the fair value of hedging instruments admitted in a cash-flow hedge as defined in IFRS | -3,364 | 16,453 |
| **OTHER ELEMENTS OF COMPREHENSIVE INCOME** | **-3,364** | **16,453** |
| Minority interests | -288 | -102 |
| Other elements of comprehensive income – attributable to the Group | -3,364 | 16,453 |
| **GLOBAL RESULT** | **20,840** | **87,661** |
| Attributable to: | | |
| Minority interests | -288 | -102 |
| Comprehensive income - attributable to the Group | 21,128 | 87,763 |
| **NET RESULT (attributable to group)** | **24,492** | **71,310** |

| EARNINGS PER SHARE (IN €s) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Global result per share, attributable to Group | 2.11 | 8.77 |
| Global result per share entitled to dividends, attributable to Group | 2.13 | 8.83 |
| Net result per share, attributable to Group | 2.45 | 7.13 |
| Net result per share entitled to dividends, attributable to group | 2.46 | 7.18 |

# CONSOLIDATED BALANCE SHEET

| ASSETS (€ 000s) | Note | 31/12/2023 | 31/12/2022 |
|---|---|---|---|
| **NON-CURRENT ASSETS** | | **1,486,064** | **1,471,663** |
| Intangible assets | | 624 | 855 |
| Investment properties | 15 | 1,288,844 | 1,278,716 |
| Other property, plant and equipment | 17 | 8,697 | 6,719 |
| Financial fixed assets | 20 | 108,194 | 116,761 |
| Finance lease receivables | 21 | 0 | 1,660 |
| Participations in associated companies and joint ventures | 18 | 69,706 | 59,109 |
| Affiliated enterprises: receivables | 19 | 6,250 | 6,250 |
| Deferred tax assets | 33 | 3,750 | 1,592 |
| **CURRENT ASSETS** | | **295,225** | **296,738** |
| Assets held for sale | 22 | 9,230 | 0 |
| Inventories | 23 | 102,079 | 98,257 |
| Work in progress | 24 | 75,118 | 85,047 |
| Trade receivables | 25 | 22,777 | 15,371 |
| Tax receivables and other current assets | 26 | 71,636 | 64,182 |
| Cash and cash equivalents | 27 | 11,129 | 31,106 |
| Deferred charges and accrued income | | 3,257 | 2,774 |
| **TOTAL ASSETS** | | **1,781,289** | **1,768,401** |

| LIABILITIES (€ 000s) | Note | 31/12/2023 | 31/12/2022 |
|---|---|---|---|
| **TOTAL SHAREHOLDERS' EQUITY** | | **844,516** | **849,516** |
| **I. SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT COMPANY** | | **834,048** | **838,798** |
| Capital | 28 | 109,997 | 109,997 |
| Share premium account | 28 | 442,803 | 442,803 |
| Purchase of treasury shares | 28 | -4,608 | -4,608 |
| Reserves | 28 | 261,365 | 219,297 |
| Net result of the financial year | 28 | 24,492 | 71,310 |
| **II. MINORITY INTERESTS** | 16 | **10,468** | **10,718** |
| **LIABILITIES** | | **936,773** | **918,886** |
| **I. NON-CURRENT LIABILITIES** | | **618,568** | **693,493** |
| Provisions | | 2,264 | 1,822 |
| Non-current financial debts | | 562,159 | 634,932 |
| Credit institutions | 29 | 457,345 | 491,538 |
| Other | 29 | 102,497 | 141,147 |
| Lease liabilities (IFRS 16) | 29 | 2,318 | 2,247 |
| Other non-current financial liabilities | 29 | 436 | 23 |
| Other non-current liabilities | | 0 | 0 |
| Deferred tax liabilities | 33 | 53,709 | 56,716 |
| **II. CURRENT LIABILITIES** | | **318,205** | **225,393** |
| Provisions | | 350 | 1,158 |
| Current financial debts | | 235,790 | 117,668 |
| Credit institutions | 29 | 109,493 | 44,500 |
| Other | 29 | 126,297 | 73,168 |
| Other current financial liabilities | | 0 | 0 |
| Trade debts and other current debts | | 39,564 | 55,152 |
| Trade payables | 30 | 26,046 | 34,841 |
| Tax liabilities | 30 | 13,519 | 20,311 |
| Other current liabilities | 31 | 11,571 | 14,570 |
| Deferred charges and accrued income | 32 | 30,930 | 36,846 |
| **TOTAL EQUITY AND LIABILITIES** | | **1,781,289** | **1,768,402** |
| **FINANCIAL DEBT RATIO (financial debts / total assets)** | | **44.80%** | **42.56%** |

# CONSOLIDATED CASHFLOW STATEMENT

| CONSOLIDATED CASH FLOW STATEMENT (€ 000s) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| **CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FIN. YEAR** | **31,106** | **67,261** |
| **1. CASH FLOW FROM OPERATING ACTIVITIES** | **6,043** | **43,427** |
| **Net result** | **24,492** | **71,310** |
| **Share in the result of associated companies and joint ventures** | **-8,904** | **-16,437** |
| **Adjustment of the profit for non-cash and non-operating elements** | **25,689** | **1,424** |
| **Depreciation, amortisation, impairment losses and taxes** | **15,678** | **16,738** |
| Depreciation, amortisation and impairment of intangible assets and property, plant and equipment (+/-) | 1,060 | 1,140 |
| Impairment of current assets (-) | -3 | -22 |
| Taxes | 14,622 | 15,621 |
| **Other non-cash elements** | **-3,837** | **4,374** |
| Changes in fair value of investment properties (+/-) | -11,202 | -11,620 |
| Increase (+) / Decrease (-) in fair value of financial assets and liabilities | 7,286 | 15,582 |
| Other non-recurrent transactions | 80 | 412 |
| **Non-operating elements** | **13,847** | **-19,688** |
| Gains on disposals of non-current assets | -2,074 | -28,346 |
| Dividends received | -6,621 | -6,217 |
| Write-back of financial income and financial charges | 22,542 | 14,875 |
| **Change in working capital requirements** | **-22,663** | **-6,797** |
| Movements in asset items | -4,677 | 20,479 |
| Movement of liabilities | -17,985 | -27,276 |
| **Movements on provisions (+/-)** | **0** | **0** |
| **Tax paid** | **-12,532** | **-6,073** |

| CONSOLIDATED CASH FLOW STATEMENT (€ 000s) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| **2. CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES** | **-31,292** | **124,195** |
| **Investments** | | |
| Investment properties | -37,341 | -34,894 |
| Development projects | -34,677 | -7,264 |
| Intangible assets and property, plant & equipment | -2,806 | -2,684 |
| Non-current financial assets | 0 | 0 |
| Divestments | 43,532 | 169,036 |
| **3. CASH FLOW FROM/(USED IN) FINANCING ACTIVITIES** | **5,270** | **-203,778** |
| **Change in financial liabilities and financial debts** | | |
| Increase (+) / Decrease (-) of financial debts | 45,279 | -164,412 |
| Increase (+) / Decrease (-) of other financial liabilities | -1,749 | -7,920 |
| Financial income received | 4,459 | 3,392 |
| Financial charges paid | -23,503 | -12,233 |
| **Dividends received** | **6,621** | **6,217** |
| **Change in other liabilities** | | |
| Increase (+) / Decrease (-) in other liabilities | 0 | 0 |
| **Changes in equity** | | |
| Changes in capital and issue premiums (+/-) | 0 | 0 |
| Costs of capital increases | 0 | 0 |
| Increase (+) / Decrease (-) in own shares | 0 | -3,974 |
| Dividend of the previous financial year | -25,836 | -24,846 |
| **Cash and cash equivalents before impact of fluctuations in quoted prices** | **11,128** | **31,106** |
| **Cash and cash equivalents acquired by means of business combinations** | **0** | **0** |
| **Impact of fluctuations in quoted prices on cash and cash equivalents** | **0** | **0** |
| **CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR** | **11,129** | **31,106** |

# 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 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 | | | |
| - Comprehensive income financial year 2021 (12 months) | | | | | 16,453 | 71,310 | 87,763 | -102 | 87,661 |
| **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** |
| - Distribution of final dividend for previous financial year | | | | -25,836 | | | -25,836 | | -25,836 |
| - Business combinations- minority interests | | | | | | | | | |
| - Business combinations - conversion differences | | | | -3 | | | -3 | | -3 |
| - Acquisition of treasury shares | | | | | | | | | |
| - Transfer of net result for 2022 to reserves | | | | 71,310 | | -71,310 | | | |
| - Comprehensive income financial year 2023 (12 months) | | | | | -3,364 | 24,492 | 21,128 | -288 | 20,840 |
| **BALANCE SHEET PER IFRS AT 31 DECEMBER 2023** | **109,997** | **442,803** | **-4,608** | **258,665** | **2,700** | **24,492** | **834,048** | **10,468** | **844,516** |

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# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CLOSED 31 DECEMBER 2023

# NOTE 1

# GENERAL INFORMATION

The consolidated financial statements of Nextensa NV for the financial year ended 31 December 2023 comprise Nextensa NV and its subsidiaries. The consolidated financial statements were approved by the Board of Directors on February 19, 2024 and will be submitted to the Annual General Meeting of Shareholders for information purposes on 21 May 2024. 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 2023, 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 2023.

The Group first adopted certain new and amended standards and interpretations. These apply to financial years starting on or after 1 January 2023. 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 2023, 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:

- 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 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 IAS 12 Income taxes: International Tax Reform – Pillar Two Model Rules (effective immediately – disclosures are required for annual periods beginning on or after 1 January 2023)

### STANDARDS AND INTERPRETATIONS PUBLISHED BUT NOT YET APPLICABLE FOR THE FINANCIAL YEAR STARTING ON 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 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)
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements (applicable for annual periods beginning on or after 1 January 2024, but not yet endorsed in the EU)
- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (applicable for annual periods beginning on or after 1 January 2025, 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 INVESTMENT PROPERTY

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 asses 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 it 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.

# 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 members of the executive comitee 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:

| | 2023 | | 2022 | |
|---|---|---|---|---|
| | Closing rate 31 december | Average rate 12 months | Closing rate 31 december | Average rate 12 months |
| Romanian Lei | 4,982 | 4,950 | 4,922 | 4,932 |

## 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 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 31/12/2023 | 31/12/2022 | 31/12/2023 | 31/12/2022 | 31/12/2023 | 31/12/2022 | 31/12/2023 | 31/12/2022 | 31/12/2023 | 31/12/2022 |
| Net rental income from investment properties | 31,103 | 25,878 | 28,737 | 31,486 | 10,683 | 10,037 | | | 70,522 | 67,400 |
| Property charges | -7,995 | -9,135 | -4,206 | -3,583 | -989 | -1,361 | | | -13,189 | -14,079 |
| Result of disposal investment properties | 2,074 | 224 | - | 28,121 | | | | | 2,074 | 28,346 |
| Changes in fair value of investment properties | -1,697 | -7,492 | -8,107 | -6,958 | -1,398 | 2,830 | | | -11,202 | -11,620 |
| Other costs/revenue investment portfolio | 945 | 939 | - | 2 | -167 | 657 | | | 778 | 1,598 |
| **OPERATING RESULT OF INVESTMENT PROPERTIES** | **24,429** | **10,415** | **16,424** | **49,067** | **8,129** | **12,163** | | | **48,982** | **71,645** |
| | | | | | | | | | | |
| **OPERATING RESULT OF DEVELOPMENT PROJECTS** | **8,812** | **5,319** | **9,324** | **16,924** | | | | | **18,136** | **22,243** |
| | | | | | | | | | | |
| (-) Corporate operating charges | -9,933 | -12,723 | -1,030 | -694 | -293 | -301 | | | -11,255 | -13,718 |
| (+/-) Other operating charges and income | 3,248 | 3,537 | -3,137 | -2,855 | -783 | -948 | | | -672 | -265 |
| **OPERATING RESULT** | **26,556** | **6,548** | **21,582** | **62,443** | **7,053** | **10,914** | | | **55,191** | **79,905** |
| (+) Financial income | | | | | | | 11,080 | 9,609 | 11,080 | 9,609 |
| (-) Financial charges | | | | | | | -23,503 | -16,466 | -23,503 | -16,466 |
| (-) Other financial charges | | | | | | | -1,749 | -1,801 | -1,749 | -1,801 |
| (+/-) Changes in fair value of financial assets and liabilities | | | | | | | -7,286 | 15,582 | -7,286 | 15,582 |
| **FINANCIAL RESULT** | | | | | | | **-21,458** | **6,924** | **-21,458** | **6,924** |
| **PRE-TAX RESULT** | **26,556** | **6,548** | **21,582** | **62,443** | **7,053** | **10,914** | **-21,458** | **6,924** | **33,733** | **86,828** |
| (+/-) Latent taxes | | | | | | | 5,771 | -6,073 | 5,771 | -9,548 |
| (+/-) Corporate taxes | | | | | | | -15,300 | -9,548 | -15,300 | -6,073 |
| **TAXES** | | | | | | | **-9,529** | **-15,621** | **-9,529** | **-15,621** |
| | | | | | | | | | | |
| **NET RESULT** | **26,556** | **6,548** | **21,582** | **62,443** | **7,053** | **10,914** | **-30,987** | **-8,697** | **24,204** | **71,208** |
| | | | | | | | | | | |
| Minority interests | | | | | | | | | -288 | 111 |
| | | | | | | | | | | |
| **NET RESULT (part of group)** | | | | | | | | | **24,492** | **71,310** |

## 3.1.2 CONSOLIDATED BALANCE SHEET (GEOGRAPHICAL SEGMENTATION)

| (€ 000s) | BELGIUM | | LUXEMBOURG | | AUSTRIA | | CORPORATE | | TOTAL | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 31/12/2023 | 31/12/2022 | 31/12/2023 | 31/12/2022 | 31/12/2023 | 31/12/2022 | 31/12/2023 | 31/12/2022 | 31/12/2023 | 31/12/2022 |
| **ASSETS** | | | | | | | | | | |
| Intangible assets | | | | | | | 624 | 855 | 624 | 855 |
| Investment properties (incl. development projects, excl. finance leasing) | 549,242 | 567,022 | 548,676 | 522,115 | 190,926 | 189,580 | | | 1,288,844 | 1,278,716 |
| Participation in Retail Estates | 87,296 | 83,782 | | | | | | | 87,296 | 83,782 |
| Participations in associated companies and joint ventures | -6,707 | -6,808 | 76,413 | 65,918 | | | | | 69,706 | 59,109 |
| Assets held for sale | | | 9,230 | | | | | | 9,230 | 0 |
| Inventories | 101,780 | 96,772 | 298 | 1,486 | | | | | 102,079 | 98,257 |
| Work in progress | 61,612 | 57,961 | 13,506 | 27,086 | | | | | 75,118 | 85,047 |
| Other assets | 240,548 | 138,945 | -89,795 | 20,603 | -2,359 | 3,084 | | | 148,394 | 162,634 |
| **ASSETS PER SEGMENT** | **1,033,771** | **937,674** | **558,328** | **637,208** | **188,567** | **192,664** | **624** | **855** | **1,781,289** | **1,768,401** |
| | | | | | | | | | | |
| **LIABILITIES** | | | | | | | | | | |
| Non-current financial debts | | | | | | | 562,159 | 634,932 | 562,159 | 634,932 |
| Current financial debts | | | | | | | 235,790 | 117,668 | 235,790 | 117,668 |
| Other liabilities | | | | | | | 138,824 | 164,786 | 138,824 | 166,285 |
| **LIABILITIES PER SEGMENT** | | | | | | | **936,773** | **917,385** | **936,773** | **918,885** |
| **EQUITY** | | | | | | | | | **844,516** | **849,516** |

## 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 | |
|---|---|---|---|---|---|---|---|---|
| | 31/12/2023 | 31/12/2022 | 31/12/2023 | 31/12/2022 | 31/12/2023 | 31/12/2022 | 31/12/2023 | 31/12/2022 |
| **INVESTMENT PROPERTIES** | | | | | | | | |
| investments | 7,312 | 16,666 | 19,423 | 15,911 | 2,744 | 1,381 | 29,479 | 33,958 |
| divestments | -43,532 | | | | | | -43,532 | 0 |
| **FINANCE LEASE RECEIVABLES** | | | | | | | | |
| investments | | | | | | | 0 | 0 |
| divestments | | | | | | | 0 | 0 |
| **ASSETS HELD FOR SALE** | | | | | | | | |
| investments | | | | | | | 9,230 | 0 |
| divestments | | -14,209 | 9,230 | -126,560 | | | 0 | -140,769 |
| **OTHER TANGIBLE ASSETS (OTHER)** | | | | | | | | |
| investments | 1,539 | 2,000 | 400 | 93 | 787 | | 2,726 | 2,093 |
| divestments | | | | -163 | | -32 | 0 | -195 |
| depreciations | -607 | -950 | -41 | -42 | -101 | -148 | -749 | -1,140 |
| **NET BOOK VALUE AT THE END OF THE FINANCIAL YEAR** | **554,928** | **573,431** | **558,477** | **522,333** | **193,365** | **191,333** | **1,306,770** | **1,287,096** |

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 | |
|---|---|---|---|---|---|---|---|---|
| | 31/12/2023 | 31/12/2022 | 31/12/2023 | 31/12/2022 | 31/12/2023 | 31/12/2022 | 31/12/2023 | 31/12/2022 |
| Fair value of the investment portfolio (1) | 538,840 | 564,261 | 546,342 | 522,567 | 190,926 | 189,580 | 1,276,111 | 1,276,407 |
| Investment value of the investment portfolio | 552,708 | 575,703 | 555,701 | 522,634 | 195,700 | 194,321 | 1,304,109 | 1,292,658 |
| Gross yield (in fair value) of the segment (2) | 5.64% | 4.88% | 5.75% | 5.70% | 6.02% | 5.52% | 5.74% | 5.31% |
| Gross yield (in investment value) of the segment (2) | 5.50% | 4.80% | 5.65% | 5.69% | 5.87% | 5.38% | 5.62% | 5.25% |
| Total lettable area (m²) | 238,778 | 262,276 | 200,280 | 168,087 | 43,404 | 73,345 | 482,462 | 503,709 |
| Occupancy rate (2) | 90.12% | 89.09% | 89.19% | 90.71% | 100.00% | 100.00% | 91.10% | 88.48% |
| Weighted average duration till first break possibility (# years) | 4.13 | 5.79 | 4.17 | 3.20 | 5.41 | 5.21 | 4.31 | 3.81 |

(1) The fair value of the investment portfolio at the end of 2023 consists of the investment properties (€ 1,288,844,000). The fair value of the investment portfolio at the end of 2022 consisted of the investment properties (€ 1,278,716,000). Investment portfolio under leasing contracts and a few smaller investment 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'.

# 3.1 Segment information - key figures by type of building - investment properties

| (€ 000s) | RETAIL | | OFFICES | | OTHER | | TOTAL | |
|---|---|---|---|---|---|---|---|---|
| | 31/12/2023 | 31/12/2022 | 31/12/2023 | 31/12/2022 | 31/12/2023 | 31/12/2022 | 31/12/2023 | 31/12/2022 |
| Rental income (incl. fee and leases and excl. severance payment and incentives received) | 37,949 | 32,508 | 29,233 | 28,762 | 5,617 | 7,118 | 72,800 | 68,388 |
| Fair value of the investment portfolio | 576,352 | 567,211 | 566,059 | 596,171 | 82,840 | 82,572 | 1,225,251 | 1,245,954 |
| Investment value of the investment portfolio | 586,730 | 572,876 | 580,205 | 634,410 | 85,044 | 85,373 | 1,251,979 | 1,292,658 |
| Occupancy rate | 94.28% | 95.73% | 84.88% | 85.64% | | | 91.10% | 84.56% |
| Gross yield (in fair value) of the segment | 6.62% | 6.19% | 5.16% | 4.59% | 6.51% | 4.23% | 5.94% | 5.28% |
| Gross yield (in investment value) of the segment | 6.51% | 6.13% | 5.04% | 4.56% | 6.32% | 4.09% | 5.81% | 5.24% |
| Weighted average duration till first break possibility (# years) | 4.37 | 4.22 | 4.86 | 4.22 | 3.41 | 3.41 | 4.31 | 3.81 |

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 tenant 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) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| **Rental income** | **70,522** | **67,400** |
| Rents | 69,905 | 66,735 |
| Income from finance leases and comparable items | 618 | 665 |
| **Rental-related expenses** | **0** | **0** |
| Write-downs on trade receivables | 0 | 0 |
| **NET RENTAL INCOME FROM INVESTMENT PROPERTIES** | **70,522** | **67,400** |

Nextensa NV rents its investment properties on the basis of regular rental contracts.

Gross rental income amounted to €70,522 thousand for 2023, compared with €67,400 thousand in 2022; a gross increase of €3,122 thousand. The net increase of €3.1 million was thanks to the fact that the occupancy rate has increased and extension of existing leases at a higher rent. On the other hand a few buildings were sold in the course of 2022 and 2023 and an increase of the like-for-like rental income of €8.0 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.

| | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Within one year | 13,015 | 5,703 |
| Between one and five years | 22,012 | 45,904 |
| More than five years | 38,171 | 25,431 |
| **TOTAL** | **73,198** | **77,038** |

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).

# NOTE 5

# PROPERTY CHARGES

| SUMMARY OF PROPERTY CHARGES (€ 000s) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Technical costs | -1,390 | -3,819 |
| Commercial costs | -1,490 | -1,118 |
| Charges and taxes on un-let properties | -3,890 | -3,801 |
| Property management costs | -5,763 | -4,191 |
| Other property charges | -656 | -1,151 |
| **TOTAL** | **-13,189** | **-14,079** |

The property charges have decreased compared to prior year mainly due to a higher occupancy rate and the sale of buildings which required high maintenance. 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.

# NOTE 6

# RESULT ON DISPOSAL OF INVESTMENT PROPERTIES

| RESULT ON THE DISPOSAL OF INVESTMENT PROPERTIES (€ 000s) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Net gains on investment properties (sales price - transaction costs) | 43,336 | 169,115 |
| Carrying amount of investment properties sold (fair value) | -41,262 | -140,769 |
| **TOTAL** | **2,074** | **28,346** |

In 2023 the building Treesquare was sold and a capital gain of € 2.1 million was realized.

# NOTE 7

# CHANGES IN FAIR VALUE OF INVESTMENT PROPERTIES

| CHANGES IN FAIR VALUE OF INVESTMENT PROPERTIES (€ 000s) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Positive changes in fair value of investment properties | 4,904 | 11,077 |
| Negative changes in fair value of investment properties | -16,106 | -22,697 |
| **TOTAL** | **-11,202** | **-11,620** |

The net portfolio result shows a total unrealised capital loss of €11.2 million in 2023, which is only 0.86% of the total portfolio and thus rather limited.

# NOTE 8

# OPERATIONAL RESULT OF DEVELOPMENT PROJECTS

| RESULT OF DEVELOPMENT PROJECTS (€ 000s) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Revenue from development projects | 51,024 | 65,215 |
| Costs of development projects | -46,650 | -62,793 |
| Other development projects | 4,858 | 3,383 |
| Share in the result of associated companies and joint ventures | 8,904 | 16,437 |
| **TOTAL** | **18,136** | **22,243** |

The result on development projects (revenues less costs of development projects) amounts to €4.4 million and this result was realised on the development of the Park Lane Phase II project which is situated on the Tour & Taxis site. This development started in 2023 and consists of 346 residential units, of which already 184 units were sold per end December 2023.

The other result on development projects, 4.9 million, is mainly related to the earn-outs on the land component in Cloche d'Or.

The remaining amount of €8.9 million is related to the developments of the Cloche d'Or in Luxembourg. These developments consist of both office and residential projects.

In the course of Q4 2023 the purchase option which was held by the Luxembourg State was executed and thus the building Darwin II was sold.

The office building Emerelad has a surface of 7,000 m² and is pre-let for 100%. The building was delivered in Q4 2023. Next to the Emerald building another office building, White House, is located with a surface of 7,000 m². This building as well is pre-let for 100% and was delivered in Q1 2024.

In 2023, 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 was delivered in 2023 and still 8 apartments out of a total of 194 apartments are being marketed.

For the D5-D10 sub-project (185 apartments, of which 68 are not yet being marketed, and 18 ground-floor retail units) already 86 notarial deeds were concluded. Besides that, also 7 apartments are under reservation and for those apartments the notarial deed will be concluded in the next months. The delivery of the D5-D10 sub-project is expected in the course of 2024.

Last year  a fixed-term lease agreement for 20 years was signed with B&B HOTELS for the development of a hotel with 150 rooms. In the course of Q4 2023 the construction works started and the expected completion date is 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.

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# NOTE 9

# OVERHEAD CHARGES

| GENERAL COSTS (€ 000s) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Fees | -2,723 | -3,388 |
| Salaries & wages | -4,059 | -5,867 |
| Other | -4,474 | -4,463 |
| **TOTAL** | **-11,255** | **-13,718** |

The overhead charges of the company 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 overhead costs decreased from €13.7 million end 2022 to € 11.3 million end 2023.

# NOTE 10

# FINANCIAL INCOME

| FINANCIAL INCOME (€ 000s) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Dividends received | 6,621 | 6,217 |
| Other financial income | 4,459 | 3,392 |
| **TOTAL** | **11,080** | **9,609** |

Dividends received consist of the dividend received of € 6.6 million (for financial year 2022/2023) 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) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Interest paid on borrowings | -30,011 | -12,546 |
| Interest charges on non-current financial debts | -23,807 | -8,083 |
| Interest charges on bond borrowings | -3,300 | -3,850 |
| Interest charges on current financial debts | -2,894 | -597 |
| Interest charges on lease liabilities | -10 | -16 |
| Reconstruction of nominal amount of financial debts | 0 | 0 |
| Costs of financial instruments for hedging | 6,860 | -3,962 |
| Other interest charges | -353 | -12 |
| Capitalised interest charges | 0 | 54 |
| **TOTAL** | **-23,503** | **-16,466** |

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 rate significantly increased during 2023. The use of derivative hedging limited this increase, which can be noticed in the income of the financial instruments. This amounts this year to an income of € 6.9 million compared to a cost of € 4.0 million end of last year.

The average financing cost over the investment properties portfolio (excluding the marked-to-market of the hedging instruments) after hedging at the end of 2023 was 2.67% (end of 2022: 2.18%); for the interest expenses on the hedging portfolio, the average financing cost at the end of 2023 was 3.63% (end of 2022: 1.60%). At the end of 2023 no financing costs were capitalized (end of 2022: € 54 thousand).

# NOTE 12

# CHANGES IN FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

| CHANGES IN FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (€ 000s) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Authorised hedges subject to hedge accounting as defined by IFRS and ineffective part of CF hedges | 0 | -495 |
| Authorised hedges not subject to hedge accounting as defined by IFRS | -10,639 | 28,232 |
| Revaluation participation in other GVV/SIR | 3,513 | -12,397 |
| IFRS 16 | -161 | 242 |
| **TOTAL** | **-7,286** | **15,582** |

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 (-€ 10.6 million at the end of 2023 compared to € 28.2 million at the end of 2022. Additionally, the revaluation of the investment in Retail Estates is also booked here. This year, a positive revaluation on the investment in Retail Estates was recognized for an amount of € 3.5 million.

# NOTE 13

# DEFERRED TAXES

The revenues related to deferred taxes amount to €5.8 million. Of this amount, €1.9 million is attributable to the booking of a deferred tax income on the variation in the fair value of financial instruments, and €2.0 million is attributable to the booking of a deferred tax income for the recognition of fiscal losses.

# NOTE 14

# CORPORATE TAXES

| CORPORATION TAX AND DEFERRED TAX (€ 000s) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Reconciliation of applicable and effective tax rates | | |
| Profit/(loss) before tax | 33,771 | 86,828 |
| Share in the result of associated companies and joint ventures | -8,904 | -16,437 |
| | **24,868** | **70,391** |
| Applicable tax rate (%) | 25% | 25% |
| **Tax on the basis of the applicable tax rate** | **-6,217** | **-17,598** |
| | | |
| Impact of rates in other jurisdictions | -1,336 | -1,401 |
| Impact of non-taxable income | 2,100 | 2,744 |
| Impact of non-deductible costs | -1,985 | -765 |
| Impact of tax losses | 2,270 | 5,515 |
| Impact of notional interest deduction | 0 | 0 |
| Impact of changes in tax rates | 0 | 0 |
| Impact of over/(under)-estimates in previous periods | 0 | 0 |
| Impact of dividends received non-consolidated investees (DBI) | 0 | 476 |
| Other impacts | -4,361 | -4,591 |
| **TAX ON THE BASIS OF THE EFFECTIVE TAX RATE** | **-9,529** | **-15,620** |

# NOTE 15

# INVESTMENT PROPERTIES (FAIR VALUE METHOD)

| INVESTMENT PROPERTIES (FAIR VALUE METHOD) (€ 000s) | Real estate available for lease | | Redevelopment of investment real estate | | Total | | Assets held for sale | |
|---|---|---|---|---|---|---|---|---|
| | 31/12/2023 | 31/12/2022 | 31/12/2023 | 31/12/2022 | 31/12/2023 | 31/12/2022 | 31/12/2023 | 31/12/2022 |
| **BALANCE AT THE END OF THE PREVIOUS FINANCIAL YEAR** | **1,248,256** | **1,226,963** | **30,460** | **40,187** | **1,278,716** | **1,267,150** | | **140,769** |
| Investments | 29,479 | 33,958 | 25,225 | 7,264 | 54,704 | 41,222 | | |
| Divestments | -41,458 | | | | -41,458 | | | -140,769 |
| Acquired | 7,862 | 913 | 9,451 | | 17,313 | 913 | | |
| Transfer from/(to) other items | -75,750 | | 65,820 | -17,190 | -9,930 | -17,190 | 9,930 | |
| Increase/(decrease) in fair value | -11,357 | -11,729 | 855 | 199 | -10,502 | -11,530 | -700 | |
| Right to use IFRS 16 | | -1,848 | | | | -1,848 | | |
| **BALANCE AT THE END OF THE FINANCIAL YEAR** | **1,157,032** | **1,248,256** | **131,811** | **30,460** | **1,288,843** | **1,278,716** | **9,230** | **0** |

The net book value of the investment properties available for lease increases by €10.1 million compared to last year. The increase is mainly explained by value-add investments amounting to €29.5 million offset by the variation in fair value with an impact of -€11.4 million. In the course of 2023, there was also an investment of €25.2 million in the redevelopment of investment properties.

For more information about real estate valuation, please refer to the real estate report, chapter 7.

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 pricesin 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 are presented under level 3.

On 31 December 2023 Cushman & Wakefield defined the following for all the Nextensa NV buildings, including the part of the portfolio valued by Örag:

1. 1.an investment value of €1,304,109,000 (one billion, three hundred and four million, one hundred and nine thousand euros), with respectively an investment value of €552,708,000, €555,701,000 and €195,700,000 for the Belgian, Luxembourg and Austrian portfolios; and

2. a fair value of €1,276,111,000 (one billion, two hundred and seventy-six million, one hundred and eleven thousand euros), with fair values of €538,842,000, €546,342,000 and €190,927,000 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 €2,238,844 at the end of 2023.

The portfolio 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 investment portfolio amounts to €1,298.1 million at the end of 2023 compared with €1,278.7 million at the end of December 20212 The difference of €21.7 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.

| ASSET CLASS | Fair value 2023 (€ 000s) | Fair value 2022 (€ 000s) | Valuation technique | Key input data | 31/12/2023 Min-Max (weighted average) | 31/12/2022 Min-Max (weighted average) |
|---|---|---|---|---|---|---|
| **Retail (Grand Duchy of Luxembourg & Belgium)** | 373,924 | 377,629 | NPV of estimated rental income | a) ERV range | a) [0.34 €/m² - 20.59 € /m²] | a) [0.34 €/m² - 18.66 € /m²] |
| | | | | b) Average weighted estimated rental value | b) [13.69 € /m²] | b) [13.72 € /m²] |
| | | | | c) Capitalisation rate range | c) [1.82% - 15.09%] | c) [0.90% - 11.58%] |
| | | | | d) Weighted average cap. rate | d) [6.93%] | d) [6.51%] |
| | | | | e) Residual duration | e) 4.17 years | e) 3.62 years |
| | | | | f) Number of m² | f) 166,950 m² | f) 166,950 m² |
| **Retail Austria** | 190,926 | 189,581 | DCF (discounted cash flow) | a) ERV range | a) [12.38 €/m² - 15.87 € /m²] | a) [8.79 €/m² - 15.09 € /m²] |
| | | | | b) Average weighted estimated rental value | b) [13.77 €/m²] | b) [12.71 €/m²] |
| | | | | c) Capitalisation rate range | c) [5.22% - 6.54%] | c) [3.70% - 6.11%] |
| | | | | d) Weighted average cap. rate | d) [5.62%] | d) [5.38%] |
| | | | | e) Residual duration | e) 5.62 years | e) 5.21 years |
| | | | | f) Number of m² | f) 69,219 m² | f) 69,219 m² |
| **Offices Grand Duchy of Luxembourg** | 136,330 | 186,660 | NPV of estimated rental income | a) ERV range | a) [35.41 €/m² - 61.07 € /m²] | a) [22.57 €/m² - 46.58 € /m²] |
| | | | | b) Average weighted estimated rental value | b) [42.44 €/m²] | b) [26.71 €/m²] |
| | | | | c) Capitalisation rate range | c) [1.61% - 5.93%] | c) [0.58% - 6.75%] |
| | | | | d) Weighted average cap. rate | d) [4.30%] | d) [4.74%] |
| | | | | e) Residual duration | e) 3.34 years | e) 1.46 years |
| | | | | f) Number of m² | f) 29,605 m² | f) 35,550m² |
| **Offices Belgium** | 367,357 | 409,511 | NPV of estimated rental income | a) ERV range | a) [13.12 €/m² - 26.55 €/m²] | a) [11.68 €/m² - 25.18 €/m²] |
| | | | | b) Average weighted estimated rental value | b) [16.36 €/m²] | b) [17.03 €/m²] |
| | | | | c) Capitalisation rate range | c) [4.54% - 8.32%] | c) [3.78% - 8.80%] |
| | | | | d) Weighted average cap. rate | d) [5.14%] | d) [4.93%] |
| | | | | e) Residual duration | e) 6.10 years | e) 6.68 years |
| | | | | f) Number of m² | f) 107,658 m² | f) 112,891m² |
| **Other** | 229,537 | 115,334 | DCF | a) Economic lifetime | a) 30 years | a) 30 years |
| | | | (discounted cash flow or NPV of cash flows at discount rate) | b) Residual duration | b) 1.17 years | b) 3.41 years |
| | | | | c) Number of m² | c) 32 629 m² | c) 32 629 m² |
| **TOTAL INVESTMENT PROPERTIES** | **1,298,074** | **1,278,716** | | | | |

# NOTE 16

# MINORITIES

| MINORITY INTERESTS (€ 000s) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Non-current assets | 0 | 0 |
| Current assets | 42,056 | 46,425 |
| **Total assets** | **42,056** | **46,425** |
| Non-current liabilities | 18,906 | 27,981 |
| Current liabilities | 10,071 | 4,217 |
| **Total liabilities** | **28,977** | **32,198** |
| **Net assets** | **13,079** | **14,227** |
| Group's share in the net assets | 2,611 | 3,510 |
| **Share of net assets non-controlling interests** | **10,468** | **10,718** |
| Group share in net assets - Other | 0 | 0 |
| **TOTAL NON-CONTROLLING INTERESTS** | **10,468** | **10,718** |

No minorities were acquired in 2023.

# NOTE 17

# OTHER PROPERTY, PLANT AND EQUIPMENT

| OTHER PROPERTY, PLANT AND EQUIPMENT (€ 000s) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Installations, machines and equipment | 1,911 | 1,698 |
| Furniture, office equipment and rolling stock | 684 | 730 |
| Other | 6,101 | 4,291 |
| **Other property, plant and equipment** | **8,697** | **6,719** |
| | | |
| **Changes in other property, plant & equipment** | | |
| Balance at the end of the previous financial year | 6,719 | 4,973 |
| Gross amount | 10,150 | 7,724 |
| Accumulated depreciation (-) | -3,430 | -2,750 |
| Accumulated impairment losses | 0 | 0 |
| Investments (+)/Divestments (-) | 2,726 | 2,093 |
| Acquired by means of business combinations | 0 | 0 |
| Transfers from (to) other items | 0 | 692 |
| Transfers and decommissioning (-) | 0 | -32 |
| Transfer through split (-) | 0 | -163 |
| Depreciation (-) | -749 | -843 |
| **Balance at the end of the financial year** | **8,696** | **6,719** |
| Of which: | | |
| Property, plant & equipment for own use | 1,420 | 1,420 |
| Other | 7,276 | 5,299 |

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 (€2.7 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) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Balance at end of previous financial year | 59,109 | 51,430 |
| Acquired by means of business combinations | 0 | 0 |
| Share in the result of associated companies and joint ventures | 8,904 | 16,437 |
| Provisions for investments with negative equity | 337 | 171 |
| Dividends received from JVs | 0 | 0 |
| Investments (+)/Divestments (-) | 1,356 | -8,930 |
| Other | 0 | 0 |
| **TOTAL** | **69,706** | **59,109** |

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<br>Name | Country | Main acitvity | 31/12/2023 | 31/12/2022 |
|---|---|---|---|---|
| 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 II SàRL | Luxembourg | Real estate development | 0.00% | 50.00% |
| 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% |
| Sparkling 1 S,à,r,l | Luxembourg | Real estate development | 50.00% | 0.00% |

At the beginning of October 2023, Nextensa NV sold its stake in Darwin II- SàRL for a total amount of €46 million. 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) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Profit (loss) before interest and taxation | 18,515 | 32,509 |
| Taxation | -14 | -12 |
| **Profit (loss) for the year** | **18,479** | **32,359** |
| Profit (loss) attributable to owners of the company | 9,240 | 16,179 |

| (€ 000s) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Non-current assets | 2 | 3 |
| Current Assets | 428,408 | 378,214 |
| **Total Assets** | **428,410** | **378,217** |
| Non-current liabilities | 62,350 | 68,418 |
| Current liabilities | 217,314 | 179,434 |
| **Total Liabilities** | **279,664** | **247,852** |
| **Net assets** | **148,752** | **130,365** |
| Group's share of net assets | 73,421 | 64,181 |

# 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 2023 this amounted to €6.3 million.

# NOTE 20

# NON-CURRENT FINANCIAL ASSETS

| FINANCIAL NON-CURRENT ASSETS (€ 000s) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Equity holdings in other REITs (SIR/GVV) | 87,296 | 83,782 |
| Hedges | 20,633 | 32,715 |
| Others | 266 | 263 |
| **TOTAL** | **108,194** | **116,761** |

Non-current financial assets have mainly decreased due to the negative revaluation of the financial instruments amounting to €10.6 million, which is offset by the positive revaluation of €3.5 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) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Within one year | 0 | 0 |
| Between 1 and 5 years | 0 | 1,660 |
| **PRESENT VALUE OF MINIMUM LEASE PAYMENTS** | **0** | **1,660** |

In the course of Q1 2023 the building was sold so no longer a finance lease receivable recorded in the balance sheet per end December 2023.

# NOTE 22

# ASSETS HELD FOR SALE

The asset held for sale is the building Foetz in Luxembourg which was sold at the beginning of February 2024.

# NOTE 23

# INVENTORIES

| INVENTORIES (€ 000s) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Landbank | 19,504 | 19,273 |
| Land, Tour & Taxis | 82,575 | 77,483 |
| Other | 0 | 1,502 |
| **TOTAL** | **102,079** | **98,257** |

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.

# NOTE 24

# WORK IN PROGRESS

| WORK IN PROGRESS (€ 000s) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Project under construction Tour & Taxis | 33,002 | 28,903 |
| Other | 42,115 | 56,144 |
| **TOTAL** | **75,118** | **85,047** |

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 June 2022, construction started on the Parklane Phase II project, consisting of 11 compact buildings and 346 apartments. More than 215 apartments of this project have already been reserved or sold, which means that an apartment of this project is sold every 3.2 days since commercialization.

| WORK IN PROGRESS (€ 000s) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| **Construction costs incurred plus recognised profits/less recognised losses to date** | **93,929** | **87,281** |
| less: | | |
| Progress billings | -18,811 | -2,234 |
| **TOTAL** | **75,118** | **85,047** |

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.


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# 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 increase compared to 2022 can be explained by the fact that a significant amount was invoiced just before year end to the residential customers of the Parklane Phase II project.

**TRADE RECEIVABLES (€ 000s)**

| | | | | | | 31/12/2023 |
|---|---|---|---|---|---|---|
| | **Total** | **Not due** | **Overdue < 30 dd** | **Overdue < 60 dd** | **Overdue < 120 dd** | **Overdue > 120 dd** |
| Trade receivables | 19,485 | 8,337 | 6,345 | 686 | 2,436 | 1,681 |
| To be invoiced | 4,137 | 4,137 | | | | |
| Doubtful receivables | -845 | | | | | -845 |
| **TOTAL** | **22,777** | **12,474** | **6,345** | **686** | **2,436** | **836** |

| | | | | | | 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** |

| RECEIVABLES AND PAYABLES (€ 000s) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Accumulated depreciation - opening balance | -821 | -1,040 |
| Impairment recognised during the financial year | -41 | 0 |
| Impairment reversed during the financial year | 10 | 124 |
| Write-off of impairment during the financial year | 8 | 94 |
| **Accumulated depreciation - closing balance** | **-845** | **-821** |

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) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Taxes | 16,079 | 15,554 |
| Other | 55,557 | 48,628 |
| **TOTAL** | **71,636** | **64,182** |

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 2023.

## 28.3 RESULT

The consolidated net result attributable to owners of the Group for the past financial year 2023 amounted to €24.5 million. The board of directors proposes to the ordinary general meeting of shareholders to distribute a dividend to the shares entitled to dividends of gross €1.50 and net, free of withholding tax of 30%, €1.05 per share.

The board of directors plans to offer this dividend as an optional dividend, which will allow Nextensa to react to new opportunities in the future. The final decision on the timing of the payment and the terms and modalities of the optional dividend will be taken by the board of directors further to the shareholders' meeting of 21 May 2024 in the light of the market conditions prevailing at that time.

# NOTE 29

# INFORMATION ON FINANCIAL INSTRUMENTS

## 29.1 OVERVIEW OF FINANCIAL INSTRUMENTS AT CARRYING AMOUNT

| OVERVIEW OF FINANCIAL INSTRUMENTS AT CARRYING AMOUNT (€ 000s) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| | **FINANCIAL ASSETS** | |
| **Amortised cost** | | |
| Cash and cash equivalents | 11,129 | 31,106 |
| Trade and other receivables | 100,663 | 85,803 |
| Work in progress | 75,118 | 85,047 |
| Inventories | 102,079 | 98,257 |
| **Fair value** | | |
| Non-current financial assets | 108,194 | 116,761 |
| Non-current assets held for sale | 9,230 | 0 |
| Finance lease receivables | 0 | 1,660 |
| | **406,412** | **418,635** |
| | **FINANCIAL LIABILITIES** | |
| **Amortised cost** | | |
| Loans | 795,632 | 750,353 |
| Trade and other payables | 39,564 | 55,152 |
| Other current liabilities | 11,571 | 14,570 |
| **Fair value** | | |
| Leasing liabilities | 2,318 | 2,247 |
| Long-term liability hedging | 436 | 23 |
| | **849,521** | **822,344** |

## 29.2 NOTE ON FINANCIAL DEBT

| OVERVIEW OF NET FINANCIAL DEBT (€ 000s) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Loans from credit institutions > 1 yr. | 457,345 | 492,288 |
| Loans from credit institutions < 1 yr. | 109,493 | 43,155 |
| Private bonds | 140,000 | 140,000 |
| Capitalised costs of bonds | -1,590 | -653 |
| Commercial paper | 87,500 | 73,700 |
| Provision for interest | 0 | 63 |
| Leases | 2,318 | 2,247 |
| Accounting value of financial debts excluding rental guarantees | 795,066 | 750,800 |
| Rental guarantees | 2,884 | 1,800 |
| Accounting value of financial debts including rental guarantees | 797,949 | 752,600 |

**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 2023** | **535,443** | **140,000** | **0** | **73,700** | **1,800** | **2,247** | **-749** | **159** | **752,600** |
| Changes due to business combinations | | | | | | | | | |
| Changes in financial cash flows | 31,395 | | | 13,800 | 1,084 | 70 | -841 | -159 | 45,349 |
| Decrease (-) in financial debts | | | | | | | | -159 | -159 |
| Increase (+) in financial debts | 31,395 | | | 13,800 | 1,084 | 70 | -841 | | 45,508 |
| Financial interest paid | | | | | | | | | |
| Other variations | | -40,000 | 40,000 | | | | | | |
| Fluctuations in prices, rates and other | | | | | | | | | |
| New contracts | | | | | | | | | |
| Interest charges | | | | | | | | | |
| Amortisation | | -40,000 | 40,000 | | | | | | |
| Transfer from/(to) other items | | | | | | | | | |
| **BALANCE AT 31 DECEMBER 2023** | **566,838** | **100,000** | **40,000** | **87,500** | **2,884** | **2,317** | **-1,590** | **0** | **797,949** |

As the real estate market largely came to a standstill during 2023, fewer buildings could be sold than desired. This leads to an increase in the net debt by €45.3 million compared to end 2022 and amount to €797,949 thousand. .

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 €457.3 million in long-term and €109.5 million in short-term on December 31, 2023.

The other short-term financial debts of €126.3 million include the issued commercial paper for an amount of €86.3 million, which has a maturity of less than one year and as well the €40.0 millon bond of Extensa Group. 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 €2.3 million was booked for this. The incremental borrowing rate used was 5.0%.

The total debt position on the closing date is €797,949 thousand, of which €2,884 thousand are received rental guarantees.

The bond loans issued are booked at amortised cost.

The carrying amount of the private bond loans amounts to €138,410 thousand at the end of 2023 compared to €139,347 thousand at the end of 2022.

At the end of 2023, the share of fixed-rate loans is 20% or 162.5 million of the total outstanding financial debt, which is a slight decrease compared to the end of 2022 (23%).

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 2023 and for the year 2022, exclusively includes cash movements in the context of drawdowns of credit lines.

**BREAKDOWN ACCORDING TO MATURITY OF FINANCIAL DEBTS AND CREDIT LINES (€ 000s)**

| | 31/12/2023 | | | | 31/12/2022 | | | |
|---|---|---|---|---|---|---|---|---|
| **Debts with a remaining duration of:** | **< 1 year** | **> 1 year ≤ 5 year** | **> 5 year** | **Total** | **< 1 year** | **> 1 year ≤ 5 year** | **> 5 year** | **Total** |
| Financial debts - credit institutions | | | | | | | | |
| Credit lines | 224,000 | 567,053 | 80,000 | **871,053** | 130,000 | 706,129 | 45,000 | **881,129** |
| Credit draw-downs | 109,493 | 388,045 | 69,300 | **566,838** | 44,500 | 446,144 | 45,000 | **535,644** |
| Interests | 6,532 | 19,802 | 3,668 | **30,001** | 1,041 | 10,436 | 1,053 | **12,530** |
| % share (credit draw-downs/credit lines) | | | | **65.1%** | | | | **60.8%** |
| | | | | | | | | |
| Bond loans | 40,000 | 98,410 | | **138,410** | | 139,209 | | **139,209** |
| | | | | | | | | |
| Commercial Paper program | | | 250,000 | **250,000** | | | 250,000 | **250,000** |
| Commercial Paper draw-downs | 87,500 | | | **87,500** | 73,700 | | | **73,700** |
| % share CP / credit lines | | | | **10.0%** | | | | **8.4%** |
| % share (credit draw-downs & CP / credit lines) | | | | **75.1%** | | | | **69.2%** |
| % surplus credit lines after covering CP | | | | **24.9%** | | | | **30.8%** |
| | | | | | | | | |
| Lease contracts | 0 | 0 | 0 | **0** | 700 | 1,660 | 0 | **2,360** |

## 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 2023 (€ 000s) | Level 1 | Level 2 | Level 3 | Carrying amount | Fair value |
|---|---|---|---|---|---|
| **Non-current financial assets** | | | | | |
| - Participations in other REIT (SIR/GVV)/real estate certificates | 87,296 | | | 87,296 | 87,296 |
| - Participations in associated companies and joint ventures | | 69,706 | | 69,706 | 69,706 |
| - Other derivative instruments that do not qualify as cash flow hedges | | | | | |
| - Other derivative instruments that qualify as fair value hedges | | 20,633 | | 20,633 | 20,633 |
| **Finance lease receivables** | | | | | |
| **Current financial assets** | | | | | |
| Stock | | 102,079 | | | |
| Work in progress | | 75,118 | | | |
| Trade receivables | | 22,777 | | 22,777 | 22,777 |
| Tax receivables and other current assets | | 71,636 | | 71,636 | 71,636 |
| Cash and cash equivalents | 11,129 | | | 11,129 | 11,129 |
| Deferred charges and accrued income | | 3,257 | | 3,257 | 3,257 |
| **Non-current financial debts** | | | | | |
| - Credit institutions | | 457,345 | | 457,345 | 456,902 |
| - IFRS 16 | | 2,318 | | 2,318 | 2,318 |
| - Other | | 102,497 | | 102,497 | 93,129 |
| **Other non-current financial liabilities** | | | | | |
| - Financial derivatives through the income statement | | | | | |
| - Financial derivatives through other equity components | | 436 | | 436 | 436 |
| **Current financial debts** | | | | | |
| - Credit institutions | | 109,493 | | 109,493 | 109,493 |
| - Other | | 126,297 | | 126,297 | 126,039 |
| **Other current financial liabilities** | | | | | |
| - Financial derivatives through other equity components | | | | | |
| **Trade debts and other current debts** | | | | | |
| - Trade payables | | 26,046 | | 26,046 | 26,046 |
| - Other current liabilities | | 13,520 | | 13,520 | 13,520 |
| Other current liabilities | | 11,571 | | 11,571 | 11,571 |
| Deferred charges and accrued income | | 30,930 | | 30,930 | 30,930 |

| 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 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** | | **0** | **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 | | | | 0 | 0 |
| - 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 | | 0 | | 0 | 0 |
| **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 |

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** *Paying leg* | **Interest rate** *Receiving leg* |
| **Current hedges** | | | | | |
| **SWAPS** | | | | | |
| IRS payer | 145,000 | Cashflow hedges | 2023-2029 | -0.4%-1.830% | EUR 3M |
| IRS payer | 160,000 | Fair Value hedge | 2025-2026 | -0.515% - 1.046% | EUR 3M |
| Total notional amount | 305,000 | | | | |
| | | | | | |
| **CAPS** | | | | | |
| Total notional amount | 100,000 | Fair Value hedge | 2024 | | 0.00% - 0.17% |
| | | | | | |
| **Starting in the future** | | | | | |
| Total notional amount | 300,000 | Fair Value hedge | 2025 - 2030 | 0.450% - 3.50% | EUR 3M |

At the end of financial year 2023 the notional amount of current net payer IRS contracts amounted to €305 million and the future payer IRS €200 million.

The hedge ratio for the investment portfolio at the end of 2023 amount to 79% (fixed ratio 65%), in comparison with 74% (fixed ratio 66%) at the end of 2022.

The relation between variable interest debt of €550,617 thousand and fixed rate debt (€142,500 thousand), the corresponding IRS hedge (€305,000 thousand) and the current CAPS (€100,000 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) | | 31/12/2023 |
|---|---|---|
| Nominal amount of the drawn down financial liabilities excluding accr. Interest in € 000s | A | 693,117 |
| Nominal amount of debts at fixed interest rates € 000s | B | 142,500 |
| Nominal amount of financial instruments IRS Payer € 000s | C | 305,000 |
| Nominal amount of financial instruments IRS Receiver € 000s | D | 0 |
| Nominal amount of financial instruments CAPS Payer € 000s | E | 100,000 |
| **Fix ratio** | **((B+C))/A** | **65%** |
| **Hedge ratio** | **(B+C+E-D)/A** | **79%** |

The fair value of the hedges at closing date is composed as follows::

| DERIVATIVE FINANCIAL PRODUCTS (€ 000s) | 31/12/2023 | | 31/12/2022 | |
|---|---|---|---|---|
| | Assets | Liabilities | Assets | Liabilities |
| Interest Rate Swaps, Caps | 20,633 | -436 | 32,715 | -23 |

The balance of the assets of €20.6 million is presented under "financial fixed assets" and the balance of the liabilities (-€436 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 in chapter 4 of the Annual Report.


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*LUXEMBOURG*

## • SPECIFIC NOTE ON LIQUIDITY RISK

At 31 December 2023 the weighted average remaining duration of the credit portfolio allocated to investment portfolio has decreased from 2.85 years at the end of 2022 to 2.31 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 3.52 years at the end of 2022 to 2.95 years at the end of 2023.

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 2.67% at the end of 2023 (end of 2022: 2.18%),

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) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Suppliers | 26,046 | 34,841 |
| VAT payable | 4,278 | 4,593 |
| Taxes, salaries and social securit | 9,241 | 15,718 |
| **TOTAL** | **39,565** | **55,152** |

Trade payables decreased to €26.0 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 & DEFERED INCOME (€ 000s) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Rental income received in advance | 11,992 | 12,049 |
| Interests and other charges accrued and not due | 8,185 | 3,014 |
| Other | 10,753 | 21,783 |
| **TOTAL** | **30,930** | **36,846** |

Accrued charges and deferred income - liabilities include, among other things, the rents already received for 2024 and interest expenses. In addition there is €13.7 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) | 31/12/2023 |
|---|---|
| Investment properties | -35,388 |
| Adjustment for country position | -17,267 |
| Derivatives held | -4,854 |
| Work in progress | -811 |
| Retail Estates | -2,504 |
| Tax losses | 8,615 |
| Other | 1,225 |
| Leasing (IFRS 16) | 41 |
| **TOTAL** | **-49,959** |

Deferred taxes amount to €50.5 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.

| NON RECOGIZED DEFERRED TAX ASSETS (€ 000s) | 31/12/2023 |
|---|---|
| Non recognized deferred tax assets related to tax losses | 7,917 |
| Non recognized deferred tax assets - other | 21 |

IPillar Two legislation has been enacted or substantively enacted in certain jurisdictions in which the Nextensa Group operates (ao. Belgium). Ackermans & van Haaren NV is the Ultimate Parent Entity ('UPE') for Pillar Two purposes of the Nextensa Group's constituent entities. These constituent entities will therefore be in scope of the Pillar Two consequences applicable to the Ackermans & van Haaren Group. The Pillar Two legislation will be effective for the Ackermans & van Haaren Group's financial year beginning 1 January 2024.

As a consequence of the fact that the Nextensa Group is part of the Ackermans & van Haaren Group, the outcome of Pillar Two impact can only be assessed at the level of the Ackermans & van Haaren Group. It is impossible for the Nextensa Group to reasonably estimate the impact of the (expected) Pillar Two legislation.

Based on an assessment made by the Ackermans & van Haaren Group, the Ackermans & van Haaren Group has identified potential exposure to Pillar Two top-up-taxes in certain jurisdictions. The exact exposure can currently not reasonably be estimated, a.o. since the outcome of the assessment will still be influenced by the outcome of the expected OECD Administrative Guidance to be published in the course of 2024. However, based on historical data, the Ackermans & van Haaren Group currently does not expect that such exposure may be significant in view of the consolidated financial statements.

As from financial year 2024 it is possible that, if the Pillar Two rules applied by the Ackermans & van Haaren Group lead to top-up-taxes in a certain jurisdiction, the Nextensa Group will need to record part of the top-up-tax exposure in this jurisdiction in the financial statements of the Nextensa Group.

The Nextensa Group has applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar two income taxes.

# NOTE 34

# RELATED-PARTY TRANSACTIONS

There were no transactions with related parties that were 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 2023 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 | 445,000 | 22,130 | 0 | 140,000 | 607,130 |
| Other leaders | 813,800 | 0 | 0 | 224,000 | 1,037,800 |
| **TOTAL** | **1,258,800** | **22,130** | **0** | **364,000** | **1,644,930** |

# 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 %) | |
|---|---|---|---|
| | | **31/12/2023** | **31/12/2022** |
| 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 | 0% | 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% |
| Vilvolease NV | Belgium | 100% | 100% |
| Extensa Invest I NV FIIS | Belgium | 100% | 100% |
| Monteco BV | Belgium | 100% | 100% |
| Montoyer 24 NV | Belgium | 100% | 0% |
| Leasinvest Immo Lux SA | GD Luxembourg | 100% | 100% |
| EBBC A Sarl | GD Luxembourg | 100% | 100% |
| EBBC C Sarl | GD Luxembourg | 100% | 100% |
| Green Offices Monterey S.à.r.l. | GD Luxembourg | 100% | 100% |
| Retail South S.à.r.l. | GD Luxembourg | 100% | 100% |
| Boomerang Strassen S.à.r.l. | GD Luxembourg | 100% | 100% |
| Leasinvest Offices Luxemburg 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% | 100% |
| Nextensa Schmiede S.à.r.l. | GD Luxembourg | 100% | 100% |
| Beekbaarimo SA | GD Luxembourg | 100% | 100% |
| Grossfeld Developments S.àr.l. | GD Luxembourg | 100% | 100% |
| AdHoc S.àr.l. | GD Luxembourg | 100% | 0% |
| Extensa Romania S.r.l. | Romania | 0% | 100% |
| RFD CEE Venture Capital BV | The Netherlands | 100% | 100% |

# 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) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Cloche d'Or | 8,672 | 5,147 |
| Parking | - | 6,964 |
| Zone C | 8,643 | 3,291 |
| Zone AB | 2,451 | 1,075 |
| **TOTAL** | **19,766** | **16,477** |

The financing needs for the commitments for residentialdevelopments will mainly be covered by income from clients.

# NOTE 38

# SUBSEQUENT EVENTS

Early February 2024 Nextensa sold its retail property of about 4,200 m² on rue du Brill in Foetz, Luxembourg to a local investor for a price of € 9.23 M. The buyer also owns the adjacent Cora hypermarket, which is located on the same retail site. The property is currently leased to clothing retailer Adler until February 2032. The sale price is in line with the valuation, as recorded on 31/12.

The sale is part of Nextensa's planned divestment programme.


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*BELGIUM*

# INDEPENDENT AUDITOR'S REPORT

## *Independent auditor's report to the general meeting of Nextensa nv/sa for the year ended 31 December 2023*

In the context of the statutory audit of the Consolidated Financial Statements) of Nextensa nv/sa (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 2023, the consolidated statement of comprehensive income, the other elements of comprehensive income, the consolidated statement of changes in capital and reserves and the consolidated cash flow statement for the year ended 31 December 2023 and the disclosures including material accounting policy information (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 24 consecutive years.

# Report on the audit of the Consolidated Financial Statements

## UNQUALIFIED OPINION

We have audited the Consolidated Financial Statements of Nextensa nv/sa, that comprise of the consolidated balance sheet as at 31 December 2023, the consolidated statement of comprehensive income, the other elements of comprehensive income, the consolidated statement of changes in capital and reserves and the consolidated cash flow statement of the year and the disclosures, including material accounting policy information, which show a consolidated balance sheet total of € 1.781.289 thousand and of which the consolidated income statement shows a net result (part of the group) of € 24.492 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 2023, 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 2023, the investment properties on the assets of the balance sheet amount to € 1.288.844 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 for a sample;

- and assessed the models and assumptions used in their reports (discount rates, future occupancy rates, ...) for a sample.

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 29.4 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 2023 € 51.024 thousand on turnover development projects and € 46.650 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 € 75.118 thousand as of 31 December 2023.

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

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.


VÖSENDORF 16
*AUSTRIA*

# 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/stori) 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/sa per 31 December 2023 included in the annual financial report available on the portal of the FSMA (https://www.fsma.be/en/stori) 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.

*Brussels, 28 March 2024*

*EY Bedrijfsrevisoren bv/srl*
*Statutory auditor*
*Represented by*

*Christophe Boschmans**
*Partner*
** Acting on behalf of a bv/srl*

*24CBO0105*

ROYAL DEPOT
*BELGIUM*

# 9.

# GENERAL INFORMATION


DE MOT
*BELGIUM*


# 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.

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 gereglementeerde 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, that was 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 this deed was 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) with 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 (10,002,102) shares, with no par value, each representing an equal part of the capital. No outstanding warrants have been issued that give an entitlement to shares. The company has treasury shares within the framework of the buy-back program of its own shares. For more information please refer to www.nextensa.eu – investors – purchase and disposal of own shares.

The extraordinary general shareholders' 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 – investors – shareholders & 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 starting 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 – investors – shareholders & 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 Codes of conduct;
g) The obligations of the company and the rights of the shareholders as to the general meeting are extensively mentioned in the investors 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.

GARE MARITIME
*BELGIUM*

# 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.

**1.1.** The company takes the form of a public limited liability company.

**1.2.** 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.

## 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, carrying out all renovation and conversion work on and interior decoration of real estate as well as the management and maintenance of real estate.

3.1.3. Providing various services to tenants, occupiers 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:

- 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.

# TITLE 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 us, 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 a 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 side 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 on the liabilities side 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 jointly 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 arrangement 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 certificates 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, reduced by 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, increased by 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 acquired 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 (whether or not for a consideration) 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 (whether or not for a consideration)) 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 under 11.2 to 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 treasury shares and certificates relating thereto if no authorisation by the articles of association or authorisation by the general meeting is required for that purpose. As long as the shares are held by the company or a person acting in his own name but on behalf of the company, the voting rights attached to those shares shall be suspended. The dividend rights attached to the shares held by the company or a person acting in his own name but on behalf of the company shall be cancelled. 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 shall be set at 23:59 Belgian time of the day prior to the so-called "ex-date" (as stipulated in the Euronext VadeMecum 2020, as amended from time to time).

## ARTICLE 12. LISTING ON THE STOCK EXCHANGE AND NOTIFICATION OF IMPORTANT PARTICIPATIONS.

**12.1.** The company's shares are admitted to trading on a Belgian regulated market.

**12.2.** In accordance with Article 18 of the Act of 2 May 2007 on the disclosure of major shareholdings in issuers whose shares are admitted to trading on a regulated market and containing various provisions, in addition to the legally stipulated thresholds of five per cent (5%) and multiples of five per cent (5%), the statutory threshold of three per cent (3%) of the total number of existing voting rights also applies.

**12.3.** Except for exceptions foreseen by the Code of Companies and Associations, no person may participate in a vote at a general meeting of shareholders of the company with a number of votes exceeding the number of votes attached to the securities of which he has notified possession at least twenty (20) days before the date of the relevant general meeting.

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# TITLE III

# BOARD AND CONTROL

## ARTICLE 13.
## COMPOSITION OF THE MANAGEMENT BODY.

**13.1.** The company is managed by a collegiate management body, called the board of directors, composed of at least three (3) directors, natural or legal persons, whether shareholders or not.

**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 reappointable. They may be dismissed by the general meeting at any time.

**13.6.** The mandate of the 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 provisionally fill the vacancy until the next general meeting, which shall make the effective appointment.

**13.9.** The board of directors shall elect a chairperson from among its members. If the chairperson is unable to attend a meeting, or in the absence of the appointment of a chairperson, the function of chairperson 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 meeting of the board of directors can 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 duly 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, however, without prejudice to 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.** Any member of the management body may participate in the deliberations of a board of directors and vote by any means of telecommunication or videography, in order to organise meetings between several participants who are geographically distant from each other, to enable them to communicate simultaneously.

**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 a special register. The powers of attorney will be attached to the minutes of the meeting for which they have been given. Copies of or excerpts from the minutes intended for third parties shall be signed by the CEO or by one or more directors with power of representation, except for the copies and excerpts of the minutes established by authentic instrument, which shall be signed by the instrumenting notary.

## 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 out of 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 managing director(s) and/or the other persons in charge of the daily management of the company within the framework of that management, may each delegate, within their own limits of competence and under their own responsibility, specific powers to one or more persons of their choice. Only special and limited powers of attorney for specific or 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 of the board of directors as a body, the company shall 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 shall 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 shareholders' meeting of the company represents all shareholders. The decisions of the general meeting that are 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 annual accounts;
- 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 discharge to the directors and the statutory auditor.

**19.3.** The general meeting is also authorised to amend the articles of association, including the increase or decrease of capital, authorisation of authorised capital to the board of directors, conversion of the company into a company with another legal form, as well as to resolve, among other things, on the early dissolution of the company, distribution of interim dividends or optional dividends, issue of convertible or non- convertible bonds or warrants, merger or similar transaction 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 each statutory auditor can convene both an ordinary general meeting (annual meeting) and a special 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 a special 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.** Notice of a general meeting shall be given in accordance with the applicable legal provisions. The notices shall state the agenda, specifying the subjects to be discussed and the proposals for resolution, and any other information that is required to be included therein under the applicable statutory provisions.

**21.4.** One or more shareholders who together hold at least three per cent (3%) of the company's capital may, in accordance with the provisions of the Code of Companies and Associations, have items to be dealt with placed on the agenda of the general meeting and submit proposals for resolutions relating to items included or to be included on the agenda. The company must receive these requests no later than the twenty- second (22nd) day before the date of the general meeting. The items to be dealt with and the corresponding proposed resolutions that would, if applicable, be added to the agenda will be published in accordance with the modalities prescribed by the Code of Companies and Associations. The items to be discussed and the proposals for resolution added to the agenda in application of this paragraph will only be discussed if all the relevant provisions of the Code of Companies and Associations have been complied with.

**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 in the event of a written waiver thereof, together with the convocation notice, copies of the documents, which must be made available to them under the applicable legal provisions, shall be sent to the persons who are so entitled under the applicable legal provisions.

## ARTICLE 23.
## ADMISSION TO THE MEETING.

**23.1.** A shareholder can only participate in the general meeting and exercise his voting rights there based on the accounting registration of the shares in the shareholder's name on the registration date, either by their registration in the register of the company's registered shares, or by their registration in the accounts of an authorised account holder or a settlement institution, regardless of the number of shares held by the shareholder at the general meeting. The fourteenth (14th) day prior to the general meeting, at four-twenty hours (24h00) Belgian time shall count 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 institution, stating how many dematerialised shares are registered in their accounts at the registration date, in the name of the shareholder, and for which the shareholder has indicated wanting to participate to the general meeting. This presentation has to take place at the 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 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 BUREAU - 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 chairperson of the meeting appoints a secretary and one or more vote scrutineers, who do not need to be (a) shareholder(s). The chairperson, the secretary and the scrutineers altogether form the bureau.

**26.3.** The minutes of the general meetings are signed by the members of the bureau 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 chairperson of the meeting and take place in accordance with the habitual rules of proper meeting techniques.

**27.2.** The directors shall answer questions put to them orally or in writing by the shareholders or holders of convertible bonds or registered warrants or registered certificates issued with the cooperation of the company, in advance or during the meeting, which are related to the items on the agenda, provided that the communication of data or facts is not of such a nature that it may harm the company or contravene confidentiality undertakings given by them or by the company.

**27.3.** The statutory auditors shall answer questions put to them orally or in writing by shareholders or holders of convertible bonds or registered warrants or registered certificates issued with the cooperation of the Company, in advance or during the meeting, relating 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 is in breach of confidentiality undertakings entered into by them or by the company. They shall have the right to speak at general meetings in connection with 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 registered certificates issued with the cooperation 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, special 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 may only validly deliberate or decide on items included or implicitly contained in the announced 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 consent is established if no opposition is 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 voting rights entitles to Holder to one vote 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 is 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 starts 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.** When the capital is increased, double voting rights are granted as of the issue to bonus shares issued in favour of shareholders for old shares for which they have this right.

**28.5.** If a shareholder dematerialises or transfers ownership of part of his registered shares, then, for the purpose of determining double voting rights, the registered shares that were last entered in the share register will be first deducted from his total number of registered shares, unless the request for dematerialisation or the transfer documentation expressly provides 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.

## ARTIKEL 29.
## PARTICIPATION AND REMOTE VOTING.

**29.1.** Each shareholder may, if the board of directors so determines in the notice of meeting, participate remotely in the general meeting via a means of electronic communication made available by the company, except in cases not permitted 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 make use of it must, as a minimum, be able to take direct, simultaneous and uninterrupted notice of the discussions at the meeting and exercise his voting rights in respect of all items on which the meeting is required to decide.

**29.5.** Each shareholder may also, if the board of directors so determines in the notice of meeting, vote by letter or electronically by means of a form prepared by the board of directors, which shall contain the following indications: (i) identification of the shareholder, (ii) number of votes to which he is entitled and (iii) for each resolution to be taken by the general meeting in accordance with the agenda, the indication "yes", "no" or "abstain"; the form shall be sent to the company and must arrive at the registered office at the latest three working days before the meeting.

## ARTICLE 30.
## MAJORITY.

**30.1.** Except in the cases provided for by law, decisions shall be taken by a simple majority of the votes cast. Abstentions or blank votes and null and void votes shall be disregarded when calculating the majority. If the votes are tied, 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 bureau and the shareholders that request this.

**31.3.** The copies and/or extracts of the minutes of the general meetings intended for third parties shall be signed by one or more members of the board of directors authorised to represent the company 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 years begins on 1 January and ends on 31 December of each year.

**32.2.** At the end of each financial year, the board of directors draws up an inventory as well as the annual accounts.

**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 required by law, at least five per cent. of the company's net profit shall be withheld each year for the formation of the legal reserve.

**33.2.** On the proposal of the board of directors, the general meeting decides on the allocation of the balance of net profit within the limits of the law and 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 or one quarter 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 formalities 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.

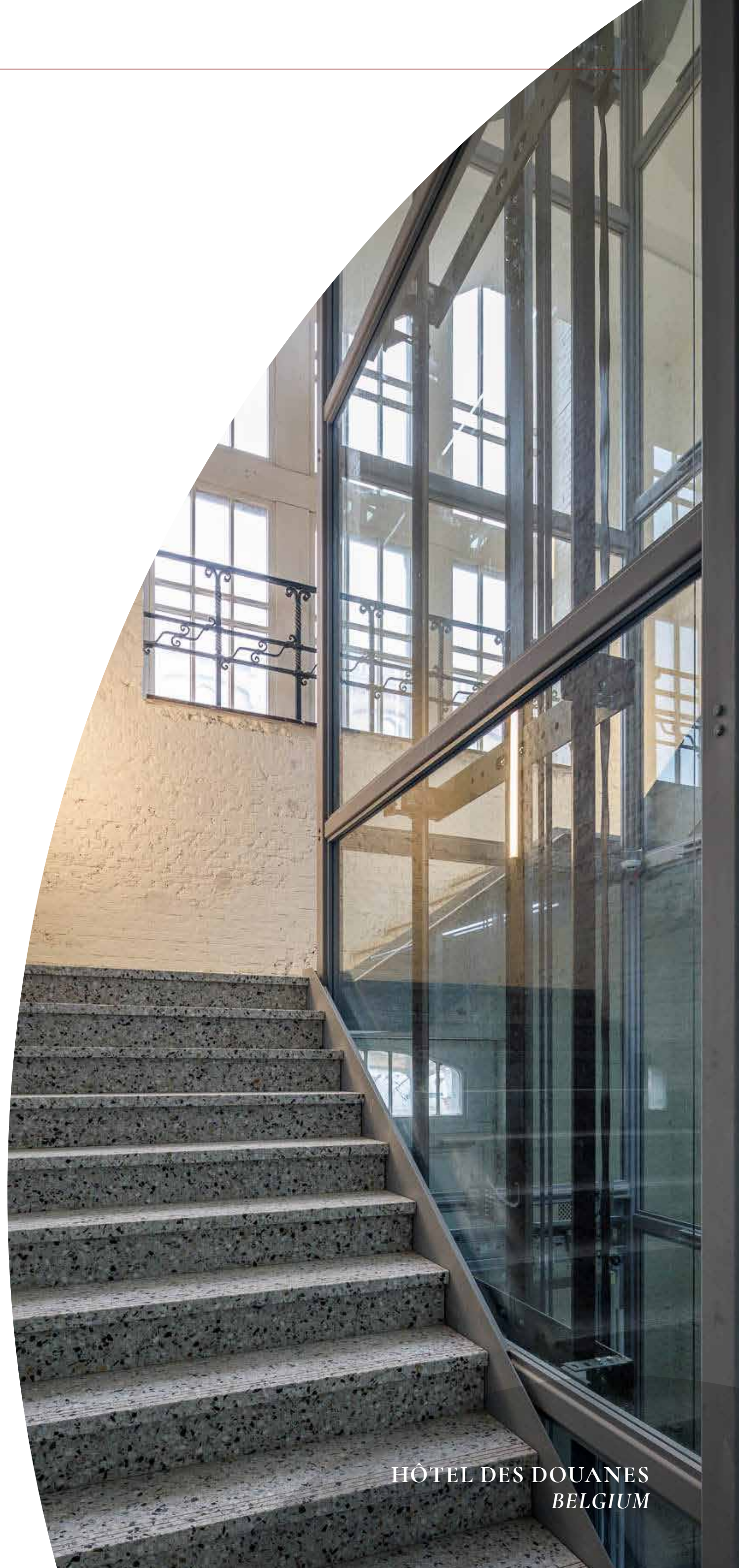
**36.2.** In the event of dissolution of the company with liquidation, for any reason and at any time, a liquidator or a board of liquidators, if any, shall be appointed by the general meeting in accordance with the applicable legal provisions. In the absence of the appointment of a liquidator, the directors 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 proportion to their rights in the company.



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# TITLE VII

# GENERAL AND TRANSITIONAL PROVISIONS

## ARTICLE 38. CHOICE OF DOMICILE.

38.1. Any holder of registered shares residing abroad are obliged to elect domicile in Belgium for all matters relating to the implementation of the present articles of association. Failing such choice of domicile, this will be deemed to have been done at the registered office, where all summonses, notices and demands will be validly served.

38.2. Directors, daily managers and liquidators residing abroad are deemed to elect domicile at the registered office of the company, where all summonses, notices and notifications 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 granted 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 expressly waived by the company.

## ARTICLE 40. APPLICABLE LAW.

40.1. In respect of anything not expressly provided for in these articles of association, or in respect of 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 the decrees and regulations adopted in implementation thereof and (b) the other legal provisions, decrees and regulations under Belgian law, shall apply to the extent that the company falls within the scope of their application.

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 not to have been 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.

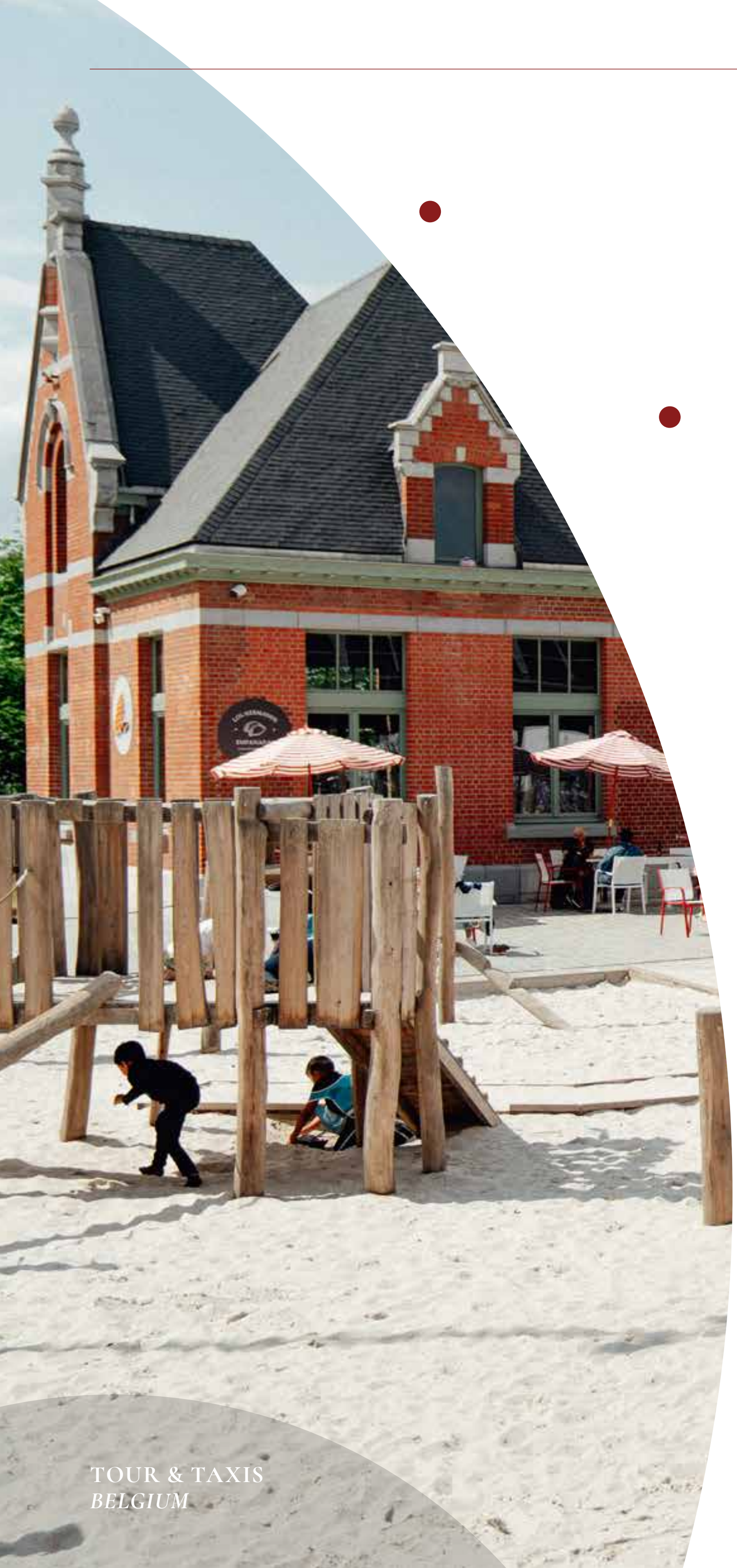
42.1. The board of directors may, within the legal limits, issue an internal regulation.

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.



TOUR & TAXIS
*BELGIUM*

# 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.

## 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, 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 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 on 31 December 2023, to the best of their knowledge:**

- none of the directors, nor the members of the executive committee, during the last 5 years:
  a) has been convicted of any fraud offence;
  b) has been the subject or involved in any official and publicly expressed accusation and/or sanction imposed by any statutory or regulatory authority (including recognised professional bodies);
  c) has been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of an issuer; and
  d) was involved in a bankruptcy, moratorium or compulsory liquidation;
- no (employment) agreement has been concluded between the company and the directors or the members of the executive committee that provides for benefits upon termination of employment, with the exception of the management agreements with the members of the executive committee which are of indefinite duration and provide for contractual provisions on notice and severance pay that never exceed eighteen (18) months;
- there are no family ties between the directors or the members of the executive committee.

## 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 2023'.

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 (investors – publications).

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 2021 | - Key figures<br>- Comments on the consolidated income statement and balance sheet<br>- Consolidated financial statements<br>- Auditor's report | - P 63-67<br>- P 82-84<br>- P 233-342<br>- P 344-356 |
| | Annual Financial Report 2022 | - Key figures<br>- Comments on the consolidated income statement and balance sheet<br>- Consolidated financial statements<br>- Auditor's report | - P 13-15<br>- P 25-26<br>- P 185-190<br>- P 273-280 |
| **Activities** | Annual Financial Report 2021 | Activity Report | - P 72-79 |
| | Annual Financial Report 2022 | Activity Report | - P 17-23 |
| **Investments** | Annual Financial Report 2021 | Activity Report | - P 72-79 |
| | Annual Financial Report 2022 | Activity Report | - P 17-23 |
| **Main markets** | Annual Financial Report 2021 | Consolidated financial statements – Note 3 Segment information | - P 280-289 |
| | Annual Financial Report 2022 | Consolidated financial statements – Note 3 Segment information | - P 212-217 |
| **Evolution of capital resources** | Annual Financial Report 2021 | Consolidated financial statements – Note 28 Share capital, share premium, treasury shares and net result | - P 318-319 |
| | Annual Financial Report 2022 | Consolidated financial statements – Note 28 Share capital, share premium, treasury shares and net result | - P 251-252 |
| **Evolution of cash flows** | Annual Financial Report 2021 | Consolidated financial statements – Consolidated cash flow statement | - P 242-243 |
| | Annual Financial Report 2022 | Consolidated financial statements – Consolidated cash flow statement | - P 189 |
| **Funding need and structure** | Annual Financial Report 2021 | Consolidated financial statements – Note 29 Information on financial debt | - P 320-334 |
| | Annual Financial Report 2022 | Consolidated financial statements – Note 29 Information on financial debt | - P 253-262 |
| **Dividend** | Annual Financial Report 2021 | Consolidated financial statements – Note 28 Share capital, share premium, treasury shares and net result | - P 318-319 |
| | Annual Financial Report 2022 | Consolidated financial statements – Note 28 Share capital, share premium, treasury shares and net result | - P 251-252 |
| **Related-party transactions** | Annual Financial Report 2021 | Consolidated financial statements – Note 34 Related-party transactions | - P 337 |
| | Annual Financial Report 2022 | Consolidated financial statements – Note 34 Related-party transactions | - P 267 |

# 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 31/12/2023.

## 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). GRI provides the world's most widely used sustainability reporting standards.

## 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.

CLOCHE D'OR
*LUXEMBOURG*

# 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) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Net Result - group share (€ 000s) | 24,492 | 71,310 |
| 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 | 2.45 | 7.13 |
| Number of dividend bearing shares in circulation (at closing date) | 9,937,102 | 9,937,102 |
| Net result - group share per number of dividend bearing shares at closing date | 2.46 | 7.18 |

| NET ASSET VALUE BASED ON FAIR VALUE (AMOUNT PER SHARE) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Equity attributable to the shareholders of the parent company (€ 000s) | 834,048 | 838,798 |
| 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 | 83.39 | 83.86 |

| NET ASSET VALUE BASED ON INVESTMENT VALUE (AMOUNT PER SHARE) | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Equity attributable to the shareholders of the parent company (€ 000s) | 834,048 | 838,798 |
| Investment value of the investment properties at 31/12 (€ 000s) | 1,323,221 | 1,294,968 |
| Fair value of the investment properties at 31/12 (€ 000s) | 1,298,074 | 1,278,716 |
| Difference investment value - fair value at 31/12 (€ 000s) | 25,147 | 16,252 |
| **TOTAL** | **859,195** | **855,050** |
| 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 | 85.90 | 85.49 |

| AVERAGE FUNDING COST IN % | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Interest costs on an annual basis (€ 000s) | -17,756 | -16,492 |
| Commitment fees on an annual basis (€ 000s) | -383 | -519 |
| Interest paid incl. commitment fees on an annual basis (€ 000s) | -18,138 | -17,011 |
| Average weighted outstanding debt (€ 000s) | 678,820 | 783,217 |
| Average funding cost in % | 2.67% | 2.18% |

| FINANCIAL DEBT RATIO IN % | 31/12/2023 | 31/12/2022 |
|---|---|---|
| Financial debts | 797,949 | 752,600 |
| Total assets | 1,781,289 | 1,768,401 |
| Financial debt ratio in % | 44.80% | 42.56% |

# APPENDIX 3

# GRI CONTENT INDEX

CONTENT INDEX ADVANCED SERVICE 2024

*"For the Content Index – Advanced Service, GRI Services reviewed that the GRI content index has been presented in a way consistent with the requirements for reporting in accordance with the GRI Standards, and that the information in the index is clearly presented and accessible to the stakeholders."*

The service was performed on the English version of the report.

| | |
|---|---|
| **STATEMENT OF USE** | Nextensa has reported in accordance with the GRI Standards for the period 2023 January 1st – 2023 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 | | |
|---|---|---|---|---|---|
| | | | REQUIRE-MENT(S) OMITTED | REASON | EXPLANA-TION |
| **General disclosures** | | | | | |
| GRI 2: General Disclosures 2021 | 2-1 Organizational details | 5, 38, 40, 112, 338 | | | |
| | 2-2 Entities included in the organization's sustainability reporting | 107 | | | |
| | 2-3 Reporting period, frequency and contact point | 3, 107, 149, 338 | | | |
| | 2-4 Restatements of information | 3 | | | |
| | 2-5 External assurance | 103, 107 | | | |
| | 2-6 Activities, value chain and other business relationships | 5, 93 | | | |
| | 2-7 Employees | 139, 150 | | | |
| | 2-8 Workers who are not employees | 139, 151 | | | |
| | 2-9 Governance structure and composition | Corporate Governance Charter<br>40-44, 47, 50, 86 | | | |
| | 2-10 Nomination and selection of the highest governance body | Corporate Governance Charter<br>37 | | | |
| | 2-11 Chair of the highest governance body | 41 | | | |
| | 2-12 Role of the highest governance body in overseeing the management of impacts | 46, 86-88, 92, 144 | | | |
| | 2-13 Delegation of responsibility for managing impacts | 86, 88 | | | |
| | 2-14 Role of the highest governance body in sustainability reporting | 93 | | | |
| | 2-15 Conflicts of interest | 62, 64 | | | |

| | | | | | |
|---|---|---|---|---|---|
| GRI 2: General Disclosures 2021 | 2-16 Communication of critical concerns | 46-47, 54 | | | |
| | 2-17 Collective knowledge of the highest governance body | 88 | | | |
| | 2-18 Evaluation of the performance of the highest governance body | 46-47, 58 | | | |
| | 2-19 Remuneration policies | Remuneration Policy<br>49, 56, 58-60, 142 | | | |
| | 2-20 Process to determine remuneration | Remuneration Policy<br>56, 58, 60 | | | |
| | 2-21 Annual total compensation ratio | 60-61 | | | |
| | 2-22 Statement on sustainable development strategy | 15, 84 | | | |
| | 2-23 Policy commitments | Corporate Governance Charter<br>51 | | | |
| | 2-24 Embedding policy commitments | 51-52 | | | |
| | 2-25 Processes to remediate negative impacts | 85, 100 | | | |
| | 2-26 Mechanisms for seeking advice and raising concerns | Dealing Code<br>51 | | | |
| | 2-27 Compliance with laws and regulations | No instances of non-compliance or fines were incurred during the reporting period | | | |
| | 2-28 Membership associations | 49 | | | |
| | 2-29 Approach to stakeholder engagement | 101, 130, 144 | | | |
| | 2-30 Collective bargaining agreements | 139 | | | |
| **Material topics** | | | | | |
| GRI 3: Material Topics 2021 | 3-1 Process to determine material topics | 92, 95, 97 | | | |
| | 3-2 List of material topics | 99-100 | | | |
| **Economic performance (Energy & Emission Management, Healthy & Resilient Buildings, Circularity)** | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 8, 84 | | | |
| GRI 201: Economic Performance 2016 | 201-2 Financial implications and other risks and opportunities due to climate change | 96 | | | |
| **Indirect economic impacts (Energy & Emission Management, Lively Neighbourhoods)** | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 110-111, 129-130 | | | |
| GRI 203: Indirect Economic Impacts 2016 | 203-1 Infrastructure investments and services supported | 115, 130, 132 | | | |
| | 203-2 Significant indirect economic impacts | 132 | | | |

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|---|---|---|---|---|---|
| **Anti-corruption (Exemplary Governance)** | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 36-37 | | | |
| GRI 205: Anti-corruption 2016 | 205-2 Communication and training about anti-corruption policies and procedures | Code of conduct staff members | | | |
| | 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 | 8, 84, 119-122 | | | |
| GRI 301: Materials 2016 | 301-1 Materials used by weight or volume | 121 | | | |
| | 301-2 Recycled input materials used | 120 | | | |
| **Energy (Energy & Emission Management)** | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 8, 84, 110-118 | | | |
| GRI 302: Energy 2016 | 302-1 Energy consumption within the organization | 112, 115, 147-148 | | | |
| | 302-2 Energy consumption outside of the organization | 114, 148 | | | |
| | 302-3 Energy intensity | 112, 147-148 | | | |
| | 302-4 Reduction of energy consumption | 147 | | | |
| | 302-5 Reductions in energy requirements of products and services | 115, 148 | | | |
| **Emissions (Energy & Emission Management)** | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 8, 84, 110-118 | | | |
| GRI 305: Emissions 2016 | 305-1 Direct (Scope 1) GHG emissions | 112, 147 | | | |
| | 305-2 Energy indirect (Scope 2) GHG emissions | 112, 147 | | | |
| | 305-3 Other indirect (Scope 3) GHG emissions | 113-114, 148 | | | |
| | 305-4 GHG emissions intensity | 148 | | | |
| | 305-5 Reduction of GHG emissions | 112, 115, 117, 135 | | | |

| | | | | | |
|---|---|---|---|---|---|
| **Waste (Circularity)** | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 119 | | | |
| GRI 306: Waste 2020 | 306-1 Waste generation and significant waste-related impacts | 119 | | | |
| | 306-2 Management of significant waste-related impacts | 120, 128, 135, 148 | | | |
| **Employment (Nextensa's people)** | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 84, 137-142 | | | |
| GRI 401: Employment 2016 | 401-1 New employee hires and employee turnover | 139 | | | |
| | 401-3 Parental leave | 139 | | | |
| **Occupational health and safety (Nextensa's people)** | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 84, 137-142 | | | |
| GRI 403: Occupational Health and Safety 2018 | 403-4 Worker participation, consultation, and communication on occupational health and safety | 140 | | | |
| | 403-6 Promotion of worker health | 140 | | | |
| | 403-9 Work-related injuries | 151 | | | |
| **Training and education (Nextensa's people)** | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 84, 137-142 | | | |
| GRI 404: Training and Education 2016 | 404-1 Average hours of training per year per employee | 141, 151 | | | |
| | 404-2 Programs for upgrading employee skills and transition assistance programs | 141 | | | |
| | 404-3 Percentage of employees receiving regular performance and career development reviews | 141, 151 | | | |
| **Diversity and equal opportunity (Nextensa's people)** | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 84, 137-142 | | | |
| GRI 405: Diversity and Equal Opportunity 2016 | 405-1 Diversity of governance bodies and employees | 139, 150-151 | | | |
| | 405-2 Ratio of basic salary and remuneration of women to men | 142, 151 | | | |

| | | | | | |
|---|---|---|---|---|---|
| **Local communities (Lively Neighbourhoods)** | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 129-133 | | | |
| GRI 413: Local Communities 2016 | 413-1 Operations with local community engagement, impact assessments, and development programs | 133, 136, 144 | | | |
| | 413-2 Operations with significant actual and potential negative impacts on local communities | 130-131, 136 | | | |
| **Customer health and safety (Healthy & Resilient Buildings)** | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 8, 84, 123-126 | | | |
| GRI 416: Customer Health and Safety 2016 | 416-1 Assessment of the health and safety impacts of product and service categories | 124 | | | |
| | 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services | No incidents of non-compliance reported | | | |

| | | | | | |
|---|---|---|---|---|---|
| **Additional disclosures** | | | | | |
| **Water and effluents (Water Management)** | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 8, 84, 136 | | | |
| GRI 303: Water and Effluents 2018 | 303-1 Interactions with water as a shared resource | 128, 136 | | | |
| | 303-3 Water withdrawal | 136 | | | |
| | 303-4 Water discharge | 136 | | | |
| | 303-5 Water consumption | 149 | | | |
| **Waste (Waste Stream Management)** | | | | | |
| GRI 3: Material Topics 2021 | 3-3 Management of material topics | 113, 119 | | | |
| GRI 306: Waste 2020 | 306-3 Waste generated | 113 | | | |
| | 306-4 Waste diverted from disposal | 113 | | | |
| | 306-5 Waste directed to disposal | 113 | | | |

# NEXTENSA IDENTIFICATION CARD

| | |
|---|---|
| Legal form | Naamloze vennootschap (public limited liability company) |
| Registered seat | Gare Maritime,<br>Picardstraat 11 box 505,<br>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 |
| Statutory auditor | Ernst & Young Bedrijfsrevisoren BV,<br>represented by auditor Christophe Boschmans,<br>Kouterveldstraat 7B 001, 1831 Diegem |

GARE MARITIME
*BELGIUM*

# INVESTOR RELATIONS CONTACT[1]

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ISIN code BE0003770840
LEI 549300BPHBCHEODTG670

[1] 2-3-d Contact point for questions.