

**ANNUAL  
FINANCIAL  
REPORT  
2023**



**Home Invest  
Belgium**



## PROFILE

# The reference in residential real estate

Home Invest Belgium is a Belgian listed regulated real estate company (GVV, SIR or RREC) that specialises in the purchase, development, rental and management of residential real estate property.

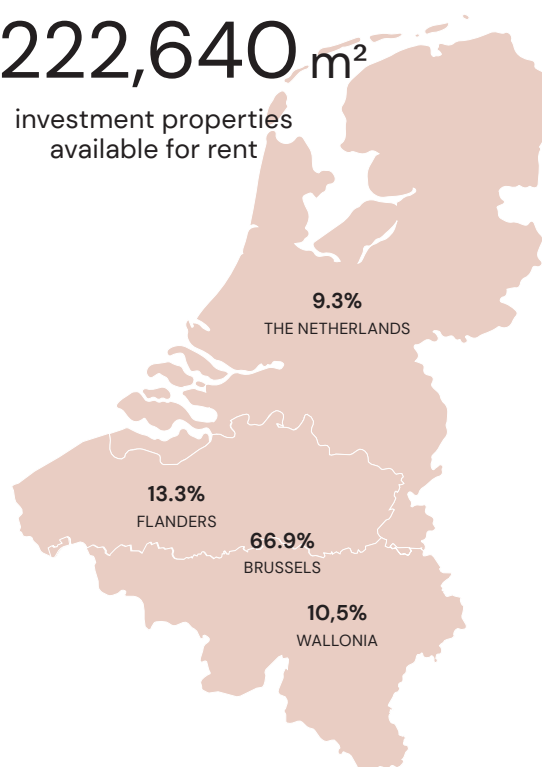
With a portfolio in Belgium and the Netherlands valued in excess of € 781 million, Home Invest Belgium provides its tenants with young, sustainable and quality properties along with the benefits of a professional management. One of the major competitive advantages of Home Invest Belgium is that it develops its own projects, thereby ensuring the growth of its real estate portfolio.

The company aims to offer its shareholders a return at least equal to that which they would obtain by investing directly in residential property, without all the problems of management that this involves.

Home Invest Belgium shares are listed on the Euronext Brussels regulated market (HOMI). It benefits from the Belgian tax status of a public regulated real estate company (RREC). Its activities are monitored by the Financial Services and Markets Authority (FSMA).

# 222,640 m<sup>2</sup>

investment properties  
available for rent

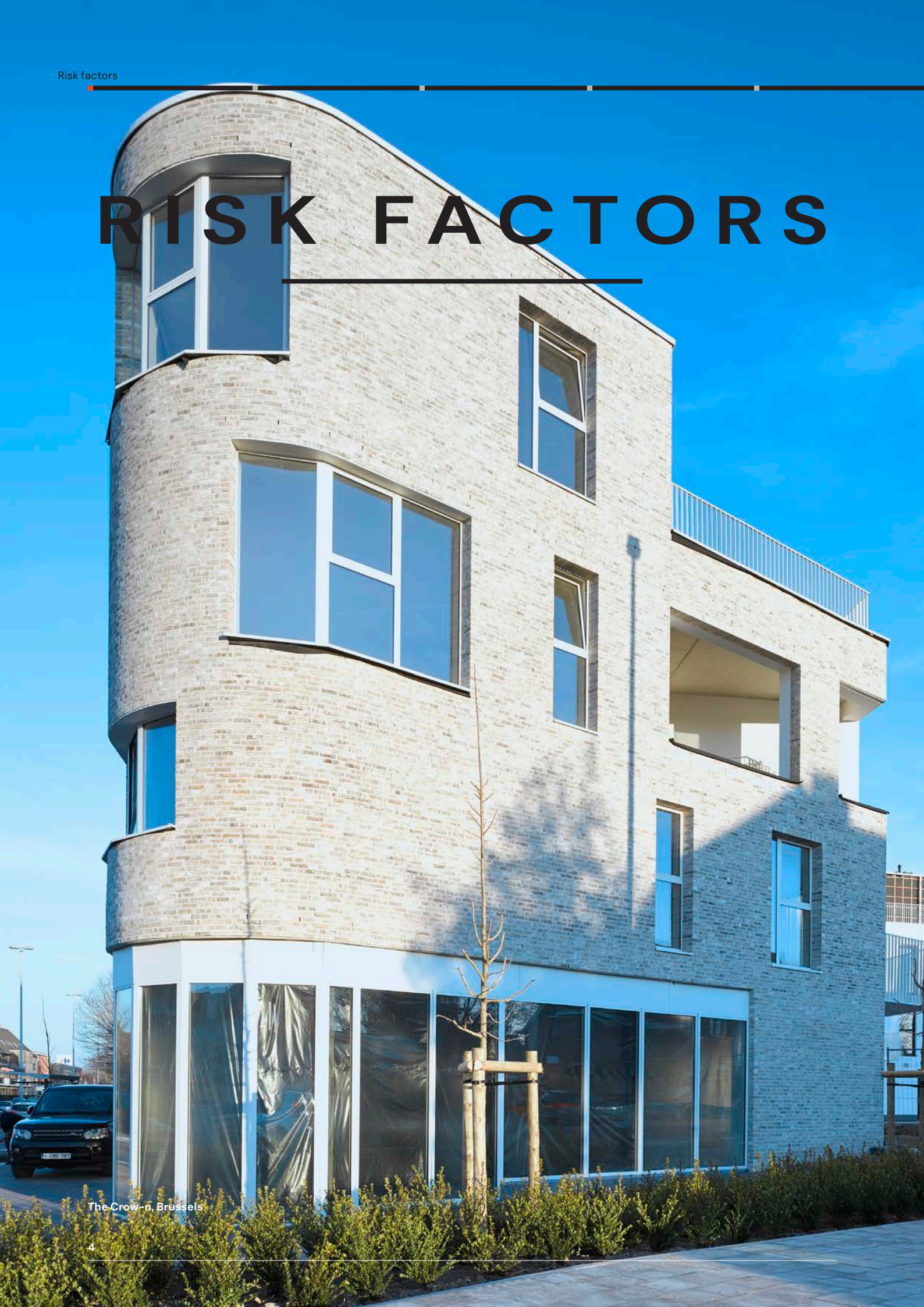


## CONTENTS

Risk factors .....	4
Overview .....	18
Management report .....	28
ESG vision .....	48
Real estate report .....	82
Home Invest Belgium on the stock exchange ..	110
Corporate Governance Statement .....	116
EPRA – Performance indicators .....	138
Financial statements .....	144
Permanent document .....	190



# RISK FACTORS





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# Proactive management

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*As a real estate investor, Home Invest Belgium operates in a constantly changing environment. This results in several potential risks. The occurrence of these risks could have an adverse effect on the company, its business, outlook, financial situation or results.*

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Home Invest Belgium regularly assesses the company's exposure to the below-mentioned risks within the context of its general management, its investment and divestment decisions, its funding sources and the actions that need to be taken to prevent these risks occurring and/or at least to limit their impact should they occur.

The list is based on information known whilst this report was drawn up. Consequently, there may be other unknown or unlikely risks or risks which are not included. Risks which are not assumed to have the potential to adversely impact the company have not been included as well. This list may not, under any circumstances, be considered as exhaustive.

## RISK FACTORS

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Market risks .....	6
Risks related to the real estate portfolio .....	7
Risks related to tenants and leases .....	10
Risks related to regulations and the political situation .....	11
Financial risks .....	13
Risks related to the internal organisation .....	16
Risks related to climate change .....	17

# 1. MARKET RISKS

## 1.1. Inflation risk

### Description of the risk

A variation in inflation may lead to a variation in interest rates. In case of increases in inflation and in interest rates, there is a risk that the financial costs will increase faster than the increase in the rents. This could have an impact on the net result of the company.

### Risk mitigation

Home Invest Belgium has taken the following measures to mitigate this type of risk:

- the lease agreements provide for an indexation of the base rent (predominantly linked to the health index), in accordance with the applicable legislation;
- the company's hedging policy aimed on the one hand at being financed at fixed interest rates and on the other by entering into hedging contracts that convert the floating rate into a fixed rate (Interest Rate Swap agreements or IRS).

## 1.2. Concentration risk

### Description of the risk

In the event of a sudden default or departure of a major tenant, the turnover and the net result of the company could fall significantly.

### Risk mitigation

Given the particularities of residential real estate and the type of buildings in which Home Invest Belgium has invested, the concentration risk is spread over a large number of tenants. The portfolio comprises 2 tenants for which the annual rent exceeds €1.0 million as at 31 December 2023. The most important tenants are Center Parcs Netherlands with an annual contractual rent of € 3.2 million (8.9% of the total contractual rent) for a major property complex (Port Zélande) in The Netherlands, followed by Be-Apart with a total rent of € 2.2 million (6.0% of the total contractual rent) spread over 4 properties in Belgium (further details can be found in the Real Estate Report).

Home Invest Belgium is the holder of a building right relating to the buildings located in Louvain-La-Neuve. The fair value of these building rights represents 3.6% of the fair value of the investment properties available for rent.

The contractual rents on an annual basis amount to € 4.02 million and represent 11.2% of the total contractual rents of Home Invest Belgium. The building right expires on 7 June 2026. At that time, the lessor will have the option to (i) pay Home Invest Belgium the market value of the constructions, or (ii) renew the building right for a period of 49 years in the form of a long lease. There is thus a risk that, in case of non-renewal of the building right, Home Invest Belgium will lose the aforementioned contractual rents.

This concentration risk is also mitigated by the geographic diversification of the real estate portfolio.

## 1.3. Risk of the real estate market

### Description of the risk

Rents, vacancy rates and the valuation of the buildings are strongly influenced by the supply and demand on the market.

The main risks that may arise from this are:

- a decrease in rental income due to vacancy and re-letting costs;
- a decrease in rents and the value of the portfolio when new leases are concluded or when existing leases are extended;
- capital losses on any sales;
- a fall in the rental yield due to higher purchase prices.

### Risk mitigation

Home Invest Belgium anticipates these risks by pursuing a diversified investment policy in terms of geographical spread and type of real estate.

Home Invest Belgium also wants to continue to expand its portfolio so that the weight of each building in the portfolio is kept to a minimum, and the property management and operational margin improve through economies of scale. The diversification, portfolio growth and management of the group's portfolio, however, cannot completely exclude the above-mentioned risks.



## 1.4. Economic risk

### Description of the risk

The group's activities are affected by the general economic climate and are affected by economic cycles, as these affect both the tenants' available income (and therefore their capacity to meet their obligations), the demand for rental properties and the valuation of the real estate, as well as the availability and cost of the financing. A decline in the main macro-economic indicators could negatively affect Home Invest Belgium's activities and development prospects. In addition, there is a risk that co-contractors (service providers, banks providing credit and hedging, contractors, etc.) will default or go bankrupt.

### Risk mitigation

In order to limit these risks, Home Invest Belgium strives within the guidelines of its investment strategy to diversify its investments, both geographically and in function of various diversification themes (including typology of buildings, tenants, alternative applicability, etc, ...).

Despite the group's diversification efforts, a negative shift in key macroeconomic indicators or defaults of its various partners could still negatively impact the group's assets, activities, financial position and prospects.

## 2. RISKS RELATED TO THE REAL ESTATE PORTFOLIO

### 2.1. Incorrect choices as regards own-account investments or developments

#### Description of the risk

An error in the choice of investments or developments for own account could result in a mismatch with market demand, potentially with the following negative effects: (i) an increase in rental vacancies, (ii) a fall in rental income and the sale price of the property and consequently (iii) a decline in company revenue.

#### Risk mitigation

These following factors make it possible to mitigate this risk:

- each acquisition is subject to a strategic analysis, accompanied by a technical, legal, tax and accounting due diligence (audit);
- developments on the rental market are closely monitored and development projects are adjusted where necessary to better meet the needs of the market;
- internal and external valuation (by an independent expert) of each property to be acquired or developed;

- asset diversification:

- a maximum of 20% of the company's real estate portfolio may be invested in one property complex (RREC legislation);
- the board of directors has set limits for development projects for own account:
  - a maximum of 12.5% of the real estate portfolio may be invested in one development project;
  - a maximum of 25% of the real estate portfolio may be invested in development projects.

### 2.2. Risks related to mergers, contributions and demergers

#### Description of the risk

A significant number of properties in the Home Invest Belgium portfolio were acquired through mergers and demergers of companies or in the framework of acquisition of shares acquired in real estate companies. It is possible that hidden liabilities have been transferred to the company further to these transactions which cannot be recovered from the transferor or the vendor.

**Risk mitigation**

Home Invest Belgium has taken the usual precautions in the context of this type of transaction:

- a technical, legal, tax and accounting due diligence has been carried out for each transaction;
- the company endeavours to obtain the necessary contractual or financial guarantees from the transferor for hidden liabilities.

**2.3. Risk of obsolescence in the real estate portfolio****Description of the risk**

The obsolescence of the real estate portfolio can result in: (i) reduced commercial attractiveness on the rental and/or acquisition market, (ii) a negative impact on occupancy rates, (iii) an increase in the maintenance and renovation costs of the real estate portfolio, (iv) a fall in the fair value of the properties and consequently (v) a negative impact on the net result, net assets and debt ratio of the company.

**Risk mitigation**

Home Invest Belgium manages this risk through:

- maintaining and renovating its buildings regularly, and systematically replacing obsolete installations;
- the constant renovation of the real estate portfolio and investment in project developments for own account;
- sale of the buildings that no longer match the company's investment profile.

**2.4. Negative change in the fair value of buildings****Description of the risk**

The company is exposed to changes in the fair value of its portfolio, as they appear in the independent quarterly valuations.

A negative change in the fair value of the buildings will have an adverse effect on the company's net result, net assets and debt ratio.

**Risk mitigation**

This risk is mitigated by the following factors:

- Home Invest Belgium ensures that its real estate portfolio is regularly maintained and renovated to uphold or even increase its rental income and to facilitate new rentals or the sale of its assets;
- the sale of buildings that no longer match the company's investment profile.
- the company's investment strategy focuses on high-quality properties and development projects that generate immediate high returns and stable income;
- fluctuations in market values are absorbed because the portfolio is diversified, including geographically.

**2.5. Risk of destruction of buildings****Description of the risk**

There is a risk that buildings may be destroyed completely or partially, by fire, natural disaster, accident, terrorist attack, etc. In this case, there is a risk of a loss of rental income and hence a fall in the net results of the company, together with a fall in the net assets of the company and a rise in its debt ratio.

**Risk mitigation**

The risk that properties owned entirely by the RREC are destroyed by fire, explosion or other disasters is covered by appropriate insurance policies. These insure the reconstruction value (excluding land) and the vacancy while the building is being reconstructed. The policies are concluded by the company or, for properties that are owned in co-ownership, by the various co-ownership associations.

**2.6. Risk related to administrative permits****Description of the risk**

As part of its property development activities, Home Invest Belgium must obtain a number of administrative permits (urban, environmental and other permits) before commencing any development, renovation or conversion work. The processing of the permit applications by the competent administrative services can take a certain amount of time. This period of time cannot always be controlled.



Moreover, once issued these administrative permits may sometimes be subject to appeals or objections by third parties. This can lead to delays and additional costs or even the abandoning of projects for which study costs have been incurred, which can have an adverse effect on the business and the results of Home Invest Belgium.

### **Risk mitigation**

This risk is limited by (i) the integration into the feasibility studies of prudent time frames for obtaining permits, (ii) daily monitoring of these permit application files by the teams, and (iii) calling upon external advisers specialised in this field.

## **2.7. Risks related to the performance of works (poor project management)**

### **Description of the risk**

Poor management of a renovation or development project may have the following consequences: (i) an increase in the company's operating costs, (ii) a fall in the profitability of the project and (iii) a delay in the reception of the work or project and consequently a similar delay in the collection of rent for these buildings (which has a negative impact on the company's result).

### **Risk mitigation**

The technical management of the buildings and the coordination of the renovation and development works are undertaken by specialised internal teams who monitor the quality of the various sites.

The risk of poor management is also mitigated by the following elements:

- the limits set by the board of directors on own-account developments, see point 2.1 above;
- the assistance provided by consultants and specialised contractors;
- the staggering over time of development projects;
- taking out an 'all construction site risks' insurance policy to cover all the works in progress.

## **2.8. Risk of default by co-contracting parties (works contractors, etc.) other than tenants**

### **Description of the risk**

A default by or the bankruptcy of a contractor or a supplier with which the company has concluded an agreement can have an impact on the performance schedule and, in certain cases, on the budget for these works.

### **Risk mitigation**

Home Invest Belgium mitigates this risk by (i) a rigorous selection of specialised contractors, (ii) using a variety of contractors for a site as far as possible and (iii) requesting financial guarantees.

## **2.9. Risk of imbalance between supply and demand on the rental market**

### **Description of the risk**

Hundreds of new apartments are placed on the market every year. Most of these are sold to private investors who then offer them for rent. This creates a potential risk of surplus supply.

### **Risk mitigation**

Home Invest Belgium keeps a constant eye on the balance between supply and demand on the local rental markets of its investments. This parameter is also taken into account in its investment and divestment decisions.

## 3. RISKS RELATED TO TENANTS AND LEASES

*The entire turnover of Home Invest Belgium consists of rents generated by leasing properties to third parties (individuals, public authorities, retailers, companies, embassies and foreign delegations, retirement home operators and holiday centre operators).*

### 3.1. Risk of reduced solvency or insolvency of tenants

#### Description of the risk

Delays or defaults in the payment of rent may (i) have a negative impact on results, (ii) give rise to an unexpected vacancy and (iii) lead to unforeseen costs related to the conclusion of leases on less favourable terms or even the granting of rent-free periods.

#### Risk mitigation

Home Invest Belgium endeavours to limit this risk by taking the following measures:

- the company has a diversified investment policy in terms of both sectors and the type of tenants targeted, always in accordance with the relevant applicable legislation;
- the tenants are carefully selected on the basis of their financial strength (that is their ability to pay the rent due on a regular basis);
- each tenant is required to provide a bank guarantee which is in principle equal to two months' rent;
- rents are payable in advance and almost always on a monthly basis;
- provisions for charges and taxes are payable in advance;
- the company applies a rigorous procedure for monitoring outstanding payments.

If there is any doubt about the quality of a receivable, this is provisionally treated as a loss and is recorded as such in the results.

### 3.2. Vacancy risk

#### Description of the risk

Home Invest Belgium is exposed to the risk of loss of rent caused by the departure of tenants. This can adversely affect the results and lead to a fall in the fair value of the property, particularly in context of weak economic conditions, for the following reasons:

- the departure may involve unexpected costs (marketing, repair or renovation costs);
- the search for new tenants can take some time; during this period, the charges related to unrented properties are borne by the owner;
- the new tenants could negotiate a lower rent or a rent-free period;
- if a property stands vacant for a long period, this leads to a lower real estate portfolio occupancy rate, which may adversely affect the results.

#### Risk mitigation

Given the very large number of tenants and bearing in mind the demographic outlook in Belgium, and the fact that housing is an essential need, the risk that vacancies may increase substantially can be considered to be low.

The company adopts a proactive commercial policy to maintain a high occupancy rate. It is able to draw on its experience to gear its offer to the market demand.



### 3.3. Risk related to the rate of property turnover

#### Description of the risk

The normal duration of a lease depends mainly on the type of property rented and is usually as follows:

- 1 or 9 year(s) for principal residence leases;
- 3 to 12 months for furnished apartments;
- 9 years, renewable three times, for commercial leases;
- a minimum of 3 years for office space; and
- 9 to 27 years for residential care centres.

The lease agreements entered into by Home Invest Belgium with private individuals are on average shorter than leases for business properties. This more limited duration can consequently lead to a higher turnover than that recorded for business properties and thus higher management costs over the life of the property.

#### Risk mitigation

The RREC deals with this risk by (i) taking it into account in the preliminary profitability analyses and (ii) increasing the loyalty of individual tenants by providing highly qualified managers and property managers and calling upon external building management bodies or agents.

## 4. RISKS RELATED TO REGULATIONS AND THE POLITICAL SITUATION

### 4.1. Regulations

#### Description of the risk

The company is subject to an ever-larger number of increasingly complex laws and rules as well as to possible developments in their interpretation or application by the authorities or the courts. This is true, among other things, for the following areas: accounting, tax, environment, urban planning and government contracts.

The development of and non-compliance with the regulations exposes the company to the risk that it may be held liable or incur civil, criminal or administrative penalties, as well as the risk that permits are not granted or renewed. Such penalties could have a negative impact on the activity, the result, the profitability, the financial situation and/or the prospects of the company.

#### Risk mitigation

Home Invest Belgium has the necessary skills in house to ensure meticulous compliance with the regulations in force and anticipate developments in this legislation (regulatory monitoring). The advice of external consultants is also sought on a regular basis.

### 4.2. RREC status

#### Description of the risk

Since 2 September 2014, the company has been approved by the Financial Services and Markets Authority (FSMA) as a 'public regulated real estate company under Belgian law', abbreviated to 'public RREC' or 'public RREC under Belgian law. To maintain this status, the company is subject to the provisions of the Belgian act of 12 May 2014 and the Belgian royal decree of 13 July 2014 on regulated real estate companies (the 'RREC legislation'), as amended from time to time. These contain restrictions on (among other things) its activities, the debt ratio, the appropriation of the earnings, conflicts of interest and corporate governance.

Ensuring that these specific requirements are permanently met depends among other things on the ability of the company to successfully manage its assets, indebtedness and compliance with internal audit procedures. It could be that the company may not be able to meet these requirements in the event of a significant change of circumstances, (financial or otherwise).

As a public RREC, Home Invest Belgium is exposed to the risk of changes in RREC legislation, the consequences of which are difficult to estimate. There is also a risk that the supervisory authority (the FSMA) may impose penalties in the event of an infringement of the applicable rules, including the loss of accreditation as a public RREC. Loss of accreditation as a public RREC is generally considered in the company's credit agreements to be an event that renders the loans entered into by the company payable in advance. The loss of this status would also have a negative impact on the business, results, profitability, financial position and prospects of the company. In this case, the company would also lose the advantage of the special tax system applicable to public RRECs (see point 4.3.).

### Risk mitigation

The skills of the team members and compliance with strict internal control procedures enable Home Invest Belgium to successfully manage its assets and thus meet these specific requirements.

Moreover, on 8 April 2009 the company set up an audit committee, notwithstanding the exemption granted under Article 7:99 BCCA.

The company cannot overcome the risk of future changes in the legislation on RREC itself. It limits this risk by closely following the planned legislative changes locally (Belgium and the Netherlands) and by being an active member of various professional associations. An example of such is the membership of the non-profit organisation BE-REIT Association, one of whose objectives is to defend the interests of the RREC sector.

## 4.3. Tax status

### Description of the risk

As a residential public RREC, any profits generated in Belgium are subject to corporate income tax albeit only on a reduced basis. This consists of the non-admitted expenses, abnormal or gratuitous benefits received and unjustified remunerations and commissions. Company profits generated abroad are taxable in the country where they are made according to the law applicable there and are exempt from tax in Belgium. The net profits generated by Home Invest Belgium from its property investments in the Netherlands are therefore subject to corporation tax and exempt from tax in Belgium.

As a residential public RREC, Home Invest Belgium is thus subject to a particular tax system, some aspects of which present specific risks.

In the context of risk mitigation, this also takes the exit tax into account, which is due at the moment of merger by absorption of another real estate company on the latent capital gains and the tax free reserves. The exit tax is calculated in accordance with the provisions of Circular Ci.RH.423/567.729 of 23 December 2004, the interpretation or practical application of which may alter. The 'actual value' of a property, as referred to in this circular, is calculated after deduction of registration duties or VAT. This 'actual value' differs from (and may therefore be less than) the fair value of the property as stated in the company's IFRS financial statements.

This rate is 15% for mergers from 1 January 2020.

The risks related to regulations include the effects of measures taken or planned by the legislator, in particular as regards taxation.

The dividends are subject to a withholding tax of 30%.

### Risk mitigation

Home Invest Belgium carefully monitors the development of the various laws on this subject and is gradually adapting to changes in the regulations.

## 4.4. Urban planning and environmental regulations

### Description of the risk

A change in the urban planning and environmental regulations might (i) increase the costs incurred to maintain the buildings in operating condition, (ii) have an impact on the fair value of properties and therefore (iii) have a negative impact on the profitability of the company.

### Risk mitigation

Home Invest Belgium carefully monitors the development of the various laws on this subject and is gradually adapting to changes in the regulations.

#### 4.5. Risk related to a change in international accounting rules (IFRS)

##### Description of the risk

A change in international accounting rules (IFRS) can affect reporting, capital requirements and the use of financial products.

##### Risk mitigation

Home Invest Belgium manages this risk through (i) constant monitoring of developments in this area and assessment of their possible consequences and (ii) frequent discussions and contacts with the statutory auditor on this subject.

#### 4.6. Deflation risk

##### Description of the risk

In the event of deflation or a full or partial freeze on rents imposed by the government, growth in rental income could be curbed.

##### Risk mitigation

The current legislation on residential leases does not provide for the possibility of establishing a rent floor in the event of deflation.

## 5. FINANCIAL RISKS

#### 5.1. Debt ratio

##### Description of the risk

Under the law (RREC Royal Decree) Home Invest Belgium's debt ratio, may not exceed 65%. The company risks losing its RREC status if it were to exceed this 65% ratio.

Home Invest Belgium has concluded credit agreements and issued bond loans allowing a maximum consolidated debt of up to 60% and 65% for some.

##### Risk mitigation

Home Invest Belgium's debt ratio (within the meaning of the Belgian Royal Decree of 13 July 2014) is stated in section 3.3 of the management report. On 31 December 2023, it amounts to 50.02%. This section also states the additional theoretical debt capacity of Home Invest Belgium, taking into account the maximum permitted debt ratio for RRECs (65% of the total assets) or the bank covenants (60 % of total assets). The debt ratio is monitored every quarter and the evolution of the debt ratio is estimated during the approval procedure for each major investment project.

If the consolidated debt ratio exceeds 50%, a financial plan with an implementation schedule must be drawn up describing the measures that will be taken to prevent that ratio from going to exceed 65% (Article 24 of the Belgian Royal Decree of 13 July 2014).

Home Invest Belgium submitted the financial plan to the FSMA in March 2023, after the consolidated debt ratio had exceeded the 50% threshold. The statutory auditor has prepared a special report on the financial plan, confirming that he has verified the preparation of the plan (in particular with regard to its economic basis) and that the figures from that plan correspond to those of Home Invest Belgium's accounting.

#### 5.2. Liquidity risk

##### Description of the risk

The liquidity risk means that, at some point, Home Invest Belgium may no longer have the necessary liquid resources and no longer obtain the necessary financing to meet its current liabilities.

##### CREDIT LINES

There is a risk that the credit lines may not be extended. Moreover, credit margins may be increased when the credit lines are extended upon maturity.

In addition, there is a risk that financing contracts may be cancelled, terminated or reviewed due to the failure to fulfil obligations ('covenants') entered into under the terms of these financing agreements.

If Home Invest Belgium does not fulfil its obligations and, more generally, fails to comply with the terms of current financing contracts, it consequently runs the risk of mandatory early repayment of these loans.



### BOND ISSUE

As part of the diversification of its funding sources, on 18 June 2014 Home Invest Belgium issued a bond loan with a notional amount of € 40.0 million. This has an initial duration of ten years and matures on 18 June 2024. This bond will be refinanced by credit facilities.

### COMMERCIAL PAPER ISSUE (TREASURY NOTES)

As part of the diversification of its funding sources, Home Invest Belgium issued treasury notes ("billets de trésorerie"/"thesauriebewijzen") for a nominal value of € 11.0 million, with maturity dates in 2023.

It is possible that Home Invest Belgium may not be able to redeem the bonds or the treasury notes ("billets de trésorerie"/"thesauriebewijzen") at maturity. The contractual documentation for the bond issue and the issue of treasury notes ("billets de trésorerie"/"thesauriebewijzen") further stipulates that, in the event of a change of control of the company, bondholders or holders of treasury notes ("billets de trésorerie"/"thesauriebewijzen") can require advance repayment of the bonds issued by Home Invest Belgium.

### Risk mitigation

On 31 December 2023, Home Invest Belgium had € 378 million in financial debts, composed of:

- Bilateral credit lines drawn for an amount of € 278 million. The drawn bilateral credit lines were concluded with 7 different financial institutions with well-spread maturity dates until 2031. Home Invest Belgium has no maturity dates in 2024. The next maturity date is in 2025.
- Bond loans for an amount of € 49 million with maturities between 2028 and 2032.
- A € 40.00 million bond maturing in June 2024 for which long-term bank credit lines are already ready for refinancing;
- Short-term treasury notes (commercial paper) for an amount of € 11 million. Notwithstanding the short-term nature of the outstanding treasury notes, the outstanding amount is fully covered by available long-term credit lines (back-up lines).

For more information on the Home Invest Belgium financing structure, please refer to the 'Financial Statements' chapter of this report.

Bearing in mind the legal status of the RREC and given the nature of the properties in which Home Invest Belgium invests, the risk that the credit lines will not be renewed is limited.

Based on the current conditions and outlook, as far as Home Invest Belgium is aware, there are no elements that indicate that one or more of the commitments it has entered into may no longer be respected. This risk is considered to be theoretical as the company strives scrupulously to honour its obligations.

Furthermore, the liquidity risk of the RREC is limited by:

- the diversification of its funding sources;
- the diversification of credit lines with six major European financial institutions;
- the maintenance of a sustainable relationship with strong banking partners which benefit from a good financial rating;
- the maturity of the debt, as the average length of the company's financing amounts to 4.7 years;
- a regular analysis of the company's debt structure enabling it to negotiate refinancing in line with market conditions before its credit lines fall due.

### 5.3. Currency risk

The Home Invest Belgium real estate portfolio consists solely of properties located in Belgium and The Netherlands and all its lease agreements and credit lines are denominated in euros. Consequently, the company is not exposed to any currency risk.

### 5.4. Counterparty risk

#### Description of the risk

The conclusion of a credit or hedging instrument with a financial institution creates a counterparty risk should this institution default. This risk could lead to a lack of liquidity at this financial institution or even the loss of liquid assets deposited there.

#### Risk mitigation

Although this risk can be considered to be slight, the possibility that one or more of Home Invest Belgium's banking counterparties may default cannot be entirely ruled out. To limit this counterparty risk, Home Invest Belgium uses different leading banks in the market not only to spread the sources of its financing and interest rate hedging instruments up to a certain level, but also to keep a close eye on the value for money of the services provided. It should also be noted that the liquid assets available to the RREC are primarily used to reduce its debts and that Home Invest Belgium therefore never has large sums deposited on account.

## 5.5. Risk related to changes in interest rates

### Description of the risk

Short- and long-term interest rates on (international) financial markets can fluctuate sharply. Except for the bond issue, all Home Invest Belgium's financial debt is currently at floating rates (bilateral credit lines at the EURIBOR rate).

This allows Home Invest Belgium to take advantage of any favourable developments in interest rates, but implies the potential risk of increased financial costs should interest rates rise.

### Risk mitigation

To cover the risk of rising interest rates, Home Invest Belgium enters into interest rate hedging instruments for a part of its financial debts. This prudent policy can be explained as follows: a possible rise in nominal interest rates without a corresponding increase in inflation would have the effect of driving up real interest rates.

In that case, the increase in real interest rates would not be offset by the indexation of rental income. In addition, a time difference is always observed between the rise in nominal interest rates and indexation of rental income.

This is why the board of directors has set itself the target of maintaining its share of the financial liabilities at a variable interest rate (which is not hedged by hedging instruments) below 15% compared to the fair value of the real estate portfolio. The risk increase in interest rates is covered by interest rate swaps.

## 5.6. Risk of change in the fair value of hedging instruments

### Description of the risk

Any change in the interest curve affects the fair value of hedging instruments. Home Invest Belgium records negative changes in the fair value of interest rate hedging instruments if the current rates are lower than those used to calculate the IRS contracts.

These variations may lead to an increase in the financial charges and consequently impact the result, but they do not affect the cash position or the EPRA earnings.

### Risk mitigation

Note 25 to the Financial Statements provides an overview of the fair value of the hedging instruments. A rise or fall in interest rates would theoretically increase or decrease the market value of the financial hedging instruments.

At the end of the 2023 financial year, the fall in interest rates observed in the past few years had a positive impact of € 20.10 million (value that had to be paid to cancel the hedging on 31 December 2023) (see Note 25 to the 'Financial Statements').

## 5.7. Risk related to the liquidity of the share

### Description of the risk

It is difficult for shareholders to modify their position in Home Invest Belgium quickly upwards or downwards.

For the 2023 financial year, the total volume of Home Invest Belgium shares traded on the stock market amounted to 2,532,661 compared with 3,004,483 shares for the 2022 financial year.

### Risk mitigation

This risk is mitigated by the following elements:

- the RREC works actively on its external communication (press releases, meetings with financial analysts, participation in road shows) in order to improve its reputation among investors;
- a contract has been concluded with KBC Securities which serves as liquidity provider.

## 5.8. Risk related to the distribution of the dividend

### Description of the risk

Pursuant to Article 7:212 BCCA and the Belgian Royal Decree of 13 July 2014, the distribution of dividends may be limited. No distribution may be made when, at the balance sheet date of the previous financial year, the net assets as shown in the annual accounts are less or, as a result of such distribution, would become less than the amount of the paid-up capital or, if this amount is higher, the capital called up, plus any reserves not available for distribution in accordance with the law or the articles of association.

**Risk mitigation**

This risk is mitigated by the following elements:

- maintaining and increasing the company's profits;
- regularly transferring part of the profits recorded to the reserve.

For further information on the calculation in the context of Article 7:212 BCCA and the Belgian Royal Decree of 13 July 2014 and the remaining margin, please refer to the notes to the financial statements.

## 6. RISKS RELATED TO THE INTERNAL ORGANISATION

### 6.1. Reporting risk

#### Description of the risk

Failures in reporting could compromise the relevance of the information made available to the executive managers.

#### Risk mitigation

The company therefore applies an adequate internal and external reporting process with cascaded reviews at various levels, both internal (members of staff, executive management, audit committee and board of directors) and external (statutory auditor).

### 6.2. Risk related to information technology

#### Description of the risk

IT is a key tool for a company like Home Invest Belgium. The loss or non-availability of data could result in (i) a disruption in commercial activity (as the company is active primarily in the apartment building sector where tenant turnover is the highest), (ii) an interruption in investment activity and/or (iii) a disruption of the internal and external reporting process.

#### Risk mitigation

The management of the IT systems (hardware and software), access security and data continuity have been entrusted to an external service provider based on a "service agreement".

Since 2021, the ERP package Axxerion was replaced by the more efficient financial package Adfinity.

### 6.3. Risk related to team members

#### Description of the risk

The company is exposed to organisational risk to some extent in the event of the departure of certain members of the management team and key personnel. The unforeseen departure of certain staff members could have adverse consequences for the development of the company and result in additional management costs.

#### Risk mitigation

This risk is mitigated by the permanent monitoring of the internal organisation by the management and the board of directors. If Home Invest Belgium is confronted with a departure, it can outsource the function of the departing staff member and/or set in motion an emergency procedure to recruit a new staff member.



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## 7. RISKS RELATED TO CLIMATE CHANGE

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### Risk description

Climate change may bring warmer summers across the European continent, which may require modifications to buildings to keep indoor temperatures liveable (such as air conditioning, additional insulation, etc.) and humidity levels under control. This may lead to the need to completely rethink the way buildings are designed, with a greater focus on the (active and passive) cooling of buildings. In addition, climate change may lead to rising sea levels and extreme weather conditions that could damage buildings.

### Risk management

To mitigate these risks, maximum consideration is given to building cooling, environmental aspects and flood risks during project development and in the due diligence process of acquisitions.

# OVERVIEW



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# The highlights of the year

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*2023 was again a good year for Home Invest Belgium.  
The average occupancy increased to 98.5%.  
The like-for-like rental growth was 7.2%.*

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**+11,3%**

Increase of the net  
rental result

**+14,7%**

Increase of  
EPRA earnings

## OVERVIEW

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Letter to the shareholders .....	21
Key figures .....	23
Our course .....	24
Strategy .....	26





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# LETTER TO THE SHAREHOLDERS

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Home Invest Belgium achieved strong operational results in 2023.

Through our integrated approach, from investment over development and construction to rentals, management and sales, we are able to create value for the shareholder year after year, including in 2023. This approach also ensures the quality of the portfolio: more than half of our buildings are less than 10 years old, which is an excellent indicator of sustainability.

The majority of our portfolio, some 66.9%, is located in the Brussels–Capital Region. This Region continues to offer sufficient opportunities for expansion, not only because this is the largest tenant market in Belgium, but also because of increasing urbanisation and demographic growth in combination with a scarce supply of high–quality rental homes. We are also investing and developing in areas with an urban character and with a sufficiently large local rental market.

Our main achievements in 2023 were:

- Finalisation of the renovation of L'Angelot – in Namur: Home Invest Belgium completed the total renovation of L'Angelot in Namur, adding 51 high–quality and sustainable residential units to its portfolio. Given L'Angelot's good location and in accordance with its sustainability policy, Home Invest Belgium decided in 2019 not to sell the property, but to carry out a total renovation. The flats and studios have since been renovated with high–quality materials, equipped with all contemporary comfort and with attention to accessibility for people with reduced mobility. Great attention was also paid to energy efficiency. After the renovation, the building's primary energy consumption is 60% lower than before. Meanwhile, the flats and studios have all been rented out.
- Completion of the Niefhout residential project – Turnhout: The project was completed in June 2023. The project consists of 92 flats and a spacious public meeting space. This new construction project with energy label A is fully in line with Home Invest Belgium's ESG goals. The building is connected to a heat network, thus avoiding the use of fossil fuels. There are also solar panels and a green roof that ensures delayed and reduced discharge into the sewerage system. All flats have an energy label A with an average primary energy consumption of 32 kWh/m<sup>2</sup>/year.
- Capital increase in June 2023: Home Invest Belgium successfully placed 1 791 706 new shares corresponding to 10% of the existing shares at €14.90 per new share via a private placement with accelerated order book procedure. The issue price represents a 5.7% discount to the Home Invest Belgium share price after close of trading on 27 June 2023 (€15.80 per share). The offering raised gross proceeds of €27 million.

Given Home Invest Belgium's strong operating results, a distribution to shareholders of €1.12 per share will be proposed (compared to €1.10 for 2022) for financial year 2023, an increase for the 24th consecutive year.

The distribution to shareholders will consist of the combination of:

- a gross dividend of €1.01 per share (an increase of € 0.01 compared to €1.00 for FY 2022) that will be proposed to the annual general meeting on 7 May 2024.
- a € 0.11 per share reduction in shareholders' equity (an increase of € 0.01 compared to € 0.10 for 2022) that will require the decision of an extraordinary general meeting.

We can summarise the situation as follows:

- Debt ratio of 50.02% (RREC – Royal decree) and 48.83% (IFRS) at 31 December 2023.
- The financing cost in 2023 is 1.98%.
- Home Invest Belgium has € 125 million of freely available credit lines.
- No maturities of credit lines or bond loans in 2024 and the first half of 2025. The next maturities are in the second half of 2025. The ongoing development pipeline is fully funded.
- Lastly, the streamlining of the organization, initiated 5 years ago, is bearing fruit. The operating margin rose further to 73.0% in 2023 (compared to 71.8% in 2022).

All of this illustrates the strong operating results we delivered in 2023, which puts us in a good position at the start of 2024. Thanks to our quality portfolio, flexible organisation and unique know-how, we look to the future with full confidence.

We hope you enjoy reading this account of the events of 2023. On behalf of the board of directors and the entire team, we would like to thank you for the trust you have placed in us over the past year.



Preben Bruggeman  
**Effective leader**



Ingrid Quinet  
**Effective leader**

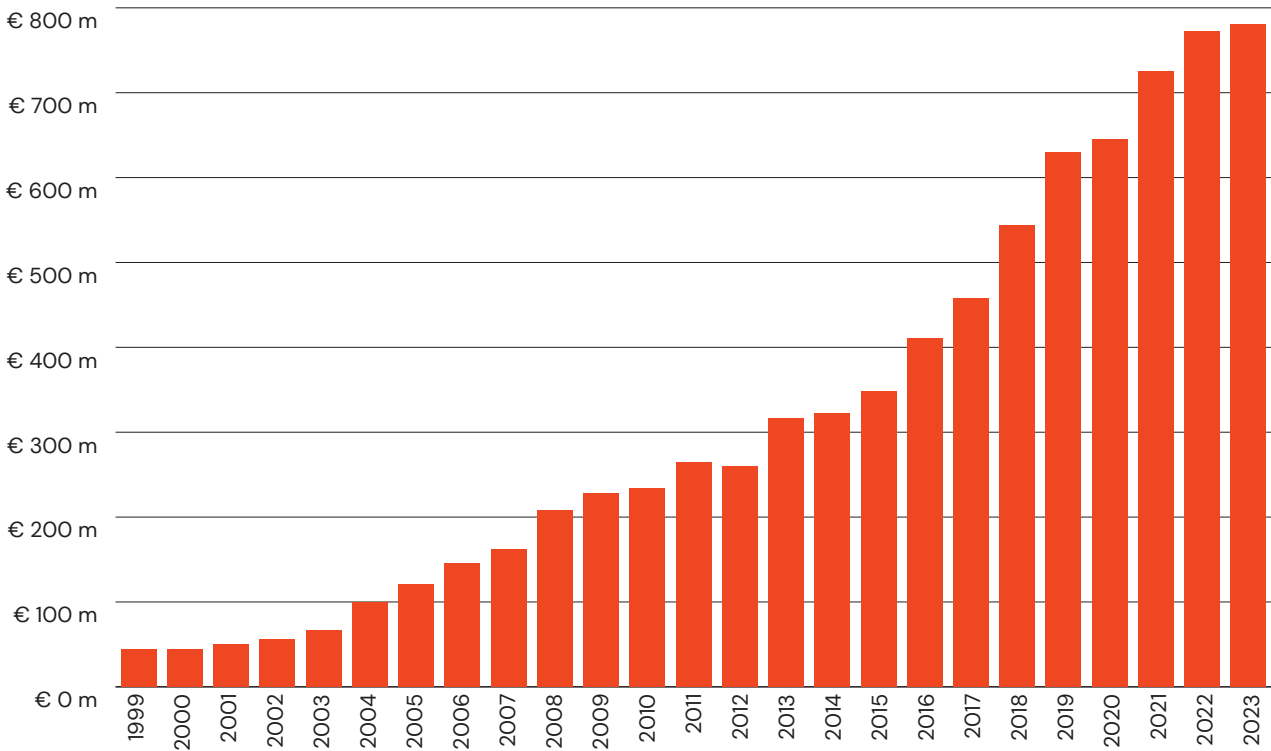


Liévin Van Overstraeten  
**Chairman of the board  
of directors**

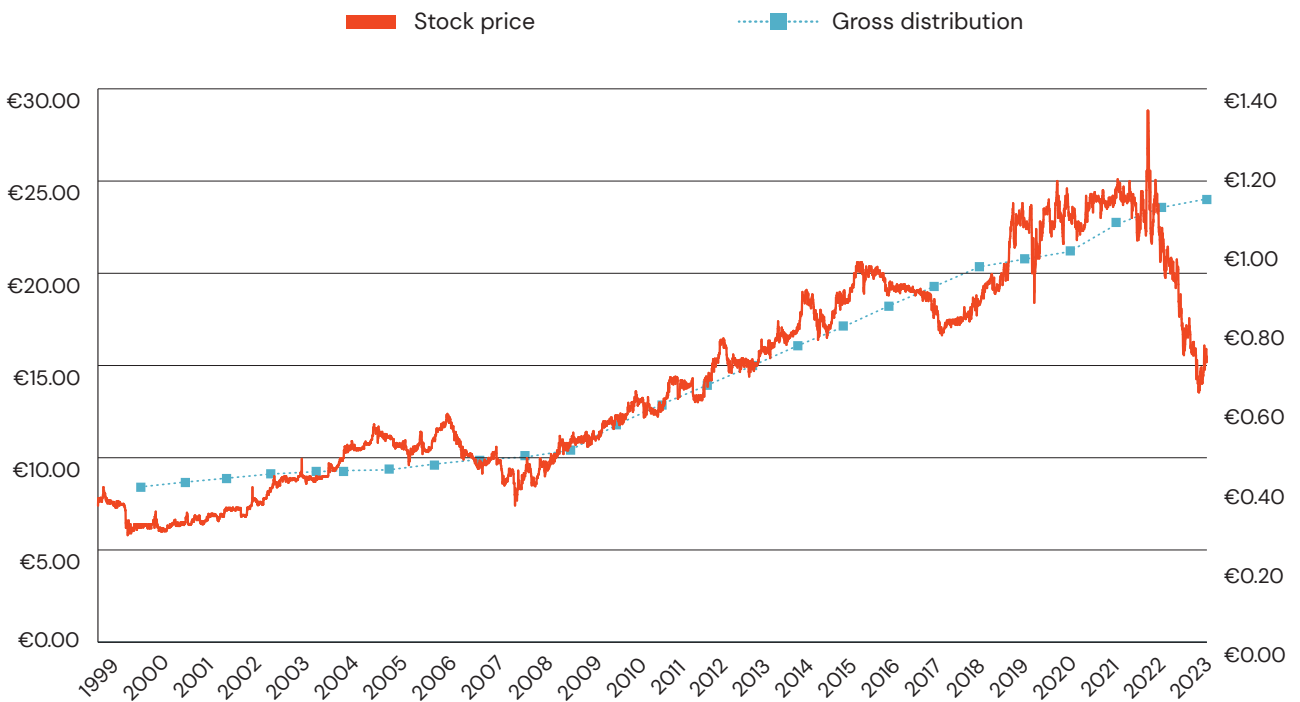


# KEY FIGURES

EVOLUTION OF THE FAIR VALUE OF THE REAL ESTATE PORTFOLIO (IN MILLION €)



EVOLUTION OF THE SHARE PRICE AND GROSS DISTRIBUTION



# OUR COURSE

## Significant events

### 1999

- Incorporation of Home Invest Belgium
- Approval as a real estate investment fund
- IPO Portfolio of 13 properties with a total value of € 41 million

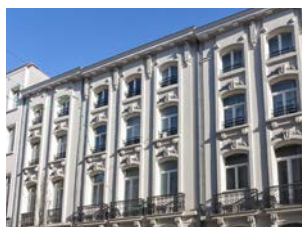


### 2001

Acquisition of the Résidence Clos Saint-Géry in Ghlin

### 2003

- Axa becomes a shareholder
- Contribution of the Clos de la Pépinière, Bosquet-Jourdan and Jourdan-Munt/Monnaie buildings in Brussels



### 2005

Acquisition of the Giotto building in Brussels



### 2009

Acquisition of Haverwerf in Mechelen, Les Érables in Brussels and City Gardens in Leuven

### 2011

Completion of the renovation of the City Gardens real estate complex in Leuven



### 2012

Contribution of the Odon Warland building in Brussels

### 2013

- Acquisition of a real estate complex in Louvain-la-Neuve
- Completion of the town house apartment building at rue Belliard, 21 in Brussels
- Acquisition of the developments projects The Horizon, Troon, The Link and The Inside in Brussels and of Koningin Astrid in Kraainem



### 2017

- Acquisition of the Jourdan 95 project in Saint-Gilles
- Consolidation of the position in Center Parcs Port Zélande in the Netherlands
- Acquisition of shares in company Investors NV
- Acquisition of the Liberty's building in Oudergem
- Acquisition of The Factory project and commencement of works

### 2018

- May: inauguration of The Pulse project in Molenbeek
- Acquisition of shares in Immobilière Meyers-Hennau, owner of a building in Laeken.
- Acquisition of 51.43% of the shares in Sunparks De Haan NV via a newly incorporated company (De Haan Vakantiehuisen), in which Home Invest Belgium holds 50% of the shares



### 2019

- April: completion of the project The Crow-n in Kraainem
- November: acquisition of BE-Real Estate, owner of 4 aparthotels in Brussels.
- November: acquisition of the Samberstraat project in Antwerp

### 2020

- May: acquisition of a building in rue Léon Théodor in Jette
- June: completion of the "Le Mosan" housing project in Liège
- August: opening of "The Factory" development project in Molenbeek
- December: acquisition of the "Niefhout" development project in Turnhout





## 2006

- Capital increase of € 31.6 million through the issue of new shares
- Acquisition of Florida buildings in Waterloo

## 2007

Acquisition of Erainn and Voisin buildings in Brussels



## 2008

- Acquisition of portfolio in Liège
- Van Overstraeten group becomes a shareholder
- Contribution towards the Sippelberg, Lambermont and Baeck buildings in Brussels

## 2014

- Approval as a Regulated Real Estate Company (RREC)
- € 39.8 million bond issue
- Acquisition of La Résidence property in Brussels



## 2015

- Completion of the Tron and The Link buildings
- Acquisition of the Livingstone building in Brussels
- Agreement for the acquisition of the Brunfaut renovation project in Brussels
- Renovation of the Clos Saint-Géry houses in Ghlin and the Charles Woeste and ArchView buildings in Brussels

## 2016

- Completion of The Horizon building in Brussels
- Acquisition of The Pulse project in Molenbeek and start of work
- Acquisition of the Scheldevleugel building in Oudenaarde
- Initial investment in the Netherlands through the acquisition of holiday homes in Ouddorp (Port Zélande)



## 2021

- June: delivery of the project "The Felicity" in Laeken
- October: purchase of an office building in Antwerp – Ankerrui 9
- November: purchase of a building plot in Anderlecht in the "City Dox" project and initial purchase of a residential project in Oss, the Netherlands (Verdijkstraat 81-87).

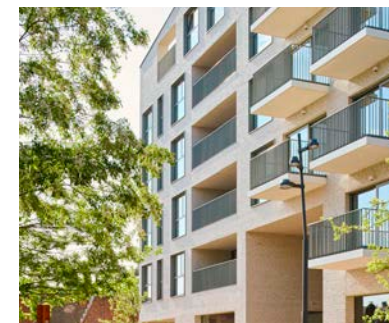


## 2022

- March: completion of The Fairview project
- June: delivery of RQE residence in the European district of Brussels
- October: purchase of a shell building "Block D" in the new Quartier Bleu district in Hasselt

## 2023

- June: finalisation of the renovation of L'Angelot in Namur
- June: completion of Niefhout residential project in Turnhout
- June: capital increase - 1 791 706 new shares





# STRATEGY

Home Invest Belgium is the market leader in the development and management of affordable rental properties in the Belgian market. We can guarantee our tenants stability, quality and professionalism with over 2.500 units in our ever-expanding portfolio.

It is more than just a place to live, and we provide our tenants with a place to build their lives in properties that shape vibrant communities. It is our explicit ambition to be the “landlord of choice” for tenants, with a solution for their housing needs throughout various stages in life and lifestyles.

We want to make it possible for our shareholders to invest in real estate in a safe, trouble-free and sustainably profitable manner thanks to our listing on the stock exchange.

The company exercises its activities in compliance with the legal framework applicable to Regulated real estate companies (RREC). The main features of these companies can be summarised as follows:

- barring exceptional circumstances, a maximum of 20% of the total value of the real estate portfolio may be invested in a single property complex;
- the debt ratio is limited to 65% of total assets;
- the dividend paid out must correspond at least to the positive difference between 80% of the adjusted result and the net debt reduction of the RREC during the financial year in question, which is subject to Article 7:212 BCCA and the relevant provisions under the RREC Act.

## Investments

### PRIORITY TO QUALITY AND CAPITAL GAIN POTENTIAL

In the common interest of its tenants and its shareholders, Home Invest Belgium targets high-quality residential properties that are able to generate high returns (measured on the basis of net rental income) with sufficient potential to create value (reflected in the development of the fair value), particularly through the use of its team’s specialised real estate knowledge. Each building is subjected to technical, legal, financial and tax due diligence tests. In addition, each building is assessed on the basis of its intrinsic properties such as location, accessibility, immediate surroundings and energy performance.

Home Invest Belgium strives to anticipate demographic developments and social trends, both in general and specifically for the residential property market.

Brussels and the other major Belgian cities remain the historic markets of Home Invest Belgium. The company also invested in the Netherlands.

## Development

### PRIORITY TO SUSTAINABILITY AND INNOVATION

To promote the growth and rejuvenation of its real estate portfolio, Home Invest Belgium pays particular attention to seeking opportunities to acquire sizeable project developments for its own account. This may involve office building conversion projects or the transformation of industrial sites into residential property.

Home Invest Belgium applies very demanding quality and sustainability criteria to its projects. The company closely follows demographic changes and trends in the residential market, such as the decline in the size of dwellings, the emergence of shared space, the demand for the provision of services in buildings and environmental concerns. The company also develops new housing concepts which add depth to the idea of ‘life in the city’.

Such development projects have the following advantages:

- better control of the product, bearing in mind its suitability for the rental market and its technical, commercial and environmental qualities;
- the possibility of finding major assets more easily, avoiding competition from unit-by-unit sales by project developers and investors;
- a higher initial return owing to the lack of margin to be paid to a third project developer.

Home Invest Belgium takes care of the development and implementation of these projects itself. Given the positive experience gained from on-going projects, the board of directors has confirmed project development activity as a major growth area for the company in the years to come.

The company aims to achieve strong annual growth in its real estate portfolio, partly as a result of its own development projects.

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The project developments for own account is subject to the following limitations:

- neither the RREC nor any of its subsidiaries may operate as a real estate developer, except for occasional transactions (Article 41 of the RREC Act);
- the total costs of the development projects may not exceed 25% of the total value of the real estate portfolio (including projects). Project costs should be understood to mean the total costs (acquisition, work, fees, taxes, financial costs) for buildings for which the necessary permits have been obtained, and the acquisition price plus the study costs for projects for which no permits have yet been issued (objective of the board of directors);
- the total cost price of one development project may not exceed 12.5% of the total value of the real estate portfolio (projects included) (objective of the board of directors).



# MANAGEMENT REPORT







# The specialist in residential real estate

*Creating added value by optimisation, rejuvenation and expansion of a high-quality and profitable real estate portfolio.*

## MANAGEMENT REPORT

Significant events during the financial year 2023 .....	30
Summary of the consolidated annual accounts for the financial year ending 31/12/2023 .....	39
Other elements in the management report .....	45
Perspectives .....	46



# SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR 2023

## Rental activities

Home Invest Belgium saw another strong residential rental market in 2023 with high demand for quality homes. This resulted in high occupancy rates. The average occupancy rate<sup>1</sup> of the investment

properties available for rent increased to 98.5% in 2023 (compared to 98.1% in 2022). The lfl (like-for-like) rental growth rate was 7.2% in 2023.



<sup>1</sup> The average occupancy rate represents the average percentage, determined over a given period, of the contractual rents of the rented spaces over the sum of the contractual rents of the rented spaces plus the estimated rental value of the unrented spaces. The occupancy rate is calculated excluding (i) properties under renovation, (ii) properties being marketed for the first time and (iii) properties for sale.

# Renovation and development projects

## Completion of L'Angelot – Namur – Belgium

In June 2023 Home Invest completed the total renovation of L'Angelot in Namur, adding 51 high-quality and sustainable residential units to its portfolio.

L'Angelot is a historic corner building located in the heart of Namur, near the Belfry and Place de l'Ange. It has been part of Home Invest Belgium's property portfolio since its creation in 1999. The property consists of a commercial plinth composed of several shops and apartments and studios above. Given its good location and out of its sustainability policy, Home Invest Belgium decided in 2019 not to sell the property, but to totally renovate it. The apartments and studios have since been renovated with high-quality materials, equipped with all contemporary comforts and with attention to accessibility for people with reduced mobility.

Great attention was also paid to energy efficiency. After the renovation, the building's primary energy consumption is 60% lower than before.

The apartments and studios are fully let.

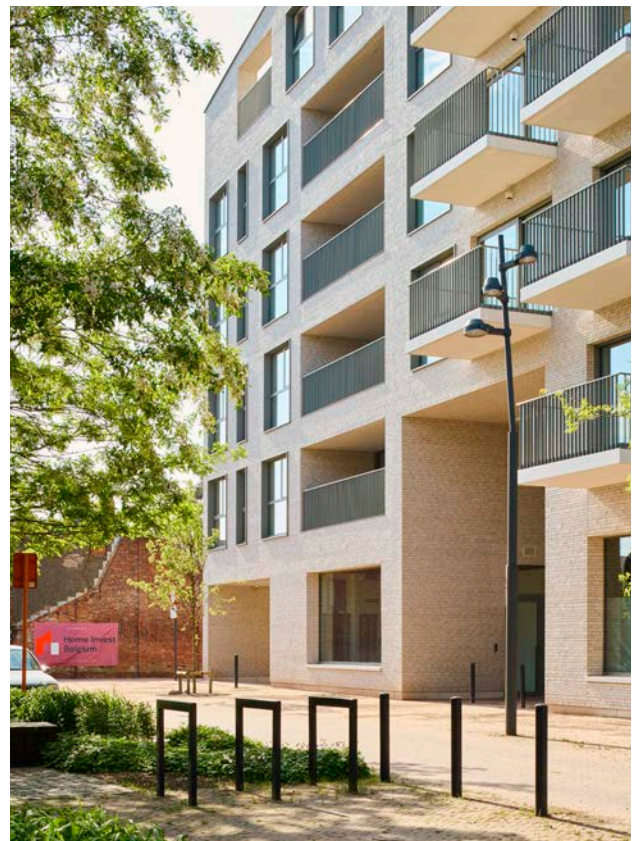


## Completion of the Niefhout project – Turnhout – Belgium

In June 2023, Home Invest Belgium completed the Niefhout residential project in Turnhout. The project consists of 92 apartments and a spacious public meeting area. This new construction project with energy label A is fully in line with Home Invest Belgium's ESG objectives.

In December 2020, Home Invest Belgium acquired, in partnership with ION, a new-build project that is part of a large-scale project in the centre of Turnhout. The project was delivered in June 2023.

The new building has a total area of 6,925 m<sup>2</sup>, including 6,339 m<sup>2</sup> of apartments, 311 m<sup>2</sup> of communal space and a 275 m<sup>2</sup> commercial space. The residential part consists of 92 apartments including 10 studios, 69 one-bedroom apartments, 9 two-bedroom apartments and 4 three-bedroom apartments.





The apartments feature spacious terraces and large windows for maximum light. In addition, the Niefhout residential project features a communal courtyard, a pleasant garden, a yoga room, 47 underground parking spaces, charging stations for electric cars, an enclosed underground bicycle parking and a bicycle lift to get to the ground floor.

The project is located in a car-free environment and is surrounded by 20,000 m<sup>2</sup> of public open space and nature, ensuring peace and well-being for our tenants. Niefhout is also within walking distance of the centre of Turnhout and the Nieuwe Kaai.

This building fits in perfectly with Home Invest Belgium's sustainability policy. The building is connected to a heat network, thus avoiding the use of fossil fuels. There are also solar panels and a green roof that ensures delayed and reduced discharge into the sewer system. All flats have an energy label A with an average primary energy consumption of 32 kWh/m<sup>2</sup>/year.

The building is fully let.

### Termination of acquisition Key West (Building A) – Anderlecht – Belgium

In June 2021, Home Invest Belgium reached an agreement with Immobel and BPI Real Estate, the developers of the Key West project, for the acquisition of Building A, subject to several conditions precedent including obtaining a definitively executable building permit and environmental permit by an agreed deadline.

The agreed conditions precedent were not met in time, as a result of which Home Invest Belgium decided not to acquire the project in July 2023

### Progress Jourdan 95 – Saint-Gilles (Brussels) – Belgium

The Jourdan 95 project concerns the redevelopment of an existing office building into 46 apartments and 61 parking spaces located at Rue Jourdan 95, 1060 Saint-Gilles.

After the demolition works have been completed, the structural works are in their final phase and techniques and finishing have already been started.

Completion of the project is expected by Q4 2024.



### Progress City Dox (Lot 4) – Anderlecht (Brussels) – Belgium

In November 2021, Home Invest Belgium purchased from Atenor building lot LOT 4 of the CITY DOX project in Anderlecht.

Ideally located just off the Vaartdijk in Anderlecht, LOT 4 is part of the large-scale CITY DOX project along the Brussels-Charleroi canal. LOT 4 will be developed into 163 residential units and 2,700 m<sup>2</sup> of space for production.

The structural work is in progress, but the project has been delayed due to additional stability studies. These have since been completed and the works are back in progress.

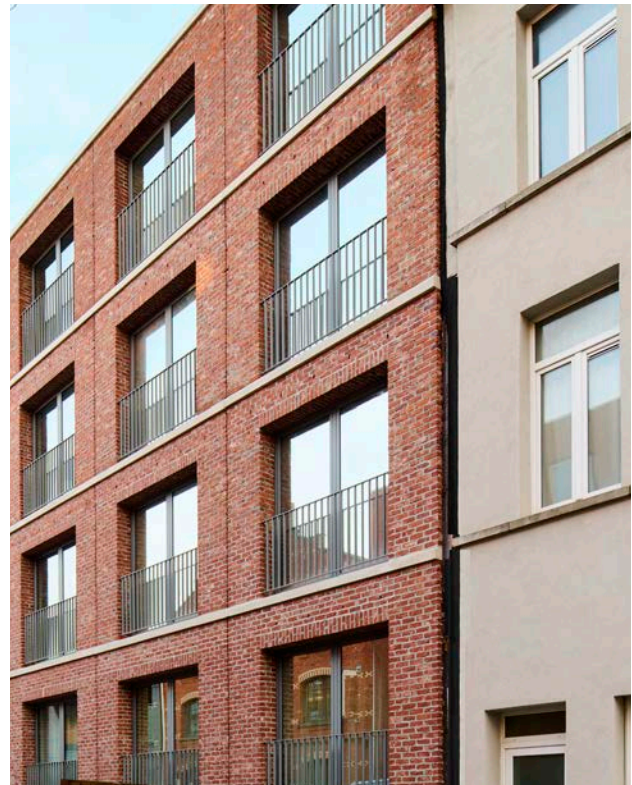
Completion is expected by Q2 2025.



### Progress Samberstraat 8-12 – Antwerp – Belgium

The Samberstraat project in Antwerp consists of the construction of 37 apartments, 1 office space, 38 parking spaces and 88 bike sheds.

The project was completed in February 2024.



### Progress Quartier Bleu (Block D) – Hasselt – Belgium

In December 2022, Home Invest Belgium bought the shell building 'Block D' in the new Quartier Bleu neighbourhood on the Kanaalkom in Hasselt from Matexi.

Block D provides space for 37 residential units and has a communal roof garden.

It is a closed shell building whose finishing is in progress and delivery is scheduled for Q1 2024.



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## Sales

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In 2023, Home Invest Belgium realised a limited number of sales for a net sale price totalling € 0.16 million. On these sales, a net capital gain of € 0.03 million was realised compared to the last fair value and a distributable capital gain of € 0.06 million compared to the acquisition value (plus capitalised investments).

The realised capital gains compared to the acquisition value (plus capitalised investments) contribute positively to the company's distributable result, which forms the basis for the payment of the dividend.

## Energy efficiency of the housing portfolio

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The housing units in the property portfolio have an average primary energy consumption of 121 kWh/m<sup>2</sup>/year on 31 December 2023.

Home Invest Belgium's ambition is to further reduce the average primary energy consumption of the residential portfolio to <100 kWh/m<sup>2</sup>/year by 31 December 2026.

In comparison, the average energy consumption of the residential market is 294 kWh/m<sup>2</sup>/year in the Brussels Capital Region. Only 17% of the market is below 150 kWh/m<sup>2</sup>/year; only 6% of the market is below 95 kWh/m<sup>2</sup>/year.<sup>2</sup>

## ABB – Strengthening of equity by € 26.70 million

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On 3 July 2023, the company issued 1.791.706 new shares as part of a capital increase by accelerated book building (ABB). The gross proceeds of the transaction amounted to € 26.70 million. The issue price was € 14.90, representing a discount of 5.7% to Home Invest Belgium's closing price on the evening before the launch of the offer.

<sup>2</sup> Source: Bruxelles Environnement, «Certification PEB des habitations individuelles» (data 2021).



# Corporate governance

## Composition of the board of directors

### End of the mandate of Eric Spiessens

The mandate as Vice-Chairman and independent director of Mr Eric Spiessens ended at the general meeting of the company held on 2 May 2023.

### Appointments and reappointments of directors

The general meeting on 2 May 2023 approved the following appointments and reappointments:

- (i) appointment of Mr Christophe Mignot as a non-executive director, for a term of 4 years starting from the end of the general meeting to end at the end of the ordinary general meeting of 2027;
- (ii) renewal of the non-executive directorships of Mr Arousseau Wim and Mr Johan Van Overstraeten, for a term of 4 years commencing at the end of the general meeting to end at the end of the ordinary general meeting of 2027;
- (iii) renewal of the mandates of independent directors of Ms Hélène Bostoën, Ms Suzy Denys, Ms Christel Gijsbrechts and Mr Philip De Greve, for a term of 4 years commencing after the end of the general meeting to end after the ordinary general meeting of 2027.

Mr Philip De Greve was appointed as Vice-Chairman of the Board of Directors with effect from 19 April 2023.

## Composition of the committees

Mr Philip De Greve was appointed by the board of directors as a member of the audit committee with effect from 19 April 2023. The audit committee appointed Philip De Greve as Chairman of the audit committee.

Ms Christel Gijsbrechts was appointed by the board of directors as a member of the nomination and remuneration committee.

## Changes within the management of Home Invest Belgium

Home Invest Belgium and Mr. Sven Janssens, Chief Executive Officer, have decided by common consent to end their collaboration, which will terminate his mandate as (managing) director and also effective leader of HIB on 12 April 2023, after successful completion of his mission.

The process of selecting a new CEO has been initiated.

The daily management and effective leadership of the company will be handled temporarily, until the appointment of a new CEO, by:

- Mr Preben Bruggeman, Chief Financial Officer, and
- Ms Ingrid Quinet, Chief Legal Officer.

Ms Ingrid Quinet was appointed effective leader on 9 March 2023.

## Conflicts of interest

During the year 2023, the procedure outlined in Article 7:96 and 7:97 of the Belgian Code on companies and associations was utilized in one meeting. On 26 June 2023, the board of directors applied this procedure in the context of the capital increase of 3 July 2023.<sup>3</sup>

### Extract from the minutes of 26 June 2023 at 17h15:

#### "PRELIMINARY STATEMENT

Liévin Van Overstraeten and Johan Van Overstraeten declare that they have an interest of a patrimonial nature that may be in conflict with that of the Company in the treatment of agenda items 1 to 3. These agenda items concern, on the one hand, the results of the market sounding and, on the other hand, the Transaction Documentation in the context of the Capital Increase (both terms as defined below) discussed and approved. Stavos Real Estate BV has irrevocably and unconditionally committed itself to subscribe to the Capital Increase for at least its pro rata share of its current shareholding in the Company at the final issue price of the new shares (the Pre-commitment), as determined by the Board of Directors (or, as the case may be, by the Board of Directors' specially authorized directors and/or members of the executive management) in consultation with the Joint Global Coordinators, taking into account various parameters, including, among other things, the results of the Capital Increase and the stock price of the Company's shares. In this regard, the Board of Directors also takes into account, in accordance with Article 48, paragraph 1 of the Act of 12 May 2014 on regulated real estate investment companies (the REIT-Act), the valuation of the assets held by the Company (and its perimeter companies).

<sup>3</sup> Press release 28 June 2023: [https://corporate.homeinvest.be/media/2fie324i/20230628\\_launch-press-release-eng.pdf](https://corporate.homeinvest.be/media/2fie324i/20230628_launch-press-release-eng.pdf).

Stavos Real Estate BV has made the Pre-commitment dependent on obtaining the Company's commitment to allocate 28.2% of the new shares guaranteed to it in the ABB, limited to its pro rata share of its current shareholding (the Pre-Allocation). Both Liévin Van Overstraeten and Johan Van Overstraeten, ultimate shareholders of the Van Overstraeten Group (Stavos Real Estate BV, Van Overstraeten Patrimoniumbeheer BV, and misters Hans Van Overstraeten, Johan Van Overstraeten, Bart Van Overstraeten, and Liévin Van Overstraeten), as well as directors of the Company, may therefore have a patrimonial conflict of interest within the meaning of Article 7:96 of the Belgian Code on companies and associations.

In accordance with Article 7:96 BCCA, the directors concerned cannot participate in the deliberation or decision-making process, and these minutes must contain the following information: nature of the transactions, justification of the decisions taken, and the patrimonial consequences of the transactions for the Company. These mentions are included above and below.

#### **The nature of the transaction**

The Company wishes to carry out a capital increase in cash by issuing up to 1,791,706 new shares within the authorized capital, with the lifting of the statutory preferential right (partly in favor of the current reference shareholders of the Company, Stavos Real Estate BV and AXA Belgium NV) and without the allocation of an irreducible allocation right to the existing shareholders of the Company (the Capital Increase).

#### **The justification of the decisions taken**

The Pre-commitment underlying the Pre-Allocation provides the Company with the assurance that (if it chooses to carry out the Capital Increase), 28.2% of the new shares offered in the Offering will be subscribed to at the final issue price. In addition, Stavos Real Estate BV, a company of the Van Overstraeten Group and a historical reference shareholder of the Company, shows once again its confidence in the Company and its future prospects with its Pre-commitment.

The Board of Directors believes that this will support the success and pricing of the Offering. The Board of Directors wishes to grant the allocation of the Pre-Allocation and the resulting lifting of the statutory preferential right of (and without the allocation of an irreducible allocation right to) the existing shareholders partly in favor of Stavos Real Estate BV and AXA Belgium NV (and in the extension of the Pre-Allocation, the determination of the issue price)

in particular in view of the following circumstances: (i) the Pre-commitment underlying the Pre-Allocation will support the success and pricing of the Capital Increase, (ii) the Pre-commitment underlying the Pre-Allocation provides the Company with the assurance that (if it chooses to carry out the Capital Increase), respectively 28.2% and 17.4% of the new shares will be subscribed to at the final issue price, and (iii) Stavos Real Estate BV, with its Pre-commitment, once again shows its confidence in the Company and its future prospects. It does not result in any additional financial dilution, as Stavos Real Estate BV has committed itself to subscribe to new shares at the final issue price in the context of the Pre-commitment.

The main objective of the Capital Increase is to achieve a balanced financing structure and to allow the Company to acquire new financial resources and strengthen its equity so that it can continue to pursue its growth strategy and strengthen its balance sheet by reducing its debt ratio.

The Company intends to use the net proceeds of the Capital Increase, if applicable in combination with credit financing, to finance its investment pipeline and further growth.

The Pre-commitment of Stavos Real Estate BV once again shows confidence in the Company and its future prospects. The Board believes that this will support the success and pricing of the Capital Increase.

#### **The patrimonial consequences of the transactions for the Company**

If the Capital Increase is not achieved or only for an amount lower than the maximum amount determined by the Board of Directors, the Company may have to resort to other forms of financing to finance its investment pipeline and further growth, which may have an increasing impact on the Company's debt ratio. Even if the Capital Increase is achieved for an amount lower than the maximum amount determined by the Board of Directors, Stavos Real Estate BV will still honor the Pre-commitment (the same applies to AXA Belgium NV with respect to its subscription commitment). Stavos Real Estate BV has made the Pre-commitment dependent on the allocation of the Pre-Allocation by the Board of Directors (the same applies to AXA Belgium NV with respect to its subscription commitment). As a result, the Company will already realize respectively 28.2% and 17.4% of the Capital Increase.

The Company's statutory auditor is informed of this conflict of interest.

Any other director present or represented declares individually that they do not have a conflict of interest within the meaning of Article 7:96 BCCA, Article 7:97 BCCA, or within the meaning of Article 37 of the Act

of 12 May 2014 on regulated real estate investment companies in connection with the decisions or transactions described in the agenda.”

## Statements

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### **Financing and liquidity stance**

The company has a balanced financing structure and a strong liquidity position. The debt ratio amounted to 50.02% (RREC Royal Decree) and 48.83% (IFRS) on 31 December 2023. The company has € 125 million worth of freely available credit lines. The company has no maturity dates for credit lines or bond loans in 2024. The next maturity dates are in the second half of 2025.

### **Rental activities**

The occupancy rate increased to 98.5% in 2023 (compared to 98.1% in 2022). At 31 December 2023, the investment properties available for rent consist of 90.1% of residential properties, of which the "tourism" segment represents 7.2% from. The "offices" and "commercial" segments represent 5.1% and 4.8% of the investment properties available for rent. 66.9% are located in the Brussels Capital Region, 10.5% in the Walloon Region, 13.3% in the Flemish Region and 9.3% in the Netherlands.

# SUMMARY OF THE CONSOLIDATED ANNUAL ACCOUNTS FOR THE FINANCIAL YEAR ENDING 31/12/2023

## Consolidated key figures

CONSOLIDATED RESULT (in k €)	FY2023	FY2022
NET RENTAL RESULT	34,596	31,074
OPERATING RESULT BEFORE PORTFOLIO RESULT	25,253	22,320
OPERATING MARGIN <sup>4</sup>	73.0 %	71.8 %
XVI. Result on the sale of investment properties	28	-15
XVIII. Changes in fair value of investment properties	-23,793	4,894
XIX. Other portfolio result	363	-952
PORTFOLIO RESULT	-23,401	3,927
OPERATING RESULT	1,852	26,248
XX. Financial income	95	70
XXI. Net interest charges	-5,121	-5,110
XXII. Other financial charges	-96	-94
XXIII. Changes in fair value of financial assets and liabilities	-11,330	32,323
FINANCIAL RESULT	-16,452	27,189
XXIV. Share in the result of associated companies and joint ventures	654	4,049
TAXES	-335	-256
NET RESULT	-14,281	57,230
Exclusion of portfolio result	+23,401	-3,927
Exclusion of changes in fair value of financial assets and liabilities	+11,330	-32,323
Exclusion of non-EPRA elements in the share in the result of associated companies and joint ventures	+730	-2,508
EPRA EARNINGS <sup>5</sup>	21,181	18,471
Average number of shares <sup>6</sup>	18,701,976	17,106,685
NET RESULT PER SHARE (in €)	-0.76	3.35
EPRA EARNINGS PER SHARE (in €)	1.13	1.08

<sup>4</sup> Operating margin = (Operating result before the result on the portfolio)/(net rental result).

<sup>5</sup> The EPRA earnings are the net result excluding (i) the portfolio result, (ii) any changes in the fair value of financial assets and liabilities and (iii) the non-EPRA elements of the share in the result of associated companies and joint ventures. This term is used in accordance with EPRA's Best Practices Recommendations.

<sup>6</sup> The average number of shares was calculated excluding the 93,688 treasury shares held by the company.



<b>BALANCE SHEET</b>	<b>31/12/2023</b>	<b>31/12/2022</b>
Shareholders equity (attributable to shareholders of parent company)	417.761	410.064
Total assets	807.808	812.362
<b>Debt ratio (RREC RD)<sup>7</sup></b>	<b>50,02 %</b>	<b>51,95 %</b>
<b>Debt ratio (IFRS)<sup>8</sup></b>	<b>48,83 %</b>	<b>50,77 %</b>
<b>PER SHARE</b>	<b>31/12/2023</b>	<b>31/12/2022</b>
Number of shares at end of period <sup>9</sup>	19.615.078	17.785.785
Stock price on closing date	15,50	21,80
<b>IFRS NAV per share<sup>10</sup></b>	<b>21,30</b>	<b>23,06</b>
Premium compared to IFRS NAV (on closing date)	-27,2 %	-5,5 %
<b>EPRA NTA per share<sup>11</sup></b>	<b>20,36</b>	<b>21,40</b>
Premium compared to EPRA NTA (on closing date)	-23,9 %	1,8 %

<sup>7</sup> The debt ratio (RREC-RD) is the debt ratio calculated in accordance with the RREC-RD. This means that any participating interests in associated companies and joint ventures are accounted for using the proportional consolidation method for the purposes of calculating the debt ratio.

<sup>8</sup> The debt ratio (IFRS) is calculated in the same way as the debt ratio (RREC-RD), however, it is based on and can be reconciled with the consolidated balance sheet in accordance with IFRS in which participating interests in associated companies and joint ventures are accounted for using the equity method.

<sup>9</sup> The average number of shares was calculated excluding the 93.688 treasury shares held by the company.

<sup>10</sup> IFRS NAV per share = Net Asset Value or Net value per share according to IFRS.

<sup>11</sup> EPRA NTA per share = Net Tangible Assets per share according to the Best Practices Recommendations of EPRA.

# Notes to the consolidated income statement

## Net rental income

In 2023, the net rental result amounts to € 34.60 million (compared to € 31.07 million in 2022).

## Operating result before the portfolio result

The operating result before portfolio result amounts to € 25.25 million in 2023 (compared to € 22.32 million in 2022).

The operating margin<sup>12</sup> amounted to 73.0% in 2023 (compared to 71.8% in 2022).

## Portfolio result

In 2023, Home Invest Belgium achieved a portfolio result of € -23.40 million.

The result on sales of investment properties amounted to € 0.03 million in 2023. Home Invest Belgium sold investment properties for a net selling price totaling € 0.16 million in 2023.

Moreover, in 2023, Home Invest Belgium recorded negative changes in the fair value of investment properties for the amount of € 23.79 million. These changes are mainly due to:

- A negative change of € 20.11 million in Belgium, mainly due to an increase in construction costs for the project developments in progress and
- A negative change of € 3.68 million in The Netherlands, partly due to an increase in transfer tax from 8.00% to 10.40%.

The other portfolio result amounted to € 0.36 million. This item includes changes in deferred taxes.

## Financial result

The net interest costs amounted to € 5.12 million in 2023. The average financing<sup>13</sup> cost was 1.98% over the same period.

The changes in the fair value of financial assets and liabilities amounted to € -11.33 million in 2023. These variations are due to a change in the fair value of interest rate swaps.

## Taxes

Taxes amounted to € 0.34 million in 2023 (compared to € 0.26 million in 2022).

## Net result

The net result of Home Invest Belgium amounted to € -14.28 million in 2023, or € -0.76 per share.

## EPRA earnings

After adjustment of the net result before (i) the portfolio result, (ii) the changes in the fair value of the financial assets and liabilities and (iii) non-EPRA elements of the share in the result of associates and joint ventures, EPRA earnings amount to € 21.18 million in 2023, an increase of 14.7% (compared to € 18.47 million in 2022).

EPRA earnings per share increased by 4.89% from € 1.08 in 2022 to € 1.13 in 2023.

<sup>12</sup> Operating margin = (Operating result before result on portfolio)/(Net rental result).

<sup>13</sup> The average financing cost is = the interest costs including the margin and the cost of hedge instruments and increased by capitalized interest costs divided by the weighted average financial debt over the period in question.

# Notes to the consolidated balance sheet

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## Equity and NAV per share

On 31 December 2023, the group's shareholder's equity stood at € 417.76 million, an increase of 1.9% compared to 31 December 2022.

The IFRS NAV per share decreased by 7.6% to stand at € 21.30 on 31 December 2023 (compared to € 23.06 on 31 December 2022).

The EPRA NTA per share decreased by 4.9% to stand at € 20.36 on 31 December 2023 (compared to € 21.40 on 31 December 2022).



# Financing structure

## Debt ratio

The debt ratio (RREC Royal Decree) amounts to 50.02% on 31 December 2023. The debt ratio (IFRS) amounts to 48.83%.

Taking into account a maximum permitted debt ratio of 65%, Home Invest Belgium has a debt capacity of € 344.66 million, as defined by the RREC Act to fund new investments.

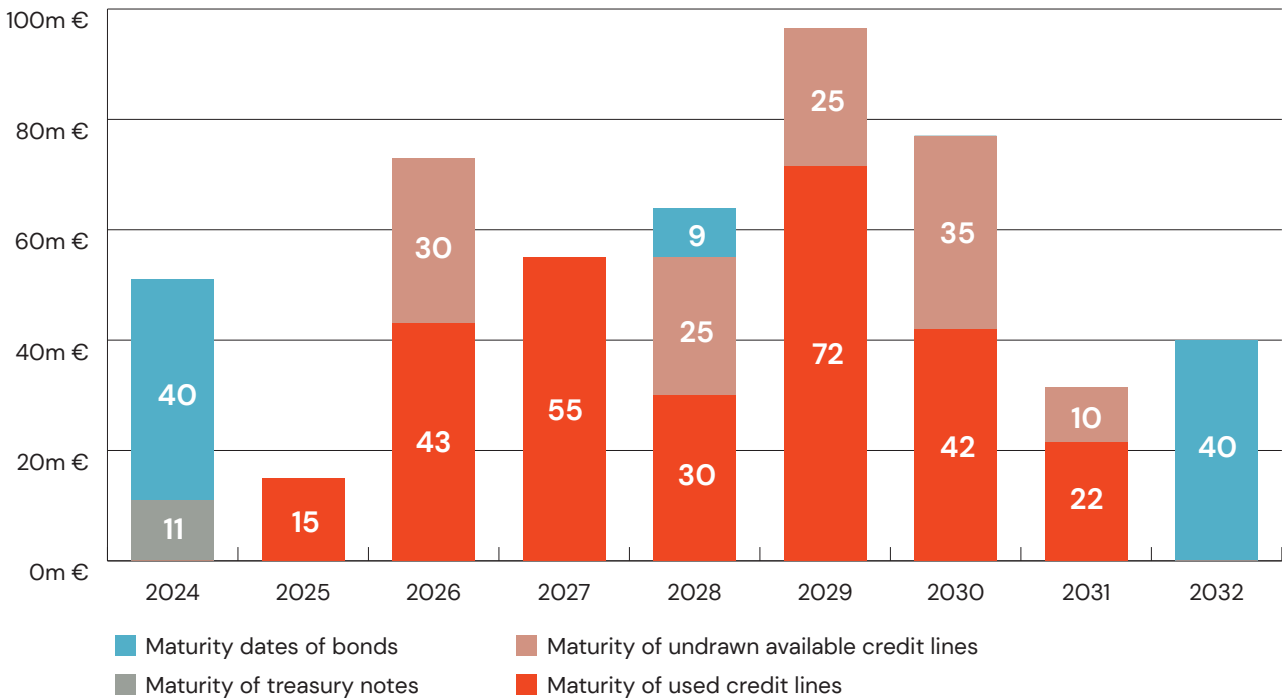
Considering Home Invest Belgium's strategy to keep the debt ratio below 55% in the medium and long term, Home Invest Belgium has a debt capacity of € 89.09 million to fund new investments.

## Debt composition

On 31 December 2023, Home Invest Belgium had € 378.00 million in financial debts, composed of:

- Bilateral credit lines drawn for an amount of € 278.00 million with 7 different financial institutions with well spread maturity dates until 2031. There are no maturity dates in 2024. The next maturity date is in the second half of 2025;
- Bonds for an amount of € 49.00 million with maturity dates between 2028 and 2032.
- A bond loan for an amount of € 40.00 million maturing in June 2024 which will be refinanced by committed long term credit facilities.
- Short term treasury notes ("commercial paper") for an amount of € 11.00 million. Notwithstanding the short-term nature of the outstanding commercial paper, the outstanding amount is fully covered by available long-term credit lines (back-up lines).

## MATURITY DATES OF THE FINANCIAL DEBTS (IN € MILLION)



The weighted average remaining duration of the financial debts amounts to 4.7 years.

On 31 December 2023, Home Invest Belgium disposed of € 125.00 million of undrawn available credit lines consisting of:

- € 11.00 million long-term back-up lines covering short-term outstanding treasury notes;
- € 40.00 million long-term credit lines to refinance the bond maturing in June 2024;
- € 74.00 million available credit lines.

### Hedges

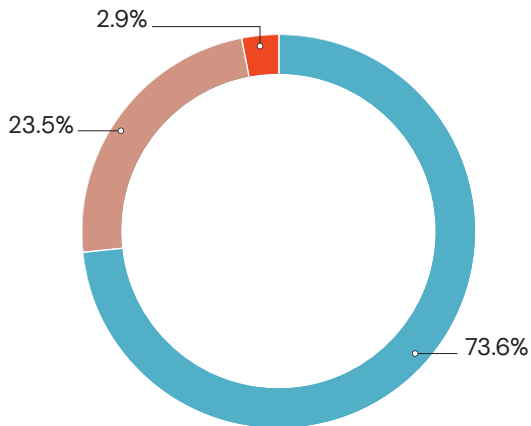
On 31 December 2023, 93.1% of financial debts (for an amount of € 352.0 million) had a fixed interest rate, using Interest Rate Swaps as hedging instruments, among other things.

The fixed interest rates have a weighted average remaining duration of 4.9 years.

The total value of the hedges at closing date was positive for an amount of € 20.10 million due to an increase in interest rates after conclusion of the hedges.

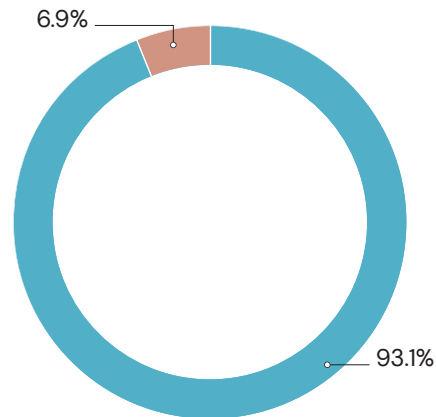
Through its hedging policy, the board of directors wishes to protect the company against potential increases in interest rate.

TYPE OF DEBTS



- Bank loans
- Bonds
- Treasury notes

FIXED/FLOATING INTEREST RATE



- Fixed interest rate
- Floating interest rate

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# OTHER ELEMENTS IN THE MANAGEMENT REPORT

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## **Main risks (excluding those related to financial instruments)**

The risk factors are described in the 'Risk factors' chapter of this financial report.

## **Use of financial instruments**

Home Invest Belgium organises its financial policy so that it has permanent access to sufficient credit lines and follows the interest rate risk to which it may be exposed closely, endeavouring to minimise this risk as much as possible.

The use of financial instruments is discussed in the 'Financial Risks' section of the 'Risk Factors' chapter of this financial report. The following elements are included: debt ratio, liquidity risk, currency risk, risk related to a bank as a counterparty, the risk related to changes in interest rates, the risk related to changes in the fair value of the financial instruments as at 31 December 2023, the risk related to the liquidity of the share and the risk related to the distribution of the dividend.

## **Research and development**

Home Invest Belgium did not carry out any research and development activities within the meaning of Articles 3:6 and 3:35 of the BCCA during 2023.

## **Information in accordance with Article 3:32, item 6° of the BCCA**

Mr. Philip De Greve, independent director and chairman of the audit committee, has the independence and expertise in the field of accounting and auditing required by Article 3:32, item 6 of the BCCA (See 'Corporate Governance Statement').

## **Own shares held**

At the end of the financial year, Home Invest Belgium held 93,688 own shares.

## **Corporate governance statement**

The Corporate Governance Statement (including the remuneration report and the description of the main features of the risk control and management systems) can be found in the "Corporate Governance" section on pages 116 to 135 of this annual financial report.



# PERSPECTIVES

## Dividend

Given the strong operating results of Home Invest Belgium, a distribution to shareholders of € 1.12 per share (compared to € 1.10 for 2022) will be proposed for financial year 2023, an increase for the 24th consecutive year.

The distribution to shareholders will consist of the combination of:

- a gross dividend of € 1.01 per share (an increase of € 0.01 compared to € 1.00 for FY 2022) to be proposed to the annual general meeting of May 7, 2024;
- a reduction in shareholders' equity of € 0.11 per share (an increase of € 0.01 compared to € 0.10 for FY 2022) that requires the decision of an extraordinary general meeting.

The board envisages a payout policy based on an average increase equal to or greater than long-term inflation.

The board of directors relies on:

- the constant indexed rental income from existing investment properties;
- monitoring the operational costs of the company;
- the hedging policy of the company, which provides good visibility on interest charges and makes them evaluable over the medium term;
- the existing project development pipeline.

Furthermore, the board points to the significant reserves the company has built up over the years as a safety cushion for the future.

## Perspectives 2024

In 2023, Home Invest Belgium's operating results again developed positively.

The residential rental market continues to grow steadily in the cities where Home Invest Belgium is active, mostly thanks to:

- a long-term urbanization trend, marked by demographic growth in big cities, including both young and older people, leading to increased demand for housing;
- an increasing number of tenants in big cities, due to factors including an increasing need for flexibility and a change in attitudes to private property and concepts of urban sharing.

Home Invest Belgium owns a sustainable portfolio given its young age. More than 50% of the investment properties available for rent are younger than 10 years. Given the quality and the location of the properties in predominantly large urban areas, Home Invest Belgium is well positioned to take on a leading role in the favorable trends of the residential market.

Against this background, the board of directors confirms its confidence in the long-term prospects of the company.

For 2024 Home Invest Belgium expects an increase of the EPRA earnings per share of € 1.15 (compared to € 1.13 in 2023).



# ESG VISION

## ESG VISION

Introduction .....	49
ESG framework .....	53
ESG Implementation .....	57
Overarching theme: Corporate Governance & Management .....	76
Green Finance Framework and allocation of proceeds .....	78
Lexicon .....	79



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# INTRODUCTION

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*ESG stands for Environmental, Social and Governance. ESG is a concept that encourages companies to integrate environmental and social aspects into their strategy and business model. The aim is to broaden the business evaluation, to better understand the different effects of the business activities and the interaction with other sectors, the environment and the stakeholders. To this end, discussions are held among others with stakeholders. This creates a dialogue that broadens support so that negative effects are minimised, but above all that general positive social effects are increased.*

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## For those who still doubt the need for the integration of ESG

The past seven years are most likely the warmest years on record.

“The planet is transforming before our eyes”, warns the United Nations World Meteorological Organisation in its annual report<sup>1</sup>, which not coincidentally appeared at the start of the UN COP26 climate summit in Glasgow. It must therefore become a “decisive turning point” for humanity and for the planet, says UN Secretary-General Antonio Guterres.

Collectively, buildings in the EU are responsible for 40% of our energy consumption and 36% of greenhouse gas emissions, mainly from construction, use, renovation and demolition<sup>2</sup>.

It is therefore of prime importance to urgently guide the sector towards new sustainable opportunities and to build a future-proof society together.

Home Invest Belgium already had a number of initiatives in the area of ESG:

- Placement of a batteries for the storage of surplus renewable energy in *The Felicity* to be able to use it during periods of limited energy production
- Investment in co-generation in our latest developments (*The Factory, The Horizon, The Pulse, Liberty's* and *The Inside*), to produce heat and electricity together, thereby reducing both costs and consumption

- 100% purchase of renewable energy for common areas for all our assets through our supply contracts
- Developing common areas and services (lobby, fitness, laundromat,...) in *The Horizon, The Link, The Fairview, Niefhout and Jourdan* to increase the living experience of our tenants
- Development of our Solution Center to address all tenant's questions and problems
- Helping to improve our living environment by renovating “Place d’Or”, a public square in Molenbeek

However, it was our wish to structurally integrate ESG into our activities.

This chapter is an initial, more extensive form of reporting on our activities in the area of ESG. It is primarily a qualitative description of our vision and activities regarding ESG. Quantifiable objectives have already been defined where possible. In the coming years, we will set additional objectives and gradually more will be reported on the results achieved.

<sup>1</sup> <https://public.wmo.int/en/media/press-release/state-of-climate-2021-extreme-events-and-major-impacts>

<sup>2</sup> [https://ec.europa.eu/info/news/focus-energy-efficiency-buildings-2020-feb-17\\_en](https://ec.europa.eu/info/news/focus-energy-efficiency-buildings-2020-feb-17_en)

## What is the impact of Home Invest Belgium on ESG?

Home Invest Belgium owns some 50 buildings. The impact of Home Invest Belgium is mainly reflected in the management of the real estate portfolio, in the investment decisions and in the choices made in the context of project developments.

New needs are identified through periodic review of the real estate portfolio. Other potential triggers are compliance with legislation, anticipation of upcoming legislation, and finally stakeholder expectations.

When deciding to purchase existing assets, the quality of the building intended to generate long-term rental income must meet the environmental criteria in force at the time or make it possible for short-term works to be carried out to achieve this level of performance. The investment committee assesses the "sustainable" positioning of the building during the purchase process.

With regard to project developments, the team's know-how is used to design buildings for which the choice of construction materials or technology is in line with a long-term vision, which is by definition focused on sustainability.

On a social level, we initially see our impact on 2 categories of Stakeholders:

### TENANTS

Home Invest Belgium strives to pursue a policy in the interest of all its stakeholders. Given the large number of tenants with which it is in contact (approximately 2,000), Home Invest Belgium is in a privileged position to promote the values they stand for. The company aims to treat its tenants fairly and offers quality, within the limits of the contractual obligations between landlord and tenant.

Home Invest Belgium tries to meet the changing needs of the population in its buildings and projects in the most practical way possible, for example by taking into account the shrinking average family size, or by including common areas in buildings. Home Invest Belgium's strategy focuses on different locations, sizes and services to meet the needs of a maximum number of people.

The new HOMI App has been introduced in 2023 introduced in 2023. Using the app, a prospective tenant can request a visit, submit a candidacy, and digitally sign the lease, completely online. During the course of 2023, this app will be further expanded with various functions for the management and maintenance of the buildings, and tenants will have access to a portal where they

will be kept informed about the ins and outs of their building, can follow up their contract online and follow the status of service requests.

Our ambition is to be 'Landlord of Choice'.

### STAFF

The company is aware of the fact that its housing mandate can only be carried out efficiently thanks to the daily and motivated efforts of its employees. These are undoubtedly its most valuable asset. On 31 December 2023, management was directing a team of some forty employees. When composing and expanding the teams, Home Invest Belgium looks for diverse, complementary profiles, with different ages and experience, which benefits the diversity and richness of interaction.

To ensure that all of this runs smoothly, good governance is very important. Good governance includes a number of measures about how organizations are managed and monitored, and how this is communicated to external actors. It is important that resources are optimally allocated and that people can be held accountable for their use.

### EXTERNAL STAKEHOLDERS

Social governance also has significant relevance for our external stakeholders. Customers, suppliers and investors can be significantly affected by the social policies and practices of our organization. Aspects such as reputation and market perception, investor value, and social governance within the entire supply chain, where ethical standards and working conditions are crucial, play an essential role.

This makes it clear that Social Governance not only influences the internal functioning of our organization, but also has substantial implications for the perception and appreciation of our organization by external stakeholders. Fully integrating social considerations into our organization's policies and practices has the potential to create lasting relationships and generate value for both internal and external stakeholders.

In the coming years, we will remain committed to involving both internal and external stakeholders in the ESG policy of our organization and to further refine and develop our internal policies. We strive to create awareness about their own responsibility in this matter, with the aim of jointly contributing to positive impact and sustainability.

## VALUES

Below you will find an overview of our values. In the coming years, we will be asking and checking with our stakeholders whether they also recognise these values in their interaction with Home Invest Belgium.

### Integrity

We treat each other with respect and trust, and work as a partner with customers, suppliers, government and shareholders. We do what we say and say what we do. We are honest, and act transparently, independently and correctly. We expect the same from all our partners.

### Customer-oriented

We know our (internal and external) customers, are available to them and listen to their needs and interests. We think along with them and offer a quick response and high-quality solutions. We build a safe, comfortable, pleasant and stimulating environment for ourselves and all our customers.

### Durable

We contribute to a healthy and sustainable future. We are aware of our social responsibility, today and tomorrow. Sustainable also means that we build a healthy and profitable model in the long term. In this, we are always looking for harmony between people and the environment.

### Enterprising

We encourage initiative and we promote entrepreneurship. We accept our responsibility. We are open to innovation and dare to change course. We try new things, and accept that it is not possible to grow without failure.

### Excellence

We aim to be the best in our field. Along the way, we constantly ask ourselves how best to achieve this goal, and what we can do better. We master clear procedures and continuously develop our expertise. Our partners are also chosen on the basis of their expertise and qualities.

### Team

We move forward as a team toward our goal, with mutual respect. We transcend personal interests and put ego aside. We take an active interest in the work of others and help each other. We are an inclusive organization, inside and out.

### (Mega-)trends, risks & opportunities

The activities of Home Invest Belgium have an impact at different levels. However, like any company, it is sensitive to (global mega-)trends that affect its activities, such as the emerging sharing economy and evolving technologies, as well as global influences at the macroeconomic and geopolitical level.

In terms of risks and opportunities, we have identified the following priorities:

	RISKS	RISK MANAGEMENT OPPORTUNITIES
<b>ESSENTIAL</b>		
<b>CLIMATE CHANGE EXTREME WEATHER PHENOMENA</b>	Decreasing comfort for our tenants Increase in TCO.	Risk analysis Heat resistant materials Climate mitigation and adaptation targets
<b>LACK OF RAW MATERIALS</b>	Increase in TCO Increased delays in new project development and repairs	Circularity charter Use of alternative materials and raw materials
<b>URBANISATION</b>	Saturation of networks Quality of life is declining (heat zones); air quality; individual comfort)	Community development Decrease in TCO
<b>LAND SCARCITY</b>	Increase in TCO	Creative densification Renovation of existing outdated properties
<b>LOSS OF BIOLOGICAL DIVERSITY</b>	Reduction in well-being	Integrating guidelines for preserving biodiversity and increasing biophilia
<b>INCREASE IN DEMAND FOR ENERGY</b>	Rising energy costs	Using low-consumption technologies, developing own, local energy production and alternative resources

	RISKS	RISK MANAGEMENT OPPORTUNITIES
<b>IMPORTANT</b>		
<b>DIGITISATION AND NEW BUSINESS/ORGANISATIONAL MODELS</b>	Personal data protection	Decrease in TCO Community development Freeing up manpower
<b>TECHNOLOGICAL DEVELOPMENTS</b>	Too complex to use and maintain	Decrease in TCO Freeing up manpower
<b>INEQUALITY</b>	Sense of security	Increasing need for affordable housing
<b>FOLLOW UP</b>		
<b>AGEING OF THE POPULATION</b>	The need for adapted homes	Increasing need for housing Increase in average rental period
<b>GLOBALISATION</b>	More moving of people, shorter stays	Offering flexibility in the area of accommodation

Home Invest Belgium monitors demographic developments and trends in the housing market, such as the downsizing of housing, the emergence of shared spaces, the demand for services in the buildings as well as environmental considerations.

Some of the challenges we face in further developing ESG for our business are linked to the ongoing challenge of finding, developing or maintaining customised products. Furthermore, there is the evolving legislation and sometimes a certain slowness in our sector. Finally, the size of our team ensures that we are able to use our resources as efficiently as possible.

Risks are limited by:

- In-house teams of specialists dedicated to
  - acquisition: anticipation and direct contacts with market participants and opportunities
  - development: determining the quality of our apartments, deep analysis of the development and maintenance costs and impact
  - construction: guaranteeing the quality, costs and planning of the completed apartments
  - exploitation: lease and maintenance with a view to retaining building values

- the exchange of information between these teams that stimulates a process of continuous improvement.
- collaboration with external advisers (lawyers, architects, ESG,...) to keep our information up to date
- frequent assessment of the renovation needs of the buildings.

We are anticipating future needs, among other things by setting up an internal team: "Design the future".

This team consists of staff from different departments and ensures that their thinking is future-proof: sustainability, new services, different functions, design & research, innovation and digitalisation In a nutshell: thinking about what living will look like in the future.

### Stakeholder engagement

In its capacity as a company and landlord of residential real estate to more than 2,000 tenants, Home Invest Belgium is in daily contact with various stakeholders. Their vision needs to be known and will help determine the choice of ESG themes on which to focus.

Home Invest Belgium will be systematically consulting more and more groups of stakeholders according to the following plan:

	INTERNAL STAKEHOLDERS	EXTERNAL STAKEHOLDER – PARTNER <sup>3</sup>	EXTERNAL STAKEHOLDERS
<b>2021</b>	Board of directors Management Staff	Tenants	
<b>2022</b>	Human Resource Manager Portfolio Management (Property Mgt + Leasing Mgt + Solution Center)	Real estate agent Financial institutions Shareholders	
<b>2023</b>		Contractors	Government Surrounding communities

<sup>3</sup> Partners are stakeholders with whom a contractual commitment has been made.



# ESG FRAMEWORK

## Selected references

Integrating sustainability into business operations can be complex since different frameworks and guidelines coexist. For the time being, it has not yet been decided to proceed with certification, but the most pertinent recommendations of different ESG standards and certification frameworks are used as reference where they have the most impact.

We chose the following references for our activities:

- UN SDGs (overarching)

- WELL (well-being, tenants and neighbourhood)
- BREEAM (general building sustainability)
- GRESB (management and portfolio),

and then briefly explain what they mean and why they were chosen.

In the coming years, the ESRS standards as determined by Europe will also become the most important standards for our organization within the CSRD reporting framework. The above references will be integrated within this framework.

## SDGS



In 2015, the United Nations defined the 17 Sustainable Development Goals (SDGs) to achieve sustainable goals by 2030 and to guide all organisations towards sustainability. The main goals of the UN SDGs are to end poverty, protect the planet, and promote peace and prosperity for all around the world, while leaving no one behind.

The United Nations' vision for sustainability is to recognise that ending poverty and other hardships must go hand in hand with strategies that improve health and education, reduce inequality, and stimulate economic growth – all while tackling climate change and working to conserve our natural environment. These objectives correspond to the ethics and values of Home Invest Belgium. They were also chosen because they are recognisable to our stakeholders.

Integrating the SDGs into Home Invest Belgium's strategy means sharpening the ambition to develop sustainable buildings in the residential rental market, with a focus on key challenges such as climate, responsible consumption, the circular economy, health and well-being, renewable and affordable energy, but also inequality and poverty.

When determining the priorities and materiality for Home Invest Belgium, a number of SDGs were selected. The **primary SDGs** determine the focus and the themes with a high level of ambition. They were selected on the one hand due to the relative impact of the construction sector in general (as identified by the World Green Building Council), and on the other hand due to the specific activities of Home Invest Belgium in particular (development of residential buildings in an urban environment).

The **secondary SDGs** are themes to which we also wish to contribute, but which, given our business activities, have a lesser material impact. They are also explicitly mentioned because some activities cater to different themes.

We were also inspired, for example, by the SDGs as identified by the World Green Building Council<sup>4</sup>:



**Primary SDGs** and secondary SDGs can thus be combined into 6 substantive themes:

1. Sustainable cities: **11**
2. Climate and energy: **7** and **13**
3. Responsible consumption and innovation: **12** and **9**
4. Biodiversity and water: **15** and **6**
5. Health and well-being: **3**
6. Equality: **4, 5, 8, 10, 17**

Finally, there is also an overarching theme of Management, which we link to SDG 16 Peace, justice and efficient institutions.

The relative importance of the individual SDG for Home Invest Belgium is explained below in this document.

Home Invest Belgium pays close attention to the evolution of certification processes. Taking into account the current situation on the market, Home Invest Belgium does not currently choose to have its portfolio certified in a systematic way, but will take inspiration from the following labels and integrate them systematically:

<sup>4</sup> <https://www.worldgbc.org/>

## **BREEAM – GUIDANCE FOR GENERAL BUILDING SUSTAINABILITY**

BREEAM is an internationally recognised certification for sustainable buildings, which assesses the performance of assets throughout their life cycle (from new construction to commissioning and renovation). It is one of the most important green certifications used in the real estate industry. BREEAM is not only a framework, but also a thoroughgoing – third-party audited and certified – tool. It is an internationally recognised quality label for integrated sustainability.

BREEAM is a relevant framework that translates the UN SDGs into the context of master planning and construction, and provides practical advice on measures that will improve the sustainability of a given project. This framework is used by HIB as a guideline to evaluate proposals to ensure a robust and resilient development plan.

BREEAM addresses several ESG-related themes, all of which are addressed in Home Invest Belgium's strategy (management, energy & CO2, health & well-being, land use & ecology, waste).

Quality and sustainability are important ESG-related topics for Home Invest Belgium. In order to guarantee building quality and tenant satisfaction, Home Invest Belgium strives to integrate BREEAM criteria into its schedule of requirements where relevant.

## **WELL – GUIDANCE FOR TENANTS**

WELL is an international building certificate with a focus on social and well-being aspects that are fundamental to designing healthy environments.

It assesses the impact of the building on the health and well-being of the tenant.

WELL takes into account the many factors of the physical environment that have a significant impact on daily health, happiness and productivity. It outlines concepts for the design of neighbourhoods and areas that support human health and well-being in all aspects and areas of community life.

Health and well-being are important ESG-related topics for Home Invest Belgium. In order to guarantee building quality and tenant satisfaction, Home Invest Belgium strives to integrate WELL criteria into its schedule of requirements where relevant.

## **GRESB – GUIDANCE FOR MANAGEMENT**

GRESB is an ESG performance reporting tool tailored to the real estate sector. The organisation helps real estate actors to disclose ESG-related performance by providing standardised guidance and performance assessment, based on its global benchmark. In 2020, more than 610 entities and 40 808 assets were assessed by GRESB in Europe (GRESB, 2021).

### **Materiality matrix**

We make our impact on society clear in a materiality matrix, as referred to in the GRI standard. The materiality matrix identifies the material themes in the area of ESG: those themes that are strategic for the organisation and that meet stakeholder's expectations.

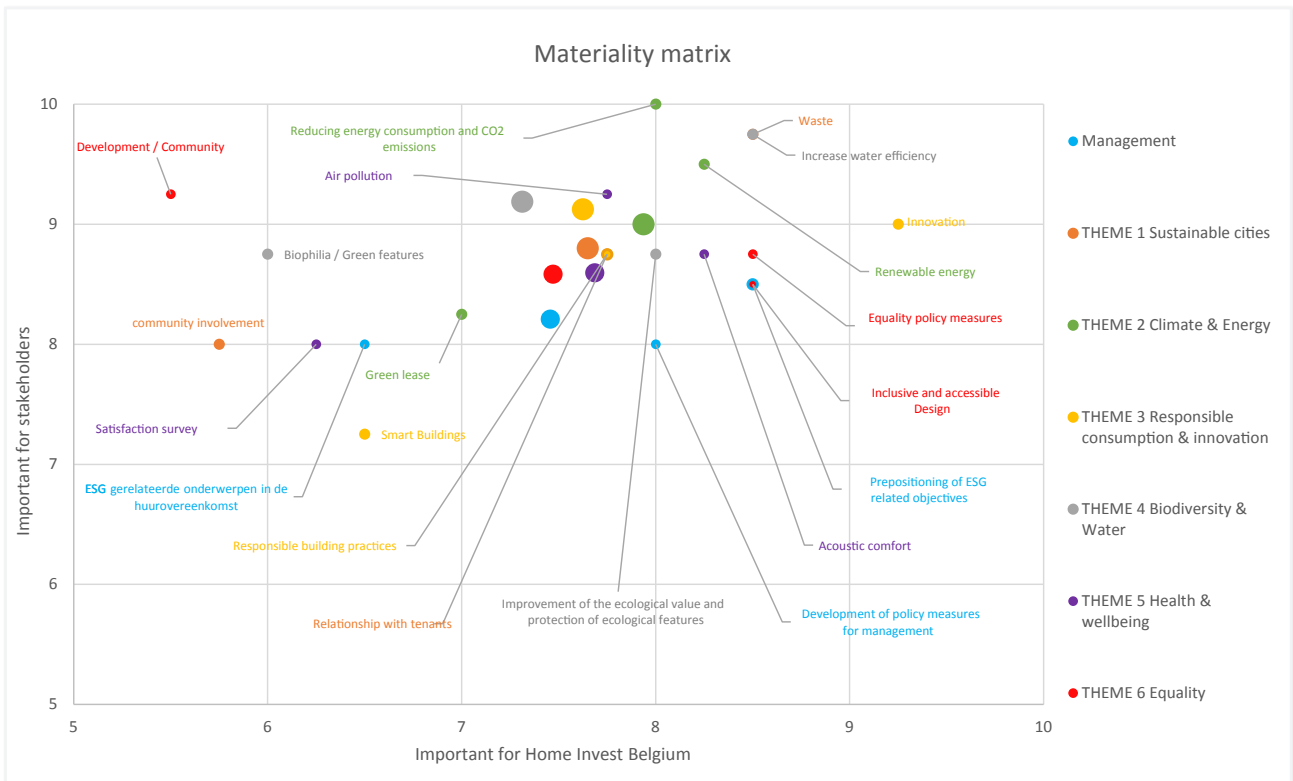
The materiality matrix was developed using:

- a due diligence analysis of the performance of a certain number of buildings in terms of ESG themes
- a **benchmarking** exercise in which the real estate sector was analysed with respect to ESG
- a **stakeholder engagement workshop** with representatives of various categories of stakeholders: the board of directors, management, the in-house team and tenants of Home Invest Belgium.

The aim of the workshop was to discuss and test the selected ESG themes (6 substantive themes + overarching management) with the various stakeholder groups. The board of directors, management, the in-house team as well as the tenants were represented. It was a lively and interactive session with useful exchanges of different points of view. Sustainability turned out to be an important topic for both Home Invest Belgium and the stakeholders: scores between 0 and 10 could be given, most were between 6 and 10.

The results of the above exercises were brought together and converted into a 'materiality matrix' that explains the strategy of Home Invest Belgium in a simple way.

Interests and expectations can change. Which means that Home Invest Belgium will review the materialities every 3 years, so that it is also able to respond quickly to new developments in the area of corporate social responsibility.



### ESRS standards and CSRD reporting

The ESRS (Environmental, Social, and Governance Reporting Standards) are sustainability reporting standards that are supported by the Corporate Sustainability Reporting Directive (CSRD), a directive for corporate sustainability reporting. The CSRD, in force since January 2023, aims to align sustainability reporting with financial reporting. Companies must provide relevant, comparable and reliable information about their sustainability-related impacts, risks and opportunities.

The ESRS consists of 12 standards, of which two are horizontal standards and ten are thematic standards. The horizontal standards define general reporting principles and fundamental concepts, such as dual materiality and reporting limits. The thematic standards contain specific reporting requirements for environmental, social and governance issues.



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# ESG IMPLEMENTATION

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Formulating the materiality matrix is an important step in developing the ESG strategy.

However, this must be further defined and rolled out in concrete terms, with ambitions depending on the importance of the theme. In turn, the ESG priorities are further refined in an implementation plan.

The implementation plan takes into account various aspects such as assigning responsibilities at management and operational level, freeing up budgets, providing training for employees who are given additional responsibilities, developing new or adapting existing processes/procedures, integrating tools at management level to guarantee adequate follow-up.

## ESG Focus, objectives, results

For Home Invest Belgium, this translates into the following key milestones:

- 2022: Elaboration of necessary instruments, training, feasibility study long-term energy plan 2035
- 2022-2026: Expand data monitoring, data analysis, tenant and employee survey, refine existing objectives and expand with new objectives, implementation of relevant reporting standards
- 2035: Energy plan implementation
- Continuously: monitoring, reporting and communication with our stakeholders

Where possible, already quantified objectives were included in the elaboration of our strategy. In the context of the further development of the "Green Deal", Home Invest Belgium undertakes to gradually comply with the reporting requirements according to the ESRS standards in the coming years. During this transition phase we will collect this data in order to further specify concrete objectives or further refine objectives.

## Team

Developing and implementing an ESG policy is a matter for the entire company, at all levels, both in-house and via our external partnerships.

The definition of product quality, the tools for managing the real estate portfolio, the quality of our tenant relations, the creation of partnerships, and ultimately the integration of our ESG ambitions in all these areas require dynamic and ongoing attention.

In order to make step-by-step progress, integration of ESG aspects and responsibilities for new functions or the provision of appropriate communication or training for employees who are given additional ESG responsibilities are taken into account.

## Human Capital

Home Invest Belgium wishes to ensure a human approach for the team: workable jobs, a healthy environment and regular contact with tenants are some of the pillars of this approach. Home Invest Belgium maintains a high level of ethics, with respect to its stakeholders as well as its employees. The organisation's HR policy focuses on diversity in the area of recruitment and personnel policy (language, culture, gender, age mix...).

The onboarding starts from the moment the contract is signed with the new employee: the future employee is informed about the expectations via the onboarding policy.

Home Invest Belgium encourages open communication between employees and managers. This ranges from raising awareness about the use of the *personal development* plan to engaging in behaviour that correctly reflects our values. Our managers are encouraged to coach their teams in these areas. This is discussed extensively during one-to-one meetings with their respective employees and also during the performance review.

## IT policy

Home Invest Belgium has a 'Choose your own device' policy, whereby employees receive an IT budget that allows their personal preferences to play a role in the choice of computer, keyboard, office chair, etc, ...

### Telework policy

In order to maintain a healthy balance between work time and private time, the Work Together group developed and implemented a teleworking policy that allows employees to work efficiently from home for part of their time. Home Invest Belgium provides IT and technical support such that staff members receive the same service regardless of working location.

### Salary policy

HIB's salary policy was defined in a job classification on the basis of objective criteria. Together with a market-based gross salary, an extra-legal package of benefits is offered to employees, such as group insurance, guaranteed income, hospitalisation insurance, meal vouchers, homeworking allowance, and a collective bonus linked to the organisation's results.

### Mobility

Home Invest Belgium's fleet is making a shift to electric company cars, and the mobility budget has been introduced as a flexible option. Employees have the option to exchange their company car for a mobility budget. Affordable leasing of (electric) bicycles is also possible for every employee.

The Work Together team, comprising various functions and job levels, remains committed to assessing our workforce's expectations regarding mobility, teleworking, flexible working hours and other aspects, and exploring how our business can contribute in this area.

### Scope

The reporting scope for this ESG report focuses on our residential portfolio.

In the following tables, a distinction is made between the possible status of the buildings

**Portfolio:** existing portfolio,

**Development:** future developments,

**Renovation:** major renovations requiring a building permit,

**Acquisition:** phase of acquisition of existing residential buildings. Once purchased, the building is classified under Portfolio.

Overarching actions are identified as 'strategic' in the scope.

In what follows, the planned activities to concretely realise the strategy are explained according to the six substantive themes and the overarching theme.

The following chapters are structured as follows:

- Short description of the theme,
- Overview of results of the stakeholder engagement exercise for the theme,
- Future activities of Home Invest Belgium around the theme.

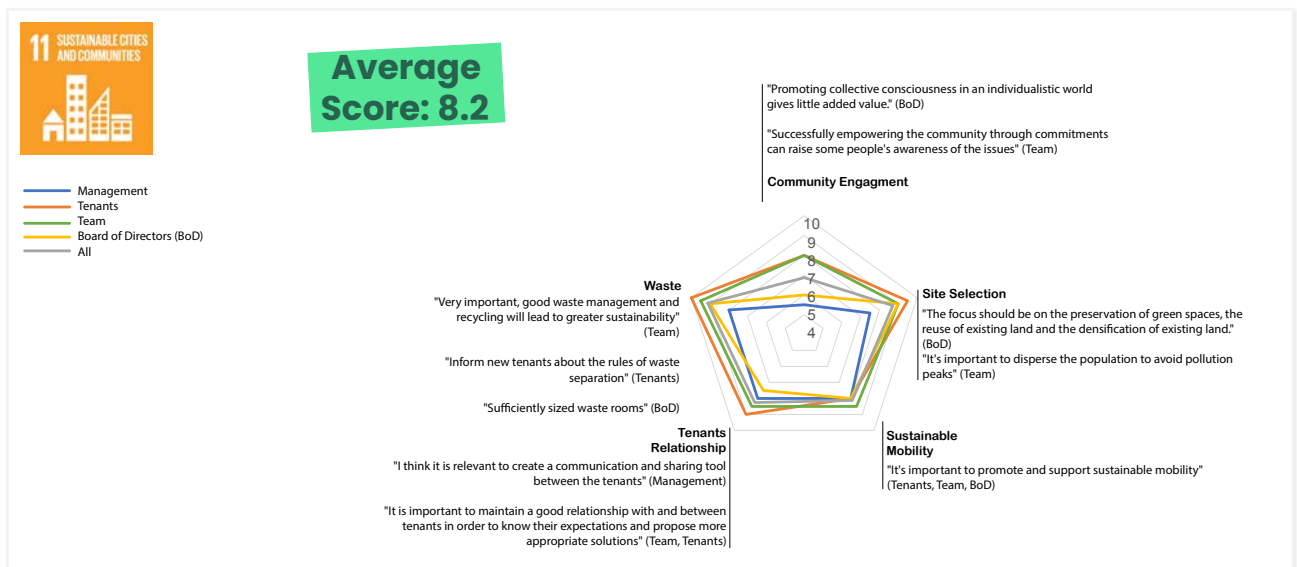
# THEME 1: SUSTAINABLE CITIES



## SDG 11 Sustainable cities and communities

The world is urbanising at a rapid pace. The number of city dwellers, now fifty percent, is expected to increase by another ten percent by 2030. Sustainable growth of cities is therefore indispensable if they are to become and/or remain liveable. Everyone should be able to live well, healthy and sustainably thanks to good

housing, healthy air, healthy water (see also Themes 4 and 5), sufficient greenery (see also Theme 4) and good access to public transport. Given Home Invest Belgium's strategy to build in urban areas, we consider this to be one of the key ESG themes for our activities.



IMPLEMENTATION	SCOPE	AMBITION	TERM
<b>LOCATION</b>			
<b>DEVELOPMENT</b>	Portfolio Development Renovation	100% investment in cities with a minimum of 50,000 inhabitants	Continuously
	Acquisition Renovation	For existing buildings, studies are systematically undertaken to evaluate whether all or most of the structure can be preserved	Continuously
<b>COMMUNITY</b>			
<b>QUALITY AFFORDABLE APARTMENTS</b>	Strategic	Feasibility study with regard to future housing needs of tenants so that we can provide an answer to their changed needs (young, children, elderly...)	2024
	Portfolio Development Renovation Acquisition	Propose the lease of a quality furnished apartment at a price that is affordable for a broad cross-section of the market. The terms 'quality' and 'affordable' are currently being further defined internally. This can be region specific: e.g. 'affordable' in Brussels is 'in line with the rental register of the Brussels-Capital Region'.	Continuously
<b>LANDLORD OF CHOICE</b>	Portfolio	Tenant satisfaction survey	Continuously
	Portfolio	Feedback and review system: feedback will be requested after an interaction with the Solutions Center on the one hand and the commercial agent on the other via the HOMI app and the CRM system. This feedback will serve as a basis and guideline for further optimisation of our services and adapting them to the needs and wishes of our customer.	2022
<b>TENANT SERVICES</b>	Development Renovation	Provide co-working space + drop boxes where possible	Continuously
	Portfolio Acquisition	Multi-functional space in function of renovations in existing buildings	Continuously
	Portfolio	Facilitating communication and information exchange between tenants and Home Invest Belgium	2023
<b>INFORMING TENANTS AND RAISING TENANT AWARENESS</b>	Portfolio	General: development of an information brochure: ESG, air, waste, ...	2023
	Portfolio	Specific per building (building user manual + info on site where relevant: how to sort waste, instructions for use of drop box, thermostats...)	2023 through tenant app
<b>BUILDING ACCESSIBILITY</b>	Development Renovation	Accessibility for persons with disabilities in the program of requirements (100% accessible)	Continuously
	Development Renovation	1% of the new units (with minimum 1 unit/project) fully adapted for persons with disabilities	Continuously
<b>OUTDOOR GREEN SPACE</b>	Portfolio Development Renovation Acquisition	Analysis of the applicability of 3/30/300 rule and definition of objectives: <ul style="list-style-type: none"> <li>• view of 3 trees</li> <li>• 30% of the site in open ground</li> <li>• max. 300 m from accessible green zone</li> </ul> If the above is not feasible: assets have private or collective green space or a green space accessible within 300 m	2022-2024
		Execution of objectives	2023-2025
<b>IMPACT ON COMMUNITY</b>	Portfolio	Study to map the impact assets can have on the environment	2025
	Portfolio	Monitoring process through community impact survey for at least 70% of all residential assets with more than 50 apartments	2025



IMPLEMENTATION	SCOPE	AMBITION	TERM
<b>MOBILITY</b>			
<b>BUILDING ACCESSIBILITY</b>	Development Renovation Acquisition	Selection procedure: at least 2 public transport stops within a radius of 500 m, with a frequency of 3 to 4 passages per hour	Continuously
<b>BICYCLE</b>	Portfolio Development Renovation Acquisition	<ul style="list-style-type: none"> <li>• Pedestrian and cyclist lanes in the car park</li> <li>• Enclosed area for bicycles</li> </ul>	50% and 2023; 80% and 2025
	Portfolio Development Renovation Acquisition	Number of bicycle sheds that meet WELL criteria (Long term = 30% of the number of residents and located within 30 m of the entrance)	P-R: Continuously D-A: 50% and 2024; 80% and 2025
<b>PREVENTING ENVIRONMENTAL POLLUTION</b>			
<b>TENANT WASTE</b>	Portfolio	Awareness raising: Inform tenants about the importance of waste reduction	2022
<b>CONSTRUCTION/ RENOVATION WASTE</b>	Development Renovation	<ul style="list-style-type: none"> <li>• Developing a waste management plan</li> <li>• Material for reuse is identified before demolition</li> <li>• Developing reuse/recycling objectives</li> <li>• Waste on site is sorted. If there is insufficient space, it will be dismantled/transported away in phases</li> <li>• Data monitoring (hazardous/non-hazardous, % reuse, recycling..)</li> </ul>	From 2026

## THEME 2: CLIMATE & ENERGY



### SDG 13 Climate action

Our greenhouse gas emissions continue to rise. As a result, the earth is warming up at a rapid pace. The direct consequence? Rising sea levels and extreme weather, which in turn lead to food scarcity, water scarcity, flooding, the disappearance of habitats for people and animals, and even more disasters. According to the IPCC, to avoid the worst impacts of climate change, global greenhouse gas emissions must be reduced by at least 45% by 2030 compared to 2010<sup>5</sup>.

The construction sector has a major impact on the atmosphere and is responsible for a large share of annual CO<sub>2</sub> and other greenhouse gas emissions. For example, the sector is responsible for 40% of total annual energy consumption in the EU<sup>6</sup>. This energy is largely generated with fossil fuels and thus results in the emission of enormous amounts of CO<sub>2</sub>.

Home Invest Belgium is focusing on various aspects related to climate action: both in existing buildings and in the development and purchase of new buildings, a process is followed to make progress in terms of reducing greenhouse gas emissions (climate mitigation) and protecting buildings against the impact of a changed climate (climate adaptation).

### SDG 7 Affordable and sustainable energy

Almost all Sustainable Development Goals (SDGs) have an impact on other SDGs to a greater or lesser extent. And here it is very clear: without energy there is no well-being and prosperity. But also: without renewable energy, there is no success with respect to, for example, SDG 13 (climate action) and SDG 15 (terrestrial ecosystems). Renewable energy reduces greenhouse gas emissions and thus slows climate change. This in turn ensures less disruption of biodiversity.

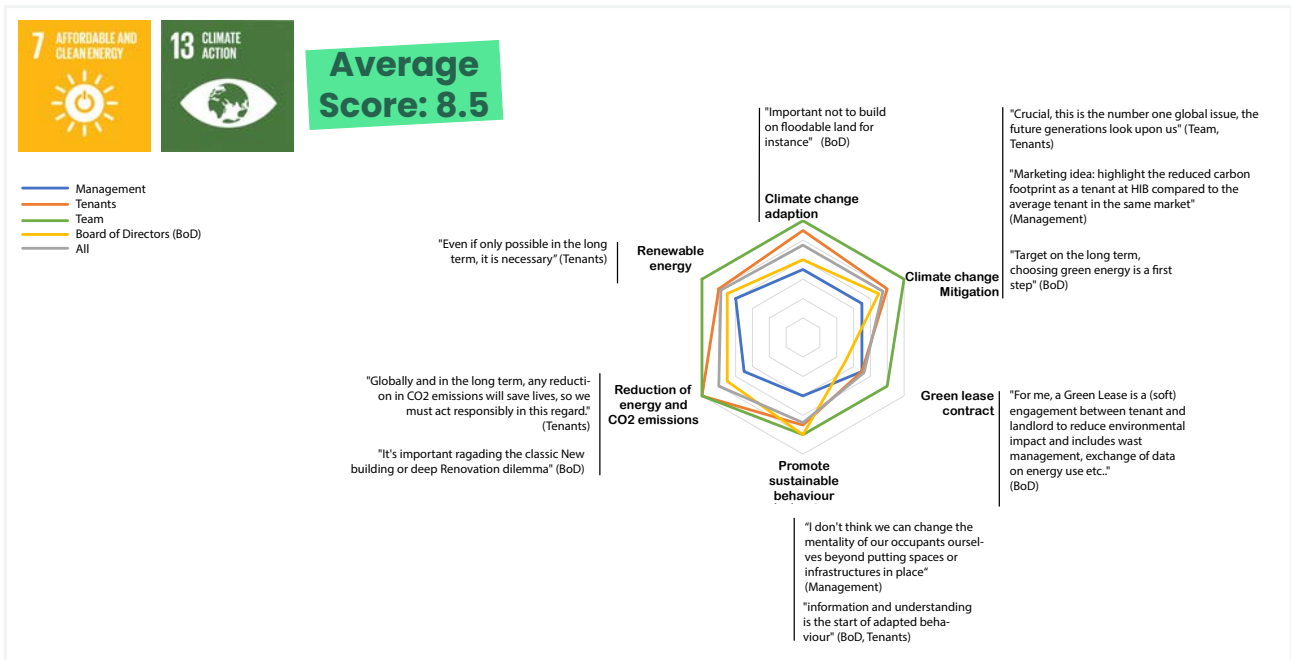
With the European Green Deal and the Climate Act, the European Union aims to be the first climate neutral continent by 2050; the ambitions of the real estate sector have a crucial role to play in this<sup>7</sup>.

Home Invest Belgium is anticipating this by developing concrete targets with regard to energy consumption and efficiency, and is considering the ambition to achieve these targets early in 2035 instead of 2050 as proposed by the EU.

<sup>5</sup> [https://www.ipcc.ch/site/assets/uploads/sites/2/2019/05/SR15\\_SPM\\_version\\_report\\_LR.pdf](https://www.ipcc.ch/site/assets/uploads/sites/2/2019/05/SR15_SPM_version_report_LR.pdf)

<sup>6</sup> [https://www.ipcc.ch/site/assets/uploads/sites/2/2019/05/SR15\\_SPM\\_version\\_report\\_LR.pdf](https://www.ipcc.ch/site/assets/uploads/sites/2/2019/05/SR15_SPM_version_report_LR.pdf)

<sup>7</sup> [https://eur-lex.europa.eu/resource.html?uri=cellar:b828d165-1c22-11ea-8c1f-01aa75ed71a1.0002.02/DOC\\_1&format=PDF](https://eur-lex.europa.eu/resource.html?uri=cellar:b828d165-1c22-11ea-8c1f-01aa75ed71a1.0002.02/DOC_1&format=PDF)



IMPLEMENTATION	SCOPE	AMBITION	TERM
<b>REDUCING ENERGY/CO2 EMISSIONS – RENEWABLE ENERGY</b>			
<b>RESTRICTING BUILDING ENERGY CONSUMPTION</b>	Portfolio	Conduct feasibility study to achieve average EPC "A" or better for the entire portfolio by 2035	2022
<b>RENEWABLE ENERGY AND FOSSIL FUELS</b>	Development Renovation	Systematically carry out feasibility study on energy production that is renewable and completely fossil-free	Continuously
	Portfolio	Elaboration of a feasibility study for energy production that is renewable and completely fossil-free for existing buildings, implementation target 2035	2022
<b>AWARENESS RAISING</b>	Portfolio	Promote renewable energy contracts for tenants	2023
<b>PROTECTION OF PATRIMONY</b>			
<b>RISK ANALYSIS</b>	Portfolio Development Renovation Acquisition	Risk analysis with regard to future climate scenarios	Continuously
<b>PHYSICAL PROTECTION</b>	Portfolio Development Renovation Acquisition	Depending on the results of the risk analysis, implement additional protective measures	From 2023
	Development Renovation	Use of outer wall finishing that is resistant to climate changes; the increase in the frequency and severity of storms and greater temperature fluctuations, applying flood-proof construction techniques, ...	2022

## THEME 3: RESPONSIBLE CONSUMPTION & INNOVATION



### SDG 12 Responsible consumption and production

The world's population continues to grow. We currently number 7.5 billion, and by 2050 that number will stabilise at around 10 billion. Combined with our lifestyle, this means that we are consuming our planet's natural resources at an excessive rate.

The Overshoot Day concept attempts to quantify this. Overshoot Day is the day in the year when humanity has used as much of nature as the planet can regenerate that same year.

Worldwide, that day fell on 2 August 2023. For Belgium, however, it fell much earlier: on 26 March 2023.



# Country Overshoot Days 2023

When would Earth Overshoot Day land if the world's population lived like...

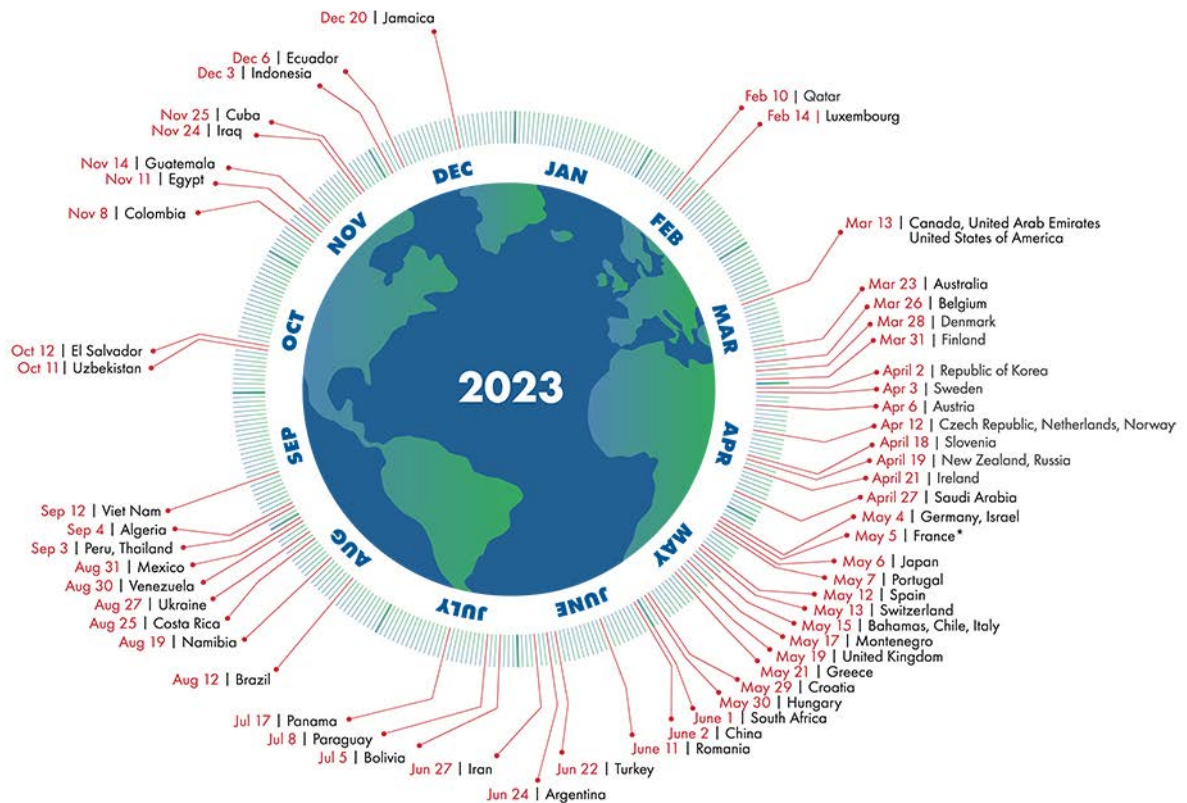


Figure 1: Source: <https://www.overshootday.org/newsroom/country-overshoot-days/>

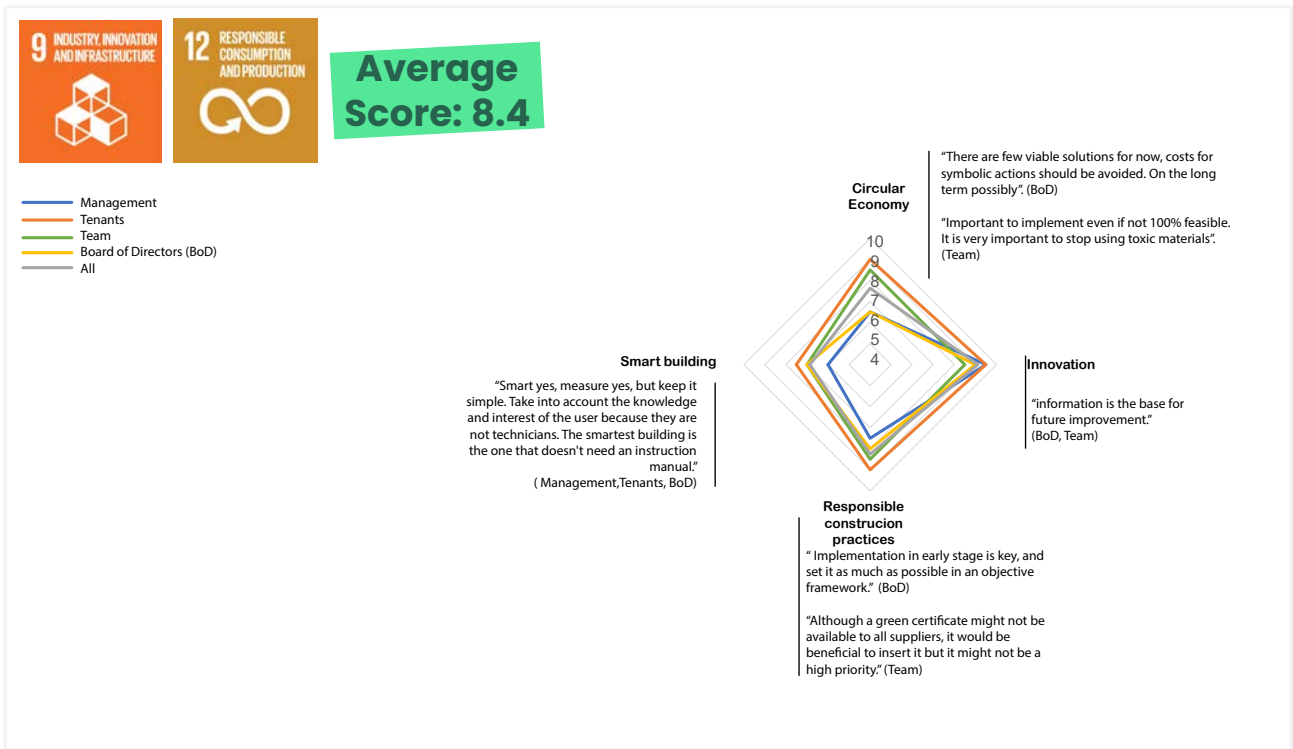
So something needs to drastically change in the way we consume and produce. For Home Invest Belgium specifically, this means looking at how we handle materials in a responsible way: opting for materials with a limited environmental impact, increasing the circularity of materials and reducing waste.

## SDG 9 Industry, innovation and infrastructure

A safe and sustainable infrastructure with access for all is essential to achieving the other SDGs. On the one hand, it concerns physical infrastructure such as roads, transport and energy. On the other hand, there is the infrastructure related to information and

communication technology, such as the internet. Targeted investments in industrialisation and technological innovation can contribute to achieving an infrastructure accessible for all that does no further damage to our planet.

As far as the activities of Home Invest Belgium are concerned, we have the most impact on a safe and sustainable housing infrastructure, but can also contribute by using technological innovation to monitor consumption data, making inventories of the materials we use, and directly contacting our tenants so that we can respond faster and in a more targeted way.



IMPLEMENTATION	SCOPE	AMBITION	TERM
<b>RESPONSIBLE CONSUMPTION &amp; PRODUCTION</b>			
<b>CIRCULAR ECONOMY</b>	Development Renovation	Elaboration of a number of feasibility studies and refinement of models to potentially achieve systematic implementation for new projects/major renovations around: <ul style="list-style-type: none"> <li>• Waste management plan, waste audit</li> <li>• Integrating urban mining</li> <li>• Materials database</li> <li>• Defining material requirements: locally sourced, recovered materials, low carbon content, low VOC emissions, easily recyclable, easily adaptable ...</li> </ul>	2026
<b>MATERIALS</b>	Development Renovation	LCA (Life Cycle Analysis) study for new projects: reducing embodied carbon of materials	2026
	Portfolio Development Renovation	Materials blacklist: list of materials that should not be used under any circumstances	2023
	Portfolio Development Renovation	Preferred materials whitelist, materials passport, EPD (Environmental Product Declaration)	2025
	Portfolio	Responsible maintenance and cleaning products	2023

IMPLEMENTATION	SCOPE	AMBITION	TERM
CERTIFICATION	Portfolio	Feasibility study for certification of WELL Portfolio	2022
	Development Renovation	Align the Schedule of Requirements for standard apartment where relevant to GRESB, BREEAM and WELL standards	2025
	Development Renovation	Evaluation of BREEAM label and adaptation of standards specifications. » Quick wins (ROI < 3 years) » Other topics	2023
DESIGN	Portfolio Development Renovation Acquisition	Design the future: follow market developments and prospecting for the future within an ad hoc in-house team	Continuously
SUPPLY CHAIN		Development of ESG requirements for contractors/suppliers.	2026
	Development Renovation	Contractor class 6 through 8 must submit proof of processes	2024
	Development Renovation	Construction site management follows the BREEAM A1 checklist (responsible building practices)	2022
	Portfolio Development Renovation	Monitoring building performance: professional aftercare support (technical installations...) for new developments, major renovations and for existing buildings	Continuously
<b>INNOVATION</b>			
DIGITALISATION	Portfolio	100% of assets: 'from lead to lease': digitising of lease contracts via the HOMI App: facilitating communication with the tenant, inquiries, awareness-raising, ...	2022
MONITORING	Development Renovation	Digital platform linked to smart meters	2025
	Development Renovation	BIM feasibility study: for new projects of more than 75 apartments. To be applied to structure, plumbing, HVAC, electricity (security lighting and fire detection), false ceilings and materials database.	Continuously
	Portfolio	BMS or alarm system on technical installations (heating, ventilation systems and pumps)	2023-2025
FEASIBILITY STUDIES	Portfolio Development Renovation	<ul style="list-style-type: none"> <li>• Installation of batteries to store energy locally</li> <li>• Heat pumps, geothermal, photovoltaics on outer walls</li> <li>• Third party investors</li> <li>• (Depending on how legislation evolves): evaluating the sale of surplus locally produced energy to tenants, neighbouring companies ...</li> </ul>	2022

## THEME 4: BIODIVERSITY & WATER



### SDG 15 Protecting life on land

We cannot exist without nature. More than thirty percent of the earth consists of forests<sup>8</sup>. Trees give us oxygen and remove CO<sub>2</sub> from the air. Moreover, forests worldwide provide employment and food, and eighty percent of all flora and fauna can be found there. In short: protecting ecosystems and biodiversity is crucial for the future of earth and humanity.

The activities of Home Invest Belgium meet a basic human need: creating a home. In order to achieve this, land must necessarily be appropriated, and it is of great importance to do this responsibly.

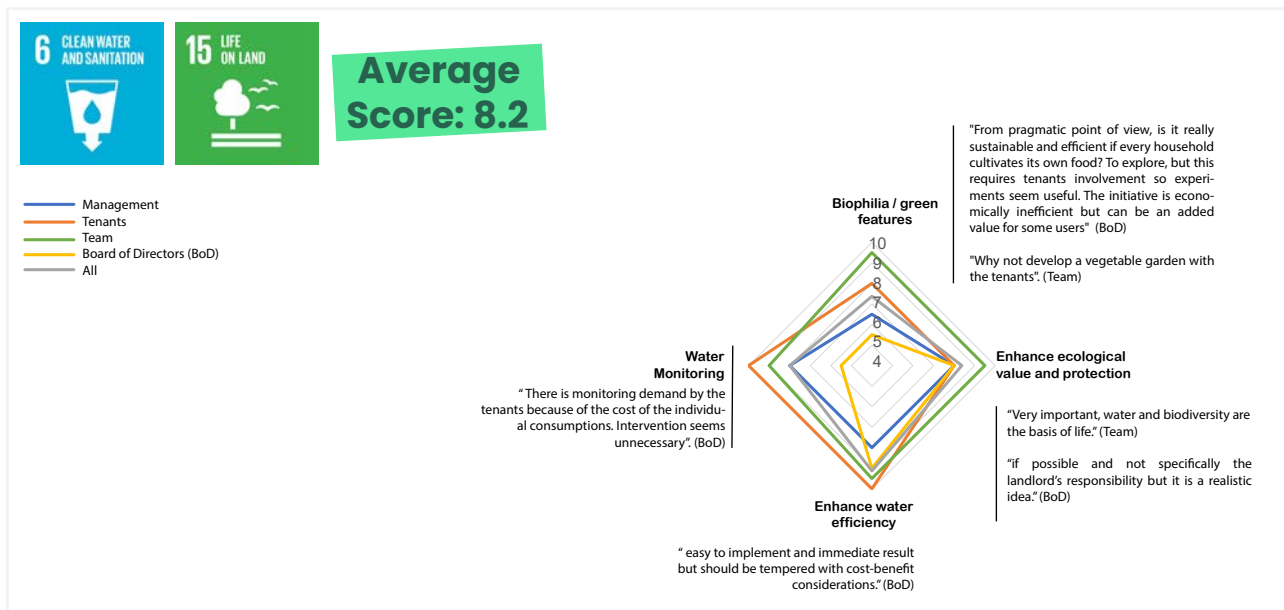
### SDG 6 Water

This SDG is related to many others, such as health and nutrition. A positive impact on water therefore affects other SDGs. Access to clean water, sanitation and good hygiene is a human right. Yet billions of people currently live without these basic necessities.

Home Invest Belgium has an impact on water consumption both inside and outside the buildings.

<sup>8</sup> <https://www.fao.org/3/ca8642en/ca8642en.pdf>





IMPLEMENTATION	SCOPE	AMBITION	TERM
<b>BIODIVERSITY</b>			
<b>SITE SELECTION</b>	Development	Do not build on greenfields (= undeveloped site) OR build on sites with low ecological value and upgrade the ecological value	Continuously
<b>DRAFT</b>	Development Renovation	During design phase Studying biodiversity, topography and hydrography during the design phase Appointing a landscape architect. This takes into account aspects such as: drought-tolerant and native flora, edible landscape (fruit trees, vines, garden, ...), low maintenance gardens, contribute to sustainable urban drainage, create new or additional open spaces in new developments, preserve habitats in new developments, ... Conduct study on integrating green roofs, living walls and other biophilic features in buildings	Continuously
<b>BIOPHILIA AND SOCIAL CONTACTS</b>	Portfolio	Test on Horizon & RQE 1/ aromatic plants that require little maintenance 2/ make one or more tenants responsible (vegetable garden committee) Evaluation and possible further expansion	2022
<b>WATER</b>			
<b>OBJECTS</b>	Portfolio	Monitoring water consumption per asset	2024
	Portfolio Development Renovation	Developing water saving targets	2024
<b>DESIGN TO SAVE</b>	Development Renovation	Building: design with low water consuming appliances such as double flush toilets, waterless urinals, spray taps, water saving showers, taper or peanut shaped bathtubs, water saving white goods, high efficiency/dry fixtures, leak detection systems	Continuously
	Portfolio Development Renovation	Outside: low water use gardens, drought tolerant/native landscaping, dry gardens, outdoor design with garden drainage, drip/smart irrigation, permeable paving	2022: inventory Continuously
	Development Renovation	Study on reuse of rainwater and grey water for new construction projects	Continuously

## THEME 5: HEALTH & WELL-BEING



### SDG 3 Health & well-being

Healthy people are the basis for a healthy welfare state.

“Living” is about fulfilling a primary need, a need to feel safe and to be able to develop further. Home Invest Belgium is therefore aware of the influence it has as landlord on the well-being of tenants.

An important objective as a company is to unburden the tenant. As a landlord, Home Invest Belgium takes on

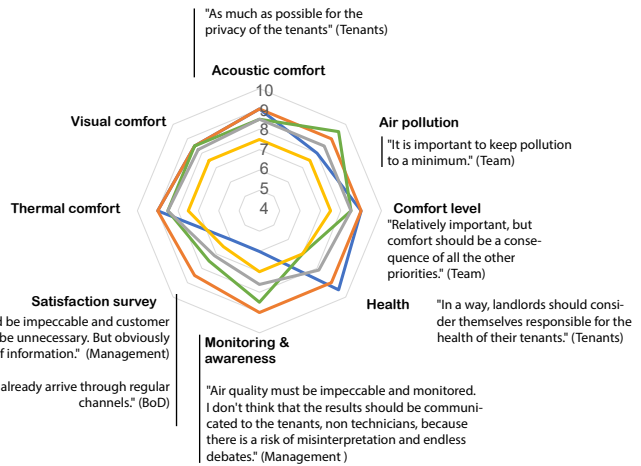
a role as facilitator, as director. We develop processes to help our residents: from the relocation process and complaint follow-up to the development of common services.

This part covers the Health and Well-being aspects for tenants, for our employees see *THEME 6*.



**Average Score: 8.1**

- Management
- Tenants
- Team
- Board of Directors (BoD)
- All



IMPLEMENTATION	SCOPE	AMBITION	TERM
<b>AIR QUALITY</b>			
<b>OBJECTIVES</b>	Development Renovation	Develop an air quality programme with quantified objectives, limiting VOCs (Volatile Organic Components), particulate matter, solvents, CO2 levels, pollutants...	2025
<b>VENTILATION</b>	Development	100% System D + min. F7 filter	Continuously
	Portfolio Renovation Acquisition	70% of existing portfolio: system D + min. F7 filter	2035
<b>HEALTH</b>			
<b>EXERCISE</b>	Portfolio Development Acquisition	Promoting the use of stairs through adapted infrastructure (visible stairwells, adapted lighting in the stairwell, pleasant colours...), nudging	Continuously
	Development Renovation	Taking into account a prominently visible staircase in the design	Continuously
<b>COMFORT</b>	Development Renovation	Adaptation of Schedule of Requirements (SoR)	
		• Daylight study	2025
		• Acoustic study	100% new construction
		• Thermal study	80% acquisition
<b>MONITORING</b>	Portfolio	Tenant satisfaction survey: 80% satisfaction rate	2023 (35% of tenants)



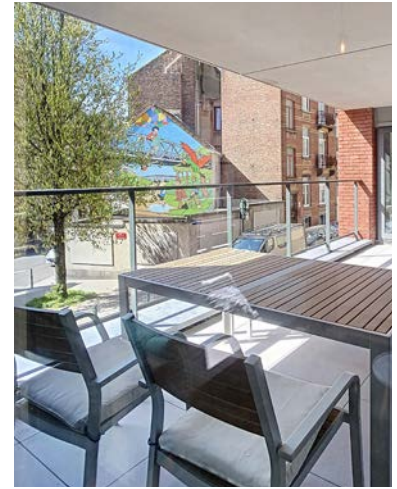


The Felicity, Brussel





The walls of our houses and flats contain the many stories and life plans of our tenants. Gloria and Khaddouj live in The Felicity in Brussels.



## The Felicity Brussels



“The advantage of the new buildings is that everyone can create their own style. My furniture from the 1950s fits in perfectly. I found it online on the Marketplace on Facebook.” says Gloria. For this translator, who works at home all day, peace and quiet is crucial. “I’m able to concentrate well here. When I need to relax a bit, I take a breath of fresh air on the terrace at the back. The spaces in the flat are well distributed. It is well designed and bright. Also, the common areas are well managed...”.

Khaddouj and Rachik have lived in a street adjacent to The Felicity for 13 years. “We know the area very well and enjoy living here.” smiles Khaddouj. Butcher’s shop, bakery, pharmacy... she is a regular customer in the neighborhood. “Day after day, floor by floor, I was able to observe the construction of The Felicity building. During the construction, I saw how much care was taken in building the site and the quality of the materials used. I have always said to my husband: this is where I would like to live in the future.” Explains Khaddouj. The senior couple particularly appreciate the light, the ease provided by the lift, the calm environment and the comfort provided by the state-of-the-art insulation of their flat.



## THEME 6: EQUALITY



### SDG 5, 10 Gender Equality & Reducing Inequality

By 2030, all forms of discrimination against women must be eliminated. Women and men should have equal rights in matters such as the job market, education and healthcare.

Global sustainable development does not exist if not all are able to enjoy it. As long as inequality exists – whether in the area of gender, ethnicity, religion, income or any other theme – there is work to be done.

For Home Invest Belgium, this is implemented in concrete terms by working on the equality aspects for our employees.

### SDG 8 Decent Work & Economic Growth

Working together for fair economic growth: more work and prosperity that everyone can enjoy without this being at the expense of the environment. This SDG aims to ensure that this happens. The goal for 2030 is that everyone who can work, should have the opportunity to do so, in safe working conditions and for a fair wage.

As an employer, this SDG applies directly to our employees, and indirectly to our (sub)contractors and suppliers.

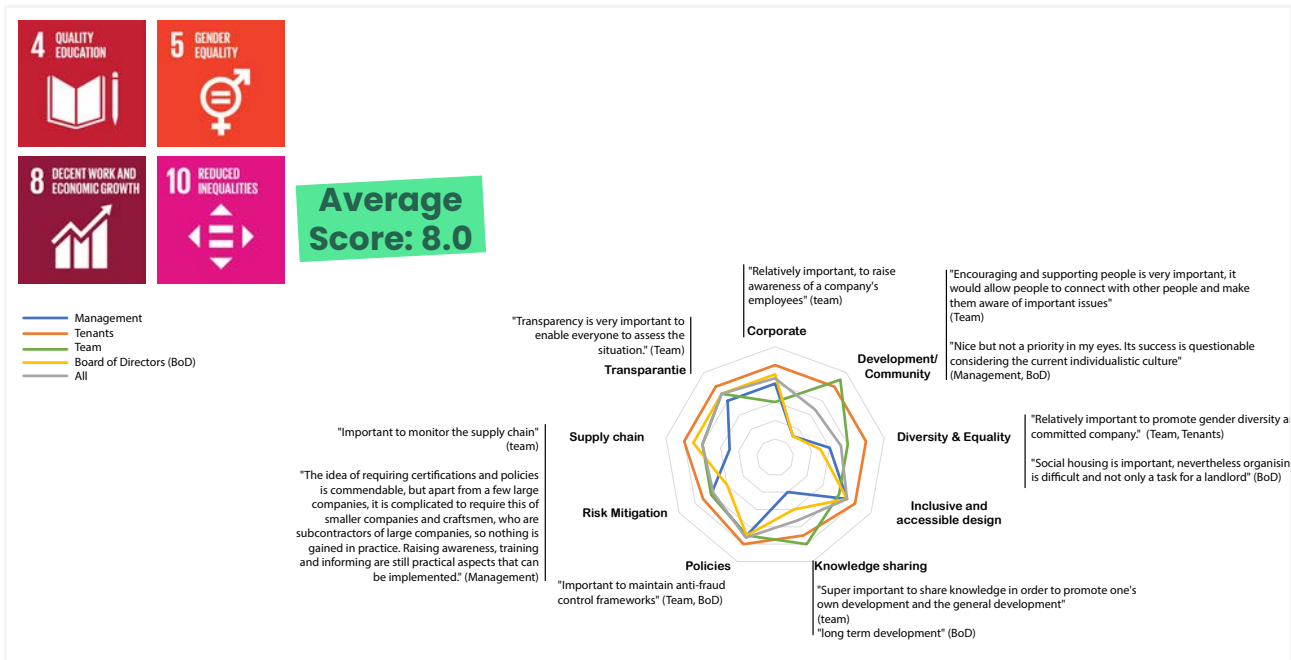
### SDG 4, 17 Quality Education, Partnerships

Not only does good quality education give a positive impulse to the life of an individual and their environment, it also gives people the tools to formulate answers to the major challenges we face in the world.

It goes without saying: basic conditions such as peace, security, justice and inclusiveness are indispensable in every society. People should be safe and free everywhere, regardless of their religion, origin and sexual orientation.

And so we need to work together to find solutions that combat injustice and human rights violations, and fight crime.

From governments to scientists, from private to public organisations, from world leaders to citizens: we must work together with the same values and shared high goals for a sustainable and inclusive world.



IMPLEMENTATION	SCOPE	AMBITION	TERM
<b>INCLUSION &amp; DIVERSITY</b>			
<b>POLICY</b>	Strategic	Gender & Diversity Policy Development	2023
	Strategic	Entering objectives and indicators: gender ratio, distribution over age groups (management and employees), wage differences between men and women, % of men and women in the age group with a decision-making function	2023
<b>PARTNERSHIPS</b>			
<b>SUPPLY CHAIN</b>	Strategic	Revision of Fair Contractual Relationship contracts: This supports and encourages fair wages and protections for workers employed by a company's contractors and subcontractors	2023
	Portfolio	Organisation of feedback sessions with contractors/ (service) suppliers	2023: inventory
	Developments	ESG training property/asset managers	2023
	Renovation	ESG training contractors	2023: inventory

# OVERARCHING THEME: CORPORATE GOVERNANCE & MANAGEMENT

What control mechanisms are in place to guarantee the success of Home Invest Belgium’s sustainable strategy?

Corporate Governance is the system of rules, practices and processes by which a company is managed and controlled. Corporate Governance essentially involves balancing the interests of a company’s many stakeholders, such as shareholders, management, customers, suppliers, investors, government and the community.

Since Corporate Governance also provides the framework for achieving a company’s objectives, it covers virtually every area of management, from action plans and internal controls to performance measurement and disclosure of corporate information.

The Corporate Governance statement (including the remuneration report and the description of the main features of the risk control and management systems) can be found in the chapter “Corporate Governance statement” of this annual report.

Furthermore, there are several committees in place at Home Invest Belgium: the Audit Committee, the Nomination and Remuneration Committee, the Investment Committee and the Project Committee.

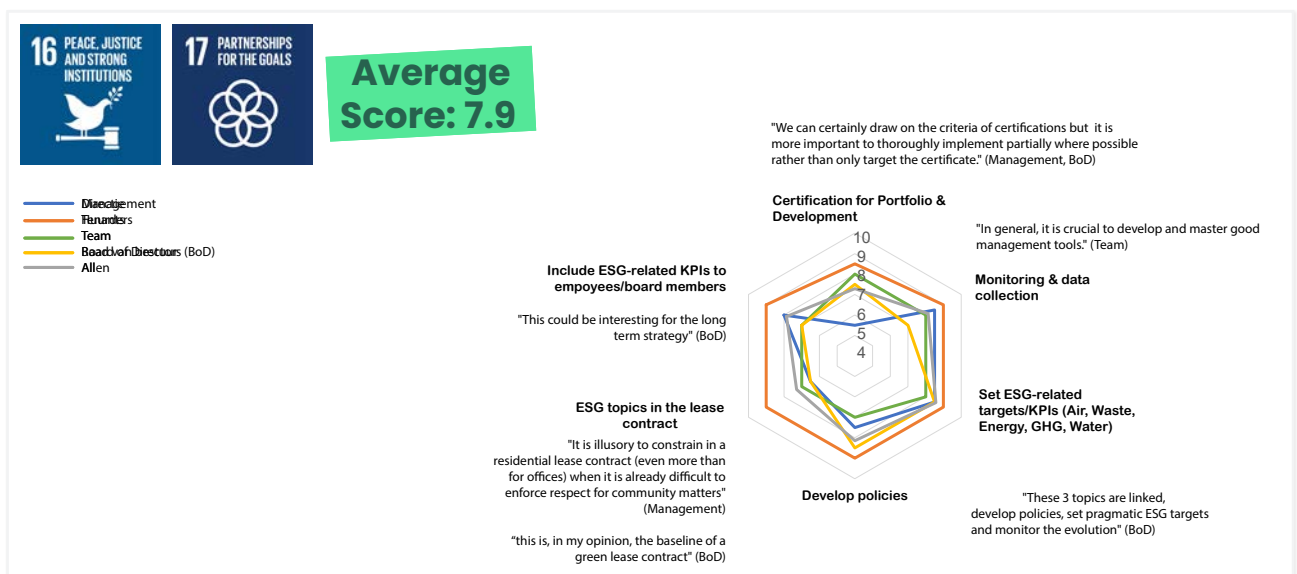
See chapter “Corporate Governance statement” of this report.

Realising all the formulated objectives in the area of ESG requires a solid underlying management structure, with an eye for the necessary support, freeing up budgets and human capital. Inspiration for this is found among others under SDG 16 as well as the GRESB guidelines.

### SDG 16 Peace, Security, Strong Institutions

It goes without saying: basic conditions such as peace, security, justice and inclusiveness are indispensable in every society.

For the coherent implementation of sustainability in our activities, the focus is currently on the building or asset level, because that is where the greatest impact of Home Invest Belgium lies. However, Home Invest Belgium is convinced that this is only one part of the sustainability story. The necessary structures and tools are being further developed to ensure that sustainability is also addressed at the level of the company as a whole, as this will ensure that all aspects, risks and opportunities are correctly identified and managed in the future and as part of the integrated vision.





IMPLEMENTATION RESPONSIBILITIES		SCOPE & AMBITION	TERM
<b>BOARD OF DIRECTORS</b>	Strategic	Approve strategic ESG vision. ESG is a permanent agenda item	Continuously
<b>MANAGEMENT</b>	Strategic	Define/follow up strategic vision	Continuously
<b>POLICY</b>	Strategic	Through the formal development of various policy lines in the areas of social matters, the environment, a code of ethics and good governance, Home Invest will formalise its engagement with stakeholders, partners and the supply chain while using and maintaining high standards of accountability	2022
<b>RISK ANALYSIS</b>	Strategic	Supply chain analysis identifies sustainability risks and opportunities. Risks related to compliance, policy and legal risks, technology risks, ...	2026
<b>HR</b>	Strategic	Inclusion of ESG responsibilities in job descriptions Develop ESG KPIs for specific job profiles Provide the necessary training	2022
<b>OBJECTIVES</b>			
<b>DATA COLLECTION</b>	Portfolio	Further rollout of data collection to further refine ambitions and KPIs	2023-2026
	Renovation	compare performance before and after renovation	From 2022
<b>DEFINE</b>	Portfolio	Existing portfolio: refine further based on current performance	From 2022
<b>CONSOLIDATED IMPLEMENTATION</b>			
<b>GREEN LEASE CONTRACT</b>	Portfolio Acquisition	Feasibility study: studying the potential added value of a Green Lease Contract with commitments for Home Invest Belgium and the tenant	2022
<b>FOLLOW-UP</b>			
<b>LONG TERM</b>	Strategic	Review of the long-term objectives	3-yearly
<b>SHORT TERM</b>	Strategic	Evaluation of/reporting on and, if necessary, adaptation of the ESG Programme	Yearly
<b>AWARENESS RAISING/COMMUNICATION</b>			
<b>GENERAL</b>	Strategic	Home Invest Belgium will communicate the progress made in its sustainability activities through various channels. This will be done to the general public via a sustainability report. To our stakeholders, this will be done through a more targeted approach: through consultation, surveys, ...	Continuously
<b>STAKEHOLDERS</b>	Strategic	The company is aware of the importance of maintaining close contact with internal and external stakeholders. Home Invest Belgium will develop a stakeholder engagement programme to continue the constructive dialogue with different categories of stakeholders	2022
	Portfolio	Necessary channels for reporting cases of non-compliance, complaints or other issues are developed	2022
<b>RESOURCES</b>			
<b>GREEN FINANCE FRAMEWORK</b>	Strategic	Development of a Green Finance Framework ("Framework") designed to attract specific financing for green assets and real estate projects that contribute to the sustainability strategy	2022

# GREEN FINANCE FRAMEWORK AND ALLOCATION OF PROCEEDS

Home Invest Belgium established a *Green Finance Framework* on in January 2022 in order to finance or refinance activities that fit in the company's ESG strategy and that meet the sustainability criteria set out in the *Green Finance Framework*, such as investments in sustainable buildings, sustainable renovations and renewable energy. Home Invest Belgium has updated its Green Finance Framework in December 2023.

The Green Finance Framework and the sustainability criteria are in accordance with the Green

Bond Principles and the Green Loan Principles, as also confirmed in a Second Party Opinion by ISS ESG, one of the leading and trusted specialised independent assessors.

In 2022 Home Invest has issued a first green bond under the company's ongoing EMTN programme and the newly established Green Finance Framework for an amount of € 40 million.

The table below presents the allocation of proceeds as of 31-12-2023.

ALLOCATION OF PROCEEDS	
	31/12/2023
<b>Green Finance Instruments issued</b>	
- Bond January 2032 (ISIN BE 63324065527)	€ 40 million
<b>TOTAL AMOUNT OF ISSUED GREEN FINANCE INSTRUMENTS</b>	<b>€ 40 million</b>
<b>PORTFOLIO OF ELIGIBLE GREEN PROJECTS</b>	<b>€ 293 million</b>
<b>Description of portfolio Eligible Green Projects</b>	
- Break down per category	100% Green Buildings
- Break down per geographical area	95% BE / 5% NL
- Break down share of financing vs refinancing	100% refinancing
<b>Description of portfolio of Green Buildings</b>	
- Number of assets	14 assets
- Average energy use (m <sup>2</sup> /jaar)	79 kWh/m <sup>2</sup> /year
<b>AMOUNT OF UNLOCATED PROCEEDS</b>	<b>€ 0 million</b>

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# LEXICON

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## **BIM**

Building Information Modelling – 3D modelling technology that reduces waste and information loss at each stage of the construction process and enables highly efficient and effective management of facilities and properties through integration with an ERP system.

## **BIOPHILIA**

Humankind's innate tendency to connect with nature.

## **BMS**

Building Management System – A computerised control system installed in buildings that controls and monitors the mechanical and electrical equipment of the building, such as ventilation, lighting, energy systems, fire extinguishing systems and security systems.

## **BREEAM**

Building Research Establishment Environmental Assessment Method – An internationally renowned green building certification that focuses on sustainable aspects of buildings and their construction.

## **EMBODIED CARBON**

Embodied Carbon' is the carbon footprint of a material. The carbon footprint measures how much CO<sub>2</sub> is released in the supply chain, and is often measured from cradle to (factory) gate, or from cradle to (use) location. Embodied Carbon can also be measured from cradle-to-grave, which is the most complete calculation and includes material extraction, transportation, refining, processing, assembly, use (of the product) and finally its status at the end of its life.

## **E-PEIL**

An energy indicator from Belgium's EPB (Energy Performance of Building) regulations. It shows the total energy consumption of a building compared to a reference building. It takes into account heating, hot water, cooling, ventilation and the consumption of auxiliary equipment.

## **EPD**

Environmental Product Declaration – An Environmental Product Declaration (EPD) is an independently verified and registered document that credibly provides transparent and comparable information about the environmental impact of products during their life cycle.

## **ESG**

Environment, Social and Governance – The ESG concept is used to quantify sustainable performance.

## **GREEN LEASE CONTRACT**

A sustainable lease, or a Green Lease, is each lease that results in a sustainable result. Arrangements about energy, waste and water can form a part of this.

## **GREENHOUSE GASES**

Greenhouse gases (GHG) are those gaseous components of the atmosphere, both natural and anthropogenic, that absorb and give off radiation and are responsible for retaining heat. This property causes the greenhouse effect. The main greenhouse gases are: Water vapour (H<sub>2</sub>O), carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), ozone (O<sub>3</sub>), nitrous oxide (N<sub>2</sub>O) and chlorofluorocarbons (HFCs).

## **GRESB**

Global Real Estate Sustainable Benchmark – a reporting and benchmarking tool for ESG-related performance, tailored to the real estate sector.

## **GRI Standard**

Global Reporting Initiative – An international organisation that sets guidelines for sustainability reporting. In a sustainability report, an organisation communicates publicly about its economic, environmental and social performance.

## **HOMI App**

The application developed to digitise the entire lead-to-lease process.

## **KPI**

Key Performance Indicator – This is a quantifiable measure used to evaluate the success of an organisation, project, etc. in achieving its performance goals.

## **MATERIALITY MATRIX**

In a materiality matrix, the interests of stakeholders (external prioritisation) are set off against the importance that the company itself attaches to such (internal prioritisation).

**PRM**

Person with Reduced Mobility. People with a physical or mental disability are considered to be a PRM, but so, for example, are the elderly or pregnant women, parents with a pram who have difficulty moving around, people with a foot in a cast, etc, ...

**SCHEDULE OF REQUIREMENTS (SoR)**

The schedule of requirements is a written collection of requirements and wishes with regard to a possible product, construction, service to be purchased, or otherwise, to be designed. The purpose of a schedule of requirements is to define the preconditions and limits in advance.

**SOLUTION CENTER**

The Solution Center is the Single Point of Contact (SPOC) and is available 24/7 for our (future) customers for questions regarding technical matters or questions about the lease contract. This thoroughgoing customer service makes it possible for us to guarantee quick follow-up of all interventions.

**TCO**

Total Cost of Ownership – The TCO is the sum of all costs associated with the purchase, use and maintenance of a particular asset during its life. It is a financial analysis that reflects all current and future costs of taking possession of the asset.

**UN SDGs**

United Nations Sustainable Development Goals – 17 ESG-related themes developed by the United Nations to achieve sustainability goals by 2030: ending poverty, protecting the planet and ensuring peace and prosperity.

**WELL**

An international building certificate tailored to the Health & Well-being of residents.





# REAL ESTATE REPORT



Jourdan 95, Brussels

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# A young and diversified portfolio that generates recurrent rental income and long-term capital gain

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*Residential properties accounted for 90,1% of the investment  
properties available for lease on 31 December 2023.*

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## REAL ESTATE REPORT

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The real estate portfolio .....	84
The real estate market .....	100
Reports of the real estate experts .....	106

# THE REAL ESTATE PORTFOLIO

## Evolution of the real estate portfolio

On 31 December 2023, Home Invest Belgium holds a real estate portfolio<sup>1</sup> of € 780.93 million, compared to

€ 772.01 million on 31 December 2022, or an Increase of 1.2%.

REAL ESTATE PORTFOLIO (in k€)	31/12/2023	31/12/2022
<b>Fair Value of investment properties</b>	<b>€ 755.46 m</b>	<b>€ 745.96 m</b>
Investment properties available for rent	€ 704.89 m	€ 693.97 m
Development projects	€ 50.57 m	€ 52.00 m
<b>Investments in associates and joint ventures</b>	<b>€ 25.47 m</b>	<b>€ 26.05 m</b>
<b>TOTAL</b>	<b>€ 780.93 m</b>	<b>€ 772.01 m</b>

The fair value of the investment properties available for rent amounts to € 704.89 million across 48 sites.

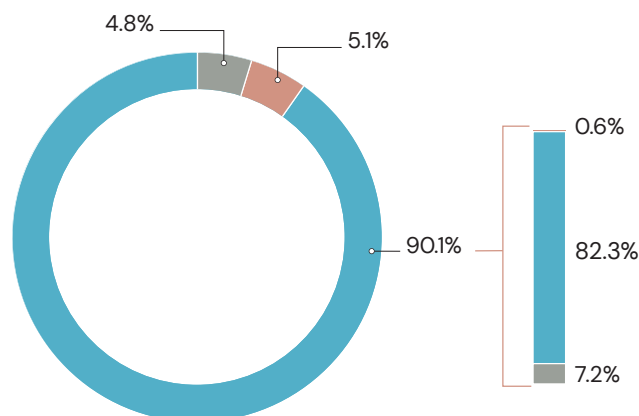
The total contractual annual rents and the estimated rental value of the vacant space amounts € 36.94 million on 31 December 2023.

The investment properties available for rent are valued by independent real estate experts at an average gross rental yield<sup>2</sup> of 5.2%.

Residential properties accounted for 90.1% of the investment properties available for rent on 31 December 2023.

66.9% of the investment properties available for rent are located in the Brussels Capital Region, 10.5% in the Walloon region, 13.3% in the Flemish Region and 9.3% in The Netherlands.

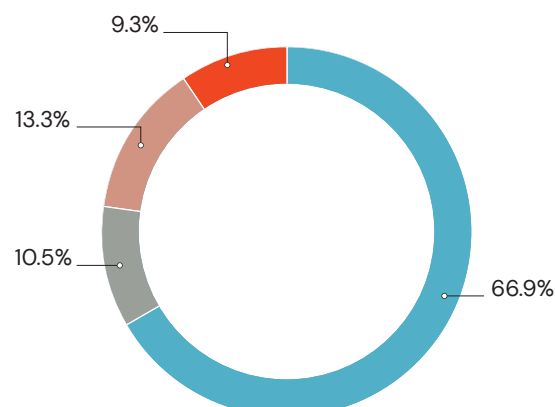
INVESTMENT PROPERTIES AVAILABLE FOR RENT BY TYPE OF PROPERTY



Residential  
Retail  
Offices

Tourisme  
Houses  
Homes

INVESTMENT PROPERTIES AVAILABLE FOR RENT BY GEOGRAPHICAL DISTRIBUTION



Netherlands  
Flemish Region  
Walloon Region  
Brussels Capital Region

<sup>1</sup> The real estate portfolio includes (i) investment properties and (ii) share in associated companies and joint ventures equity method.

<sup>2</sup> Gross rental yield = (contractual rents on a yearly basis + estimated value on vacant spaces) / (fair value of the investment properties available for rent).



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## Participations

On 31 December 2023, Home Invest Belgium had a 50% participation in the De Haan Vakantiehuizen NV for an amount of € 25,47 million.

De Haan Vakantiehuizen NV is a Belgian specialised real estate investment fund (GVBF) with 344 holiday homes located in De Haan on the Belgian coast.

The holiday homes are part of a holiday park, consisting of a total of 517 holiday homes and central facilities. The park is leased on a long-term basis to and operated by Sunparks Leisure NV/SA, which is part of the Pierre & Vacances - Center Parcs Group. The remaining term of the lease agreement is 15 years. The company is operated under the banner "Center Parcs De Haan".

## Some of our leading buildings in portfolio

### Louvain-La-Neuve - City centre

These buildings represent 3.6% of the investment properties available for rent. Located in the centre of Louvain-la-Neuve, they were built in 1977 and acquired by the RREC in 2013. They include  $\pm 23,000$  m<sup>2</sup> of rental space intended for housing, commercial use, offices and lecture halls. What makes these buildings special is that they were erected on land owned by UCL. The RREC has a surface right until 2026. Home Invest Belgium is bringing this to market under the brand name Louv'immo.



### Port Zélande

This is a holiday domain located in The Netherlands (Ouddorp, in the Dutch province of South Holland). It represents the RREC's largest property complex: 7.2% of the fair value of the real estate portfolio. In the park, Home Invest Belgium has 248 houses and 40 apartments which are part of a complex of around 700 holiday homes, surrounded by central facilities (including a subtropical swimming pool, restaurants, shops, play areas, etc.). The site as a whole is run by the Center Parcs Pierre & Vacances group on the basis of a fixed lease with 11 years remaining, at a fixed and indexed 'triple net' rent. A thorough renovation programme has been carried out over the past few years. This renovation has had a positive impact on the occupancy rate of the park.

### Lambermont

This site consists of four buildings and is located along Avenue Lambermont in Schaerbeek, next to the Kinetix sports centre. It was completed in 2011. It comprises a total of 127 apartments, two municipal libraries (Dutch and French), a nursery and 108 underground parking spots. This mix of functions is the result of exemplary collaboration with the local authorities.



### City Gardens

This asset in Flanders (Leuven) consists of 138 apartments, two shops and 92 underground parking spaces. It was fully renovated by Home Invest Belgium in 2010 and 2011. The building houses both students and young professionals who appreciate its central location in the city.

### Giotto

This complex, located at 2-10 avenue du Frioul in Evere, was completed and acquired in 2005 and it comprises 85 apartments and 85 underground parking places. It is particularly appreciated due to its proximity to NATO and easy accessibility.







### Livingstone

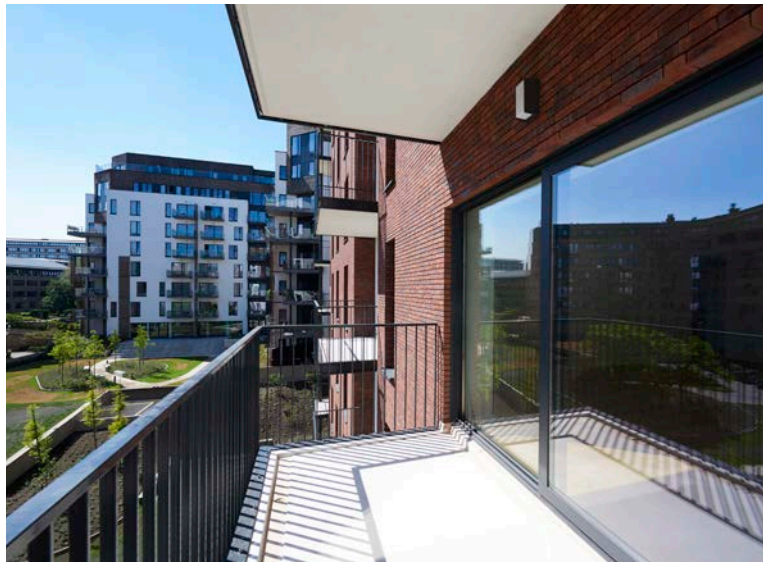
This building comprises 38 apartments with parking spots and cellars and is ideally and centrally located in avenue Livingstone in Brussels (in the heart of the European district, near the Berlaymont Building). The building was acquired by Home Invest Belgium in 2015.

### The Horizon & The Inside

Both buildings are located in Woluwe-Saint-Lambert and were redeveloped by Home Invest Belgium, but they differ from one another in terms of their format.

The Horizon building includes 165 units and symbolises a new way of living, with attention paid to a perfect mix of privacy for the residents (via their own apartment/ studio) and the shared areas, such as a sky lounge with a superb view, sunny roof terraces, home cinema, fitness and other communal services.

The Inside is a more traditional apartment building comprising 96 units that have a larger surface area for individual apartments/studios compared with The Horizon, but with fewer shared areas.



### The Fairview

Home Invest Belgium delivered The Fairview in Sint-Lambrechts-Woluwe, its latest residential project, in March 2022. The Fairview comprises 42 high-quality rental flats. It is a reconversion of an office site to a modern residential complex with an excellent energy performance score.





### The Pulse

The Pulse was completed in May 2018 and consists of 96 residential units spread over 3 buildings, an underground car park and a communal inner courtyard with a petanque area. It is located on the corner of rue de la Célidée and rue Joseph Schols in the Karreveld district in Sint-Jans-Molenbeek (Brussels). This former office site has been converted into a modern residential complex with an excellent energy performance rating.

### Ankerrui

In October 2021, Home Invest Belgium acquired a second project in Antwerp at an absolute top location, a stone's throw from Het Eilandje, a very popular neighbourhood in the heart of Antwerp. The complex currently consists of an office building with a fixed lease. After expiration of the lease, Home Invest Belgium plans to transform the building into a mixed project with some 30 residential units and a commercial activity on the ground floor.



### Oss

At the end of 2021, Home Invest Belgium acquired a first residential project in The Netherlands, a former Carmelite monastery that has been transformed into 87 rental homes and a commercial ground floor in the city of Oss, located in the province of North Brabant. This allows Home Invest to spread its real estate portfolio even better within the same clear strategy: investing in sustainable and affordable residential real estate in markets with a structural shortage of quality offerings.

# Overview of the real estate portfolio

## Brussels-Capital Region



## Investment properties available for rent

No	Name	Year <sup>1</sup>	Units	Surface areas m <sup>2</sup>	Occupancy rate % <sup>2</sup>
<b>BRUSSELS CAPITAL REGION</b>					
1.	<b>The Link<sup>3</sup></b> Rue Maurice Charlent 51-53 Auderghem	2015	124	4 353	
2.	<b>Belliard 21</b> Rue Belliard 21 Bruxelles	2013	6	278	
3.	<b>Clos de la Pépinière</b> Rue de la Pépinière 6-14 – Avenue Thérésienne 5-9 Bruxelles	1993	25	3 279	
4.	<b>La Résidence</b> Rue Joseph II Bruxelles	1994	17	1 447	
5.	<b>Lebeau</b> Rue Lebeau 55-57 Bruxelles	1998	12	1 153	
6.	<b>Livingstone</b> Avenue Livingstone Bruxelles	2015	38	4 701	
7.	<b>Résidences du Quartier Européen</b> Rue Joseph II 82-84 – Rue Lebon 6-10 – Rue Stevin 21 Bruxelles	2022	50	4 292	
8.	<b>Troon</b> Rue Brederode 29 – Rue de la Pépinière 40 Bruxelles	2015	16	1 913	
9.	<b>ArchView</b> Avenue de l'Yser 13 Etterbeek	2015	16	1 961	
10.	<b>Giotto</b> Avenue du Frioul 2-10 Evere	2005	85	8 327	
11.	<b>Belgrade</b> Rue de Belgrade 78-84 Forest	1999	1	1 368	
12.	<b>Charles Woeste</b> Avenue Charles Woeste 296-306 Jette	2015	92	5 091	
13.	<b>Odon Warland</b> Rue Odon Warland 205 – Rue Bulins 2-4 Jette	2012	35	3 141	
14.	<b>La Toque d'Argent</b> Rue Van Kalck 30-32 Molenbeek-Saint-Jean	1990	1	1 660	
15.	<b>Sippelberg</b> Avenue du Sippelberg 3-5 Molenbeek-Saint-Jean	2003	33	3 290	
16.	<b>The Pulse</b> Rue de la Célidée 29-33 Molenbeek-Saint-Jean	2018	97	7 874	
17.	<b>Jourdan 85</b> Rue Jourdan 85 Saint-Gilles	2010	24	2 430	
18.	<b>Lambermont</b> Boulevard Lambermont 210-222 – Rue Desenfans 13-15 Schaerbeek	2008	131	14 107	
19.	<b>Les Érables</b> Avenue de Calabre 30-32 Woluwe-Saint-Lambert	2001	24	2 201	

<sup>1</sup> Year of construction or last major renovation.

<sup>2</sup> The average occupancy rate represents the average percentage, over a given period, of the contractual rents of the leased premises, in relation to the sum of the contractual rents of the leased space plus the estimated rental value of the vacant space.

<sup>3</sup> The freehold of the Link building is owned by SPL Charlent 53 freehold while the leasehold is owned by Home Invest Belgium.





## Investment properties available for rent

No	Name	Year <sup>1</sup>	Units	Surface areas m <sup>2</sup>	Occupancy rate % <sup>2</sup>
20.	<b>The Horizon</b> Avenue Ariane 4 Woluwe-Saint-Lambert	2016	165	10 439	
21.	<b>The Inside</b> Avenue Marcel Thiry 202-206 Woluwe-Saint-Lambert	2017	96	7 872	
22.	<b>The Factory</b> Ferdinand Brunfaut 21-25-27-31 et rue Fin 8-10 Molenbeek-Saint-Jean	2020	98	8 846	
23.	<b>Liberty's</b> Place de l'Amitié 7-8 Auderghem	2017	40	3 391	
24.	<b>The Felicity</b> Rue Meyers-Hennau 5-7-9-11-13-15-17 Laeken	2021	48	4 868	
25.	<b>The Fairview</b> Marcel Thiry laan 204 Sint-Lambrechts-Woluwe	2023	42	4 538	
26.	<b>Montgomery</b> Avenue de Tervueren 149 Woluwe-Saint-Pierre	2006	34	2 193	
27.	<b>Ambiorix</b> Square Ambiorix 28 Bruxelles	1995	64	3 562	
28.	<b>Régent</b> Avenue du Régent 58 Bruxelles	2011	47	2 843	
29.	<b>Grand Place</b> Rue de l'Écuyer 57 Bruxelles	2006	42	2 515	
30.	<b>Théodor</b> Rue Tilmont 22 Bruxelles	1976	2	5 080	
<b>TOTAL BRUSSELS CAPITAL REGION</b>			<b>1 505</b>	<b>129 013</b>	<b>98.2%</b>

## The Flemish Region, the Walloon Region and The Netherlands



## Investment properties available for rent

No	Name	Year <sup>1</sup>	Units	Surface areas m <sup>2</sup>	Occupancy rate % <sup>2</sup>
<b>FLEMISH REGION</b>					
31.	<b>City Gardens</b> Petermannenstraat 2A-2B – Ridderstraat 112-120 Louvain	2010	140	8 409	
32.	<b>Gent Zuid</b> Woodrow Wilsonplein 4 Gand	2000	18	2 346	
33.	<b>Scheldeveugel</b> Remparden 12 Oudenaarde	1980	96	5 746	
34.	<b>The Crow-n</b> Koningin Astridlaan 278 Kraainem	2019	45	4 392	
35.	<b>Ankerrui</b> Ankerrui 9 Anvers	1960	1	4 930	
36.	<b>Niefhout</b> Dokter Nand Peeterstraat Nr 17-19-25 Turnhout	2023	92	6 666	
<b>TOTAL FLEMISH REGION</b>			<b>392</b>	<b>32 489</b>	<b>97.7%</b>
<b>WALLONIA REGION</b>					
37.	<b>Clos Saint-Géry</b> Rue de Tournai 4 Ghlin	2015	20	4 140	
38.	<b>Quai de Compiègne</b> Quai de Compiègne 55 Huy	1971	1	2 479	
39.	<b>L'Angelot</b> Rue de la Monnaie 4-14 Namen	2023	61	5 403	
40.	<b>Mont-Saint-Martin</b> Mont Saint-Martin 1 Liège	1988	6	335	
41.	<b>Saint-Hubert 4</b> Rue Saint-Hubert 4 Liège	1988	14	910	
42.	<b>Saint-Hubert 51</b> Rue Saint-Hubert 51 Luik	1988	4	360	
43.	<b>Le Mosan</b> Rue Léopold 2-8 Liège	2020	33	2 473	
44.	<b>Louvain-la-Neuve CV9</b> Hoek Rue des Wallons en Grand Rue Louvain-la-Neuve	1977	16	7 091	
45.	<b>Louvain-la-Neuve CV10&amp;18</b> Rues Charlemagne, Grand Rue, Rabelais, Grand Place, Agora Louvain-la-Neuve	1977	176	16 827	
46.	<b>Colombus</b> Rue de l'Orjo 52-56 Jambes	2007	51	3 740	
<b>TOTAL WALLONIA REGION</b>			<b>382</b>	<b>43 758</b>	<b>99.1%</b>
<b>THE NETHERLANDS</b>					
47.	<b>Port Zélande</b> Center Park Port Zélande Ouddorp (Nederland)	2016	288	20 533	
48.	<b>Oss</b> Verdistraat 87 Oss (Nederland)	2021	88	3 129	
<b>TOTAL THE NETHERLANDS</b>			<b>376</b>	<b>23 617</b>	<b>100.0%</b>
<b>GRAND TOTAL BELGIUM AND THE NETHERLANDS</b>			<b>2 563</b>	<b>222 640</b>	<b>98.5%</b>





## Development projects

No.	Name	Delivery date	Units	Total expected investment	Remaining CAPEX
49.	<b>City Dox</b> Rue du Nieuwemolen Anderlecht	2024	171	€ 60 m	€ 45 m
51.	<b>Samberstraat</b> Samberstraat 8 Antwerp	2023	38	€ 11 m	€ 6 m
52.	<b>Jourdan 95</b> Rue Jourdan 89-103 Saint-Gilles	2024	46	€ 22 m	€ 13 m
53.	<b>Quartier Bleu</b> Kanaalpad 9 Hasselt	2023	37	€ 11 m	€ 4 m
<b>TOTAL</b>			<b>384</b>	<b>€ 119 m</b>	<b>€ 71 m</b>

## Information on consolidated real estate portfolio

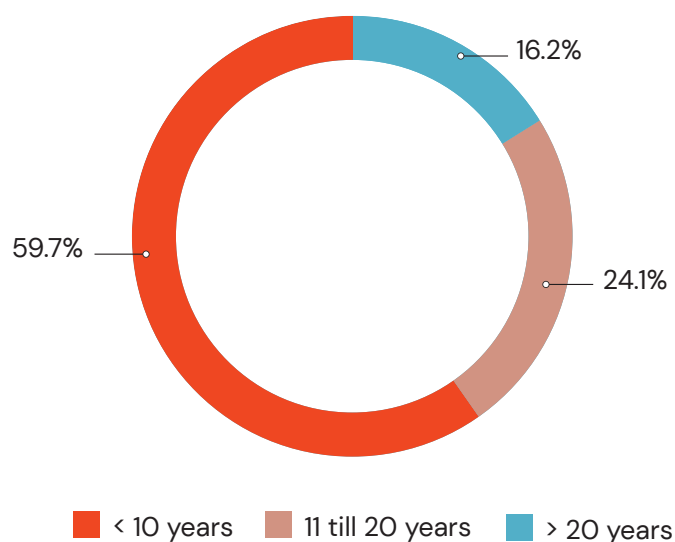
Investment properties available for rent	Fair value	Insured value	Contractual rents on annual basis	Contractual rents + Estimated rental value on vacant spaces	Total estimated rental value
<b>Brussels Capital Region</b>	€ 471.54 m	€ 260.72 m	€ 20.72 m	€ 21.38 m	€ 21.53 m
<b>Flemish Region</b>	€ 93.66 m	€ 68.35 m	€ 4.64 m	€ 4.75 m	€ 4.73 m
<b>Walloon Region</b>	€ 74.15 m	€ 76.88 m	€ 6.68 m	€ 6.87 m	€ 6.05 m
<b>The Netherlands</b>	€ 65.54 m	€ 0 m	€ 3.94 m	€ 3.94 m	€ 4.01 m
<b>TOTAL</b>	<b>€ 704.89 m</b>	<b>€ 405.96 m</b>	<b>€ 35.98 m</b>	<b>€ 36.94 m</b>	<b>€ 36.31 m</b>

# Analysis of the investment properties available for rent

Home Invest Belgium has a young real estate portfolio. More than 50% of the investment properties available

for rent are younger than 10 years; more than 80% are younger than 20 years.

## BREAKDOWN OF THE PROPERTIES BY AGE ON 31 DECEMBER 2023 (% OF THE FAIR VALUE OF THE INVESTMENT PROPERTIES AVAILABLE FOR RENT)

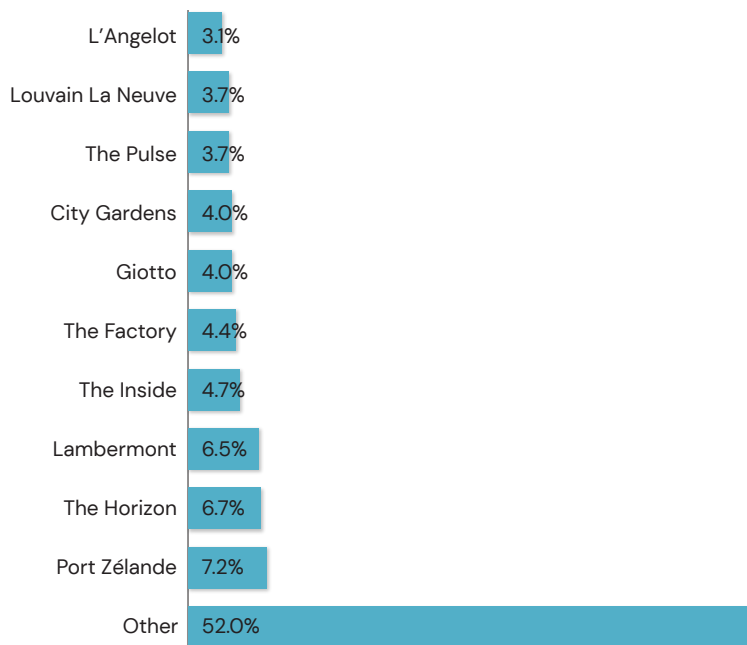


The portfolio comprises 2 tenants for which the annual rent exceeds €1.0 million as at 31 December 2023. The largest tenant is Center Parcs Netherlands with an annual rent of € 3.2 million (8.9% of the contractual rents), followed by Beapart with a total of € 2.2 million (6.0% of the contractual rents).

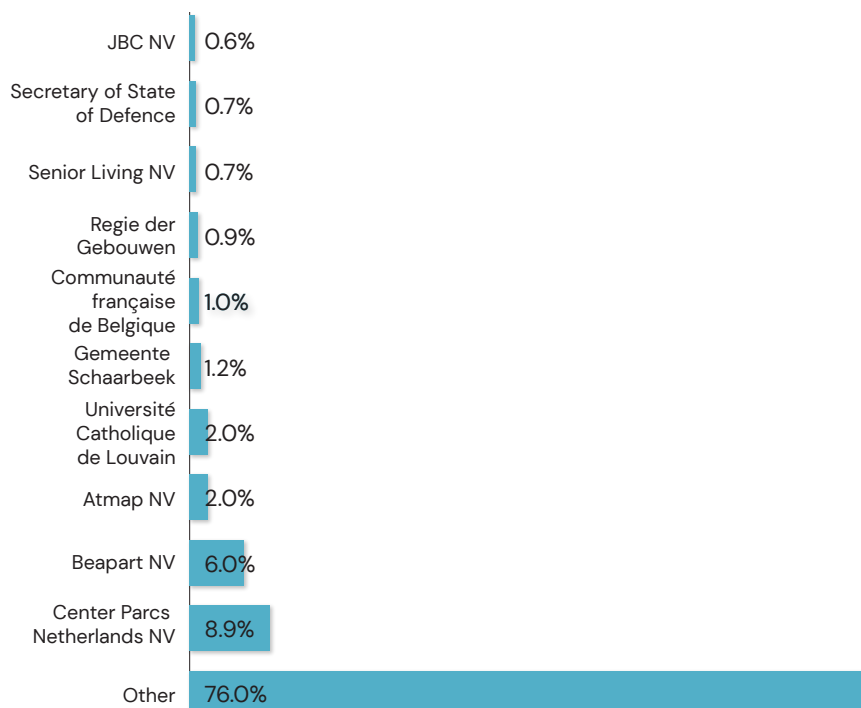
The regulations applicable to the RREC sector oblige these companies to diversify their risks. Home Invest Belgium may therefore not invest more than 20% of its assets in a single real estate complex.

As the largest site accounts for only 7.2% of the total portfolio of properties available for rent, diversification is assured. The ten largest sites account for 47.9% of the total investment properties available for rent.

**BREAKDOWN PER BUILDING ON 31 DECEMBER 2023**  
 (% OF THE FAIR VALUE OF THE INVESTMENT PROPERTIES AVAILABLE FOR RENT)



**THE MAIN TENANTS AS OF 31 DECEMBER 2023**  
 (% OF THE CONTRACTUAL LEASES OF THE INVESTMENT PROPERTIES AVAILABLE FOR RENT)



### Occupancy rate

In 2023, Home Invest Belgium saw a strong residential rental market with strong demand for quality homes. This resulted in a record occupancy rate. The average

occupancy rate<sup>3</sup> of the investment properties available for rent increased to 98.5% in 2023 (compared to 98.1% in 2022).

<sup>3</sup> The average occupancy rate represents the average percentage, determined over a given period, of the contractual rents of the rented spaces over the sum of the contractual rents of the rented spaces plus the estimated rental value of the unrented spaces. The occupancy rate is calculated excluding (i) properties under renovation, (ii) properties being marketed for the first time and (iii) properties for sale.

# THE REAL ESTATE MARKET

## State of the residential market Belgium 2023

**In the context of ongoing demographic changes in Belgium, it is essential to understand the evolving dynamics of the Belgian housing market. Recent research (Statbel) points out that ongoing demographic changes have a significant impact on regional population growth and therefore on the demand for housing.**

On January 1, 2023, the Belgian population officially amounts to 11.697.557 inhabitants, which is 0.98% higher than the previous year. Population growth is influenced by a complex interplay of demographic, economic and political factors, including:

- Natural population growth;
- Migration;
- Social and cultural factors such as family planning;
- Policy measures such as immigration and integration.

According to forecasts, Belgium will experience a steady increase in population in the coming decades, with an average annual growth of around 25,000 inhabitants until the year 2070. These forecasts, based on recent demographic data (Statbel), suggest a 10% increase in the total population between 2023 and 2070. However, detailed analysis reveals significant regional variations in these demographic trends.

In the **Brussels-Capital Region**, the population is expected to show a downward trend, with a predicted decline of 4% between 2023 and 2070. This decline poses a challenge to housing supply and requires a thorough review of policy measures related to urban development and housing construction.

On the other hand, **Wallonia** shows a moderate population growth, with an expected increase of only 2% between 2023 and 2070. Interestingly, this growth is expected to turn into a negative trend by the end of the 2040s, which has important implications for the real estate market and regional planning in the south of Belgium.

In contrast, the **Flemish Region** continues to experience dynamic population growth, with a predicted increase of 17% by 2070.

This significant growth will further fuel demand for housing in Flanders and highlight the need for strategic investments in infrastructure and urban planning.

In the forecast, net migration remains the main driver of population growth. From 2040 onwards, the positive growth in the number of inhabitants in Belgium is exclusively due to the migration balance, as the natural balance becomes negative.

**The composition of households in Belgium has encountered some shifts in recent years and is expected to continue to change. We are currently seeing a growing number of single-person households, which currently account for more than a third of all households. At the same time, there is an increase in unmarried couples (with or without children). These changes have consequences for the housing market.**

According to the data of Statbel, Belgium had a total of 5.1 million private households on January 1, 2023. Of these, 1.8 million were single-person households, representing more than a third (36%) of all households. Married couples (with or without children) made up 37% of the total, while unmarried couples (with or without children) accounted for 15%. The Brussels-Capital Region had the highest share of single-person households (47%).

The growth of **single-person households** is expected to continue to increase, mainly due to factors such as an aging population, an increase in single people and changes in lifestyle.

Single households often need smaller homes, such as apartments or studios, while families need more space, especially if they have children. This could lead to an increasing demand for smaller homes in urban areas, while there will still be a demand for more spacious family homes in more suburban or rural areas.



In addition to the growth of single-person households, there will likely also be an increase in **other household compositions**, such as unmarried couples with or without children, blended families and single-parent families. This diversification is driven by changing social norms and demographic shifts.

With changes in working patterns and lifestyles, such as remote working and the rise of the sharing economy, there may be greater demand for **flexible living solutions**, such as co-living, co-housing and other community-oriented living options.

As the **population ages**, the number of households with older adults will increase. This may lead to greater demand for homes that are suitable for elderly, such as assisted living units or care property.

The trend of urbanization is likely to continue, with a greater concentration of households in urban areas. This could lead to greater demand for housing in city centers, near amenities.

**In 2023, several striking trends have emerged on the Belgian housing market in terms of sales prices and the number of apartment transactions.**

In the first nine months of this year there was a decrease of -3.1% in the number of real estate transactions in Belgium compared to the same period last year. Despite this decline, the real estate market in Belgium remains above pre-pandemic levels, with an increase of +10.7% compared to 2019. The average price of an apartment increased by +2.9%, while the number of apartments sold increased.

In the Flemish Region there was a noticeable cooling-down on the housing market, with a decrease of -5% in the number of transactions compared to last year. Despite this, apartment prices continued to rise, with an average price increase of +3.1%. This increase may be related to the demand for apartments in urban areas.

The Brussels-Capital Region showed a more stable real estate market, with only a slight decrease of -1.7% in the number of transactions. The average price of apartments remained relatively stable, with an increase of +1.5%. This can be attributed to the constant demand for apartments in the capital.

In the Walloon Region, real estate activity remained virtually stable, with a slight increase of +0.1% in the number of transactions. However, apartment prices increased by +2.3%, indicating a growing demand for apartments in this region.

All in all, these figures show that the Belgian housing market shows variations, with different trends in the three regions and more specifically in the different municipalities. While the number of transactions in the housing market is generally declining, in many cases apartment prices continue to rise, indicating continued demand for this type of property.

**The renovation obligation and the EPC requirements have a significant influence on the housing market in the three regions.**

In **Flanders**, the renovation obligation is an important factor that influences the housing market. This obligation forces owners to make their home more energy efficient when selling or renting, which can lead to additional costs for the owner. As a result, some homeowners may choose not to put their homes on the market, which could lead to a decrease in supply and possibly an increase in prices for homes that do meet renovation requirements. The EPC requirements, which measure and report the energy performance of a home, can also play a role in pricing on the market, as energy-efficient homes are often valued higher than less energy-efficient homes.

In the **Brussels-Capital Region**, the renovation obligation and EPC requirements can have a comparable impact as in the Flemish Region. However, given the high population density and limited space available, renovation requirements could have an even greater impact on the real estate market. This could lead to higher prices for homes that meet the requirements, as the demand for energy-efficient homes can be high in an urban environment.

In the **Walloon Region**, the renovation obligation and EPC requirements may be less strict than in the other regions, because regulations differ. Nevertheless, similar trends may occur, with energy efficient homes potentially being valued more highly in the market, while homes that do not meet the requirements may be less popular with buyers or renters.

In general, the renovation obligation and EPC requirements could trigger a shift towards more energy-efficient homes on the market, which could impact the prices and availability of real estate in the different regions of Belgium.

**Mainly national investors active within the professional segment of the Belgian housing market.**

Residential real estate remains attractive to investors because of the stable income streams from rentals and the possibility of capital gains on the long term. Furthermore, the Belgian housing market offers relative stability and increasing demand for housing, especially in urban areas. It is striking that mainly national investors are active, such as Home Invest Belgium, ION Residential Platform, Quares Residential Investment and Buysse & Partners.

The presence of professional investors has an impact on the housing market by creating new rental properties, improving the quality of the housing stock and offering various rental options to tenants. The focus on sustainability aspects, renewable energy sources and the resulting energy performance certificates is something to be welcomed. The increase in rental prices, as described below, can be (partially) balanced with a decrease in utility costs for the tenants.

**A recent report from the CIB Real Estate Federation sheds a revealing light on the Belgian private rental market, especially in the regions of Flanders and Brussels.**

Rents have increased significantly, with an average increase of +11.3% over the past two years. Last year, 868 EUR/month was paid for an average home in Flanders, an increase of 90 EUR/month compared to 2021. This increase largely corresponds to inflation and the increase in wages.

Rising rents make it increasingly difficult for people with lower incomes to find suitable housing. Homes with a low rent are almost no longer available. Only 8.4% of all rental contracts analyzed had a rental price of less than 600 EUR/month.

There are significant regional differences in rental prices. Flemish Brabant remains the most expensive province, with an average rental price of 1,042 EUR/month. Leuven has surpassed Antwerp as the most expensive central city for apartments, with an average rental price of 1,013 EUR/month.

In the Brussels–Capital Region, rents rose even faster than in Flanders, with an average rent of 1,249 EUR/month for all housing types. For apartments, the average rent was 1,205 EUR/month.

In Wallonia, rents have risen less sharply than in Flanders and Brussels, with an average rent of 761 EUR/month for all housing types.

These findings highlight the challenges tenants face in Belgium, particularly in Flanders and Brussels, where rents continue to rise rapidly.

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# Main characteristics of the Belgian residential real estate market

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The regionalisation of the regulations on housing rent has been completed. From now on, the three Regions each have their own legislative framework for housing lease contracts. It should be noted that the importance of national regulations should not be underestimated (i) for leases concluded before the entry into force of regional laws, (ii) for leases not covered by the scope of regional regulations and (iii) for some general provisions (Articles 1708 to 1762bis of the Belgian Civil Code).

The three Regions each provide the mandatory pre-contractual information that must be communicated at the time of leasing (including an estimate of any private and communal charges). The basic principle remains intact whereby property tax may not be passed on to tenants.

The rent is freely determined between the parties. The governments in question have made indicative tables with target rental prices available for both the Brussels and the Walloon regions.

## Brussels–Capital Region

### Order of 27 July 2017

The Order applies to all types of homes (including student accommodation and second homes) and not just limited to rental agreements for primary residences, but does not apply to tourist accommodation. The Order is applicable to rental agreements entered into (or renewed) from 1 January 2018. The government compiled a non-restrictive list of repairs and maintenance that are defined as being chargeable to either the landlord or the tenant. The Order provides specific rules for certain types of accommodation (primary residence, student accommodation, flexible renting,...).

A rental agreement whereby a tenant established their primary residence in the rented property, will in principle be entered into for nine years and terminated as the end of this period if either party gives notice 6 months before the due date.

In the absence of this notice, the rental agreement will be extended for 3 years under the same terms (subject to indexation). Both parties are able to prematurely terminate the rental agreement:

- The tenant may terminate the rental agreement at any time, with 3 months' notice and (if the contract is terminated within the first 3 years) against compensation of 3, 2, or 1 months' rent, based on whether the tenant terminated in the first, second or third year of the agreement;
- The landlord may also prematurely end the agreement, with the provision of a notice period and compensation, depending on the reasons for terminating the agreement.

There is also an option of entering into a primary residence rental agreement for the short term (3 years). This rental agreement can be extended once or multiple times, as long as the total duration does not exceed 3 years.

In principle, the short-term rental agreement ends if either of the parties gives notice 3 months before the due date. In the absence of notice being given, the agreement shall be deemed to have been entered into for a period of nine years from the date the original agreement took effect.

These short-term agreements may equally be terminated prematurely by either party (provided the duration is longer than 6 months):

- The tenant may terminate the rental agreement at any time, if 3 months' notice is given and compensation of 1 month's rental price is paid;
- The landlord may only terminate the rental agreement after the first year, only for well-defined reasons and on condition of 3 months' notice and compensation of 1 month's rent being given.

On 14 October, the ordinance on the immediate freezing of rents for insufficiently energy-efficient housing came into force in the Brussels–Capital Region. In concrete terms, it was decided to freeze all or part of the rents until 30 September 2023 for rental buildings with insufficient energy performance.

Rents for rental buildings with an EPB F and G certificate cannot be indexed. For homes with an EPB E, landlords can still charge half the health index. There are no restrictions for labels A, B, C and D.

On 15 December 2022, an ordinance was adopted limiting the indexation of commercial rents in the Brussels-Capital Region for one year from 22 December 2022.

From 14 October 2023, an indexation for the rental properties with an EPB certificate label E, F and G is allowed again, but according to a modified formula (correction factor).

## Flemish Region

### Decree of 9 November 2018

The Decree is applicable to all lease agreements entered into from 1 January 2019, with respect to residences intended to be the tenant's primary residence and located within the Flemish Region. This legislation therefore does not apply to second homes and tourist accommodation.

A list of repair and maintenance work was compiled by the Flemish government, defining which party is responsible for any work to be carried out. The lease agreement will in principle be entered into for nine years and expires at the end of this period, unless the landlord gives notice 6 months prior to the due date, of the tenant does so 3 months before. If neither party gives notice, the agreement will be extended for 3 years under the same terms (subject to indexation). Both parties are able to prematurely terminate the agreement:

- The tenant may terminate the lease agreement at any time, with 3 months' notice and (if the contract is terminated within the first 3 years) and against compensation of 3, 2, or 1 months' rent, based on whether the tenant terminated in the first, second or third year of the agreement;
- The landlord may also prematurely end the agreement, with the provision of a notice period and compensation, depending on the reasons for terminating the agreement.

The Flemish region also offers the possibility of entering into a short-term lease agreement (3 years). This lease agreement can only be extended once under the same terms, as long as the total duration does not exceed 3 years. The short-term lease agreement would in principle be terminated if either of the parties gives notice 3 months before the due date. In the absence of notice being given, the agreement shall be deemed to have been entered into for a period of nine years from the date the original agreement took effect.

Tenants will be able to terminate these short-term lease agreements at any time subject to three months' notice and payment of one and a half month's, one month's, or half a month's rent in compensation, depending on whether the lease agreement is terminated in the first, second or third year. The landlord may not terminate this short-term lease agreement.

Since 1 January 2009, rental properties must have an energy performance certificate (EPC). An EPC label ranges from A+ (very energy efficient) to F (energy intensive).

Since 1 October 2022, the Flemish Government has frozen the rents of the most energy-intensive housing. This applies for one year.

The indexation is not allowed for houses with an EPC E or F label or for houses without an EPC certificate. For homes with an EPC D label, indexation is limited to 50%. Nothing will change for energy-efficient houses with an A+, A, B or C EPC label. The owners of these houses are still allowed to index the rent.

This measure is intended to ensure affordability and to give landlords an incentive to improve the energy performance of the rental stock.

From 1 October 2023, indexation of rental properties without an EPC or with D, E and F labels is again allowed, but according to an adapted formula. This way, tenants do not suddenly receive a very high rent after one year.



## Walloon Region

### Walloon decree of 15 March 2018

The Decree is applicable to all types of residences (including student accommodation and second homes) and not just limited to lease agreements for primary residences. It does not apply to tourist accommodation.

This decree is applicable as from 1 September 2018 and its provisions are applicable immediately to the current leases (except for certain provisions which apply only to leases concluded or renewed after 1 September 2018). The government compiled a non-restrictive list of repairs and maintenance that are defined as being chargeable to either the landlord or the tenant. The Decree provides specific rules for certain types of accommodation (primary residence, student accommodation, flexible renting).

A lease agreement whereby a tenant established their primary residence in the rented property, will in principle be entered into for nine years and terminated at the end of this period, providing the landlord gives notice 6 months prior to the due date, or the tenant does so 3 months before. If neither party gives notice, the agreement will be extended for 3 years under the same terms (subject to indexation). Both parties are able to prematurely terminate the agreement:

- The tenant may terminate the lease agreement at any time, with 3 months' notice and (if the contract is terminated within the first 3 years) and against compensation of 3, 2, or 1 months' rent, based on whether the tenant terminated in the first, second or third year of the agreement;
- The landlord may also prematurely end the agreement, with the provision of a notice period and compensation, depending on the reasons for terminating the agreement.

There is also an option of entering into a primary residence lease agreement for the short term (3 years). This lease agreement can be extended a maximum of two times as long as the total duration does not exceed three years. The short-term lease agreement would in

principle be terminated if either of the parties gives notice 3 months before the due date. In absence of notice being given, the agreement shall be deemed to have been entered into for a period of nine years from the date the original agreement took effect. These short-term agreements may equally be terminated prematurely by either party:

- The tenant may terminate the lease agreement at any time, if 3 months' notice is given and compensation of 1 month's rent is paid;
- The landlord may only terminate the agreement after the first year, only for well-defined reasons and on condition of 3 months' notice and a compensation of 1 month's rent.

In the Walloon Region, a regulation on the limitation of indexation on housing rents has come into force and this from 1 November 2022. As in Brussels, Wallonia also speaks of EPC or PEB certificates (Performance Energétique des Bâtiments).

The Walloon Region bases itself on a third way of subdividing certificates with or without the possibility of (limited) indexation.

For houses awarded an EPC certificate A, B and C, indexing is still possible. Indexation for dwellings with an EPC certificate D and E can only be done for 75% and 50% respectively. Finally, the rent for houses with an EPC certificate F and G or of houses without a certificate cannot be indexed.

The above measure applies for a period of 12 months, which can be extended if necessary. If the measure is not extended, there is an adjusted calculation method for rent indexation for houses with an EPC certificate D, E, F or G. The base rent will then be the rent that was adjusted in the period between 1 November 2022 and 31 October 2023. The base index is the health index of the month preceding the anniversary of the lease falling between 1 November 2022 and 31 October 2023.

From 1 November 2023, the rent can therefore be indexed as before, i.e. at 100% regardless of the EPC certificate. The calculation method has been revised.

## REPORTS OF THE REAL ESTATE EXPERTS

The investment properties of Home Invest Belgium located in Belgium are valued by Cushman & Wakefield and CBRE Valuation Services.

The investment properties located in The Netherlands are valued by BNP Paribas Real Estate Valuation France and Cushman & Wakefield Netherlands.

INVESTMENT PROPERTIES	TOTAL	BELGIUM	NETHERLANDS
Investment properties available for rent	€ 704.89 m	€ 639.35 m	€ 65.54 m
Project developments	€ 50.57 m	€ 50.57 m	-
<b>TOTAL INVESTMENT PROPERTIES</b>	<b>€ 755.46 m</b>	<b>€ 689.92 m</b>	<b>€ 65.54 m</b>

# Portfolio in Belgium

In accordance with the legal and statutory requirements, we are pleased to provide you with our opinion of the current Investment Value of the real estate portfolio of the Belgian RREC (Regulated Real Estate Company) Home Invest Belgium as at the valuation date on 31 December 2023.

We carried out our valuations based on the capitalisation of the estimated rental value method in accordance with the current IVS (International Valuation Standards) and RICS (Royal Institution of Chartered Surveyors) standards.

As is customary, our assignment has been carried out on the basis of information provided by Home Invest Belgium regarding tenancy schedules, charges and taxes borne by the landlord, works to be carried out and all other factors that could affect property values. We assume that the information provided is complete and accurate.

Our valuation reports do not in any way constitute an assessment of the structural or technical quality of the buildings or of the potential presence of harmful substances. This information is well known to Home Invest Belgium, which manages its properties in a professional way and performs technical and legal due diligence before acquiring each property.

The Investment Value is defined as the most likely value that could reasonably be achieved between willing and well-informed parties in an at arm's-length transaction, before deduction of transaction costs.

In theory, the disposal of properties is subject to a transfer tax charged by the Government and paid by

the acquirer, which represent substantially all transaction costs. The amount of this tax mainly depends on the mode of transfer, the capacity in which the acquirer acts and the property's location. Based on a study from independent real estate experts dated 8 February 2006 and reviewed on 30 June 2016, the "average" transaction cost for properties is assessed at 2.50%.

The fair value (as defined under IFRS 13 and by the Belgian Asset Managers Association) press release of 8 February 2006 and reviewed on 30 June 2016) for properties over € 2.500.000 can therefore be obtained by deducting 2.50% of "average" transaction cost from their investment value. This 2.50% figure will be reviewed periodically and adjusted if on the institutional investment transaction market a change of at least ± 0.50% in the effectively "average" transaction cost is observed.

For properties with an investment value under € 2.500.000 transfer taxes are 12.00% in Flemish Region and 12.50% in Brussels Capital Region and Walloon Region.

Based on the previous comments, we hereby confirm that the estimated Investment Value of the real estate portfolio of Home Invest Belgium, as of 31 December 2023, amounts to € 708.58 million.

The sales value of the consolidated real estate portfolio of Home Invest Belgium in Belgium, which corresponds to the Fair Value within the meaning of the IAS/IFRS standards, amounts to € 689.92 million on 31 December 2023.

FAIR VALUE OF THE INVESTMENT PROPERTIES (IN BELGIUM)	TOTAL	CUSHMAN & WAKEFIELD	CBRE VALUATION SERVICES	REVALUATIONS ON COST PRICE
Investment properties available for rent	€ 639.35 m	€ 458.98 m	€ 180.37 m	
Project developments	€ 50.57 m	€ 50.57 m	€ 0.00 m	
<b>TOTAL</b>	<b>€ 689.92 m</b>	<b>€ 509.55 m</b>	<b>€ 180.37 m</b>	

**Cushman & Wakefield**  
 Emeric Inghels MRICS  
 Partner & Head of  
 Valuation & Advisory

**CBRE Valuation Services**  
 Pieter Paepen MRICS  
 Senior Director & Head of  
 Valuation & Advisory Services

# Portfolio in The Netherlands

Home Invest Belgium completed its first acquisition of a residential project in The Netherlands in 2021: a former Carmelite monastery that has been transformed into 87 rental homes and a commercial ground floor in the city of Oss, located in the province of North Brabant.

Home Invest is thus expanding its real estate portfolio in The Netherlands. Since December 2016, the portfolio already includes a holiday park, consisting of 241 cottages of Center Parcs Port Zélande, located in Ouddorp, The Netherlands. To be noted that the scope of the estimation was enlarged to 248 cottages and 40 apartments following the acquisition by Home Invest Belgium of additional units in 2017.

The valuation of both perimeters is carried out in accordance with the International Valuation Standards (IVS) and the European Evaluation Standards published by TEGoVA (The European Group of Valuers' Associations) and in compliance with the valuation standards published by RICS (Royal Institution of Chartered Surveyors).

We have carried out the assignment on the basis of the information and data provided by Home Invest Belgium relating in particular to the lease conditions, non-recoverable charges and taxes, and investments borne by the landlord.

These different elements and documents have been taken into account in the estimation of the value. We were unable to verify the data independently and we have considered them to be accurate and reliable.

The appraisers are not qualified to undertake structural audits and therefore are unable to confirm whether the properties are free from structural defects or environmental risks; for the assignment, the assumption is that the constructions and installations are in proper

operational condition and compliant with all legislative requirements.

As such, the conclusions are subject to a technical audit which only a qualified and skilled expert can conduct and comment on.

The Fair Value is defined as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date" (IFRS 13).

For the estimation of the Fair Value we have applied the Discounted Cash Flow method. This method consists in discounting the sum of the net rents received over the assumed holding period, added to the discounted exit value of the leased property.

The estimate takes into account the local taxation currently applicable in the case of direct sales of real estate assets. The transfer tax rate for residential properties on 31 December 2023 is 10.4%. Therefore, this increased rate has been used to calculate the terminal value. These are in accordance with the locally applicable real estate transfer costs for residential properties, including leisure properties.

The real estate portfolio was estimated based on the assumption that its current use would be maintained.

Based on the previous comments, we hereby confirm that the estimated Investment Value of the real estate portfolio of Home Invest Belgium in The Netherlands, as of 31 December 2023, amounts to € 72.37 million.

The sales value of the consolidated real estate portfolio of Home Invest Belgium in The Netherlands, which corresponds to the fair value within the meaning of the IAS/IFRS standards, amounts to € 65.54 million on 31 December 2023.

FAIR VALUE OF THE INVESTMENT PROPERTIES (IN THE NETHERLANDS)	TOTAL	BNP PARIBAS	CUSHMAN & WAKEFIELD
Investment properties available for rent	€ 65.54 m	€ 50.69 m	€ 14.85 m
<b>TOTAL</b>	<b>€ 65.54 m</b>	<b>€ 50.69 m</b>	<b>€ 14.85 m</b>

## BNP Paribas Real Estate Valuation France

Jean-Claude Dubois  
Chairman

## Cushman & Wakefield Netherlands

J.N. Brantsma MSc MSRE MRICS RT  
Partner  
Valuation & Advisory The Netherlands







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# HOME INVEST BELGIUM ON THE STOCK EXCHANGE

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# Your investment in good hands

*Home Invest Belgium offers investors the opportunity to invest in real estate indirectly. The company has an experienced real estate team that responds quickly to the development and management of the real estate portfolio. This is evidenced by the high occupancy rate, constant rental flows and uninterrupted dividend growth over the past 24 years.*

*The strict regulatory framework in which the RREC operates also offers risk control and a beneficial tax system.*

€ 1.12

Gross distribution  
per share

€ 15.50

Share price on  
31 December 2023

€ 305  
million

Market capitalisation  
on 31 December 2023

## HOME INVEST BELGIUM ON THE STOCK EXCHANGE

The share on the stock market .....	112
Shareholder return .....	114
Shareholding structure .....	115

# THE SHARE ON THE STOCK MARKET

## Advantages of the Home Invest Belgium share

Home Invest Belgium shares are an attractive investment instrument for both individual and institutional investors.

Investing indirectly in residential property offers a number of advantages:

- investors are released from the increasing number of administrative and technical obligations arising from the management of residential property;
- the risk of loss of income in the event of rental vacancy or payment default is spread over a large number of tenants;
- investors benefit from better liquidity as regards their assets since the Home Invest Belgium shares can be traded on the stock market;
- investing in real estate becomes possible from a small amount.

The company aims to offer its shareholders a return that is at least equal to that generated by a direct investment in residential property.

## Evolution of the share price and liquidity

Home Invest Belgium shares have been listed on the Euronext Brussels regulated market since 16 June 1999 and are part of the BEL Small Index. On 19 September 2022 the HOMI share was included in the FTSE EPRA NAREIT Global Real Estate Index.

On 31 December 2023, the stock price of the Home Invest Belgium share amounted to €15.50 (compared to €21.80 on 31 December 2022).

The liquidity of the shares decreased to an average of 9,932 share transactions per trading day in 2023 (compared to 11,736 shares in 2022).

## Evolution of the share 2018–2023

	2023	2022	2021	2020	2019	2018
<b>Stock price (in €)</b>						
Highest	€ 22.46	€ 28.82	€ 24.60	€ 25.00	€ 23.80	€ 18.80
Lowest	€ 13.54	€ 20.62	€ 21.80	€ 18.40	€ 18.32	€ 16.64
On the final day of the financial year	€ 15.50	€ 21.80	€ 24.40	€ 23.10	€ 22.80	€ 18.28
Average price	€ 17.60	€ 23.73	€ 23.49	€ 22.71	€ 20.59	€ 17.59
<b>Dividend (in €)</b>						
Gross distribution	€ 1.12	€ 1.10	€ 1.06	€ 0.99	€ 0.97	€ 0.95
Gross yield <sup>1</sup>	7.23%	5.05%	4.35%	4.29%	4.25%	5.20%
<b>Volume</b>						
Average daily volume	9,932	11,736	5,311	6,422	6,117	6,009
Annual volume	2,532,661	3,004,483	1,370,230	1,650,495	1,565,900	1,532,385
<b>Total number of shares on 31 December</b>						
	19,708,766	17,917,060	16,499,290	16,499,290	16,499,290	16,499,290
<b>Market capitalisation on 31 December</b>						
	€ 306 million	€ 391 million	€ 403 million	€ 381 million	€ 302 million	€ 293 million
Free float <sup>2</sup>	49.40%	54.30%	54.40%	54.40%	54.40%	50.20%
Velocity <sup>3</sup>	26.01%	30.90%	15.30%	18.40%	17.50%	18.50%

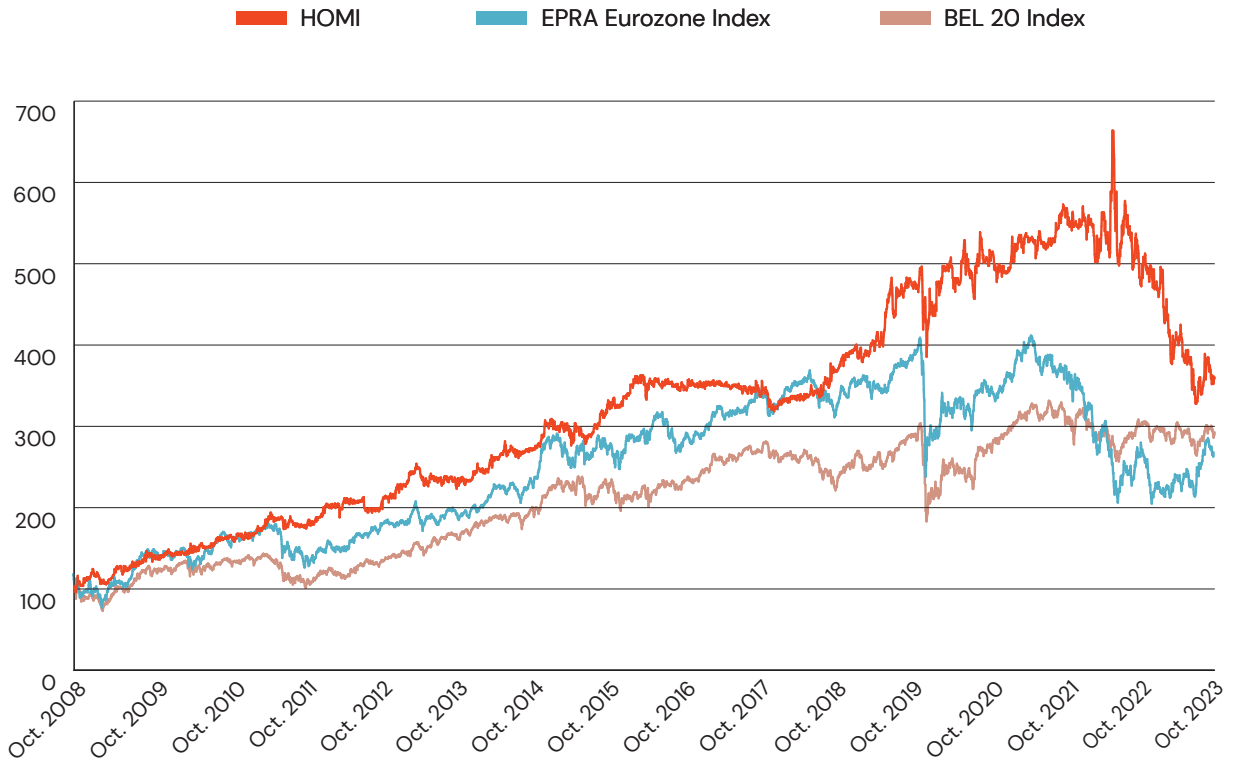
<sup>1</sup> Gross yield = (Gross distribution for the financial year)/(Share price on the last day of trading of the financial year).

<sup>2</sup> Free float = [(Total number of shares at the close of the financial year) - (total number of shares held by parties who made themselves known through a transparency notice in accordance with the law of 2nd May 2007)]/[Total number of shares at the close of the financial year].

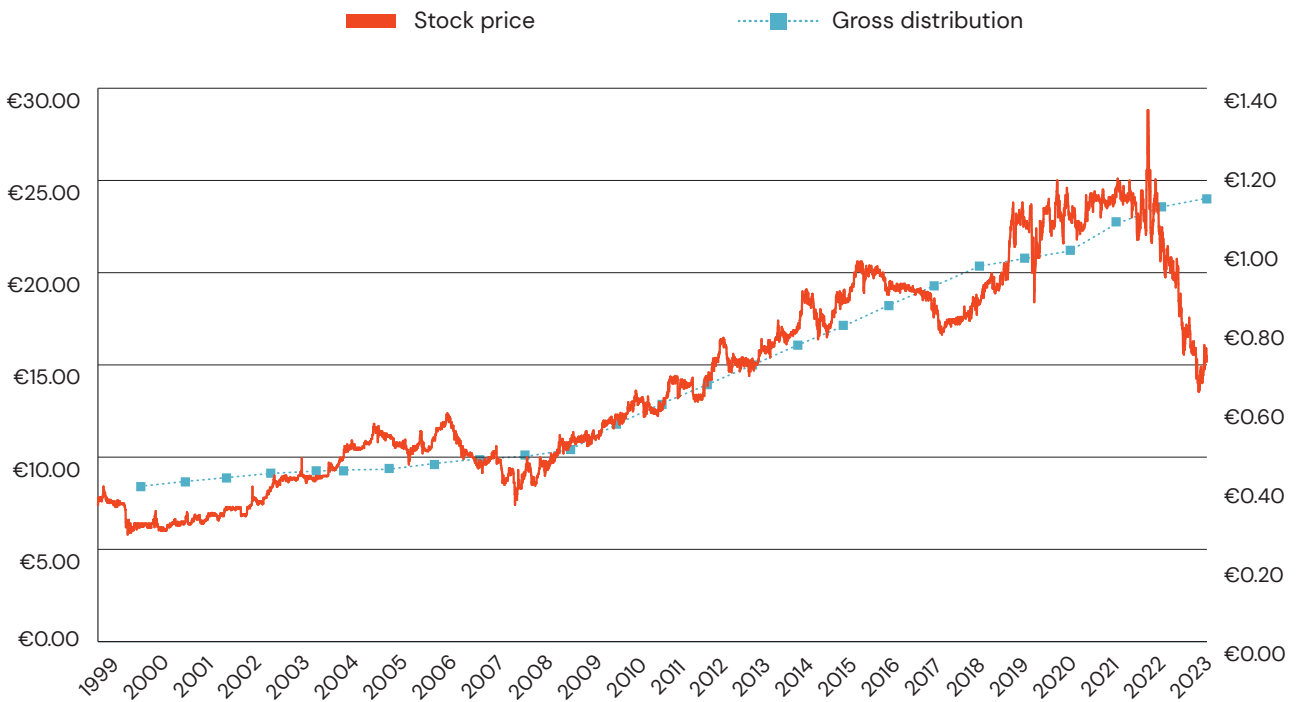
<sup>3</sup> Velocity = (Total volume of shares traded during the financial year)/(total number of shares).



TOTAL RETURN OF HOME INVEST BELGIUM COMPARED TO THE BEL 20 AND THE EPRA EUROZONE INDEX



EVOLUTION OF THE SHARE PRICE AND THE GROSS DISTRIBUTION PER SHARE



# SHAREHOLDER RETURN

## Return

The yield of an investment can be measured on the basis of (i) the immediate return that can be obtained from it in the form of dividends paid to shareholders and (ii) the increase in the net asset value per share that the investment can record over the long term. The sum of these two components constitutes the annual return on the investment.

In the case of a RREC, the importance of the immediate return is certainly important, but the ability to generate capital gains constitutes the true label of quality for the future.

For a shareholder who took part in the IPO or initial public offering in June 1999 and reinvested all gross dividends in Home Invest Belgium shares, the IRR or internal rate of return calculated over a period of 24 years, would be 10.0%.

Over the same period, the net value per share increased by 192.8%, (almost tripled) which is an average increase of 4.6% per year.

Total return (€)	Net value per share (excl. dividend)	Increase of net value per share	Gross distribution for the financial year	Total return per share <sup>4</sup>	Total return per share (in %) <sup>5</sup>
2023	€ 20.18	€ -2.63	€ 1.12	€ -1.51	-6.6%
2022	€ 22.81	€ 2.16	€ 1.10	€ 3.26	15.8%
2021	€ 20.65	€ 1.92	€ 1.06	€ 2.98	15.9%
2020	€ 18.73	€ 0.12	€ 0.99	€ 1.11	6.0%
2019	€ 18.61	€ 2.45	€ 0.97	€ 3.42	21.2%
2018	€ 16.16	€ 3.12	€ 0.95	€ 4.07	31.2%
2017	€ 13.05	€ 0.11	€ 0.90	€ 1.01	7.8%
2016	€ 12.94	€ 0.27	€ 0.85	€ 1.12	8.8%
2015	€ 12.67	€ 0.19	€ 0.80	€ 0.99	7.9%
2014	€ 12.48	€ 0.36	€ 0.75	€ 1.11	9.1%
2013	€ 12.12	€ 1.02	€ 0.70	€ 1.72	15.5%
2012	€ 11.10	€ 0.18	€ 0.65	€ 0.83	7.6%
2011	€ 10.92	€ 0.53	€ 0.60	€ 1.13	10.9%
2010	€ 10.39	€ 0.28	€ 0.55	€ 0.83	8.3%
2009	€ 10.10	€ 0.03	€ 0.49	€ 0.52	5.1%
2008	€ 10.07	-€ 0.43	€ 0.47	€ 0.04	0.4%
2007	€ 10.50	€ 0.64	€ 0.46	€ 1.10	11.2%
2006	€ 9.86	€ 0.67	€ 0.45	€ 1.12	12.2%
2005	€ 9.19	€ 0.66	€ 0.44	€ 1.10	12.8%
2004	€ 8.53	€ 0.83	€ 0.43	€ 1.26	16.3%
2003	€ 7.71	€ 0.23	€ 0.43	€ 0.66	8.8%
2002	€ 7.48	€ 0.09	€ 0.41	€ 0.50	6.8%
2001	€ 7.39	€ 0.24	€ 0.40	€ 0.64	9.0%
2000	€ 7.15	€ 0.26	€ 0.39	€ 0.65	9.5%

<sup>4</sup> Total return per share = (Gross distribution of the financial year) + (Increase in the net asset value per share).

<sup>5</sup> Total return per share (%) = (Total return per share)/(Net value per share at the beginning of the financial year).

# SHAREHOLDING STRUCTURE

The table below lists the shareholders of Home Invest Belgium<sup>6</sup> who hold more than 3% of the company's shares. Notifications applying to the Belgian Transparency Law (Law of 2 May 2007 regarding the disclosure of major holdings) can be found on the company's website.

Based on the transparency notifications received up to 31 December 2023, Home Invest Belgium's shareholder structure is as follows:

SHAREHOLDER	NUMBER OF SHARES	% OF CAPITAL
Van Overstraeten Group <sup>7</sup> (*)	5,864,292	29,8%
AXA Belgium NV/SA <sup>8</sup>	3,425,226	17,4%
Spouses Van Overtveldt – Henry de Frahan (**)	613,977	3,1%
Own shares	93,688	0,5%
Other shareholders	9,711,583	49,3%
<b>GENERAL TOTAL</b>	<b>19,708,766</b>	<b>100,0%</b>

(\*) Based on the latest known information from the company's register of shareholders.

(\*\*) Based on the latest transparency notification received. Assuming that the number of shares has not changed since the most recent transparency notification and taking into account the total number of outstanding shares of the company.

<sup>6</sup> Shareholders having filed a statement in accordance with the Transparency Act of 2 May 2007.

<sup>7</sup> Stavos Real Estate BV is 100% controlled by the partnership BMVO 2014.

The partnership BMVO 2014 is controlled 100% by Stichting Administratiekantoor Stavos.

The stichting Administratiekantoor Stavos is controlled 100% by Liévin, Hans, Johan and Bart Van Overstraeten.

Cocky NV is controlled by Stavos Real Estate BV, the partnership BMVO 2014, V.O.P. and Cocky NV.

Van Overstraeten Real Estate NV (abbreviated V.O.R.E. NV) is 100% controlled by Stavos Real Estate BV.

Van Overstraeten Sport NV (abbreviated V.O.S. NV) is 100% controlled by Stavos Real Estate BV.

Van Overstraeten Patrimonium NV (abbreviated V.O.P. NV) is 100% controlled by Stavos Real Estate BV.

<sup>8</sup> AXA Belgium SA is a subsidiary of AXA Holdings Belgium SA which is a subsidiary of AXA SA.





# CORPORATE GOVERNANCE STATEMENT



# CORPORATE GOVERNANCE

*This corporate governance statement falls under the application of the provisions of the Belgian 2020 Corporate Governance Code (“2020 Code”) and the Belgian Code of Companies and Associations (henceforth abbreviated as ‘BCCA’). It constitutes an integral part of the management report.*

## 1. Code of reference

Home Invest Belgium applies the 2020 Code within the meaning of Article 3:6, §2, 1° of the BCCA. The 2020 Code can be found on the website of the Corporate Governance Committee: [www.corporategovernance-committee.be](http://www.corporategovernance-committee.be).

The Corporate Governance Charter can be found on the website: [www.homeinvestbelgium.be](http://www.homeinvestbelgium.be) and includes the corporate governance principles that apply within the company.

The remuneration report was approved by the board of directors on 28 March 2024 and will be submitted to the shareholders’ meeting of 7 May 2024 and, if approved, will apply to the remuneration of directors and members of the executive management for the 2023 financial year.

## 2. Comply or explain

Home Invest Belgium endeavours to comply with the provisions of 2020 Code as much as possible. However, there are deviations on a number of topics. In line with the ‘comply or explain’ principle contained in the Code, it is possible to deviate from the principles of the Code to be able to take into account certain characteristics specific to the company and its relatively small size. The company has deviated from the following principles:

- 9.1: The assessment of the board of directors occurs on an ongoing basis (rather than periodically), given the frequency with which the board of directors meets and at the time of the renewal of the mandates.
- 7.8: In order to align the interests of the members of the executive management with the objectives of sustainable value creation of the company, the variable part of the remuneration package of the members of the executive management is linked to the overall performance of the company and individual performance.
- 7.6: Non-executive directors receive part of their remuneration in the form of shares in the company. These shares should be retained for at least one year

after the non-executive director leaves the board and at least three years after they are granted (...).

- 7.12: The board shall include provisions enabling the company to reclaim variable remuneration paid, or withhold payment of variable remuneration, and specify the circumstances in which this would be appropriate, to the extent legally enforceable.
- 7.9: The board of directors does not set a minimum threshold of shares to be held by the members of the executive management.

Justifications for these deviations are discussed infra.

## 3. Internal control and risk management

In accordance with the Corporate Governance rules and the relevant legislation, Home Invest Belgium has developed an internal control and risk management system, bearing in mind the scope and complexity of the company.

### 3.1. Internal control functions

The board of directors is responsible for identifying the risks to which the company is exposed, as well as defining the financial impact of these risks and

## CORPORATE GOVERNANCE STATEMENT

Corporate Governance .....	117
Remuneration report .....	127
Regulations and procedures .....	134

the measures that should be taken to monitor these possible risks and prevent them occurring and, should this be the case, to limit the impact of these risks.

The executive management of the company has set up internal control and risk management systems for the key processes in the company, in particular for the cost and expenditure management, repair and maintenance works and rent collection, within the framework provided by law.

In this respect, please refer to:

- the Belgian Code of Companies and Associations (BCCA);
- the Belgian Corporate Governance Act of 6 April 2010;
- the 2020 Code;
- the RREC legislation;
- the Corporate Governance Charter of the company containing rules to prevent conflicts of interests;
- the dealing code, with rules on buying and selling shares and (abuse of) company assets.

In accordance with Article 17 of the Belgian Act of 12 May 2014 (as amended), the company has the following internal control functions:

#### **RISK MANAGEMENT FUNCTION**

Over the past financial year, the risk management function was undertaken by Mr Preben Bruggeman. In this capacity, Mr Preben Bruggeman is responsible for the supervision of the risks identified by the board of directors and the assessment of the consequences of such for the company, as well as determining any appropriate control measures.

#### **INDEPENDENT INTERNAL AUDIT FUNCTION**

The internal audit should be seen as an independent evaluation function aimed at assessing the functioning and efficiency of the internal processes of Home Invest Belgium. This evaluation may cover various areas, including the financial, operational and/or bookkeeping IT processes, as well as the quality of the procedures implemented and reporting within the company.

The internal audit function is exercised by an external service provider, Deloitte Belgium, represented by Mr. Benjamin Elen.

This function is exercised under the supervision and responsibility of Mr. Philip De Greve, independent director. He has the required professional reliability and appropriate expertise.

#### **INDEPENDENT COMPLIANCE FUNCTION**

This is an independent function within the organisation, focusing on seeking and promoting compliance by the company with the laws, regulations and rules of conduct applicable to the company and in particular the rules relating to the integrity of the activities of the company, including compliance with the rules on market abuse, bearing in mind Annex B of the Corporate Governance Code and the dealing code of Home Invest Belgium itself.

The board of directors has appointed Ms Ingrid Quinet as compliance officer for a period of three years, ending at the shareholders' meeting of 2026.

This appointment was approved by the FSMA on 4 september 2023. She meets the requirements in terms of professional reliability and appropriate expertise.

#### **3.2. Internal control systems**

The internal control of Home Invest Belgium is implemented through the following actions:

- monitoring the evolution of the Key Performance Indicators or KPIs, such as occupancy rate, debt ratio, etc.;
- regular testing by the executive management of the discrepancies between the budget and the figures actually recorded: discrepancies between the budget and the figures actually recorded are also monitored quarterly by the audit committee and the board of directors;
- taking all investment decisions within the board of directors, having heard the advice of the investment committee;
- the fact that Home Invest Belgium has a board of directors and specialised committees, which are described in more detail below;
- periodic management meetings to discuss the key events in the past period and their impact on the accounting figures;
- regular meetings between the managers and their respective teams.

#### **3.3. Risk analysis**

The main risks are regularly identified and assessed by the board of directors and this is followed by publication of the relevant financial information (half-yearly and annual report). The risks also undergo specific monitoring by the board of directors and ongoing monitoring by the person appointed as the internal risk manager.

On the basis of this risk analysis, measures are taken to overcome any vulnerabilities and weak points identified. For more information about the risks, see the 'Risk Factors' chapter of this annual report.

### 3.4. Information and communication

A financial and operating report is drawn up every quarter, setting out the KPIs, the impact on the budget and the cash flow position.

In the first and third quarter of the financial year, interim press releases are published. A more detailed half-yearly financial report is published at the end of the second quarter. At the end of the financial year, all relevant financial information is published in the annual financial report.

Digital data are protected by a continuous back-up system on hard drive and a weekly back-up outside the company's registered office.

## 4. Shareholding structure

Please refer to the 'Shareholding Structure' section in the chapter 'Home Invest Belgium on the stock exchange' of this report.

## 5. Board of directors

### 5.1. Composition and diversity policy

On 31 December 2023, the board of directors was composed of 8 members, i.e. 4 independent non-executive directors, 4 non-executive directors.

In accordance with Article 14 § 1, paragraph 2 of the Belgian RREC Act, members of the board of directors must permanently have the required professional reliability and appropriate expertise for the exercising of their function. The members of the board of directors must be individuals.

The board of directors includes five independent directors within the meaning of Article 7:87 BCCA and three directors who represent shareholders. The board of directors is aware of Article 7:86 BCCA, which requires that at least one third of the members of the board of directors shall be of a different gender than the other members. In application of this provision, the minimum number of these members of a different gender is rounded up to the nearest whole number. Given the current composition of the board of directors, at least 3 members must be female ( $9/3 = 3$ ).

The current composition of the board of directors complies with the gender diversity required by the aforementioned Act. Notwithstanding the above, the company will undertake continuous efforts to assure future compliance as well.

As regards the composition of the board of directors, Home Invest Belgium endeavours to take account of diversity in all its aspects, including complementarity in terms of abilities, knowledge, experience and gender. The company is convinced that greater diversity of capabilities would contribute to better decision making within the board of directors and promote the internal dynamics in the company.

This diversity is also reflected in the composition of the Home Invest Belgium team. Please refer in this respect to the chapter "Management Report".



Liévin Van Overstraeten



Philip De Greve



Christophe Mignot



Wim Arousseau



Johan Van Overstraeten



Christel Gijsbrechts



Héléne Bosteen



Suzy Denys

## 5.2. Current composition

### Liévin Van Overstraeten

#### CHAIRMAN, DIRECTOR (REPRESENTATIVE OF THE VAN OVERSTRAETEN GROUP)

Mr Liévin Van Overstraeten has a master's degree in law (KU Leuven) and a master's degree in PUB management (Vlerick). He has wide experience in business management in the real estate sector, both in Belgium and in Romania.

First appointed: April 2008.

End of mandate: shareholders' meeting of 2026.

Current director's mandates: De Haan Vakantiehuzen NV/SA, Behind The Buttons NV/SA, Maatschap/ Société simple BMVO 2014, Stavos Real Estate BV, Stichting Administratiekantoor Stavos, Cocky NV/SA, VOP NV/SA, V.O.R.E. NV/SA, Peripass NV/SA and Stadium Sports & Leisure.

Committees: nomination and remuneration committee.

Mandates that expired on 31 December 2023, exercised in the years 2019 to 2023: IMMOVO NV/SA and Buttons for Cleaners BV/S.A.R.L.

### Philip De Greve

#### VICE-CHAIRMAN, INDEPENDENT DIRECTOR

Mr. De Greve holds a master's degree in law (KU Leuven and Université Notre-Dame de la Paix in Namur). He has broad experience in fund and asset management related to real estate located in Belgium and The Netherlands.

First appointed: shareholders' meeting of 2021.

End of mandate: shareholders' meeting of 2027.

Current director's mandates: Pertinea Property Partners NV/SA, RE-tail Return Partners I NV/SA, RE-tail Return Partners II NV/SA.

Committees:

- Investment committee
- Audit Committee

Mandates that expired on 31 December 2023, exercised in the years 2019 to 2023: none.

### Christophe Mignot

#### NON-EXECUTIVE DIRECTOR

With almost 20 years' experience in the property sector, Mr Christophe Mignot already has a solid background in professional real estate. As Head of Asset Management Benelux at AXA IM Real Assets, he is responsible for a team in Brussels and Amsterdam which manages a portfolio of offices, shops, warehouses, hotels and residential properties. He holds a master's degree in business from ICHEC, teaches



ESG as part of the Executive Program in Real Estate at Solvay Business School and is a member of the board of the Association Professionnelle du Secteur Immobilier (BVS).

First appointment: 2023 General Meeting.

End of mandate: General Meeting of 2027.

Current mandates: Krasnapolsky Holding Real Estate B.V., Krasnapolsky Hotels & Restaurant OG BV, EM Grand-Hotel Krasnapolsky BV, Onelog NL Ridderkerk BV, Onelog NL Holding 2 BV, Onelog NL Helmond BV, Onelog NL Uden BV, Onelog NL Holding 1 BV, Onelog NL Tiel BV, Onelog NL Zaandam BV, Onelog NL Kerkrade BV, Onelog NL OBP BV, Onelog NL Breda BV, Onelog NL Sittard B.V., Onelog NL, Hoorn B.V., Onelog NL Veghel B.V., Onelog NL Helmond BV, Onelog NL Zoetermeer BV en Log NL Hoofddorp BV.

Committees: Investment Committee.

Mandates which expired on 31 December 2023, and which were exercised during the years 2019 to 2023: none.

### Wim Arousseau

#### DIRECTOR

Mr Wim Arousseau holds a master's degree in applied economics (UA) and as financial analyst (ICHEC). He has extensive experience in property management and business management, particularly in the Belgian banking and insurance sector. He has acted as Chief Investment Officer (CIO) of Group P&V since 1 January 2022.

First appointed: shareholders' meeting of 2014.

End of mandate: shareholders' meeting of 2027.

Current director's mandates: Vlaamse energieholding

Committees: audit committee.

Mandates that expired on 31 December 2023, exercised in the years 2019 to 2023: Befimmo SA, Nextensa SA.

### Johan Van Overstraeten

#### DIRECTOR (REPRESENTATIVE OF THE VAN OVERSTRAETEN GROUP)

Mr Johan Van Overstraeten has extensive experience in the management of companies, especially in the field of property and software development.

First appointed: shareholders' meeting of 2011.

End of mandate: shareholders' meeting of 2027.

Current director's mandates: Peripass SA, VOP NV/SA, V.O.R.E. NV/SA, V.O.S. NV/SA, Immorobel General BV/SRL, Cocky NV/SA Stichting Administratiekantoor Stavos NV/SA, Burgerlijke Maatschap BMVO 2014 and Stadium Sports & Leisure.

Committees:

- investment committee;
- project committee;
- IT committee.

Mandates that expired on 31 December 2023, exercised in the years 2019 to 2023: De Haan Vakantiehuzen NV/SA, Immobilière Meyers-Hennau NV/SA, Stavos Luxembourg SA and Immovo NV/SA.

### Christel Gijsbrechts

#### INDEPENDENT DIRECTOR

Ms Christel Gijsbrechts holds a master's degree in applied economic sciences (KU Leuven). She manages Confini BV and Viafin BV. She has extensive financial experience, but also extensive experience in transformation management.

First appointed: shareholders' meeting 2019.

End of mandate: shareholders' meeting 2027.

Committees:

- audit committee;
- IT committee;
- appointment and remuneration committee

Current director's mandates: Synkroon vzw/asbl, Pivot Point Benelux NV/SA, Confini BV, Viafin BVL and Fondation Roi Baudouin/Koning Boudewijn Fonds bij ons Thuis vzw.

Mandates that expired on 31 December 2023, exercised in the years 2019 to 2023: Flemish Brabant Chamber of Commerce and Industry (VOKA) and Sadi NV/SA.

### Hélène Bostoën

#### INDEPENDENT DIRECTOR

Ms Hélène Bostoën holds a master's degree in business engineering (Solvay-ULB) and an MBA (INSEAD).

She has many years of experience in residential real estate development in Belgium, Poland and France. Furthermore, she has been appointed as chairman of the Developers of Residential Real Estate commission in UPSI-BVS.

First appointed: shareholders' meeting 2019.

End of mandate: shareholders' meeting 2027.

Current director's mandates: CFE NV/SA (CFEB), Abattoir NV/SA, Flanders-Immo JB NV/SA, Fenixco NV/SA, FBC BV/SRL, Quality Homes BV/SRL, Burgerlijke Maatschap/Société Simple HMFH.

Committees:

- investment committee;
- project committee.

Mandates that expired on 31 December 2023, exercised in the years 2019 to 2023: NCP NV/SA.

## Suzy Denys

### INDEPENDENT DIRECTOR

Ms Suzy Denys holds a master's degree in law (Université Notre Dame de la Paix Namur and KU Leuven) and postgraduate degree in property studies (KU Leuven) and business management (EHSAL).

She is Country Manager and Director Transactions BeLux at Patrizia AG.

She holds extensive expertise in management and acquisition of real estate, beside business management and (legal) management.

First appointed: shareholders' meeting of 2019.

End of mandate: shareholders' meeting of 2027.

Current director's mandates: Nemeton Comm. V.

Committees: nomination and remuneration committee.

Mandates that expired on 31 December 2023, exercised in the years 2019 to 2023: none.

## 5.3. Composition of the board of directors

### End of the mandate of Eric Spiessens

The mandate as Vice-Chairman and independent director of Mr Eric Spiessens ended at the general meeting of the company held on 2 May 2023.

### Appointments and reappointments of directors

The general meeting on 2 May 2023 approved the following appointments and reappointments:

(i) appointment of Mr Christophe Mignot as a non-executive director, for a term of 4 years starting from the end of the general meeting to end at the end of the ordinary general meeting of 2027;

(ii) renewal of the non-executive directorships of Mr Arousseau Wim and Mr Johan Van Overstraeten, for a term of 4 years commencing at the end of the general meeting to end at the end of the ordinary general meeting of 2027;

(iii) renewal of the mandates of independent directors of Ms Hélène Bostoën, Ms Suzy Denys, Ms Christel Gijsbrechts and Mr Philip De Greve, for a term of 4 years commencing after the end of the general meeting to end after the ordinary general meeting of 2027.

Mr Philip De Greve was appointed as Vice-Chairman of the Board of Directors with effect from 19 April 2023.

## 5.4. Composition of the committees

Mr Philip De Greve was appointed by the board of directors as a member of the audit committee with effect from 19 April 2023. The audit committee appointed Philip De Greve as Chairman of the audit committee.

Ms Christel Gijsbrechts was appointed by the board of directors as a member of the nomination and remuneration committee.

## 5.5. Changes within the management of Home Invest Belgium

Home Invest Belgium and Mr. Sven Janssens, Chief Executive Officer, have decided by common consent to end their collaboration, which will terminate his mandate as (managing) director and also effective leader of HIB on 12 April 2023, after successful completion of his mission.

The process of selecting a new CEO has been initiated.

The daily management and effective leadership of the company will be handled temporarily, until the appointment of a new CEO, by:

- Mr Preben Bruggeman, Chief Financial Officer, and
- Ms Ingrid Quinet, Chief Legal Officer.

Ms Ingrid Quinet was appointed effective leader on 9 March 2023.

## 5.6. Honorary members of the board of directors

Guillaume H. Botermans	Honorary Chairman
Michel Pleeck	Honorary Chairman
Guy Van Wymersch-Moons	Honorary Chairman
Xavier Mertens	Honorary Managing Director
Luc Delfosse	Independent Honorary Director
Koen Dejonckheere	Independent Honorary Director

## 5.7. Activity report

The board of directors met eleven times in 2023, of which several times by video conference call.

The board of directors acts in the corporate interest, which implies taking into account interests other than solely those of the shareholders, such as the interests of clients and users of the buildings.

Its role includes the following tasks:

- defining the company's strategy and taking the final decisions on investments and divestments;

- drawing up the half-yearly and annual accounts of the RREC, as well as the half-yearly and annual report and interim statements;
- drawing up a financial policy for debts and equity;
- assessing the internal organisation of the company;
- ensuring the rigour, accuracy and transparency of communications sent to shareholders, financial analysts, the FSMA and the public;
- approving merger proposals, deciding on the use of the authorised capital, convening and preparing annual and extraordinary shareholders' meetings;
- delegating the daily management to the executive management, which regularly reports to the board of directors on its management and submits an annual budget and a quarterly statement;
- analysing and approving the budget.

Besides the general tasks set out above, in the past financial year the board of directors has also expressed its opinion on various files, including:

- the analysis and approval of investment and divestment files as well as renovation files;
- the assessment and remuneration of the members of the executive management, including the short-term variable remuneration and the long-term incentive plan and approval of the remuneration policy and the 2023 remuneration report;
- departure of Sven Janssens as CEO and director of the company by mutual agreement;
- the modification of the composition of the board of director and its various committees as well as the modification of the composition of the executive management team of Home Invest Belgium and the changes to the corporate governance charter;
- the composition of the internal organisation of the RREC, including internal audit, risk management and compliance function;
- the analysis of the 2023 and 2024 budgets;
- the structure of the financing, policy on hedging the interest rate risk and restructuring of certain hedging instruments, the renewal of the financing maturing in the course of the financial year 2023 and the conclusion of additional financing;
- renewal of the mandate of the compliance officer and the real estate experts;

- announce the launch of a capital increase of up to 1.791.706 new shares (representing up to 10% of existing shares) through a private placement with an accelerated order book procedure;
- establishing the company's long-term sustainability strategy.
- the assessment and appointment of the auditor's mandate for the consolidated companies.

The rules on the quorum and decision making are laid down in Articles 17 and 18 of the company's articles of association:

- In accordance with Article 17 of the articles of association, "except in cases of force majeure, the board of directors may validly deliberate and take decision only if at least half of its members are present or represented. If this condition is not met, a second meeting may be convened to deliberate and validly decide on the items that were included on the agenda of the previous meeting, provided that at least two directors are present or represented".
- Article 18 stipulates the following: "barring exceptional circumstances, the deliberation and voting may only concern the items included on the agenda. Any resolution of the board of directors is adopted by an absolute majority of the votes cast of the directors present or represented and, in the event of the abstention of one or more of them, by a majority of the other voting directors. Resolutions adopted by the board of directors may be adopted by the unanimous written agreement of the directors."

## 6. Committees

Five committees have been set up within the board of directors which should assist and advise the board in their specific fields.

These are purely advisory bodies and report to the board of directors, which retains the ultimate decision-making authority.

For more details about the committees, please refer to the Corporate Governance Charter of the company, which can be consulted at any time on the website [www.homeinvestbelgium.be](http://www.homeinvestbelgium.be).

### 6.1. Audit committee

Although Home Invest Belgium fulfils two of the three exclusion criteria which are laid down in Article 7:99, § 3 BCCA and is therefore not obliged to establish an audit committee, the board of directors of the RREC has nevertheless decided to set up such a committee.

The audit committee met four times during the past financial year and as at 31 December 2023 consisted of the following people:

- Philip De Greve, independent director and Chairman of the audit committee; attendance at committee meetings during the financial year: 3/3<sup>1</sup>;
- Wim Aourousseau, director; attendance at committee meetings during the financial year: 3/4;
- Christel Gijsbrechts: attendance at committee meetings during the financial year: 4/4.

Mr. Philip De Greve has the required independence and expertise in the field of auditing and bookkeeping.

The statutory auditor of the RREC attended two meetings of the audit committee.

The main tasks of the audit committee are as follows:

- financial reporting, which includes, in particular, monitoring the integrity and accuracy of the numerical data and the relevance of the accounting standards applied;
- assessment of the internal control and risk management systems;
- following up the internal audit and the external audit conducted by the statutory auditor;
- relations with the statutory auditor, monitoring the independence, assessment and appointment of the mandate of the statutory auditor for the consolidated companies;
- following up the legal audit of the statutory and consolidated annual accounts, including following up the questions and recommendations of the statutory auditor.

In financial year 2023, the following items in particular were discussed:

- quarterly, half-yearly and annual review of the accounts and the financial reporting;
- interest rate hedging policy (restructuring of certain hedging instruments), examination of the conditions relating to refinancing;
- impact of the investment projects on the financing and KPIs, at both statutory and consolidated level;
- examination of the budget drawn up;
- follow-up of the company's cost structure;
- vacancy trend;

- follow-up of the recommendations made by the statutory auditor as regards monitoring the internal procedures;
- risk management: follow-up of the development of the main disputes, monitoring internal control, examining the internal control report from the executive management, follow-up of the implementation of the recommendations made in the context of the internal audit, etc.;
- discussion of the interim dividend for the financial year;
- follow-up of the main developments in the regulations and analysis of their potential impact on the activities, figures and financial reporting of Home Invest Belgium;
- the development of an internal procedure and a control process of external valuations;
- following-up the internal auditor's findings;
- follow-up and discussion of the valuation rules applied.

During the past financial year, the Chairman of the audit committee questioned the members about the functioning, efficiency and interaction with the board of directors. On the basis of his self-assessment, the audit committee decided that henceforth the items on the agenda that have already been discussed in detail in the audit committee will be presented in a more compact form to the board of directors, supplemented by findings, recommendations or points in need of attention from the audit committee.

## 6.2. Nomination and remuneration committee

Although Home Invest Belgium fulfils two of the three exclusion criteria laid down in Article 7:100, §4 BCCA, the board of directors has decided to establish a nomination and remuneration committee whose task is to assist the board of directors with the composition of the board of directors and the executive management and its remuneration policy.

The nomination and remuneration committee met seven times during the past financial year and consisted of the following people on 31 December 2023:

- Christel Gijsbrechts<sup>2</sup>, independent director; attendance at committee meetings during the financial year: 7/7;

<sup>1</sup> Mr Philip De Greve was appointed Chairman of the audit committee by the board of directors on 19 April 2023. The mandate of the previous Chairman of the audit committee, Mr Eric Spiessens, expired at the general meeting held on 2 May 2023 and was not renewed.

<sup>2</sup> Mrs Christel Gijsbrechts was appointed by the Board of Directors as a member of the Nomination and Remuneration Committee on 19 April 2023. The term of office of Mr Eric Spiessens expired at the Annual General Meeting of 2 May 2023 and was not renewed.



- Liévin Van Overstraeten, director and chairman of the nomination and remuneration committee; attendance at committee meetings during the financial year: 7/7;
- Suzy Denys, independent director; attendance at committee meetings during the financial year: 7/7;

The nomination and remuneration committee is responsible in particular for, among other things:

- establishing profiles for the director and management positions within the RREC and putting forward opinions and recommendations on candidates;
- putting proposals to the board of directors on remuneration policy and the individual remuneration of directors and members of the management team;
- assessing the performance targets related to the individual remuneration of the managing director and the management;
- preparing the remuneration report, in accordance with Article 3:6, § 3 BCCA for inclusion in the Corporate Governance Statement and commenting on this report at the Annual shareholders' meeting.

During the 2023 financial year, the nomination and remuneration committee met primarily to discuss the following items:

- the assessment of the members of the management team in 2023 and the determination of their variable remuneration for the past financial year;
- the drafting of the remuneration report for publication in the 2023 annual report;
- the evolution in staff remuneration;
- the long-term incentive plan;
- departure of Sven Janssens as CEO and director of the company by mutual agreement;
- follow-up of the executive search for a new CEO;
- the internal organisation of the company.

### 6.3. Investment committee

The investment committee selects, analyses and prepares the investment and divestment dossiers as well as the conversion and renovation dossiers, and is responsible for following them up.

The investment committee met five times during the past financial year and as at 31 December 2023 consisted of the following people:

- Johan Van Overstraeten, chairman of the investment committee, director; attendance at committee meetings during the financial year: 5/5;
- Hélène Bostoën, independent director; attendance at committee meetings during the financial year: 5/5;
- Philip De Greve, independent director; attendance at committee meetings during the financial year: 5/5;
- Christophe Mignot, independent director; membership of the committee during the year: 2/2<sup>3</sup>;
- Thomas Peperstraete, representing the Van Overstraeten Group: 5/5.

### 6.4. Project committee

Bearing in mind the needs specific to follow up development and renovation work, the board of directors has set up a project committee. Previously, this role was fulfilled by the board of directors of Home Invest Belgium itself.

The project committee met twelve times in the past financial year:

- Johan Van Overstraeten, chairman of the project committee; attendance at committee meetings during the financial year: 12/12;
- Hélène Bostoën; independent director; attendance at committee meetings during the financial year: 12/12;
- Patrick Verstraete, Head of Development and construction; attendance at committee meetings during the financial year: 12/12.

The role of the committee is to follow up and monitor the renovation and development projects in terms of scheduling, planning, budget, quality and organisation of the construction work.

During the 2023 financial year, the committee mainly discussed the following items:

- discussion of the ongoing renovation and development projects, covering the planning, budget (including any deviations from the budget drawn up) and points of attention;
- optimisation of the organisation of the development team, including its cost structure.

### 6.5 IT Steering committee

This steering committee meets on a monthly basis and dealt with the following points:

- the development of the HOMI application;
- monitoring the IT budget;

<sup>3</sup> Mr Christophe Mignot was appointed as non-executive director, by the general meeting dd. 2 May 2023 for a term of 4 years starting after the general meeting to end after the ordinary general meeting of 2027.

- development of a task management module;
- revision of process documentation;
- internal cybersecurity assurance and audit.

The members of this steering committee will receive a remuneration equal to the attendance fees for the committees within the board of directors. Ms Christel Gijsbrechts chairs this steering committee.

The IT steering committee met six times in 2023.

- Christel Gijsbrechts, Chair of the IT steering committee; attendance at committee meetings during the financial year: 6/6;
- Johan Van Overstraeten, director; attendance at committee meetings during the financial year: 6/6.

## 7. Executive management

The board of directors is assisted by the executive management (within the meaning of Article 14 of the Belgian Act of 12 May 2014, as amended, with regard to regulated real estate companies).

The curriculum vitae of the members of the effective leadership can be summarised as follows:

- Ingrid Quinet, Chief Legal Officer (CLO) ;
- Preben Bruggeman, Chief Financial Officer (CFO).

The curriculum vitae of the members of the executive management team can be summarised as follows:

### Ingrid Quinet

#### CHIEF LEGAL OFFICER

Ingrid Quinet has joined the management of Home Invest as Chief Legal Officer since 15 December 2019. She holds a Master's degree in Law (VUB) and can count on almost 20 years of experience as a lawyer and legal advisor, mainly in the banking and real estate sector. In the past, she worked as a lawyer at Allen & Overy, Clifford Chance, Nibelle Law and Laga. Before joining Home Invest, she was Chief Legal Officer at Eaglestone.

### Preben Bruggeman

#### CHIEF FINANCIAL OFFICER

Mr Preben Bruggeman obtained a master's degree in business engineering and a bachelor's degree in philosophy at the University of Antwerp. He also successfully completed the 3 levels of the CFA Programme (Chartered Financial Analyst).

He started his career in 2008 at Bank Degroof as an equity analyst and then in corporate finance. He also held the position of CFO at Qrf City Retail. He has been part of the Home Invest Belgium executive management team since 7 January 2019.

	Ingrid Quinet	Preben Bruggeman
<b>Number of shares held</b>	6,725	13,542
<b>Other mandates within Home Invest Belgium</b>	Director in various subsidiaries of Home Invest Belgium	Director in various subsidiaries of Home Invest Belgium



# REMUNERATION REPORT

*Each year, the remuneration report is included in the annual financial report. It sets out the principles of the company's remuneration policy. Any significant deviation from the remuneration policy during the financial year and any changes made to this policy are included in the report. The remuneration policy takes the recommendations of the nomination and remuneration committee into account. It contains the information set out in Article 3:6 para. 3 BCCA and takes the recommendations of the Belgian Corporate Governance Code (2020 Code) into account. Each year, the remuneration report is assessed by the shareholders' meeting.*

## 1. Total remuneration

### 1.1. Remuneration of the non-executive directors

The non-executive directors are entitled to attendance fees for meetings of the board of directors and the various committees in accordance with the remuneration policy. In addition, they may enter expense notes for costs incurred during the performance of their mandates.

The shareholders' meeting of 7 May 2019 has retained the following amounts as attendance fees:

- A fixed annual fee of € 5,000 per director

- The attendance fees per meeting, being:
  - An attendance fee of € 2,000 for the Chairman, € 1,500 for the Vice-Chairman and € 1,000 for the members of the board of directors;
  - An attendance fee of € 1,000 for the Chairman and € 750 for the members of the committees.

The members of executive management attending these meetings do not receive these attendance fees.

For the 2023 financial year, the following extraordinary allowances are granted for exceptional performance:

- Christel Gijsbrechts: € 20,000;
- Liévin Van Overstraeten: € 30,000.

### Non-executive directors – and members of the committees – remuneration financial year 2023

Director	Board of directors	Investment committee	Audit committee	Project committee	Nomination and remuneration committee	IT Steering committee	Fixed annual fee	Variable fee	Total
Wim Arousseau	10,000 €	0 €	2,250 €	0 €	0 €	0 €	5,000 €		17,250 €
Hélène Bostoën	10,000 €	3,750 €	0 €	9,000 €	0 €	0 €	5,000 €		27,750 €
Philip De Greve	14,000 €	3,750 €	3,000 €	0 €	0 €	0 €	5,000 €		25,750 €
Suzy Denys	11,000 €	0 €	0 €	0 €	5,250 €	0 €	5,000 €		21,250 €
Christel Gijsbrechts	10,000 €	0 €	3,000 €	0 €	6,500 €	6,000 €	5,000 €	20,000 €	50,500 €
Eric Spiessens	7,500 €	0 €	2,000 €	0 €	750 €	0 €	5,000 €		15,250 €
Johan Van Overstraeten	10,000 €	5,000 €	0 €	12,000 €	0 €	4,500 €	5,000 €		36,500 €
Liévin Van Overstraeten	20,000 €	0 €	0 €	0 €	5,750 €	0 €	5,000 €	30,000 €	60,750 €
Peperstraete Thomas	0 €	3,750 €	0 €	0 €	0 €	0 €	0 €		3,750 €
Christophe Mignot	6,000 €	1,500 €	0 €	0 €	0 €	0 €	5,000 €		12,500 €
<b>TOTAL</b>	<b>98,500 €</b>	<b>17,750 €</b>	<b>10,250 €</b>	<b>21,000 €</b>	<b>18,250 €</b>	<b>10,500 €</b>	<b>45,000 €</b>	<b>50,000 €</b>	<b>271,250 €</b>

In accordance with the remuneration policy, the remuneration of the non-executive directors is only a fixed remuneration; they do not receive a variable remuneration, special remuneration or pension promise.

According to the company's remuneration policy, non-executive directors do not receive shares as (a component of) their remuneration. In doing so, the company deviates from recommendation 7.6 of the 2020 Code.

This recommendation aims to align the long-term interest of non-executive directors with the interest of the company's shareholders.

The company considers that long-term shareholder interests are already adequately represented on the board of directors. This is because of the fact that one-third of the non-executive directors are de facto representatives of major shareholders of the company. Therefore, the company considers that granting shares to non-executive directors as part of their remuneration at present would not necessarily contribute additionally to achieving the objective of recommendation 7.6 of the 2020 Code. Moreover, the company notes that other listed companies and industry peers are also, for the time being, cautious about this relatively recent recommendation, which, incidentally, is usually not explicitly reflected in foreign corporate governance recommendations.

## 1.2. Remuneration of the executive management

This remuneration is based on the principle of a fair basic remuneration, taking into account the weight of the position, the knowledge required, supplemented by a capped variable remuneration based on performance compared with the agreed performance targets.

The variable remuneration is determined according to objectively measurable performance criteria laid down by the board of directors upon advice of the nomination and remuneration committee at the start of each financial year.

Both short-term and long-term, the size of this variable remuneration is determined by criteria assessed at individual and global level. The annual variable remuneration is paid in cash. In the long term, the variable remuneration consists of the Long Term Incentive Plan (LTIP) paid out in shares. The criteria associated with the LTIP have been drawn up with the company's long-term objectives in mind.

Upon advice of the nomination and remuneration committee the board of directors assesses the extent to which the evaluation criteria are met at the start of the following financial year, taking into account the annual accounts of the past financial year.

The company has not included any provisions in its agreements with effective management that would allow the company to recover variable remuneration paid, or withhold payment of variable remuneration, and specifies the circumstances in which this would be appropriate, to the extent enforceable by law. The company considers that it may use all means of common law in the event that the company would suffer damage due to a misinformation, negligence or mistake by a member of the executive management.

### 1.2.1. REMUNERATION OF THE CHIEF LEGAL OFFICER, INGRID QUINET

On 15 december 2019, an agreement for independent cooperation was concluded between Home Invest Belgium and Ms Ingrid Quinet. This agreement provides for an annual base remuneration, payable in monthly instalments, as well as a variable remuneration ranging from 0% to 20% of the annual base remuneration for the relevant financial year.

This variable remuneration is determined based upon criteria established a priori by the board of directors, and at the latest by 15 March each year.

Ms Quinet's agreement provides for the right to a mobile phone, portable computer, reimbursement of the subscription costs, the communication costs and the costs of the internet connection as well as costs incurred on behalf of the company.

Contractual provisions on termination and severance payments: the agreement concluded between Ms Quinet and Home Invest Belgium provides that in the event of rescission of the agreement at the initiative of the company, it must observe a notice period of six months during the first year of the fulfilment of the agreement, four and a half months during the second year of the fulfilment of the agreement and three months thereafter. The company may, if it deems fit, replace this notice period (in full or in part) by payment of compensation in lieu of notice, the amount of which is calculated on the basis of the initial fixed remuneration, including indexation, for a period corresponding to the notice period or the remainder thereof. These contractual provisions are in line with the Belgian Corporate Governance Code.



### 1.2.2. REMUNERATION OF THE CHIEF FINANCIAL OFFICER, PREBEN BRUGGEMAN

On 21 November 2018, an agreement for independent cooperation was concluded between Home Invest Belgium and Mr Preben Bruggeman. This agreement provides for an annual base remuneration, payable in monthly instalments, as well as a variable remuneration ranging from 0% up to 20% of the annual base remuneration for the relevant financial year.

The performance criteria determining the calculation of the annual variable remuneration contribute to realising the business strategy and the associated annual targets.

Mr Preben Bruggeman's agreement provides for the right to a mobile phone, portable computer, reimbursement of the subscription costs, the communication costs and the costs of the internet connection as well as costs incurred on behalf of the company.

Contractual provisions on termination and severance payments: the agreement concluded between Mr Preben Bruggeman and Home Invest Belgium provides that in the event of rescission of the agreement at the initiative of the company, it must observe a notice period of two months during the first year of the fulfilment of the agreement, three months during the second year of the fulfilment of the agreement and four months thereafter. The company may, if it deems fit, replace this notice period (in full or in part) by payment of compensation in lieu of notice, the amount of which is calculated on the basis of the initial fixed remuneration, including indexation, for a period corresponding to the notice period or the remainder thereof. These contractual provisions are in line with the Belgian Corporate Governance Code.

### 1.2.3 EXECUTIVE MANAGEMENT – REMUNERATION FINANCIAL YEAR 2023:

Total remuneration in 2023									
Name, position	1. Fixed remuneration			2. Variable remuneration		3. Special items	4. Pension cost	5. Total remuneration	6. Ratio of fixed and variable remuneration
	Basic remuneration	Director remuneration	Supplemental benefits	One year variable	Multi-year variable (LTP)				
<b>Sven Janssens Managing director – Chief Executive Officer</b>	€ 53,524	–	–	–	–	€ 189,365	–	€ 242,889	Fixed: 100% Variable: 0%
<b>Other members of the executive management</b>	€ 490,397	–	–	€ 98,079	–	€ 134,820	–	€ 723,296	Fixed: 60.3% Variable: 39.7%

### PERFORMANCE 2023

The 3-year LTIP 2020–2022 was completed on 31 December 2022. Payment in shares to the beneficiaries was made on 7 April 2023. Under the company's remuneration and retention policy, a new 3-year LTIP 2023–2025 had to be drawn up with concrete targets for the beneficiary managers. It is the task of the CEO to propose a first draft of LTIP to the nomination and remuneration committee.

In the absence of a CEO and against the background of a significantly changing financial-economic context, no LTIP 2023–2025 had been drawn up as at 31 December 2023.

The board of directors compensated the missing LTIP 2023 with a discretionary cash distribution (the amount shown in the table under exceptional items).

## 1.2.4. REMUNERATION 2024

### 1.2.4.1. Remuneration of the (non) executive directors

No changes are foreseen in 2024 with regard to the remuneration structure for the members of the board of directors and committees.

### 1.2.4.2. Remuneration of the executive management

#### Fixed remuneration executive management

The fixed remuneration for executive management for the 2024 financial year will be € 496,692.

#### Variable remuneration executive management

The payment of the variable remuneration for executive management for financial year 2024 is subject to objectives and qualitative and quantitative criteria that are determined by the board of directors, after recommendations by the nomination and remuneration committee. The variable remuneration for executive management will not exceed € 99,338 in 2024.

in €	Fixed remuneration	Maximum variable remuneration
Executive management	€ 496,692	€ 99,338

## 2. Share related remuneration

### 2.1 Partial payment of the fixed remuneration in shares

Executive management receives 90% of its fixed remuneration monthly in cash and 10% annually in the form of shares. The shares are allocated to executive management on the first Friday of April in the following year T+1. The awarding price of the shares corresponds to the last known closing price (in principle the closing price on the first Thursday of April), multiplied by a factor of 100/120th or a disagio of 16.67%.

The board of directors does not set a minimum threshold of shares to be held by members of effective management (deviation from recommendation 7.9 of the 2020 Code). As 10% of the effective management's fixed remuneration is paid out in the form of shares, there is a de facto minimum annual threshold of 10% in the amount of this amount.

### 2.2. Key conditions of the LTIP share plan

Taking into account realisation of the strategy and the long-term objectives of the company, Home Invest Belgium will, within the framework of the global remuneration structure for executive management, in addition to the monthly fixed remuneration and the annual variable remuneration (Short Term Incentive aimed at achieving short term targets that is paid out in cash), also a Long Term Incentive Plan set up based on long term targets of the company for the period 2024–2026.

The objectives are set every three years by the board of directors on the recommendation of the nomination and remuneration committee.

### 3. Severance remuneration

The provisions relating to severance remuneration can be found in the remuneration policy. The provisions relating to severance pay are set out in the Remuneration Policy. The company paid a severance indemnity of € 189,365 to Mr Sven Janssens.

### 4. Rights to reclaim

The remuneration policy of the company does not contain any provisions with respect to any rights to reclaim variable remuneration. The company believes that it can use all means of common law in case the company would suffer damages due to misinformation, negligence or mistake by a member of the effective management.

### 5. Deviations from the remuneration policy

For the financial year 2023, the following deviation is granted from the remuneration policy approved by the general meeting:

The 3-year LTIP 2020–2022 was completed on 31 December 2022. Payment in shares to the beneficiaries was made on 7 April 2023. Under the company's remuneration and retention policy, a new 3-year LTIP 2023–2025 had to be drawn up with concrete targets for the beneficiary managers. It is the task of the CEO to propose a first draft of LTIP to the nomination and remuneration committee. In the absence of a CEO and against the background of a significantly changing financial-economic context, no LTIP 2023–2025 had been drawn up as at 31/12/2023.

The board of directors compensated the missing LTIP 2023 with a discretionary cash distribution.

## 6. Evolution of the remuneration and the performance of the company

### 6.1. Annual change in remuneration

The fluctuations (positive or negative changes) in the remuneration of non-executive directors in other years can be explained by the difference in the number of meetings in the years concerned.

### 6.2. Company performance – Annual change

The company performance is reflected on the basis of the evolution of the EPRA NAV, the EPRA EPS and the operating margin.

### 6.3. Average wages of employees on a full-time basis – Annual change

The average wage was calculated on the basis of the sum of the monthly salaries, on a full-time basis.

#### Evolution of the company's remuneration and performance over the last four financial years

##### Total remuneration<sup>4</sup>

	2023 vs 2022	2022 vs 2021	2021 vs 2020	2020 vs 2019
Executive management	+4%	+19%	+6%	+1%
Liévin Van Overstraeten	+7%	+29%	+0%	+0%
Eric Spiessens	-45%	+24%	-26%	+27%
Johan Van Overstraeten	-26%	+45%	-3%	+47%
Wim Arousseau	3%	+60%	-34%	+14%
Suzy Denys	+14%	+13%	-29%	+100%
Christel Gijsbrechts	-2%	+31%	+18%	+54%
Hélène Bostoën	-13%	+31%	-24%	+112%
Philip De Greve	+36%	+73%	-	-
Thomas Peperstraete	-17%	-	-	-
Christophe Mignot	-	-	-	-

##### Company performance

	2023	2022	2021	2020
EPRA NTA	20.36	21.40	20.99	19.30
EPRA EPS	1.13	1.08	0.99	0.89
Operating margin	73.0%	71.8%	71.9%	67.4%

##### Average salary of employees on a full-time basis

	2023	2022	2021	2020
	+12%	+11%	+1%	+5%

<sup>4</sup> The amount per session remained unchanged compared to 2022. The evolution of the amount is due to the number of sessions that took place in 2023.

## 7. Other intervening parties

### 7.1. Statutory auditor

The Statutory Auditor of Home Invest Belgium is appointed by the annual shareholders' meeting subject to prior approval by the FSMA. Its tasks are as follows:

- on the one hand, to audit and certify the accounting information in the annual accounts in the light of the relevant legislation;
- on the other hand, it must cooperate with the audit that the FSMA carries out on Home Invest Belgium as a listed company.

The annual shareholders' meeting of 4 May 2022 has appointed EY Bedrijfsrevisoren/Réviseurs d'Entreprises as statutory auditor of Home Invest Belgium, represented by Mr. Joeri Klaykens, for a term of three years.

The mandate of the statutory auditor will expire after the annual shareholders' meeting to be held in 2025.

Overview fees EY 2023 (in € )	Audit mandate*	Statutory mandates*	FSMA*	Non-audit statutory auditor	Total
Home Invest Belgium	54,071	12,000	6,250	12,000	84,321
Charlent 53 Freehold	3,310				3,310
Be Real Estate	6,550	4,500			11,050
The Ostrov	6,999				6,999
Home Invest Netherlands	6,621				6,621
The Dox 1	6,621				6,621
De Haan Vakantiehuizen	7,082				7,082
Blue Quarter	6,400				6,400
<b>TOTAL</b>	<b>97,654</b>	<b>16,500</b>	<b>6,250</b>	<b>12,000</b>	<b>132,404</b>

Total audit services\*: € 120,404

Total non-audit services: € 12,000

Statutory assignments relate to:

- Issue of new shares – € 8,500
- Interim dividend – € 3,500
- Contribution in kind of receivables  
Be Real Estate – € 4,500

FSMA assignments concern:

- EMIR – € 2,700
- Debt ratio Q4 2023 – € 3,500

Non-audit commissioner:

- ISAE 3000 Green Finance – € 9,000
- EPRA 2023 – € 3,000

The statutory auditor has reviewed this financial report and has confirmed that the information provided does not show any obvious inconsistencies with the information available to it in the context of its mandate. Its report is included in the chapter "Financial Statements".

### 7.2. Real estate experts

The company has appointed two real estate experts for its real estate portfolio in Belgium and one for its real estate in The Netherlands, for the quarterly valuation of its portfolio and each time the company intends to issue shares, purchases or sells real estate or contributes to merges or demerges real estate companies with the RREC or when buildings are included in the consolidation scope of the RREC through other means.

Cushman & Wakefield (RLE Brussels: 0418.915.383), having its registered office at avenue des Arts 56, 1000 Brussels (Belgium), represented by Mr. Emeric Inghels, acts as independent real estate expert for the company for some of the properties located in Belgium. Its annual remuneration is calculated on the basis of the areas to be valued at a rate of € 0.35 per m<sup>2</sup> valued (excluding VAT).

In the course of the 2023 financial year, Cushman & Wakefield received a total of € 74,319 including VAT in fees.



CBRE Valuations Services BV/SRL (RLE Brussels: 0859.928.556), having its registered office at avenue Lloyd George 7, 1000 Brussels, Belgium, represented by Mr. Pieter Paepen, acts as the company's independent real estate expert for the other properties located in Belgium. Its annual remuneration is calculated as follows:

Surface areas to be valued	Per valued m <sup>2</sup> (excluding VAT)
Tranche from 0 to 125,000 m <sup>2</sup>	€ 0.375
Tranche from 125,001 tot 175,000 m <sup>2</sup>	€ 0.325
Tranche greater than 175,001 m <sup>2</sup>	€ 0.275

During the course of the 2023 financial year, CBRE Valuations Services BV/SRL collected a total of € 27,135 including VAT in fees.

**Cushman & Wakefield Netherlands BV**, with registered office at Gustav Mahlerlaan 362-364, 1082ME, Amsterdam, represented by J.N. Brantsma MSc MSRE MRICS RT and Y. Buijs MSc R is acting as independent property expert of Home Invest Netherlands NV.

During the 2023 financial year, Cushman & Wakefield Netherlands BV received fees totalling € 9,896 excluding VAT.

**BNP Paribas Real Estate Hotels France**, with registered office at Quai de la Bataille de Stalingrad 167, 92867 Issy-les-Moulineaux (France), represented by Mrs. Blandine Trotot, acts as the company's independent real estate expert for the Port Zélande portfolio, consisting of 248 holiday homes and 40 apartments.

During the 2023 financial year, BNP Paribas Real Estate Hotels France received a total of € 11,250 excl. VAT in fees.

### 7.3. Financial services BNP Paribas Fortis NV/SA

(RLE Brussels: 0403.199.702), located at 3 Montagne du Parc, 1000 Brussels, is the lead bank in charge of the financial services related to the shares of Home Invest Belgium (payment of dividends, subscription to capital increases, convening notice for shareholders' meetings).

The bank's remuneration is determined as follows (plus VAT):

Dematerialised securities (excl. VAT)	0.12% of the net value of the coupon made payable (excl.VAT)
Bearer securities	2% of the net value of the coupon made payable +€ 0.10 per denomination (excl.VAT)

In the 2023 financial year, the total remuneration for BNP Paribas Fortis amounted to € 4.538 incl. VAT.

### 7.4. Liquidity provider

**KBC Securities** has been acting as liquidity provider for the Home Invest Belgium share since 20 October 2020 with the aim of promoting the tradability of the shares. Remuneration for the liquidity provider amounts to € 20,003 excl. VAT per year.

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# REGULATIONS AND PROCEDURES

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## Preventing conflicts of interest

Home Invest Belgium is subject:

- on the one hand, to the legal provisions on this matter, common to all (listed) companies, as laid down in Articles 7:96 and 7:97 of the BCCA;
- on the other hand, to the RREC legislation, which provides for a special system whereby the FSMA must be informed in advance of transactions in which the persons indicated in article 37 of the RREC Act i.e.

(1°) the persons controlling or holding a participation in the public RREC,

(2°) the persons with whom (a) the public RREC, (b) a perimeter company of the public RREC, (c) the director legal person of the public RREC who has taken the form of a limited partnership (commanditaire vennootschap op aandelen) (or a company controlled by it), (d) the promotor, and (e) the other shareholders of (a perimeter company of) the public RREC, is connected or hold a participation,

(3°) the director-legal person of the public RREC or one of its perimeter companies which has opted for the form of a limited partnership (commanditaire vennootschap op aandelen),

(4°) the promotor of the public RREC,

(5°) the other shareholders of (all perimeter companies) of the public RREC

and

(6°) the directors, managers, members of the executive committee, persons in charge of the daily management, effective leaders or agents:  
(a) of the public RREC or any of its subsidiaries;  
(b) of the manager-legal entity of the public RREC or any of its subsidiaries that has assumed the form of a limited partnership on shares;  
(c) of the promoter; (d) of the other shareholders of any subsidiary of the public RREC; and (e) of any of the persons referred to in the provision under 1° of this paragraph.

- finally, to its own Corporate Governance Charter, which provides for additional provisions regarding the prevention of conflicts of interest.

If an interest of a financial nature of a director is directly or indirectly in conflict with a decision or a transaction that falls within the powers of the board of directors, he/she/it must inform the other members of the board of directors of this at the start of the meeting whereby the conflicted decision will be deliberated and voted on, in application of Article 7:96 BCCA.

The declaration and the reasons that prove this conflicting interest must be included in the minutes of the Board of Director's meeting which will have to decide.

In addition, the statutory auditor must be informed, and the director concerned may not take part in the deliberations of the board of directors on the transactions or decisions concerned or vote on these matters. The relevant section of the minutes is then included in the management report.

The aforementioned Article 7:96 BCCA does, however, provide for certain exemptions, including in connection with usual transactions that take place at arm's length and against securities that usually apply on the market for such transactions.

Article 7:97 BCCA states that when the board of directors of listed company is contemplating a transaction with a related party, an ad-hoc committee should be set up, comprising three independent directors, unless the contemplated transaction is an exempted transaction as set out in Article 7:97 of the BCCA.

This committee, if required assisted by an independent expert (whose costs will be covered by the Company), should inform the board of directors of its reasoned opinion of the transaction under consideration. To that end, the committee of independent directors will draw up a report on at least the following items: the nature of the decision or transaction, a description and an estimate of the financial consequences, a description of any other consequences, the advantages, and disadvantages thereof for the company, where appropriate in the long term. The committee will also frame the contemplated decision or transaction within the policy pursued by the Company and indicate that in case the contemplated decision or transaction causes disadvantages to the Company, it is compensated by other elements regarding the policy, or whether the transaction is manifestly unlawful. If required, the committee will integrate or append the finds of the expert it has appointed.

The board of directors can only take a decision once it has read this report. The statutory auditor should also give its opinion of the accuracy of the data in the report of the committee and the minutes of the board of directors. The conclusion of the committee, the extract of the minutes of the board of directors' meeting and the opinion of the statutory auditor are included in the management report. If a director is involved in the contemplated transaction, he or she will not take part in the deliberation and vote on the contemplated transaction.

All decisions taken and transactions entered into in accordance with Article 7:97 of the BCCA will be publicly announced by the Company.

Article 37 of the RREC Act (as amended from time to time) and Article 8 of the RREC Royal Decree (as amended from time to time) require public RRECs, among other things (barring certain exceptions) to inform the FSMA in advance of any transaction which the RREC is planning to carry out with an affiliated company, a company with which the RREC is affiliated through a holding, the other shareholders of a consolidated company, the directors or members of the executive management. The company must prove that the transaction under consideration is important for it and is in line with its strategy and that this is being carried out at arm's length. If the transaction concerns real estate, an independent surveyor should estimate the fair value of the property, which will then serve as the minimum price at which the property can be transferred or the maximum for which it may be purchased. The RREC must inform the public when the transaction is carried out and should clarify this information in its financial annual report.

The Home Invest Belgium Corporate Governance Charter provides for a confidentiality duty which the directors and executive management should apply. The directors and the members of the management team may not use information received for purposes other than the exercising of their mandate. They must personally protect confidentiality and may not disclose the information under any circumstances. This personal obligation also applies for representatives of a legal entity, director or member of the management team.

If the Company is about to conclude a transaction pursuant to which the a director might potentially have a conflict of interest which does not fall under Article 7:96 BCCA (for example, because it is a usual transaction concluded at arm's length and with ordinary market guarantees or for example a merely functional

conflict of interest), the company nevertheless deems it necessary that this director should inform the other directors of this before the deliberations of the board of directors and should refrain from taking part in the deliberations of the board of directors relating to this transaction and from taking part in the vote.

Finally, in the event of a conflict of interest involving the recognised real estate expert of the company in the context of an investment transaction, the company should call upon another recognised property expert for the valuation of the property in question until this property has, if appropriate, been integrated into the company's real estate portfolio.

The directors of Home Invest Belgium are appointed based on their relevant experience in real estate. It is therefore possible that they fulfil director's mandates in other real estate companies, so that it would not be inconceivable that a transaction may be presented to the board of directors in which a director could have a conflicting interest of a financial nature to that of the Home Invest Belgium as the transaction is carried out. In that case, the rules on the prevention of conflicts of interest should be stringently applied and the director should declare this before withdrawing from the deliberation and decision-making process.

### **Preventing insider trading and market abuse**

The board of directors has drawn up a dealing code containing rules that must be followed by the directors and executive management, its staff and appointees who wish to trade in financial instruments issued by Home Invest Belgium.

The dealing code was drawn up in accordance with the applicable regulations and provides, among other things, for:

- restrictions on carrying out transactions in financial instruments of the company during clearly defined periods before the announcement of the financial results ('closed periods');
- prior notification to the Compliance Officer before any transaction in financial instruments of the company;
- public disclosure of every transaction.

The Compliance Officer must supervise compliance with the relevant regulations in order to limit the risk of insider trading.

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## Elements likely to have consequences in the event of a public takeover bid

The following information constitutes explanations about elements that, in the event of a public takeover bid on the shares of Home Invest Belgium, may have consequences, as referred to in Article 34 of the Royal Decree of 14 November 2007:

- The articles of association of Home Invest Belgium expressly authorise the board of directors to issue shares within the framework of the authorised capital. This gives the company the opportunity to respond quickly to investment opportunities, without having to convene two shareholders' meetings (time-saving). The board of directors is also authorised to issue, under the same conditions, convertible bonds or subscription rights;
  - In addition, the articles of association of Home Invest Belgium provide for an authorisation granted to the board of directors with regard to the purchase, pledge and disposal of its own shares;
  - On 31 December 2023, the registered capital of Home Invest Belgium was represented by 19.708.766 fully paid-up ordinary shares, without indication of nominal value, each representing an equal share of the registered capital. The shareholding structure is stated in the chapter "The share on the stock exchange" of this annual financial report;
  - There is only one class of shares;
  - There are no legal or statutory restrictions on voting rights or on the transfer of the shares;
  - There are no holders of securities to which special control rights are associated;
  - There is no control mechanism for any employee stock plan where the control rights are not exercised directly by the employees;
  - To the best of Home Invest Belgium's knowledge, there are no shareholders' agreements that may result in restrictions on the transfer of securities or the exercise of voting rights;
  - The rules governing the appointment and replacement of members of the board of directors are included in the articles of association of the company and in the Corporate Governance Charter;
  - The rules governing amendments to the articles of association of Home Invest Belgium are included in the articles of association of the company, which take into consideration the applicable legislation in this area (the BCCA and the RREC legislation). In accordance with Article 12 of the RREC Act, any draft amendment to the articles of association must be approved in advance by the FSMA;
- It is common practice in financing contracts to provide for a 'change of control' clause: This offers the bank the opportunity to request the repayment of the credit if the change of control over the company would have a significant negative effect on the company;
  - There are no agreements between Home Invest Belgium and the members of its board of directors or its staff, which provide for the payment of compensation in the event of dismissal or cessation of activities as a result of a public takeover bid.







A modern, multi-story apartment building with a light-colored facade and balconies. The building is surrounded by lush greenery, including a large tree in the center and various plants in the foreground. A person is visible in the garden on the right side.

# EPRA — PERFORMANCE INDICATORS









# EPRA – PERFORMANCE INDICATORS

*Home Invest Belgium has received an “EPRA BPR Gold award” for its Annual Report 2022.*

EPRA (the European Public Real Estate Association) is the voice of Europe’s publicly traded real estate sector, representing more than 275 members and over € 670 billion in real estate assets. EPRA publishes recommendations for defining the main performance indicators applicable to listed real-estate companies. These recommendations are included in the report entitled “EPRA Reporting:

Best Practices Recommendations Guidelines” (“EPRA Best Practices”). This report is available on the EPRA website ([www.epra.com](http://www.epra.com)).

Home Invest Belgium participates to this move to standardise financial reporting with a view to improving the quality and the comparability of the information for investors.

Table	EPRA – performance measures	Definitions EPRA		31/12/2023	31/12/2022
1	EPRA – Earnings	Earnings from operational activities.	(€ / action)	1.13	1.08
2	EPRA – NRV	The aim of the metric is to reflect what would be needed to recreate the company through the investment markets based on its current capital and financing structure, including relating costs such as real estate transfer taxes.	(€ / action)	21.68	22.77
	EPRA – NTA	This is the NAV adjusted to include properties and other investments at their fair value and exclude certain line items that are not expected to take shape in a business model with investment properties over the long term.	(€ / action)	20.36	21.40
	EPRA – NDV	The EPRA Net Disposal Value provides the reader with a scenario of the disposal of the company’s assets resulting in the settlement of deferred taxes and the liquidation of debt and financial instruments.	(€ / action)	21.56	23.09
3	EPRA – NIY	Annualised rental income based on the cash rents passing at the balance sheet date, less non-recoverable property operating expenses, divided by the market value of the property, increased with estimated purchasers costs.		4.15%	3.85%
	EPRA – Topped-up NIY	The EPRA NIY in respect of the expiration of rent-free periods (or other unexpired lease incentives such as discounted rent periods and step rents).		4.15%	3.85%
4	EPRA – Vacancy rate	Estimated Market Rental Value (ERV) of vacant space divided by ERV of the whole portfolio.		2.59%	4.24%
5	EPRA – Cost ratio (including direct vacancy costs)	Administrative & operating costs (including costs of direct vacancy) divided by gross rental income.		18.96%	19.68%
	EPRA – Cost ratio (excluding direct vacancy costs)	Administrative & operating costs (excluding costs of direct vacancy) divided by gross rental income.		18.46%	19.03%
6	EPRA LTV	Outstanding debts divided by the fair value of the real estate.		0.50	0.52
	EPRA LTV (excl. real estate transfer tax)	Outstanding debts divided by the market value of the real estate.		0.48	0.50



## EPRA earnings

(in € k)	31/12/2023	31/12/2022
<b>IFRS EARNINGS (group shareholders)</b>	<b>-14,281</b>	<b>57,230</b>
(i) Changes in the value of investment properties	23,793	-4,894
(ii) Profit or losses on the disposal of investment properties	-28	15
(vi) Changes in fair value of financial instruments	11,330	-32,323
(viii) Deferred taxes in respect of EPRA adjustments	-363	952
(ix) EPRA adjustments related to joint ventures	730	-2,508
<b>EPRA earnings</b>	<b>21,181</b>	<b>18,471</b>
Weighted average number of shares	18,701,976	17,106,685
<b>EPRA earnings per share (in EUR)</b>	<b>1.13</b>	<b>1.08</b>

## EPRA NAV

(in € k)	31/12/2023		
	EPRA NTA	EPRA NRV	EPRA NDV
<b>IFRS NAV (shareholders group)</b>	<b>417,761</b>	<b>417,761</b>	<b>417,761</b>
(v) Deferred tax in relation to fair value gains of investment properties	2,223	2,223	
(vi) Fair value of financial instruments	-20,103	-20,103	
(viii.b) Intangible fixed assets	-576		
(x) Fair value of fixed interest rate debt			5,067
(xi) Real estate transfer tax		25,303	
<b>NAV</b>	<b>399,305</b>	<b>425,184</b>	<b>422,828</b>
Number of shares	19,615,078	19,615,078	19,615,078
<b>NAV per share (in EUR)</b>	<b>20.36</b>	<b>21.68</b>	<b>21.56</b>

(in € k)	31/12/2022		
	EPRA NTA	EPRA NRV	EPRA NDV
<b>IFRS NAV (shareholders group)</b>	<b>410,064</b>	<b>410,064</b>	<b>410,064</b>
(v) Deferred tax in relation to fair value gains of investment properties	2,586	2,586	
(vi) Fair value of financial instruments	-31,433	-31,433	
(viii.b) Intangible fixed assets	-572		
(x) Fair value of fixed interest rate debt			618
(xi) Real estate transfer tax		23,789	
<b>NAV</b>	<b>380,645</b>	<b>405,006</b>	<b>410,682</b>
Number of shares	17,785,785	17,785,785	17,785,785
<b>NAV per share (in EUR)</b>	<b>21.40</b>	<b>22.77</b>	<b>23.09</b>

## EPRA NIY and EPRA topped-up NIY

(in € k)	31/12/2023	31/12/2022
Investment properties	755,460	745,962
Assets held for sale	0	0
Development projects	-50,567	-51,997
Estimated transaction costs hypothetical disposal of investment properties	24,039	22,490
<b>Investment value of property portfolio available for rent</b>	<b>728,932</b>	<b>716,455</b>
Annualised gross rental incomes	35,984	33,027
Property costs	-5,700	-5,461
<b>Annualised net rental incomes</b>	<b>30,284</b>	<b>27,566</b>
National rent expiration of rent free periods	0	0
<b>Topped-up net annualised rent</b>	<b>30,284</b>	<b>27,566</b>
<b>EPRA NIY</b>	<b>4.15%</b>	<b>3.85%</b>
<b>EPRA "topped-up" NIY</b>	<b>4.15%</b>	<b>3.85%</b>

## EPRA vacancy rate

(in € k)	31/12/2023	31/12/2022
Estimated rental value of vacant space	958	1,461
Estimated rental value of whole portfolio	36,940	34,488
<b>EPRA vacancy rate</b>	<b>2.59%</b>	<b>4.24%</b>

For more information in connection with the vacancy rate and occupancy rate we refer to Chapter 3 – Management report of this annual financial report.

## EPRA cost ratio

(in € k)	31/12/2023	31/12/2022
I. Operating expense line per IFRS income statement	7,129	6,857
IV. Other operating income/recharges intended to cover overhead expenses less any related profit	0	0
<b>Exclude (if part of above):</b>		
VI. Investment properties depreciation	-308	-359
<b>EPRA costs (including direct vacancy costs)</b>	<b>6,821</b>	<b>6,498</b>
IX. Direct vacancy costs	-177	-215
<b>EPRA costs (excluding direct vacancy costs)</b>	<b>6,644</b>	<b>6,284</b>
X. Gross rental income less ground rent costs	35,984	33,027
<b>Gross rental income</b>	<b>35,984</b>	<b>33,027</b>
<b>EPRA cost ratio (including direct vacancy costs)</b>	<b>18.96%</b>	<b>19.68%</b>
<b>EPRA cost ratio (excluding direct vacancy costs)</b>	<b>18.46%</b>	<b>19.03%</b>

## EPRA LTV

	31.12.2023				31.12.2022					
	Share group	Share in joint ventures	Share in material associated companies	Minority interests	Total	Share group	Share in joint ventures	Share in material associated companies	Minority interests	Total
Loans from credit institutions	278,000	17,944			295,944	268,000	18,137			286,137
Commercial paper	11,000				11,000	34,000				34,000
Bonds	89,000				89,000	89,000				89,000
Net commercial debt	6,121	315			6,436	5,182	56			5,238
Cash and cash equivalents	-2,609	-941			-3,550	-4,284	-864			-5,148
<b>Net debt (a)</b>	<b>381,512</b>	<b>17,318</b>	<b>0</b>	<b>0</b>	<b>398,830</b>	<b>391,898</b>	<b>17,329</b>	<b>0</b>	<b>0</b>	<b>409,227</b>
Tangible assets for own use	0	0			0	0	0			0
Investment properties	704,893	41,650			746,543	693,965	42,050			736,015
Properties available for sale	0	0			0	0	0			0
Project developments	50,567	0			50,567	51,997	0			51,997
Intangible assets for own use	577	0			577	572	0			572
Net receivables	1,732	303			2,035	1,916	147			2,063
Financial assets	0	0			0	0	0			0
<b>Total value of the property (b)</b>	<b>757,768</b>	<b>41,953</b>	<b>0</b>	<b>0</b>	<b>799,722</b>	<b>748,450</b>	<b>42,197</b>	<b>0</b>	<b>0</b>	<b>790,647</b>
Transfer tax	26,348	1,045			26,332	23,789	1,052			24,841
<b>Total of the property (incl. transfer tax) (c)</b>	<b>783,072</b>	<b>42,998</b>	<b>0</b>	<b>0</b>	<b>826,070</b>	<b>772,239</b>	<b>43,249</b>	<b>0</b>	<b>0</b>	<b>815,488</b>
<b>LTV (a/b)</b>	<b>0.50</b>				<b>0.50</b>	<b>0.52</b>				<b>0.52</b>
<b>LTV (incl. transfer tax) (a/c)</b>	<b>0.49</b>				<b>0.48</b>	<b>0.51</b>				<b>0.50</b>

## EPRA capital expenditure

	31/12/2023			31/12/2022		
	Total group (excl. joint ventures)	Joint ventures (proportional share)	Total group	Total group (excl. joint ventures)	Joint ventures (proportional share)	Total group
(i) Acquisitions	0	0	0	6,306	0	6,306
(ii) Development	26,254	0	26,254	21,116	0	21,116
(iii) Investment properties	7,168	0	7,168	11,895	0	11,895
Incremental lettable space	3,055	0	3,055	7,695	0	7,695
No incremental lettable space	4,113	0	4,113	4,200	0	4,200
Premium for tenants	0	0	0	0	0	0
Other material non allocated expenses	0	0	0	0	0	0
(iv) Capitalised interest	2,565	0	2,565	1,281	0	1,281
<b>TOTAL</b>	<b>35,987</b>	<b>0</b>	<b>43,155</b>	<b>40,598</b>	<b>0</b>	<b>40,598</b>

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# FINANCIAL STATEMENTS

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## FINANCIAL STATEMENTS

Consolidated financial statements .....	146
Notes to the consolidated financial statements .....	152
Statutory annual accounts .....	180
Statutory auditor's report .....	186

# CONSOLIDATED FINANCIAL STATEMENTS

## CONSOLIDATED RESULT

(in k €)	Note	2023	2022
I. Rental income	5	34,794	31,462
III. Rental-related expenses	5	-198	-388
<b>NET RENTAL RESULT</b>		<b>34,596</b>	<b>31,074</b>
IV. Recovery of property charges	6	231	215
V. Recovery of charges and taxes normally payable by the tenant on let properties	6	941	874
VII. Charges and taxes normally payable by the tenant on let properties	6	-3,643	-3,086
VIII. Other incomes and expenses related to letting	6	0	0
<b>PROPERTY RESULT</b>		<b>32,125</b>	<b>29,077</b>
IX. Technical costs	7	-1,187	-1,009
X. Commercial costs	8	-583	-556
XI. Taxes and charges on unlet properties	9	-177	-215
XII. Property management costs	9	-1,796	-2,126
XIII. Other property costs		0	0
<b>Property Costs</b>		<b>-3,743</b>	<b>-3,906</b>
<b>PROPERTY OPERATING RESULT</b>		<b>28,381</b>	<b>25,171</b>
XIV. General corporate expenses	10	-3,386	-2,951
XV. Other operating incomes and expenses	10	258	100
<b>OPERATING RESULT BEFORE PORTFOLIO RESULT</b>		<b>25,253</b>	<b>22,320</b>
XVI. Result sale investment properties	11	28	-15
XVIII. Changes in fair value of investment properties	11	-23,793	4,894
XIX. Other portfolio result	11	363	-952
<b>PORTFOLIO RESULT</b>		<b>-23,401</b>	<b>3,927</b>
<b>OPERATING RESULT</b>		<b>1,852</b>	<b>26,248</b>
XX. Financial income	12	95	70
XXI. Net interest charges	13	-5,121	-5,110
XXII. Other financial charges	14	-96	-94
XXIII. Changes in fair value of financial assets and liabilities	15	-11,330	32,323
<b>Financial result</b>		<b>-16,452</b>	<b>27,189</b>
XXIV. Share in the profit or loss of associates and joint ventures		654	4,049
<b>PRE-TAX RESULT</b>		<b>-13,946</b>	<b>57,486</b>
XXIV. Corporation tax	16	-335	-256
XXV. Exit tax		0	0
<b>TAXES</b>		<b>-335</b>	<b>-256</b>
<b>NET RESULT</b>		<b>-14,281</b>	<b>57,230</b>
<b>OTHER ELEMENTS OF THE GLOBAL RESULT</b>		<b>0</b>	<b>0</b>
<b>GLOBAL RESULT</b>		<b>-14,281</b>	<b>57,230</b>
<b>NET RESULT ATTRIBUTABLE TO THE PARENT COMPANY</b>		<b>-14,281</b>	<b>57,230</b>
Exclusive portfolio result		23,401	-3,927
Exclusive changes in the real value of the financial assets		11,330	-32,323
Exclusive non EPRA earnings in the share of the result of associates and joint ventures		730	-2,508
<b>EPRA EARNINGS</b>		<b>21,181</b>	<b>18,471</b>
Average number of shares <sup>1</sup>		18,701,976	17,106,685
<b>NET RESULT PER SHARE</b>		<b>-0.76</b>	<b>3.35</b>
<b>EPRA EARNINGS PER SHARE</b>		<b>1.13</b>	<b>1.08</b>

<sup>1</sup> The number of shares at closing date is calculated excluding the 96,688 treasury shares held by the company.

## BALANCE SHEET

ASSETS	Note	2023	2022
<b>I. Non-current assets</b>		<b>801,323</b>	<b>804,338</b>
B. Intangible assets	16	577	572
C. Investment properties	17	755,460	745,962
D. Other tangible assets	19	68	180
E. Non-current financial assets	24	19,678	31,433
F. Lease receivables	20	73	142
I. Shareholding in associated companies and joint-ventures	21	25,468	26,048
<b>II. Current assets</b>		<b>6,485</b>	<b>8,025</b>
B. Current financial assets		425	0
C. Lease receivables	25	69	66
D. Trade receivables	22	1,732	1,916
E. Tax receivables and other current assets	22	159	1,076
F. Cash and cash equivalents	23	2,609	4,284
G. Deferred charges and accrued income	24	1,491	682
<b>TOTAL ASSETS</b>		<b>807,808</b>	<b>812,362</b>
<b>SHAREHOLDERS' EQUITY</b>		<b>417,761</b>	<b>410,064</b>
<b>I. SHAREHOLDERS' EQUITY</b>		<b>417,761</b>	<b>410,064</b>
A. Capital	28	101,810	94,136
B. Share premium account	28	64,633	47,346
C. Reserves	28	265,599	226,469
D. Net result of the financial year	28	-14,281	42,112
<b>II. MINORITY INTERESTS</b>		<b>0</b>	<b>0</b>
<b>LIABILITIES</b>			
<b>I. Non-current liabilities</b>		<b>328,832</b>	<b>359,154</b>
A. Provisions		0	0
B. Non-current financial debts	25	326,609	356,568
<i>a. Financial Debts</i>		277,884	267,887
<i>b. Financial Leasing</i>		0	0
<i>c. Others</i>		48,725	88,682
C. Other non-current financial liabilities	25	0	0
F. Deferred taxtes – obligations	27	2,223	2,586
<i>a. Exit tax</i>		0	0
<i>b. Others</i>		2,223	2,586
<b>II. Current liabilities</b>		<b>61,215</b>	<b>43,145</b>
B. Current financial debts	25	51,795	34,580
<i>a. Financial Debts</i>		0	0
<i>b. Financial Leasing</i>		0	64
<i>c. Others</i>		51,795	34,516
C. Other current financial liabilities	25	0	0
D. Trade debts and other current debts	26	6,121	5,182
<i>b. Others</i>		6,121	5,182
E. Other current liabilities		104	129
F. Accrued charges and deferred income	24	3,195	3,254
<b>LIABILITIES</b>		<b>390,047</b>	<b>402,299</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>		<b>807,808</b>	<b>812,362</b>

(in k €)	Capital	Capital increase expenses	Share Premium	Legal reserve	Reserve for the balance of changes in fair value of investment properties
<b>BALANCE AT 31/12/2021</b>	88,949	-950	24,903	99	200,615
<b>Allocation of income 2021</b>	0	0	0	0	31,609
Compared to operating income					
Var. of deferred taxes					
Changes in R. W. of real estate					31,609
Changes in R. W. of hedges					
Dividends financial year 2021 (balance paid in May 2022)	0	0	0	0	0
<i>Paid dividend (relating to financial year 2021)</i>					
<i>Paid interim dividend financial year 2021 (paid in December 2021)</i>					
<b>Changes resulting from the sale of buildings</b>					-93
<b>Result of the financial year 2022</b>					
<b>Dividend 2022 (interim dividend paid in December 2022)</b>					
<b>Acquisition / sale of own shares</b>					
<b>Share-based payments</b>					
<b>Merger of subsidiaries</b>					
<b>Other increases (decreases)</b>					
<b>Capital reduction</b>	-982				
<b>Capital increase</b>	7,557	-438	22,443		
<b>BALANCE AT 31/12/2022</b>	95,524	-1,388	47,346	99	232,132
<b>BALANCE AT 31/12/2022</b>	95,524	-1,388	47,346	99	232,132
<b>Allocation of income 2022</b>	0	0	0	0	9,046
Compared to operating income					
Var. of deferred taxes					
Changes in R. W. of real estate					9,046
Changes in R. W. of hedges					
Dividends financial year 2022 (balance paid in May 2023)	0	0	0	0	0
<i>Paid dividend (relating to financial year 2022)</i>					
<i>Paid interim dividend financial year 2022 (paid in December 2022)</i>					
<b>Changes resulting from the sale of buildings</b>					-44
<b>Result of the financial year 2023</b>					
<b>Acquisition / sale of own shares</b>					
<b>Share-based payments</b>					
<b>Merger of subsidiaries</b>					
<b>Other increases (decreases)</b>					
<b>Capital reduction</b>	-1,426				
<b>Capital increase</b>	9,410	-310	17,287		
<b>BALANCE AT 31/12/2023</b>	103,508	-1,698	64,633	99	241,134



Reserve from estimated transfer costs and rights	Reserve from the balance of changes in fair value of hedges reserve for treasury shares (IFRS applicable)	Reserve from the balance of changes in fair value of hedges reserve for treasury shares (IFRS not applicable)	Reserve for latent taxes	Reserve for treasury shares	Share-based payment reserve	Other reserves	Result carried forward from previous financial years	Net result of the financial year	Total
-15,808	0	-5,962	-2,268	-886	388	1,259	17,721	34,889	342,950
-4,353	0	4,635	637	0	0	0	36	-34,889	-2,324
							-19	19	0
			637					-637	0
-4,353							55	-27,311	0
		4,635						-4,635	0
0	0	0	0	0	0	0	0	-2,324	-2,324
								-16,301	-16,301
								13,977	13,977
59							34		-0
								57,230	57,230
								-15,118	-15,118
				-1,717					-1,717
				54	419				473
									0
							153	-0	153
							-164		-1,146
									29,562
-20,102	0	-1,327	-1,631	-2,549	807	1,259	17,781	42,112	410,064
-20,102	0	-1,327	-1,631	-2,549	807	1,259	17,781	42,112	410,064
-2,890	0	33,423	-952	0	0	0	811	-42,112	-2,674
							816	-816	0
			-952					952	0
-2,890								-6,156	0
		33,423						-33,423	0
0	0	0	0	0	0	0	-6	-2,668	-2,674
							-6	-17,786	-17,791
								15,118	15,118
10							34		0
								-14,281	-14,281
				0					0
				441	-394				47
									0
									0
							-356		-1,782
									26,387
-22,983	0	32,097	-2,583	-2,108	414	1,259	18,269	-14,281	417,761

## CASH FLOW STATEMENT

(in k €)	2023	2022
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	4,284	4,186
<b>1. Cash flow from operating activities</b>	25,644	24,872
<b>Result for the financial year</b>	-14,281	57,230
Result for the financial year before interest and taxes	1,852	26,247
Interest received	95	70
Interest paid	-5,217	-5,204
Change in fair value of financial assets and liabilities	-11,330	32,323
Share in the profit of associates and joint ventures	654	4,049
Taxes	-335	-256
<b>Adjustment of profit for non-cash transactions</b>	40,563	-33,069
<b>Depreciation and impairments</b>	307	359
- Depreciation and impairments on non-current assets	307	359
<b>Other non-monetary elements</b>	35,259	-38,483
Depreciation of previously capitalised financing costs	71	-30
- Changes in fair value of investment properties (+/-)	23,793	-4,894
Changes in the fair value of financial assets	581	-2,814
- Changes in fair value of financial instruments (+/-)	10,767	-31,372
Exit tax movements	0	0
Other non-cash movements	47	627
<b>Gain on realization of assets</b>	-28	15
- Capital gains realized on the sale of non-current assets	-28	15
<b>Recovery of expenses and financial products</b>	5,026	5,040
<b>Change in working capital needs</b>	-638	711
<b>Movements in asset items:</b>	290	697
- Current financial assets	-3	-3
- Trade receivables	184	943
- Tax receivables and other short-term assets	917	-3
- Deferred charges and accrued income	-808	-240
<b>Movements of liabilities items:</b>	-928	14
- Trade and other current debts	939	1,688
- Other current liabilities	-1,808	-1,145
- Accrued charges and deferred income	-59	671
- Provisions	0	0
<b>Deferred taxes – obligations</b>	-0	-1,200
<b>2. Cash flow from investment activities</b>	-33,191	-39,007
Investment properties – capitalized investments	-33,420	-33,010
Investment properties – new acquisitions	-0	-6,306
Sales of investment properties	158	467
Development projects	0	0
Other intangible assets	-199	-224
Other tangible assets	-0	-0
Non-current financial assets	200	-0
Receivables leasing	69	66
Other non-current financial assets	0	0
<b>3. Cash flow from financing activities</b>	5,872	14,234
Increase (+)/Decrease (-) bank debts	-13,000	9,000
Increase (+)/Decrease (-) financial debts	216	0
Purchase and sale of own shares	0	-1,717
Other long-term financial debts	0	-0
Interest received	95	70
Interest paid	-5,121	-5,110
Paid financial charges	-30	-129
Dividend of the previous financial year	-2,674	-2,324
Interim dividend	0	-15,118
Issuance of shares	26,387	29,562
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	2,609	4,284

# Notes

NOTE 1: GENERAL INFORMATION ABOUT THE COMPANY .....	152
NOTE 2: MAIN ACCOUNTING POLICIES .....	152
NOTE 3: ESTIMATES, ASSUMPTIONS AND MAIN SOURCES OF UNCERTAINTY .....	159
NOTE 4: SEGMENTED INFORMATION (CONSOLIDATED) .....	160
NOTE 5: RENTAL INCOMES AND CHARGES .....	164
NOTE 6: PROPERTY RESULT .....	164
NOTE 7: TECHNICAL EXPENSES .....	164
NOTE 8: COMMERCIAL EXPENSES .....	165
NOTE 9: EXPENSES AND TAXES ON NON-LEASED GOODS – PROPERTY MANAGEMENT COSTS – OTHER PROPERTY COSTS .....	165
NOTE 10: GENERAL COMPANY EXPENSES .....	165
NOTE 11: RESULT SALE OF INVESTMENT PROPERTIES – VARIATIONS IN FAIR VALUE OF INVESTMENT PROPERTIES – OTHER PORTFOLIO RESULT .....	165
NOTE 12: FINANCIAL INCOME .....	166
NOTE 13: NET INTEREST EXPENSES .....	166
NOTE 14: OTHER FINANCIAL EXPENSES .....	166
NOTE 15: VARIATIONS IN THE FAIR VALUE OF ASSETS AND LIABILITIES – PARTICIPATION IN THE RESULT OF COMPANIES AND JOINT VENTURES .....	167
NOTE 16: TAXATION OF THE RETURNS .....	167
NOTE 17: INTANGIBLE ASSETS .....	167
NOTE 18: INVESTMENT PROPERTIES .....	168
NOTE 19: OTHER TANGIBLE FIXED ASSETS .....	169
NOTE 20: FINANCIAL LEASING LIABILITIES .....	170
NOTE 21: HOLDINGS IN ASSOCIATED COMPANIES AND JOINT VENTURES .....	170
NOTE 22: RECEIVABLES .....	171
NOTE 23: CASH AND CASH EQUIVALENTS .....	171
NOTE 24: ACCRUED CHARGES AND DEFERRED INCOME .....	171
NOTE 25: FINANCIAL ASSETS AND LIABILITIES .....	172
NOTE 26: COMMERCIAL DEBTS AND OTHER SHORT-TERM LIABILITIES .....	175
NOTE 27: DEFERRED TAXES .....	175
NOTE 28: CAPITAL, SHARE PREMIUMS AND RESERVES .....	175
NOTE 29: DEBT RATIO .....	176
NOTE 30: SCOPE OF CONSOLIDATION .....	177
NOTE 31: RELATED PARTIES TRANSACTIONS IN RELATION TO THE INCOME STATEMENT .....	178
NOTE 32: OFF-BALANCE SHEET COMMITMENTS .....	178
NOTE 33: STAFF .....	178
NOTE 34: REMUNERATION STATUTORY AUDITOR .....	178
NOTE 35: EVENTS AFTER THE BALANCE SHEET DATE .....	178

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# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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## NOTE 1: GENERAL INFORMATION ABOUT THE COMPANY

Home Invest Belgium NV/SA is a RREC. It was incorporated in the form of a public limited liability company (“naamloze vennootschap” / “société anonyme”, abbreviated to “NV/SA”) organised and existing under the laws of Belgium. Its registered office is located at boulevard de la Woluwe 46/11, 1200 Brussels, Belgium. The company is listed on NYSE Euronext Brussels. The consolidated annual accounts comprise Home Invest Belgium and its consolidated companies: BV/SRL Charlent 53 Freehold, NV/SA BE Real Estate, NV/SA The Ostrov, NV/SA The Dox 1, NV Home Invest Netherlands and Blue Quarter NV.

## NOTE 2: MAIN ACCOUNTING POLICIES

### Declaration of conformity

The accounts have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the European Union. In accordance with Article 11 of the Belgian Royal Decree of 13 July 2014 with regard to the bookkeeping, annual accounts and consolidated annual accounts of the RREC, Home Invest Belgium has made use of the option to draw up its annual accounts in accordance with IFRS standards.

The company drew up its opening IFRS balance sheet on 1 January 2006 (date of transition to IFRS). In accordance with IFRS 1 – First-time adoption of IFRS, the company decided not to restate acquisitions made prior to the IFRS transition date, in accordance with IFRS 3 – Business combinations.

### Preparation basis

The accounts are presented in euros, unless stated otherwise. They are prepared on a historical cost basis, with the exception of investment properties and certain financial instruments, which are assessed at their fair value. The accounting policies have been applied consistently for the financial years presented.

### Basis of consolidation

The consolidated annual accounts include the annual accounts of Home Invest Belgium and its consolidated companies.

Control exists when Home Invest Belgium holds, directly or indirectly, the power over the entity; is exposed or has rights to variable returns as a result of its involvement in that entity; has the ability to use its power over the entity to influence the amount of such returns.

The annual accounts of the consolidated companies which Home Invest Belgium controls are fully consolidated from the date of acquisition until the date of control.

The accounts of the consolidated companies are prepared for the same financial year as that of Home Invest Belgium. Uniform IFRS valuation rules are applied to the subsidiaries concerned. All intra-group transactions, as well as unrealised intra-group profits and losses on transactions between group companies, are eliminated. Unrealised losses are eliminated unless the loss is extraordinary.

A joint venture is a collective settlement in which parties, which perform a joint audit, are entitled to the net assets of the settlement. The consolidated operating accounts include the share of the Group in the accounts of the joint ventures in accordance with the equity method. This share is calculated from the start date to the end date of the joint audit. The annual accounts of the jointly audited entities comprise the same accounting period as that of the Company.

### Goodwill – Badwill

Goodwill is the positive difference between the price of the business combination and the group’s share in the fair value of the acquired assets and liabilities of the acquired subsidiary, at the time of takeover. The price of the business combination consists of the acquisition price plus all directly attributable transaction costs.



Badwill is the negative difference between the price of the business combination and the group's share in the fair value of the acquired assets, and liabilities of the acquired subsidiary, at the time of takeover. This negative goodwill is immediately included in the acquirer's income statement.

### Intangible assets

Intangible assets with durability are initially valued at their cost. After initial recognition, they are valued at their cost reduced by accumulated amortisation and any impairment losses.

Intangible assets are amortised on a straight-line basis, based on a best estimate of their duration of use. The duration of use and amortisation method of intangible assets are reviewed at least at the end of every financial year.

### Investment properties

**Investment properties available for rent** are investments in real estate assets held for long-term rent and/or to increase the value of the capital.

Investment properties are initially recognised at cost, including transfer rights and non-deductible VAT (the "acquisition value"). Where buildings are acquired through mergers, demergers and contribution of a business segment, the taxes owed on the potential capital gains of the assets integrated in this way are included in the cost of the assets in question.

At the end of the first accounting period after their initial recognition, investment properties are valued at fair value.

The determination of the fair value happens in two steps.

In the first step, an independent external real estate expert quarterly values the investment property, including costs, registration duty and fees (i.e. in terms of their "investment" value).

The expert values properties on the basis of two methods: capitalisation of their estimated rental value and the Discounted Cash Flow valuation method (DCF-method). The expert can decide to use one or the other method to value the real estate properties.

In the second step, in order to move from investment value to fair value, the expert keeps an estimated amount for the fees related to the transfer of the property from the estimated value of the real estate investment.

The investment value deducted by the fees related to the transfer of the property equals the fair value within the meaning of IFRS 13. In Belgium, the fair value is calculated as follows:

- for properties in the portfolio which are located in Belgium, the RREC reduces the investment value determined by the expert by 2.5%<sup>2</sup> if their investment value exceeds € 2.5 million;
- if the investment value of these other buildings is less than this amount of € 2.5 million, the full registration duties will be deducted from the valuation amount in accordance with the applicable regional regulations:
  - 12.5% for real properties located in the Walloon region and the Brussels Capital Region;
  - 12,0% for real properties located in the Flemish region;
  - 2,0% for long leases;
  - ...

When Home Invest Belgium decides to dispose of a building from the Belgian portfolio under a specific transaction structure, the actual fees related to the transfer expected to apply to the transaction are deducted for the determination of the fair value, regardless of the global investment value off the building.

The tax related to the transfer of residential property amounts to 10,4% in the Netherlands.

### Accounting treatment of the valuation of investment properties in operation

Any gain or loss resulting from a change in fair value is recognised in the results statement under "XVIII. Changes in fair value of Investment Properties» in line «A. Positive Changes in fair value of Investment Properties" or "B. Negative Changes in fair value of Investment Properties".

The appropriation shall then be made in the own equity under heading C. Reserves – "b. Reserve of the balance of changes in the fair value of properties" and "c. Reserve for the estimated costs and transfer duties involved in the hypothetical disposal of investment properties (-)".

<sup>2</sup> The accounting treatment (2.5% movement right) was explained in the press release published by BeAMA on 8 February 2006, and was confirmed in the BE-REIT Association press release of 10 November 2016.

### Works undertaken in investment properties in operation

Building works which are the owner's responsibility are recognised in the accounts in three different ways, depending on the type of work in question:

- the cost of maintenance and repair work which does not add any additional functionality or which does not increase the level of comfort of the building is considered as current expenses of the period and as property charges;
- improvement work: that is work undertaken on an occasional basis to increase the functionality of the building or dwelling concerned, or to significantly increase the standard of comfort, and so increasing the estimated rental value. The cost of this work is capitalised in so far and to the extent that the expert recognises, in the normal course of things, an appropriate appreciation in the estimated rental value. Examples: in-depth renovation of a dwelling, laying of parquet flooring, refurbishment of an entrance hall; major renovation works: these are normally undertaken every 20 or 30 years and involve the waterproofing, structure or essential functions of the building (replacement of lifts, heating installation, window frames, etc.). This type of renovation work is also capitalised.

The buildings where the costs are to be capitalised are identified according to the preceding criteria at the budget preparation stage.

The costs that can potentially be capitalised relate to materials, contracting works, technical studies, fees (architects, engineers, project management), VAT, taxes, internal costs and interest charges during the construction period.

### Sale of real estate asset

At the moment of the sale of a real estate property, the gross sale price, minus the expenses related to the conclusion of these sales, is recognised in the income statement under the item "XVI.A. Net sales of investment properties", while the cancellation of the latest fair value recorded for the asset in question, can be found (negative) under the item "XVI.B. Book value of sold properties". The difference between the two items is item "XVI. Result on the sale of investment properties".

The realised gain distributable to the shareholder is accounted for as the difference between the net sales price (minus the marketing costs) and the historical acquisition value, increased with later investments.

Given that the capital gain realised in relation to the last fair value is already recognised in the income statement, it is necessary to cancel further the unrealised gains and transfer taxes previously recognised in the "balance of changes in the fair value of real estate properties" by reclassification in the allocation of profit or loss in distributable capital gains. This last operation is carried out the same financial year as the sale of the real estate asset.

These amounts are fully included in the Calculation Scheme for the amount referred to in Article 13 §1, paragraph 1 of the Belgian Act of 16 June 2014 and published below.

### Project developments

Real estate that is built or developed for future use as investment property is included under the 'Project Developments' subheading and assessed at their Fair Value in accordance with IAS 40.

After their initial entry, the projects are assessed at their Fair Value if the following criteria are met:

- the project costs can be reliably estimated;
- any permits needed for the development of the project developments are obtained and;
- the realisation of the project is definite.

The Fair Value is based on the assessment of the Real Estate Expert (according to the standard methods and assumptions) and takes into account the expenses to be incurred during the overall completion of the project.

If the above conditions are not met, the project will remain valued at cost price. The cost price comprises all the costs related directly to the project development and any ensuing investment expenditures which are qualified as acquisition expenses (materials, contract works, technical studies, architect's fees, consultants, project management, legal advisors; insurance, VAT, taxes and allowable internal expenses).

If the duration of a project exceeds one year, the interest expenses that are directly attributed to the project development are also entered as assets as part of the cost price of the project development.

At the moment the works are completed the buildings are transferred from the 'Project Developments' heading to the 'Investment properties available for rent' heading.

### Transaction fees

Transaction fees related to acquisitions for commissions paid to real estate agents, fees to advisers and attributable internal costs are processed as follows:

- transaction fees related to the acquisition of a building are activated on the building;
- transaction fees related to the acquisition of shares in a real estate company are activated on the participation.

### Other tangible assets

Other tangible assets are recorded at cost less accumulate depreciation and any impairment losses. Depreciation is recorded on a straight-line basis over the estimated useful life of the asset. The useful life and form of depreciation are reviewed at least at each year end.

The useful life is as follows for each asset category:

- IT hardware: 3 years;
- furniture and office equipment: 10 years;
- office improvements: depending on the length of the lease agreement, up to a maximum of 6 years.

### Letting expenses

Letting expenses related to the letting of investment properties like commissions paid to real estate agents, marketing expenses and attributable internal costs are processed as follows:

- letting expenses in response to the letting of investment properties available for rent, which are not subject to a first commercialisation after acceptance, are booked in the income statement under section "X commercial costs";
- letting expenses in response to the letting of project developments or investment properties available for rent which are subject to a first commercialisation after acceptance, are activated on the project.

### Financial assets

Commercial claims are valued at transaction price on initial recognition, if they do not comprise a significant finance component, as is the case for all such claims of Home Invest Belgium. Other financial assets are initially valued at fair value plus, in the case of a financial asset that is not valued at fair value through the income statement, transaction costs that can be directly attributed to the acquisition of the financial asset.

A financial asset is classified as current if the terms of the anticipated cash flows are less than a year.

All financial assets included will then be assessed at amortised cost or fair value, according to IFRS 9. More specifically:

- a debt instrument that (i) is used within a business model based on receiving contractual cash flows and (ii) has contractual cash flows that exclusively concern repayments and interest payments on the outstanding principal amount, is valued at amortised cost (excluding depreciated impairment) unless the asset is marked as being valued at fair value with changes in value accounted for in the income statement (FVTPL) under the fair value option;
- a debt instrument that (i) is used within a business model whose objective is attained both by receiving contractual cash flows and selling financial assets and (ii) whose contract conditions on certain dates cause cash flows that exclusively concern repayments and interest payments on the outstanding principal amount, is valued at fair value with changes of value accounted for in elements other than the overall result (FVTOCI), unless the asset is marked as being valued at FVTPL under the fair value option;
- all other debt instruments are valued at FVTPL;
- all equity investments are valued at fair value in the consolidated statement of the financial position, in which profit and loss are accounted for in the profit or loss with the understanding that if an equity investment is not kept for commercial purposes or is not accounted for as conditional payment by an acquirer in a business combination, on first recognition the irrevocable decision can be made to value the investment at FVTOCI with dividend revenue included in profit or loss.

In the case of instruments listed on an active market, the fair value conforms to the market price (level 1). In the case of instruments not listed on an active market, the fair value is set using valuation techniques, including recent transactions between relevant, well-informed and independent parties willing to enter a transaction or transactions with instruments which are largely similar (level 2); or using discounted cash flow analyses, including assumptions which are largely consistent with observable market data (level 3).

In some situations, the cost of an equity instrument can form a suitable estimate of the fair value. This may be the case if there is not sufficient recent information available in order to determine the fair value or if there is a wide range of possible valuations at fair value and the cost represents the best estimate of the fair value within that range.

### Impairment of financial assets

The impairment loss of a financial asset that is valued at amortised cost is calculated on the basis of the anticipated loss model. The respective risks of a default are used as weighing factors in representing the weighted average.

For commercial claims and financial lease claims which do not comprise a considerable financial component (i.e. almost all commercial claims), the provision for losses is valued at an amount equal to the expected credit losses during the term. These are the anticipated credit losses arising from any defaults throughout the expected lifespan of these claims, on the basis of a provision matrix that takes into account historical information on defaults, adapted for future information.

Impairment losses are included in the consolidated income statement, with the exception of debt instruments included at fair value in other elements of the overall result. In that case, the provision is accounted for in other elements of the overall result.

### Financial liabilities

Financial liabilities are booked at amortised cost.

A derivative financial instrument is a financial instrument or other contract that comes under the scope of IFRS 9 and possesses the following three characteristics:

- its value changes as a consequence of changes in a particular interest, price of a financial instrument, commodity price, exchange rate, index of prices or interest rates, credit rating or creditworthiness index, or other variable, provided that in the case of a non-financial variable, the variable is not specific to a contracting party (sometimes referred to as 'the underlying value');
- no or negligible initial net investment is required in relation to other types of contract which can be expected to react comparably to changes in market factors;
- it will be completed at some point in the future.

Home Invest Belgium uses financial derivatives to cover its exposure to the risk of interest rate changes in the context of the financing of its activities. Derivative financial instruments are initially assessed at fair value at the moment of entering the derivative contract and are revalued following initial recognition at fair value at the end of each financial year.

- Economic cover: changes in the fair value of financial derivatives which do not meet the conditions for 'Hedge Accounting' under IFRS 9 are recognised in the income statement.
- Cash flow cover: the effective portion of the profits or losses from changes in the fair value of financial derivatives which meet the conditions of 'Hedge Accounting' under IFRS 9, specifically designated and qualified as cash flow hedges of an asset or liability or planned transaction which is recorded in the balance sheet, is recognised in shareholders' equity. The non-effective part is recognised in the income statement. When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for 'Hedge Accounting', any accumulated profit or loss shown at that time in shareholders' equity is recognised in the income statement.



### Investment properties in ownership intended for sale

An investment property is considered as held for sale if it can be sold immediately and entirely (block sale) in its present state and such a sale is highly likely.

An investment property held for sale is valued in the same way as any other investment property.

The sale (unit by unit) of a building takes place over a number of years. Taking into account that the real estate expert values a property as a whole (and not unit by unit), this means that its entry under this heading is random and can mislead the reader in relation to the applicable strategy. Therefore, Home Invest Belgium has decided that these sales will not be entered under the heading of investment properties in ownership intended for sale from the 2017 financial year.

### Cash and cash equivalents

'Cash and Cash equivalents' consists of cash and current accounts. Cash equivalents are short term and highly liquid investments, which can be easily convertible into a known cash amount, have a maturity of no more than three months, and present no major risk of change in value.

These items are recognised in the balance sheet at nominal value or cost.

### Capital – Dividends

Ordinary shares are recognised in shareholders' equity. Costs directly linked to the issue of new shares or options are recognised in shareholders' equity, net of tax, as a deduction from the amount collected.

Treasury shares repurchased are presented at purchase price and deducted from shareholders' equity. A sale or cancellation of repurchased shares does not affect the income statement; gains and losses on treasury shares are recognised directly in shareholders' equity.

Dividends are recognised as liabilities only when approved by the Shareholders' Meeting. Any interim dividend is recorded as a liability as soon as the board of directors has taken the decision to proceed to pay such a dividend.

### Provisions

A provision is recognised in the balance sheet when:

- an obligation (legal or implicit) exists resulting from a past event, and
- it is probable that resources will need to be spent in order to meet this obligation, and
- the amount of the obligation can be reliably estimated.

### Taxes

Taxes on the earnings for the period consist of both current taxes and deferred taxes. They are recognised in the income statement, except when they relate to items recognised directly in shareholders' equity. In this case, they too are recognised in shareholders' equity.

Current taxes are the taxes payable on the taxable income of the past year as well as any adjustment to taxes paid (or recoverable) relating to past years. These taxes are calculated at the tax rate applicable at the closing date.

Deferred taxes are calculated using the liability method on temporary differences between the tax basis of an asset or liability and its accounting value as stated in the accounts. The variation of the deferred tax is entered under the heading XIX Other portfolio result. These taxes are determined according to the tax rates expected at the time the asset will be realised or the obligation ends.

Deferred tax receivables are recognised for deductible temporary differences and on recoverable tax credits carried forward and tax losses, to the extent that it is probable that taxable profits will exist in the near future with which to use the tax benefit. The accounting value of deferred tax receivables is reviewed at every balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to absorb all or part of the deferred taxes.

Deferred tax debts and receivables are defined using the tax rates expected to apply in the years during which these temporary differences will be realised or settled, based on tax rates in effect or confirmed on the balance sheet date.

Exit tax is the tax on the capital gain resulting from the merger of a non-RREC company with a RREC. A provision for exit tax is made, together with an amount corresponding to the difference between the market value of the building and the book value of the building whenever the company that does not have RREC status enters the group's scope of consolidation for the first time, meaning that the property that will be acquired in the merger also takes an expected merger date into consideration.

### Revenue

Rental income from simple lease agreements is recorded as income on a straight-line basis over the life of the rental contract. Rent-free periods and other benefits granted to customers are recorded on a straight-line basis over the first firm rental period. Termination indemnities are recorded in full at the time of their invoicing under the item I.E. Rental Income.

### Profit or loss on the sale of investment properties

The gain or loss on the sale of an investment property represents the difference between the sales income, net of transaction costs, and the latest fair value of the sold property on 31 December of the past financial year. That result is presented in item "XVI Income from sale of investment properties" of the income statement.

In the calculation scheme of article 13, para. 1, subpar. 1 of the Belgian Royal Decree of 13 July 2014, the distributable result comprises the item "+/- Capital gains or losses realised on property during the financial year (capital gains or losses compared with the acquisition value plus by capitalised investment expenses)", which thus allows the initial acquisition value to be taken into account.

### The accounting methods were applied in a coherent manner for the proposed financial years

The Home Invest Belgium financial report is created in accordance with IFRS as approved within the European Union and in accordance with the requirements of the Belgian RREC Act and the Belgian Royal Decree of 13 July 2014. These standards comprise all new and revised standards and interpretations published by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC") and approved by the European Union ("EU"), insofar as they apply to the activities of Home Invest Belgium.

### Standards and interpretations applicable for the financial year starting on 1 January 2023

Several other changes and interpretations will apply for the first time in 2023 but will not impact the Group's consolidated annual accounts. The Group has not early adopted standards, interpretations and amendments that have been published but which are not yet applicable.

- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies, effective 1 January 2023;
- Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates, effective 1 January 2023;
- Amendments to IAS 12 International Tax Reform – Pillar Two Model Rules;
- Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction, effective 1 January 2023;
- Amendments to IFRS 17 Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information, effective 1 January 2023;
- IFRS 17 Insurance Contracts, effective 1 January 2023.

### Standards and interpretations published, but not yet applicable for the financial year beginning on 1 January 2023

The new and amended standards and interpretations that were issued but not yet applicable on the date of publication of the Group's annual accounts are set out below. The Group intends to apply these standards and interpretations when appropriate.

- Amendments to IAS 1 Presentation of Financial Statements – Classification of Liabilities as Current or Non-current (the 2020 amendments and 2022 amendments), effective 1 January 2024;
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures, effective 1 January 2024;
- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability, effective 1 January 2025;
- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback, effective 1 January 2024.

In view of the activities of Home Invest Belgium, it is not expected that the entry into force of the other new standards will have a material impact on the consolidated annual accounts of Home Invest Belgium.

### NOTE 3: ESTIMATES, ASSUMPTIONS AND MAIN SOURCES OF UNCERTAINTY

#### Fair value of the investment properties

The value of the investment properties of Home Invest Belgium is assessed quarterly by real estate experts. This valuation is intended to establish the market value of a building on a particular date in function of the evolution of the market and the features of the buildings in question. Every year, parallel to the work of the real estate experts, Home Invest Belgium carries out its own assessment of its portfolio from the perspective of its continuous exploitation by its own teams. The investment properties are entered in the consolidated accounts of the Group at the fair value set by the real estate experts.

It is possible that the real estate expert's reports, which include the main findings and conclusions of this Financial Statement, are based on hypotheses which may later prove to be incorrect or not up to date. As a result, the Fair Value may vary from the value that Home Invest Belgium can realise in the case of the sale of the property. Possible disparities between independent assessments and the Fair Value of property belonging to the portfolio of Home Invest Belgium may result in actual unfavourable effects on the activities, financial situation and/or results of Home Invest Belgium, and therefore also, as a result, on the effective returns.

If a new real estate expert is appointed, there is also a risk that this expert assesses the real estate portfolio of Home Invest Belgium on a different basis which may result in significant deviations from the assessment of the real estate portfolio by the current Real Estate Expert.

Such disparities in valuation may result in actual unfavourable effects on the activities, financial situation and/or results of Home Invest Belgium, and therefore also, as a result, on the effective returns.

#### Financial instruments

The Fair Value of the hedge instruments is the estimated sum of the payments Home Invest Belgium must make or receive in order to complete its positions on balance date, taking into account the interest curve at the time, creditworthiness of the counterparties and any applicable option value. The Fair Value of hedge instruments is estimated quarterly by the issuing financial body. An overview can be found in "Note 25: Financial Assets and Liabilities" in the financial statement.

#### Transactions

In the scope of a heritage acquisition through the acquisition of shares in companies, Home Invest Belgium works on the basis of the ownership percentage of the shares and the authority of the directors to determine whether Home Invest Belgium has overall control, joint control or a significant influence on investments. If an acquisition meets the definition of a company merger as defined in IFRS 3, Home Invest Belgium revaluates the acquired assets and obligations at their fair value. The fair value of the acquired property heritage is set on the basis of the value defined by the real estate experts.

## NOTE 4: SEGMENTED INFORMATION (CONSOLIDATED)

Home Invest Belgium has an investment strategy which focuses on residential real estate in the broad sense of the word (apartments, holiday homes, etc.). Its investment strategy is therefore largely determined

by the geographical location of the buildings. Home Invest Belgium distinguishes between 4 geographical segments: The Brussels Region, the Flemish Region and the Walloon Region and the Netherlands.

### INCOME STATEMENT BY GEOGRAPHICAL REGION

(in k €)	Consolidated total	Brussels-Capital Region	Flemish Region	Walloon Region	The Netherlands	Unattributed
<b>2023</b>						
I. Rental income	34,794	20,461	4,133	6,390	3,809	0
III. Rental-related expenses	-198	-167	6	-37	0	0
<b>NET RENTAL RESULT</b>	<b>34,596</b>	<b>20,294</b>	<b>4,139</b>	<b>6,353</b>	<b>3,809</b>	<b>0</b>
IV. Recovery of property charges (+)	231	186	20	25	0	0
V. Recovery of charges and taxes normally payable by the tenant on let properties (+)	941	373	85	407	76	0
VII. Charges and taxes normally payable by the tenant on let properties (-)	-3,643	-2,479	-331	-757	-76	0
VIII. Other incomes and expenses related to letting (+/-)	0	0	0	0	0	0
<b>PROPERTY RESULT</b>	<b>32,125</b>	<b>18,374</b>	<b>3,913</b>	<b>6,029</b>	<b>3,809</b>	<b>0</b>
IX. Technical costs (-)	-1,187	-885	-106	-114	-81	0
X. Commercial costs (-)	-583	-458	-78	-47	0	0
XI. Taxes and charges on unlet properties (-)	-177	-86	-66	-25	0	0
XII. Property management costs (-)	-1,796	0	0	0	0	-1,796
XIII. Other property costs (-)	0	0	0	0	0	0
<b>PROPERTY COSTS</b>	<b>-3,743</b>	<b>-1,429</b>	<b>-250</b>	<b>-186</b>	<b>-81</b>	<b>-1,796</b>
<b>PROPERTY OPERATING RESULT</b>	<b>28,382</b>	<b>16,945</b>	<b>3,663</b>	<b>5,843</b>	<b>3,728</b>	<b>-1,796</b>
XIV. General corporate expenses (-)	-3,386	0	0	0	0	-3,386
XV. Other operating incomes and expenses (+/-)	258	0	0	0	0	258
<b>OPERATING RESULT BEFORE PORTFOLIO RESULT</b>	<b>25,254</b>	<b>16,945</b>	<b>3,663</b>	<b>5,843</b>	<b>3,728</b>	<b>-4,924</b>
XVI. Result sale investment properties (+/-)	28	28	0	0	0	0
XVIII. Changes in fair value of investment properties (+/-)	-23,793	-9,115	-5,333	-5,663	-3,681	0
XIX. Other portfolio result	363	0	0	0	0	363
<b>OPERATING RESULT</b>	<b>1,853</b>	<b>7,858</b>	<b>-1,671</b>	<b>180</b>	<b>47</b>	<b>-4,561</b>
XX. Financial income (+)	95	0	0	0	0	95
XXI. Net interest charges (-)	-5,121	0	0	0	0	-5,121
XXII. Other financial charges (-)	-96	0	0	0	0	-96
XXIII. Changes in fair value of financial assets and liabilities (+/-)	-11,330	0	0	0	0	-11,330
<b>FINANCIAL RESULT</b>	<b>-16,452</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-16,452</b>
XXIV. Share in the profit or loss of associates and joint ventures	654	0	0	0	0	654
<b>PRE-TAX RESULT</b>	<b>-13,945</b>	<b>7,858</b>	<b>-1,671</b>	<b>180</b>	<b>47</b>	<b>-20,359</b>
XXIV. Corporation tax (-/+)	-335	0	0	0	0	-335
XXV. Exit tax	0	0	0	0	0	0
<b>TAXES</b>	<b>-335</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-335</b>
<b>NET RESULT</b>	<b>-14,281</b>	<b>7,858</b>	<b>-1,671</b>	<b>180</b>	<b>47</b>	<b>-20,694</b>



## BALANCE SHEET BY REGION

(in k €)	Consoli- dated total	Brussels- Capital Region	Flemish Region	Walloon Region	The Netherlands	Unattri- buted
2023						
Investment properties in operation	704,894	471,543	93,658	74,149	65,544	0
Investment properties – Development projects	50,566	35,040	15,526			0
Other assets	52,348					52,348
<b>TOTAL ASSETS</b>	<b>807,808</b>	<b>506,583</b>	<b>109,184</b>	<b>74,149</b>	<b>65,544</b>	<b>52,348</b>
<b>PERCENTAGE BY SECTOR</b>	<b>100,00%</b>	<b>62,71%</b>	<b>13,52%</b>	<b>9,18%</b>	<b>8,11%</b>	<b>6,48%</b>
Shareholders' equity	417,761					417,761
Liabilities	390,047					390,047
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>807,808</b>					<b>807,808</b>

## INCOME STATEMENT BY GEOGRAPHICAL REGION

(in k €)	Consolidated total	Brussels-Capital Region	Flemish Region	Walloon Region	The Netherlands	Unattributed
2022						
I. Rental income	31,462	18,584	3,457	5,595	3,826	0
III. Rental-related expenses	-388	-312	-44	-31	0	0
<b>NET RENTAL RESULT</b>	<b>31,074</b>	<b>18,272</b>	<b>3,413</b>	<b>5,564</b>	<b>3,826</b>	<b>0</b>
IV. Recovery of property charges	215	154	35	25	0	0
V. Recovery of charges and taxes normally payable by the tenant on let properties	874	163	88	428	195	0
VII. Charges and taxes normally payable by the tenant on let properties	-3,086	-1,825	-464	-648	-150	0
VIII. Other incomes and expenses related to letting	0	0	0	0	0	0
<b>PROPERTY RESULT</b>	<b>29,076</b>	<b>16,763</b>	<b>3,072</b>	<b>5,369</b>	<b>3,871</b>	<b>0</b>
IX. Technical costs	-1,009	-651	-103	-209	-46	0
X. Commercial costs	-556	-420	-75	-48	-13	0
XI. Taxes and charges on unlet properties	-215	-140	-45	-30	0	0
XII. Property management costs	-2,126	0	0	0	0	-2,126
XIII. Other property costs	0	0	0	0	0	0
<b>PROPERTY COSTS</b>	<b>-3,907</b>	<b>-1,211</b>	<b>-224</b>	<b>-287</b>	<b>-59</b>	<b>-2,126</b>
<b>PROPERTY OPERATING RESULT</b>	<b>25,170</b>	<b>15,553</b>	<b>2,849</b>	<b>5,082</b>	<b>3,812</b>	<b>-2,126</b>
XIV. General corporate expenses	-2,951	0	0	0	0	-2,951
XV. Other operating incomes and expenses	100	0	0	0	0	100
<b>OPERATING RESULT BEFORE PORTFOLIO RESULT</b>	<b>22,319</b>	<b>15,553</b>	<b>2,849</b>	<b>5,082</b>	<b>3,812</b>	<b>-4,977</b>
XVI. Result sale investment properties	-15	-15	0	0	0	0
XVIII. Changes in fair value of investment properties	4,894	8,604	142	-6,245	2,392	0
XIX. Other portfolio result	-952	0	0	0	0	-952
<b>OPERATING RESULT</b>	<b>26,247</b>	<b>24,142</b>	<b>2,991</b>	<b>-1,163</b>	<b>6,205</b>	<b>-5,929</b>
XX. Financial income	70	0	0	0	0	70
XXI. Net interest charges	-5,110	0	0	0	0	-5,110
XXII. Other financial charges	-94	0	0	0	0	-94
XXIII. Changes in fair value of financial assets and liabilities	32,323	0	0	0	0	32,323
<b>FINANCIAL RESULT</b>	<b>27,189</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>27,189</b>
XXIV. Share in the profit or loss of associates and joint ventures	4,049	0	0	0	0	4,049
<b>PRE-TAX RESULT</b>	<b>57,485</b>	<b>24,142</b>	<b>2,991</b>	<b>-1,163</b>	<b>6,205</b>	<b>25,309</b>
XXIV. Corporation tax (-/+)	-256	0	0	0	0	-256
XXV. Exit tax	0	0	0	0	0	0
<b>TAXES</b>	<b>-256</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-256</b>
<b>NET RESULT</b>	<b>57,230</b>	<b>24,142</b>	<b>2,991</b>	<b>-1,163</b>	<b>6,205</b>	<b>25,053</b>

## BALANCE SHEET BY REGION

(in k €)	Consoli- dated total	Brussels- Capital Region	Flemish Region	Walloon Region	The Netherlands	Unattri- buted
2022						
Investment properties in operation	693,965	473,781	75,109	76,418	68,657	0
Investment properties – Development projects	51,997	32,630	19,367	0	0	0
Other assets	66,400					66,400
<b>TOTAL ASSETS</b>	<b>812,362</b>	<b>506,411</b>	<b>94,476</b>	<b>76,418</b>	<b>68,657</b>	<b>66,400</b>
<b>PERCENTAGE BY SECTOR</b>	<b>100.00%</b>	<b>62.34%</b>	<b>11.63%</b>	<b>9.41%</b>	<b>8.45%</b>	<b>8.17%</b>
Shareholders' equity	410,064					410,064
Liabilities	402,299					402,299
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>812,362</b>					<b>812,362</b>

## NOTE 5: RENTAL INCOMES AND CHARGES

(in k €)	2023	2022
<b>I. Rental income</b>	<b>34,794</b>	<b>31,462</b>
A. Rent	34,660	31,500
C. Rent-free periods	-111	-146
E. Early lease termination indemnities	244	108
<b>III. Rental-related expenses</b>	<b>-198</b>	<b>-388</b>
A. Rent payable on leased premises	0	0
B. Impairments on trade receivables	-650	-727
C. Reversal of impairments on trade receivables	452	339
<b>NET RENTAL INCOME</b>	<b>34,596</b>	<b>31,074</b>

The increase in the net rental result is largely due to the purchase of new buildings and the completion of projects under development.

## NOTE 6: PROPERTY RESULT

(in k €)	2023	2022
<b>NET RENTAL INCOME</b>	<b>34,596</b>	<b>31,074</b>
<b>IV. Recovery of property charges</b>	<b>231</b>	<b>215</b>
A. Indemnities received for tenant damage	231	215
<b>V. Recovery of charges and taxes normally paid by the tenant on let properties</b>	<b>941</b>	<b>874</b>
A. Re-invoicing of rental-related charges paid by the owner	194	164
B. Re-invoicing of property and other taxes on let properties	747	711
<b>VII. Rental-related charges and taxes normally paid by the tenant on let properties</b>	<b>-3,643</b>	<b>-3,086</b>
A. Rental charges incurred by the owner	-149	-241
B. Property and other taxes on leased buildings	-3,494	-2,844
<b>VIII. Other rental income and expenses</b>	<b>0</b>	<b>0</b>
<b>TOTAL</b>	<b>-2,471</b>	<b>-1,997</b>
<b>PROPERTY RESULT</b>	<b>32,125</b>	<b>29,077</b>

The charging of rental charges borne by the owner relates to the insurance premiums having been re-invoiced.

Withholding taxes and taxes on leased buildings primarily concern the withholding tax on the buildings.

In the residential sector, property tax is paid by the landlord for all lease agreements in relation to main place of residence. The settlement of withholding taxes and taxes on leased buildings and invoicing includes any which have been subject to property tax and taxes, mainly with regard to commercial properties.

## NOTE 7: TECHNICAL EXPENSES

(in k €)	2023	2022
<b>IX. Technical costs</b>		
<b>A. Recurring technical costs</b>	<b>-1,184</b>	<b>-988</b>
1. Repairs	-922	-781
3. Insurance premiums	-263	-207
<b>B. Non-recurring technical costs</b>	<b>-2</b>	<b>-21</b>
1. Major repairs (companies, architects, engineering,...)	0	-30
2. Indemnification by insurers	-2	9
<b>TOTAL</b>	<b>-1,187</b>	<b>-1,009</b>

At the occasion of the annual budget forecast, Home Invest Belgium determines a specific policy for the maintenance and renovation of each of its buildings in order that they meet the requirements of the rental market as well as possible.

Technical expenses arise mostly after the departure of tenants or in the case of necessary repairs in the course of the lease period.



**NOTE 8: COMMERCIAL EXPENSES**

(in k €)	2023	2022
<b>X. Commercial costs</b>		
A. Agency and experts' fees	-514	-442
B. Publicity	-24	-66
C. Lawyers' fees, legal costs	-44	-49
<b>TOTAL</b>	<b>-583</b>	<b>-556</b>

The commercial expenses comprise the commissions paid to real estate agents for new lease agreements, the shared cost of site inventory, and the fees for legal

advisers appointed in the scope of strict management of the leasing of the portfolio.

**NOTE 9: EXPENSES AND TAXES ON NON-LEASED GOODS – PROPERTY MANAGEMENT COSTS – OTHER PROPERTY COSTS**

(in k €)	2023	2022
<b>XI. Taxes and charges on un-let properties</b>	<b>-177</b>	<b>-215</b>
<b>XII. Property management costs</b>	<b>-1,796</b>	<b>-2,126</b>
A. Managers' fees	-326	-296
B. (Internal) property management costs	-1,470	-1,830
<b>XIII. Other property costs</b>	<b>0</b>	<b>0</b>
<b>TOTAL</b>	<b>-1,973</b>	<b>-2,341</b>
<b>PROPERTY CHARGES</b>	<b>-3,743</b>	<b>-3,906</b>
<b>PROPERTY OPERATING RESULT</b>	<b>28,381</b>	<b>25,171</b>

The property management costs comprise, amongst others, employee costs. For employees with a fixed contract, Home Invest Belgium has concluded a group insurance contract with a defined contribution plan

with an external insurance company. The company makes contributions to this fund which is independent of the company. Contributions to the insurance plan are financed through the company and the employees.

**NOTE 10: GENERAL COMPANY EXPENSES**

(in k €)	2023	2022
<b>PROPERTY OPERATING RESULT</b>	<b>28,381</b>	<b>25,171</b>
<b>XIV. General corporate expenses</b>	<b>-3,386</b>	<b>-2,951</b>
<b>XV. Other operating income and costs</b>	<b>258</b>	<b>100</b>
<b>TOTAL</b>	<b>-3,128</b>	<b>-2,851</b>
<b>OPERATING RESULT BEFORE PORTFOLIO RESULT</b>	<b>25,253</b>	<b>22,320</b>

**NOTE 11: RESULT SALE OF INVESTMENT PROPERTIES – VARIATIONS IN FAIR VALUE OF INVESTMENT PROPERTIES – OTHER PORTFOLIO RESULT**

(in k €)	2023	2022
<b>OPERATING RESULT BEFORE PORTFOLIO RESULT</b>	<b>25,253</b>	<b>22,320</b>
<b>XVI. Result on sale of investment properties</b>	<b>28</b>	<b>-15</b>
A. Net sales of properties (sales price – selling costs)	158	468
B. Accounting values of the properties sold	-130	-482
<b>XVIII. Changes in fair value of investment properties</b>	<b>-23,793</b>	<b>4,894</b>
A. Positive changes in the fair value of investment properties	15,561	32,515
B. Negative changes in the fair value of investment properties	-39,354	-27,621
<b>XIX. Other portfolio result (+/-)</b>	<b>363</b>	<b>-952</b>
<b>TOTAL PORTFOLIO RESULT</b>	<b>-23,401</b>	<b>3,927</b>
<b>OPERATING RESULT</b>	<b>1,852</b>	<b>26,248</b>

The returns from the sale of investment properties come from the sale of buildings. A further explanation of the sales and profits is included in the "Management Report" section.

The returns from the sale of investment properties are entered as the difference between the sale price minus costs incurred in completing the sales (heading XVI.A.) and the last fair value of that building (heading XVI.B.).

In accordance with Article 27 §1 – 1° of the Belgian Royal Decree of 13 July 2014, as described in the notes to

the statutory financial statement, the profits realised on property during the financial year are distributable, calculated in comparison with the acquisition value augmented with the activated investment expenditure. On 31 December 2023, the realised distributable capital gain was € 0.06 million (compared to purchase value) while the realised profit compared to the latest fair value was € 0.03 million.

The other portfolio result amounts to € 0.36 million. In this item, the changes in deferred taxes are recorded.

## NOTE 12: FINANCIAL INCOME

(in k €)	2023	2022
<b>XX. Financial income</b>		
A. Interest and dividends received	36	14
B. Leasing and similar payments	59	56
<b>TOTAL</b>	<b>95</b>	<b>70</b>

The interests and dividends gained are exclusively the interest coming from short-term deposits of the

surplus of liquidity. The payments for financial leasing concern the leasings as set out in Note 20.

## NOTE 13: NET INTEREST EXPENSES

(in k €)	2023	2022
<b>XXI. Net interest expenses</b>		
A. Nominal interest on borrowings	-10,492	-4,808
C. Income from allowed hedges	5,385	-294
2. Allowed hedges to which hedge accounting as defined by IFRS is not applied	5,385	-294
E. Other interest charges	-13	-8
<b>TOTAL</b>	<b>-5,121</b>	<b>-5,110</b>

## NOTE 14: OTHER FINANCIAL EXPENSES

(in k €)	2023	2022
<b>XXII. Other financial expenses</b>	<b>-96</b>	<b>-94</b>
A. Bank charges and other fees	-96	-94
B. Realised loss on sale of financial assets	0	0
D. Other	0	0
<b>TOTAL</b>	<b>-96</b>	<b>-94</b>

## NOTE 15: VARIATIONS IN THE FAIR VALUE OF ASSETS AND LIABILITIES – PARTICIPATION IN THE RESULT OF COMPANIES AND JOINT VENTURES

(in k €)	2023	2022
<b>XXIII. Changes in fair value of financial assets and liabilities</b>	<b>-11,330</b>	<b>32,323</b>
A. Allowed hedges	-11,330	32,323
2. Allowed hedges to which hedge accounting as defined by IFRS is not applied	-11,330	32,323
<b>TOTAL</b>	<b>-11,330</b>	<b>32,323</b>
<b>FINANCIAL RESULT</b>	<b>-16,452</b>	<b>27,189</b>
<b>XXIV. Share in the result of associates and joint ventures</b>	<b>654</b>	<b>4,049</b>
<b>PRE-TAX RESULT</b>	<b>-13,946</b>	<b>57,486</b>

The changes of the fair value of the financial assets concerns the hedge instruments that are considered inefficient since the implementation of IFRS 9 and are therefore entered in the income statement. This result

is purely latent, on the assumption that the regulated real estate company or banks do not commit to a premature levelling of these products and is omitted from the calculation of the distributable returns.

## NOTE 16: TAXATION OF THE RETURNS

(in k €)	2023	2022
<b>PRE-TAX RESULT</b>	<b>-13,946</b>	<b>57,486</b>
<b>XXIV. Income tax</b>	<b>-335</b>	<b>-256</b>
<b>XXV. Exit tax</b>	<b>0</b>	<b>0</b>
<b>TAXES</b>	<b>-335</b>	<b>-256</b>
<b>NET RESULT</b>	<b>-14,281</b>	<b>57,230</b>

As a public RECC, Home Invest Belgium has a special fiscal status. Only fringe benefits, exceptional and gratuitous advantages as well as some specific costs are subject to corporate income tax in Belgium. Tax

result coming from activities in the Netherlands is taxed in the Netherlands at the rate from corporate income tax in the Netherlands.

## NOTE 17: INTANGIBLE ASSETS

(in k €)	2023	2022
<b>Intangible assets, beginning of the financial year</b>	<b>573</b>	<b>493</b>
1. Gross value	1,041	817
2. Accumulated amortization (-)	-468	-323
Investments	199	224
Amortizations (-)	-195	-145
<b>Intangible assets, end of the financial year</b>	<b>577</b>	<b>573</b>
1. Gross value	1,240	1,041
2. Accumulated amortization (-)	-663	-468

The intangible assets concern the capitalised costs related to the ERP programme Axxerion and Adfinity.

The amortisations are accounted for under item XII "Property management costs" of the income statement. Investment properties.

## NOTE 18: INVESTMENT PROPERTIES

(in k €)	2023	2022
C. Investment properties, balance at the beginning of the financial year	745,962	702,234
<b>a. Investment properties</b>	<b>693,965</b>	<b>659,813</b>
Completion of development projects (+)	16,460	14,583
Acquisition of buildings (+)	0	96
Capitalized subsequent expenses (+)	7,168	11,895
Changes in the fair value of the investment properties (+)	0	0
Acquisition of buildings through companies (+)	-12,569	8,060
Sales (-)	-130	-482
Transfers to development projects	0	0
<b>Investment properties available for rent, balance at the end of financial year</b>	<b>704,893</b>	<b>693,965</b>
<b>b. Development projects</b>	<b>51,997</b>	<b>42,421</b>
Capitalized subsequent expenses (+)	26,254	21,116
Delivered development projects	-16,460	-14,583
Changes in the fair value of the investment properties (+)	-11,224	-3,167
Acquisition of projects (+)	0	6,210
Acquisition of buildings through companies (+)	0	0
<b>b. Development projects, balance at the beginning of financial year</b>	<b>50,567</b>	<b>51,997</b>
<b>c. Properties for own use</b>	<b>0</b>	<b>0</b>
<b>d. Others</b>	<b>0</b>	<b>0</b>
C. Investment properties, closing balance at the end of the financial year	755,460	745,962

IFRS 13 is applicable to the IFRS standards that require or permit those assessments at fair value or the communication of information on the fair value, and therefore IAS 40 investment properties. IFRS 13 provides a hierarchy of fair values under 3 levels of data input (levels 1, 2 and 3).

As shown in the table above, the fair value of the investment properties including project developments is € 755.46 million on 31 December 2023. These fair values are at level 3. As Home Invest Belgium has no levels other than level 3 for investment properties, the company has not rolled out a follow-up policy for transfers between hierarchical levels.

In 2023, Home Invest Belgium recorded negative changes in the fair value of its investment properties for a total amount of € 23.79 million. These changes consist of:

- a negative change of € 20.11 million in Belgium; and
- a negative change of € 3.68 million in The Netherlands.

The fair value is based on the following quantitative parameters:

Investment properties available for rent	31-12-23
<b>Rent capitalization method</b>	
Estimated rental value	Weighted average of 157/m <sup>2</sup> (range between € 67/m <sup>2</sup> and € 256/m <sup>2</sup> )
Long-term vacancy assumptions	Average of 5 months (range between 0 and 18 months)
Capitalization rate	Average of 5.3% (range between 3.9% and 10.4%)
Amount of m <sup>2</sup> or number of units	Average of 4,469 m <sup>2</sup> (range between 278 and 14,107m <sup>2</sup> )
<b>Discounted cash flow method</b>	
Estimated rental value	Weighted average of € 158/m <sup>2</sup> (range between € 139/m <sup>2</sup> and € 256/m <sup>2</sup> )
Long-term vacancy assumptions	/
Amount of m <sup>3</sup> or number of units	Average of 6,775m <sup>3</sup> (range between 2,690m <sup>3</sup> and 20,488m <sup>3</sup> )
Discount rate	Average of 4.9% (range between 4.5% en 6.2%)
Inflation	Average of 2.1% (range between 1.1% and 4.5%)



Development projects	Properties that lend themselves to retail
<b>Rent capitalization method</b>	
Estimated rental value	Weighted average of € 131/m <sup>2</sup> (range between € 126/m <sup>2</sup> and € 191/m <sup>2</sup> )
Long-term vacancy assumptions	Average of 6 months (range between 0 and 9 months)
Capitalization rate	Average of 4.3% (range between 4.2% and 4.4%)
Amount of m <sup>2</sup> or number of units	Average of 7,657m <sup>2</sup> (range between 2,858m <sup>2</sup> and 19,595m <sup>2</sup> )

Non observable input	Impact on fair value with	
	Decrease	Increase
Estimated rental value (ERV)	Negative	Positive
Long-term vacancy assumptions	Negative	Positive
Capitalization rate	Positive	Negative
Amount of m <sup>2</sup> or number of units	Negative	Positive

#### Sensitivity analysis for the fair values of level 3:

An increase or decrease in the estimated lease value and/or rents achieved can potentially cause the fair value of investment properties to rise or fall. An increase or decrease in the update rate and/or

capitalisation rate can potentially cause the fair value to rise or fall. These rates are set by the conditions on the financial and property market.

#### Evaluation process used for the fair values of level 3:

The investment properties are valued quarterly by an independent and qualified real estate expert. These reports are drafted on the basis of information shared by the company regarding the lease state, expenses and taxes borne by the landlord, rents, works to be carried out etc. This information is retrieved from the database of the company's information system and is part of the administrative organisation and internal audit of the company.

The real estate expert uses parameters which are connected to the market (update rate, etc.) and based on his judgement and professional experience. The information shared with the real estate expert, the parameters and the assessment model used by the real estate expert are checked by the Management, the audit committee and the board of directors.

For more information on the valuation of investment properties and uncertainties, we refer to the Real Estate Report section of this annual report.

## NOTE 19: OTHER TANGIBLE FIXED ASSETS

(In k €)	2023	2022
<b>Other tangible assets, opening balance at the beginning of the period</b>	<b>180</b>	<b>394</b>
Investments	0	0
Initial recognition of "Right of use asset" in accordance with IFRS 16	0	0
Depreciations (-)	-113	-214
<b>Other tangible assets, closing balance at the end of the period</b>	<b>68</b>	<b>180</b>
1. Gross value	1,374	1,374
2. Accumulated depreciations (-)	-1,307	-1,194

The other tangible fixed assets relate exclusively to fixed operating assets.

## NOTE 20: FINANCIAL LEASING LIABILITIES

(in k €)	2023	2022
Receivables after 5 years	0	0
Receivables after one year and within 5 years	73	142
Receivables within one year	69	66
<b>TOTAL</b>	<b>142</b>	<b>209</b>

Any finance lease receivables concern the rue Belgrade buildings in Forest. Brief description of this contract:

- rue Belgrade: long term lease (September 1999 – August 2026);

- transaction processed as a real estate lease for accounting purposes;
- short and long term receivables: € 0.14 million ;
- call option: fair value.

(in k €)	2023			2021		
	< 1 year	1 year < > 5 years	> 5 years	< 1 years	1 year < > 5 years	> 5 years
Present value of future minimum lease payments	69	73	0	66	142	
Unearned finance income	6	3	0	9	10	
<b>TOTAL</b>	<b>75</b>	<b>76</b>	<b>0</b>	<b>75</b>	<b>152</b>	<b>0</b>

## NOTE 21: HOLDINGS IN ASSOCIATED COMPANIES AND JOINT VENTURES

- On 17 December 2018, Home Invest Belgium purchased, via the newly incorporated company De Haan Vakantiehuisen NV/SA, in which it holds a 50% participation, 51.43% of shares in Sunparks De Haan NV/SA. The remaining 50% of De Haan Vakantiehuisen NV/SA shares are owned by Belfius Insurance (25%), TINC (12.5%) and DG Infra Yield (12.5%).
- A shareholders' agreement was signed between De Haan Invest NV/SA, De Haan Vakantiehuisen NV/SA, Sunparks De Haan NV/SA and Astream, comprising all the parties involved in Sunparks De Haan NV/SA. Furthermore, a shareholders' agreement was signed between Home Invest Belgium, Belfius Insurance, TINC, DG Infra Yiels and De Haan Vakantiehuisen NV/SA, comprising all the parties involved in the management of De Haan Vakantiehuisen NV/SA.
- This shareholders' agreement stipulates that the board of directors has 4 members

based on the number of shares at the level of De Haan Huizen NV/SA. All decisions are adopted unanimously. Any decisions relating to the activity of the company must be made by the board. At shareholder level, all decisions must also be adopted unanimously. In the case of a block at the level of the board of directors, decisions will have to be adopted by the shareholders.

- In the course of 2020, Sunparks De Haan NV was the subject of a demerger as a result of which De Haan Vakantiehuisen NV absorbed part of the real estate of the holiday park, namely 344 cottages. In parallel with the demerger, the lease agreement with Sunparks Leisure NV has also been split. De Haan Invest SA has absorbed the park's remaining assets, namely 173 cottages and its central facilities.
- Home Invest Belgium's participation on 31 December 2023 amounted to € 25.47 million. This participation is accounted for in the consolidation, in accordance with the equity method.

**NOTE 22: RECEIVABLES****LIABILITIES**

D. Trade receivables (in k €)	2023	2022
Tenants	1,243	1,669
Other	482	240
Realized sales	7	7
<b>TOTAL</b>	<b>1,732</b>	<b>1,916</b>

The commercial receivables comprise the rental incomes yet to be received from the tenants.

These should be paid in advance.

E. Tax receivables and other current assets (in k €)	2023	2022
a. Tax receivables	1	27
c. Others	158	1,049
<b>TOTAL</b>	<b>159</b>	<b>1,076</b>

**NOTE 23: CASH AND CASH EQUIVALENTS**

(in k €)	2023	2022
Cash equivalents	2,609	4,284
<b>TOTAL</b>	<b>2,609</b>	<b>4,284</b>

**NOTE 24: ACCRUED CHARGES AND DEFERRED INCOME**

(in k €)	2023	2022
Accrued, not due property income	205	3
Prepaid property charges	839	462
Other	446	217
<b>TOTAL ASSETS</b>	<b>1,491</b>	<b>682</b>
Property income received in advance	907	1,185
Interest and other accrued charges, not due	2,288	2,069
Other	0	0
<b>TOTAL LIABILITIES</b>	<b>3,195</b>	<b>3,254</b>

The lapsed, not expired interests and other expenses represent on one side the drawdowns from the current credit lines and hedge instruments of which the

interest is payable at the end of the drawdown period, and on the other the interest payable at the end date of the bond issue.

## NOTE 25: FINANCIAL ASSETS AND LIABILITIES

(in k €)		2023		2022	
	Category	Bookvalue	FairValue	Bookvalue	FairValue
<b>E. Non-current financial assets</b>					
Financial instruments	A	19,678	19,678	31,433	31,433
Other guarantees	B	0	0	0	0
<b>TOTAL</b>		<b>19.678</b>	<b>19.678</b>	<b>31.433</b>	<b>31.433</b>

(in k €)		2023		2022	
	Category	Bookvalue	FairValue	Bookvalue	FairValue
<b>B. Current financial assets</b>					
Financial instruments	A	425	425	0	0
Other	B	0	0	0	0
<b>TOTAL</b>		<b>425</b>	<b>425</b>	<b>0</b>	<b>0</b>

The financial fixed assets consist of financial instruments (the positive market value of hedging instruments) and a series of security interests provided

(a guarantee in favour of the NSSO and any reserve funds that have been deposited in several joint properties).

(in k €)		2023		2022	
	Category	Bookvalue	FairValue	Bookvalue	FairValue
<b>I. Non-current liabilities</b>					
<b>B. Non-current financial debts</b>		<b>326,609</b>	<b>321,656</b>	<b>356,568</b>	<b>355,950</b>
a. Financial institutions	B	277,884	277,884	267,887	267,887
b. Financial leasing	B	0	0	0	0
c. Other debts	B	48,725	43,772	88,682	88,064
<b>C. Other non-current financial liabilities</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
a. Hedging	A	0	0	0	0
<b>TOTAL</b>		<b>326,609</b>	<b>321,656</b>	<b>356,568</b>	<b>355,950</b>

(in k €)		2023		2022	
	Category	Bookvalue	FairValue	Bookvalue	FairValue
<b>II. Current liabilities</b>					
<b>B. Current financial debts</b>		<b>51,795</b>	<b>51,682</b>	<b>34,580</b>	<b>34,580</b>
a. Financial institutions	B	0	0	0	0
b. Financial leasing	B	0	0	64	64
c. Others		51,795	51,682	34,516	34,516
Received rent guarantees	B	795	795	516	516
Others	B	51,000	50,887	34,000	34,000
<b>C. Other current financial liabilities</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
a. Hedging	A	0	0	0	0
<b>TOTAL</b>		<b>51,795</b>	<b>51,682</b>	<b>34,580</b>	<b>34,580</b>

The other long-term financial debts amounting to € 48.73 million consist of bonds (excluding costs).

The positive fair value of the hedge instruments amounted to € 20.10 million and has been included under the non-current financial assets and the current

financial assets. The hedge instruments are considered as cash flow hedges within the meaning of IFRS 9.

The other short-term financial debts for an amount of € 51.00 million refer to short-term outstanding treasury notes (commercial paper) and a bond.

Financial debts (in k €)	2023	2022
Current financial debt payable within one year	51,000	34,000
Non-current financial debt payable between 1 to 5 years	152,000	238,000
Non-current financial debt payable after 5 years	175,000	119,000
<b>TOTAL</b>	<b>378,000</b>	<b>391,000</b>



On 31 December 2023, Home Invest Belgium had € 378.00 million in financial liabilities consisting of:

- Bilateral credit lines drawn for an amount of € 278.00 million. The drawn bilateral credit lines were concluded with 7 different financial institutions with well-spread maturity dates until 2031. Home Invest Belgium has no maturity dates in 2024. The next maturity date is in the second half of 2025.
- Bond loans for an amount of € 49.00 million with maturities between 2028 and 2032.
- Short-term treasury bills ("Commercial paper") for a sum of € 11.00 million. Notwithstanding the short-term nature of the outstanding treasury notes, the outstanding amount is fully covered by available long-term credit lines (back-up lines).

The table below shows the credit lines per financial body. The weighted average remaining duration of the financial liabilities is 4,7 years. Home Invest Belgium had in excess of € 125.0 million in unused lines of credit available on 31 December 2023:

- € 11.00 million long-term back-up lines covering short-term outgoing commercial paper bills;
- € 40.00 million long-term credit lines to refinance the bond maturing in June 2024;
- € 74.00 million available credit lines.

Financial debts (in k €)	Confirmed credit lines	Amount drawn
<b>Bank debts</b>	<b>403,000</b>	<b>278,000</b>
Belfius	141,500	101,500
BNP Paribas Fortis	65,000	35,000
ING	30,000	30,000
KBC Bank	96,500	71,500
VDK Bank	10,000	10,000
Caisse d'Épargne Hauts de France	30,000	30,000
Argenta	30,000	0
<b>Bond issues</b>	<b>89,000</b>	<b>89,000</b>
Bond with maturity date up to June 2024	40,000	40,000
Long-term treasury note (EMTN) maturing in May 2028	9,000	9,000
Long-term treasury note (EMTN) maturing in January 2032	40,000	40,000
<b>TOTAL</b>	<b>492,000</b>	<b>367,000</b>

The interest rate hedge instruments are exclusively of the IRS type (Interest Rate Swap). They form contracts for the conversion from variable interest rates to fixed.

No instrument comes under the administrative accounting and is included as cash flow hedge under the IFRS 9 standard. The total value of the hedges at closing date was a positive sum of € 20.46 million due to a drop in the interest rates after the hedges were closed. The fixed interest rates have a weighted average remaining term of 4.9 years. The board of directors hopes its hedge policy will provide the company with maximum protection against any interest increases.

IFRS 13 mentions an element in the appreciation, being the obligation to take into account the own credit risk and that of the counterparty in the calculations.

The correction on the fair value following the application of the credit risk on the counter party is being called counterparty's credit risk (CVA). Quantifying the company's own credit risk is being called DVA – debt valuation adjustment. In this context, CVA and DVA have been included into the calculations totalling € -0.34 million.

The prudent hedging policy of Home Invest Belgium made it possible to achieve an average financing cost of 1.98% for the financial year, including bank margins and the cost of the hedges. The average financing cost was calculated after converting the variable interest rates on lines of credit into fixed rates via interest swaps (IRS). Account taken of the cautious financial structuring of the debt in combination with a moderate burden of debt, Home Investment Belgium has limited exposure to the interest rate fluctuations in the market.

Hedge instruments 31/12/2023 (in k €)	Type	Amount	Interest rate	Deadline	Qualification	Fair value 31/12/2023
BELFIUS	IRS	10,000	1.28%	31/08/2026	Transaction	321
BELFIUS	IRS	10,000	1.06%	31/08/2027	Transaction	466
BELFIUS	IRS	21,500	0.59%	10/11/2025	Transaction	943
BELFIUS	IRS	17,000	0.44%	31/10/2024	Transaction	425
BELFIUS	IRS	8,000	0.41%	30/10/2026	Transaction	502
BELFIUS	IRS	15,000	0.16%	31/03/2028	Transaction	1,336
BELFIUS	IRS	20,000	0.14%	31/08/2029	Transaction	2,404
BELFIUS	Future IRS	21,500	2.28%	31/01/2031	Transaction	-92
BELFIUS	Future IRS	17,000	2.28%	31/10/2030	Transaction	-104
BNP	IRS	25,000	-0.28%	30/09/2028	Transaction	2,939
BNP	IRS	21,500	0.25%	31/03/2031	Transaction	3,018
BNP	FLOOR	21,500		31/03/2024	Transaction	0
ING	FLOOR	15,000		30/09/2024	Transaction	0
ING	IRS	30,000	-0.33%	25/09/2027	Transaction	2,923
ING	IRS	15,000	0.29%	21/06/2031	Transaction	2,136
KBC	IRS	15,000	0.20%	29/09/2029	Transaction	1,570
KBC	IRS	15,000	0.30%	29/09/2029	Transaction	1,658
<b>IRS type of coverage</b>		<b>223,000</b>				<b>20,447</b>

#### Accounting process:

In accordance with IFRS 9, the negative fair value of the financial instruments was settled on 31 December 2023 with the liabilities under the heading I.C. "Other long-term financial liabilities", the positive fair value of the financial instruments will be offset against the assets under item I.E. "Financial fixed assets".

The credit lines are included in the Long-term and Short-term Financial Liabilities entry. The financial liabilities are entered at their write-down value which corresponds to their fair value.

IFRS 13 applies to IFRS standards that require or permit fair value measurements or the communication of fair value information, and therefore IFRS 9. IFRS 13 provides a hierarchy of fair values under 3 levels of data input (levels 1, 2 and 3).

As far as the financial instruments are concerned, all of these fair values are level 2. As Home Invest Belgium has no levels other than 2, the company has not rolled out a follow-up policy for transfers between hierarchical levels.

The valuation is set by the banks on the basis of the current value of the estimated future cash flows. Although the most common derivative instruments are considered trading instruments under the IFRS standards, they are only intended for the hedging of risk concerning interest rate fluctuations and not for speculative purposes.

**NOTE 26: COMMERCIAL DEBTS AND OTHER SHORT-TERM LIABILITIES**

TRADE DEBTS AND OTHER CURRENT DEBTS (in k €)	2023	2022
Suppliers	4,258	2,987
Tenants	848	1,119
Tax, salary and social security payables	1,014	1,076
<b>TOTAL</b>	<b>6,121</b>	<b>5,182</b>

OTHER CURRENT LIABILITIES (in k €)	2023	2022
Dividends	69	67
Other	35	62
<b>TOTAL</b>	<b>104</b>	<b>129</b>

The dividends relate exclusively to old dividends that were not yet claimed by the shareholders.

**NOTE 27: DEFERRED TAXES**

F. DEFERRED TAXES (in k €)	2023	2022
a. Exit tax	0	0
b. Other	2,223	2,586
<b>TOTAL</b>	<b>2,223</b>	<b>2,586</b>

As of 31 December 2023, the total under the heading I.F. Deferred taxes was € 2.22 million.

This sum relates primarily to the deferred taxes of Port Zélande.

**NOTE 28: CAPITAL, SHARE PREMIUMS AND RESERVES**

SHAREHOLDERS' EQUITY (in k €)	2023	2022
<b>A. Capital</b>	<b>101,810</b>	<b>94,136</b>
a. Capital	103,508	95,524
b. Capital increase expenses	-1,698	-1,388
<b>B. Share premium account</b>	<b>64,633</b>	<b>47,346</b>
<b>C. Reserves</b>	<b>265,599</b>	<b>226,469</b>
a. Legal reserve (+)	99	99
b. Reserve from the balance of changes in fair value of investment properties (+/-)	241,134	232,132
c. Reserve from estimated transfer mutation rights resulting from hypothetical disposal of investment properties (-)	-22,983	-20,102
d. Reserve from the balance of changes in fair value of allowed hedges to which hedge accounting according to IFRS is applied (+/-)	0	0
e. Reserve from the balance of changes in fair value of allowed hedges to which hedge accounting according to IFRS is not applied (+/-)	32,097	-1,327
h. Reserve for treasury shares (-)	-2,108	-2,549
k. Reserves for deferred taxes related to property located abroad (+/-)	-2,583	-1,631
l. Reserve for received dividends used for the reimbursement of financial debts (+)		
m. Other reserves (+/-)	1,259	1,259
n. Result carried forward from previous financial years (+/-)	18,269	17,781
o. Reserve for share-based payments (+/-)	414	807
<b>D. Net result of financial year</b>	<b>-14,281</b>	<b>42,112</b>
<b>TOTAL EQUITY</b>	<b>417,761</b>	<b>410,064</b>

Date	Evolution of company capital	Nature of the operation	Issue price	Number of shares
<b>Total on 31/12/2010</b>	71,639			2.825.842
31/01/2011	123	Partial demerger of S.A. Masada	59,72	102.792
31/12/2011	6	Demerger of S.A. URBIS	60,30	6.318
31/12/2011	2,634	Partial demerger of S.A. VOP	62,91	118.491
<b>Total on 31/12/2011</b>	74,401			3.056.143
<b>Total on 31/12/2012</b>	74,401			3.056.143
<b>Total on 31/12/2013</b>	74,401			3.056.143
11/06/2014	2,548	Contribution in kind by AXA Belgium	79.85	104.666
<b>Total on 31/12/2014</b>	76,949			3.160.809
<b>Total on 31/12/2015</b>	76,949			3.160.809
<b>Total on 31/12/2016</b>	76,949			3.160.809
13/09/2017	12,000	Partial demerger of S.A. VOP	86.30	139.049
<b>Total on 31/12/2017</b>	88,949			3.299.858
<b>Total on 31/12/2018</b>	88,949			3.299.858
<b>Total on 31/12/2019</b>	88,949			3.299.858
<b>Total on 31/12/2020</b>	88,949			3.299.858
<b>Total on 31/12/2021</b>	88,949			3.299.858
03/05/2022	-982	Capital reduction		0
15/06/2022	0	Share split by factor 5		13.199.432
28/06/2022	7,557	Capital increase	21,16	1.417.770
<b>Total on 31/12/2022</b>	95,524			17.917.060
02/05/2023	-1,425	Capital reduction		
03/07/2023	9,409	Capital increase	14.90	1.791.706
<b>Total on 31/12/2023</b>	103,508			19.708.766

On 31 December 2023, 93.688 Home Invest Belgium shares were held by the company.

## NOTE 29: DEBT RATIO

### FINANCIAL PLAN (ART.24 OF THE BELGIAN ROYAL DECREE OF 13 JUNE 2014)

If the consolidated debt ratio of the public RREC and its subsidiaries amounts to more than 50% of its consolidated assets, less the authorised financial hedging instruments, the public RREC is required to draw up a financial plan with an implementation schedule, setting out the measures that will be taken to prevent the consolidated debt ratio from exceeding 65% of the consolidated assets.

A special report will be drawn up by the statutory auditor about the financial plan, confirming that the auditor has verified the drafting of the plan, in particular its economic base, and that the figures contained in the plan correspond with those in the accounting records of the public RREC. The financial plan and the special report from the statutory auditor will be submitted to the FSAM for information.

The general guidelines of the financial plan are included in detail in the annual and half-yearly financial reports. The annual and half-yearly reports will be sent out and justify how the financial plan was implemented during

the course of the relevant period, and how the public RREC will implement the plan in the future.

### EVOLUTION OF THE RREC'S DEBT RATIO

On the basis of the figures as at 31 December 2023, the RREC's consolidated debt ratio is 50.02%. At the end of financial years 2020, 2021 and 2022, the debt ratio (RREC Royal Decree) stood respectively at 52.40%, 53.65% and 51.95%.

### THE INVESTMENT POTENTIAL OF HOME INVEST BELGIUM

On the basis of this debt ratio (RREC Royal Decree) of 50.02%, the investment potential would be approximately € 363.94 million, without exceeding the maximum ratio of 65%. The above amounts do not take into account any fluctuations in the value of the property. These possible fluctuations can have a significant impact on the debt ratio. On the basis of shareholders' equity on 31 December 2023, a negative variation in the fair value of the investment properties of almost € 185.58 million would be required to exceed the maximum permitted debt of 65%. This represents a fall of almost 24% in the fair value of the existing portfolio.

### PROJECTED CHANGES IN THE DEBT RATIO ON SHORT TERM

The company expects to reach a debt ratio (RREC Act) of 49.48% at 31 December 2024. The change of the debt ratio depends on:

- a debt ratio of 50.02% as at 31 December 2023;
- 12 months EPRA earnings like forecasted in the company's budget;
- continuation of investments in ongoing development projects;
- the realisation of sales according to the rhythm provided for in the company's budget;
- continuation of the current distribution policy regarding dividends.

The board of directors confirms its decision to not structurally exceed the debt ratio of 55%. According to the realised financial plan, this limit could be exceeded in the course of the financial year 2024. The above calculations do not take into account any potential changes in the value of the real estate portfolio.

### CONCLUSION

Taking the above into account, Home Invest Belgium believes that its debt ratio will not exceed 65%. Consequently, no additional measure is required in light of the inherent characteristics of the real estate assets and in the expected changes in the equity. Home Invest Belgium maintains its intention to finance itself with a debt ratio below 55%. The board of directors pays close attention to the realisation (or non-realisation) of new investments. Should events require the RREC's strategy to be modified, it would be done without delay; the shareholders would be informed of it.

(in k €)	2023	2022
Liabilities	408,393	420,581
- Adjustments	-5,505	-5,928
<b>Debt ratio as referred to in Art. 13 of the Reit Royal Decree</b>	<b>402,888</b>	<b>414,652</b>
Adjusted assets for the calculation of the debt ratio	805,410	798,240
<b>Debt ratio</b>	<b>50.02%</b>	<b>51.95%</b>

### NOTE 30: SCOPE OF CONSOLIDATION

Name	Company number	Country of origin	Direct or indirect shareholding	Annual accounts dd.
<b>In 2023</b>				
Home invest Belgium NV	0420.767.885	Belgium	-	31/12/2023
Charlent 53 Freehold BV	0536.280.237	Belgium	100%	31/12/2023
De Haan Vakantiehuizen NV	0707.946.778	Belgium	50%	31/12/2023
BE Real Estate NV	0474.055.727	Belgium	100%	31/12/2023
The Ostrov NV	0849.672.983	Belgium	100%	31/12/2023
The Dox 1 NV	0775.800.852	Belgium	100%	31/12/2023
Home Invest Netherlands NV	0777.259.317	Belgium	100%	31/12/2023
Blue Quarter NV	0792.989.450	Belgium	100%	31/12/2023
<b>In 2022</b>				
Home invest Belgium NV	0420.767.885	Belgium	-	31/12/2022
Charlent 53 Freehold BV	0536.280.237	Belgium	100%	31/12/2022
De Haan Vakantiehuizen NV	0707.946.778	Belgium	50%	31/12/2022
BE Real Estate NV	0474.055.727	Belgium	100%	30/06/2022
The Ostrov NV	0849.672.983	Belgium	100%	31/12/2022
The Dox 1 NV	0775.800.852	Belgium	100%	31/12/2022
Home Invest Netherlands NV	0777.259.317	Belgium	100%	31/12/2022
Blue Quarter NV	0792.989.450	Belgium	100%	31/12/2023

All enterprises forming part of the scope of consolidation are domiciled in Belgium: Boulevard de la Woluwe 46/11, 1200 Brussels.

As of 31 December 2023 there are no minority interests.



## NOTE 31: RELATED PARTIES TRANSACTIONS IN RELATION TO THE INCOME STATEMENT

The table below shows the remuneration of the directors and effective leaders. The remunerations of

both are explained in the remuneration report of the Corporate Governance Charter.

(in k €)	Short term benefits in 2023	Short term benefits in 2022
<b>Name</b>		
Liévin Van Overstraeten	59	27
Eric Spiessens	15	26
Thomas Peperstraete	4	5
Johan Van Overstraeten	37	43
Wim Aourousseau	17	17
Suzy Denys	20	17
Christel Gijsbrechts	48	28
Hélène Bostoën	28	28
Philippe De Greve	26	19
Christophe Mignot	13	0
Other effective leaders	1,009	968
<b>TOTAL</b>	<b>1,275</b>	<b>1,176</b>

## NOTE 32: OFF-BALANCE SHEET COMMITMENTS

- Home Invest Belgium has a number of current collection procedures which may have a very limited effect on the numbers.
- Home Invest Belgium is involved in several legal proceedings. These legal proceedings have no meaningful impact on the financial position or profitability of Home Invest Belgium.
- The majority of the (residential) lease agreements signed by Home Invest Belgium stipulate the provision of a rent guarantee of two months' rent in favour of Home Invest Belgium.
- Home Invest Belgium and its consolidated companies are also linked to specific contracts such as estimates, insurance contracts, asset management and services contracts.

## NOTE 33: STAFF

Number of employees at the closing date of the period	2023	2022
Employees	36	32
Management	4	5
<b>TOTAL</b>	<b>40</b>	<b>37</b>

## NOTE 34: REMUNERATION STATUTORY AUDITOR

(in k € - VAT excl.)	2023	2022
<b>Remuneration of the Auditor for the fiscal year (stat. base)</b>		
Remuneration for executing mandate of Auditor	98	83
<b>Remuneration for exceptional performance of special assignments</b>		
Other audit assignments	23	27
Other assignments besides audit task	12	3
<b>TOTAL</b>	<b>132</b>	<b>113</b>

## NOTE 35: EVENTS AFTER THE BALANCE SHEET DATE

No significant events affecting the company have occurred after the balance sheet date.



# STATUTORY ANNUAL ACCOUNTS

## INCOME STATEMENT

INCOME STATEMENT (in k €)	2023	2022
I. Rental Income	31,123	28,010
III. Rental-related expenses	-198	-388
<b>NET RENTAL RESULT</b>	<b>30,925</b>	<b>27,622</b>
IV. Recovery of property charges	231	215
V. Recovery of charges and taxes normally payable by the tenant on let properties	815	782
VII. Charges and taxes normally payable by the tenant on let properties	-3,541	-2,986
VIII. Other incomes and expenses related to letting	0	0
<b>PROPERTY RESULT</b>	<b>28,430</b>	<b>25,633</b>
IX. Technical costs	-1,077	-992
X. Commercial costs	-583	-556
XI. Taxes and charges on unlet properties	-177	-215
XII. Property management costs	-1,774	-2,103
XIII. Other property costs	0	0
<b>PROPERTY COSTS</b>	<b>-3,611</b>	<b>-3,866</b>
<b>PROPERTY OPERATING RESULT</b>	<b>24,820</b>	<b>21,767</b>
XIV. General corporate expenses	-3,288	-2,826
XV. Other operating incomes and expenses	353	199
<b>OPERATING RESULT BEFORE PORTFOLIO RESULT</b>	<b>21,884</b>	<b>19,141</b>
XVI. Result sale investment properties	28	-15
XVIII. Changes in fair value of investment properties	-20,632	2,730
XIX. Other portfolio result	363	-952
<b>PORTFOLIO RESULT</b>	<b>-20,240</b>	<b>1,763</b>
<b>OPERATING RESULT</b>	<b>1,644</b>	<b>20,904</b>
XX. Financial income	4,579	4,201
XXI. Net interest charges	-6,215	-5,399
XXII. Other financial charges	-95	-92
XXIII. Changes in fair value of financial assets and liabilities	-11,330	32,323
<b>FINANCIAL RESULT</b>	<b>-13,061</b>	<b>31,033</b>
<b>PRE-TAX RESULT</b>	<b>-11,417</b>	<b>51,937</b>
XXIV. Corporation tax	-313	-230
<b>TAXES</b>	<b>-313</b>	<b>-230</b>
<b>NET RESULT</b>	<b>-11,730</b>	<b>51,707</b>
<b>OTHER ELEMENTS OF THE GLOBAL RESULT</b>	<b>0</b>	<b>0</b>
<b>GLOBAL RESULT</b>	<b>-11,730</b>	<b>51,707</b>
<b>NET RESULT ATTRIBUTABLE TO THE PARENT COMPANY</b>	<b>-11,730</b>	<b>51,707</b>

## BALANCE SHEET

ASSETS (in k €)	2023	2022
<b>I. Non-current assets</b>	<b>743,285</b>	<b>755,787</b>
B. Intangible assets	577	572
C. Investment properties	653,934	653,216
D. Other tangible assets	68	180
E. Non-current financial assets	88,633	101,677
F. Lease receivables	73	142
<b>II. Current assets</b>	<b>51,652</b>	<b>40,978</b>
B. Current financial assets	425	0
C. Lease receivables	69	66
D. Trade receivables	1,519	1,559
E. Tax receivables and other current assets	46,944	35,626
F. Cash and cash equivalents	1,210	2,999
G. Deferred charges and accrued income	1,484	727
<b>TOTAL ASSETS</b>	<b>794,937</b>	<b>796,765</b>
<b>SHAREHOLDERS' EQUITY</b>		
A. Capital	101,820	94,136
B. Share premium account	64,633	47,346
C. Reserves	251,204	217,597
D. Net result of the financial year	-11,730	36,589
<b>SHAREHOLDERS' EQUITY</b>	<b>405,927</b>	<b>395,669</b>
<b>LIABILITIES</b>		
<b>I. Non-current liabilities</b>	<b>328,832</b>	<b>359,154</b>
B. Non-current financial debts	326,609	356,568
a. financial institutions	277,884	267,887
b. financial leasing	0	0
c. others	48,725	88,682
C. Other non-current financial liabilities	0	0
F. Deferred taxes	2,223	2,586
a. exit tax	0	0
b. others	2,223	2,586
<b>II. Current liabilities</b>	<b>60,178</b>	<b>41,942</b>
B. Current financial debts	51,787	34,578
a. financial institutions	0	0
b. financial leasing	0	64
c. others	51,787	34,514
C. Other current financial liabilities	0	0
D. Trade debts and other current debts	5,166	4,058
b. Others	5,166	4,058
E. Other current liabilities	96	121
F. Accrued charges and deferred income	3,129	3,186
<b>LIABILITIES</b>	<b>389,010</b>	<b>401,096</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>794,937</b>	<b>796,765</b>

(in k €)	Capital	Capital increase expenses	Share premium	Legal reserve	Reserves from the balance of changes in fair value of investment properties	"Reserve from estimated transfer costs and rights"
<b>BALANCE AT 31/12/2021</b>	88,949	-950	24,903	99	225,461	-19,094
<b>Allocation of income 2021 (balance paid in May 2022)</b>	0	0	0	0	0	0
<i>Paid dividend (relating to financial year 2021)</i>						
<i>Paid interim dividend financial year 2021 (paid in December 2021)</i>						
<b>Changes resulting from the sale of buildings</b>					-93	59
<b>Result of the financial year 2022</b>						
<b>Dividend 2022 (interim dividend paid in December 2022)</b>						
<b>Acquisition / sale of own shares</b>						
<b>Share-based payments</b>						
<b>Merger of subsidiaries</b>						
<b>Other increases (decreases)</b>						
<b>Capital decrease</b>	-982					
<b>Capital increase</b>	7,557	-438	22,443			
<b>BALANCE AT 31/12/2022</b>	95,524	-1,388	47,346	99	225,369	-19,035
<b>Allocation of income 2022</b>		0	0	0	4,140	-1,555
Compared to operating income						
Var. of deferred taxes						
Changes in R. W. of real estate					4,140	-1,555
Changes in R. W. of hedges						
Remuneration of capital						
<b>BALANCE AT 31/12/2022 after appropriation</b>	95,524	-1,388	47,346	99	229,509	-20,591
<b>Dividends financial year 2022 (balance paid in May 2023)</b>	0	0	0	0	0	0
<i>Paid dividend (relating to financial year 2022)</i>						
<i>Paid interim dividend financial year 2022 (paid in December 2022)</i>						
<b>Changes resulting from the sale of buildings</b>					-44	10
<b>Result of the financial year 2023</b>						
<b>Acquisition / sale of own shares</b>						
<b>Share-based payments</b>						
<b>Merger of subsidiaries</b>						
<b>Other increases (decreases)</b>						
<b>Capital decrease</b>	-1,426					
<b>Capital increase</b>	9,410	-299	17,287			
<b>BALANCE AT 31/12/2023 after appropriation</b>	103,508	-1,687	64,633	99	229,465	-20,581
<b>Allocation of income 2023</b>		0	0	0	-19,584	-1,048
Compared to operating income						
Var. of deferred taxes						
Changes in R. W. of real estate					-19,584	-1,048
Changes in R. W. of hedges						
Remuneration of capital						
<b>BALANCE AS AT 31/12/2023 after appropriation</b>	103,508	-1,687	64,633	99	209,880	-21,628



Reserve from the balance of changes in fair value of hedges reserve for treasury shares (IFRS applicable)	Reserve from the balance of changes in fair value of hedges reserve for treasury shares (IFRS not applicable)	Reserves for fiscal latencies	Reserve for treasury shares	Reserve for share-based payments	Other reserves	Result carried forward from previous financial year	Remuneration of capital	Net result of the financial year	Total
0	-890	-1,631	-886	388	1,781	13,776	2,334	0	334,241
0	0	0	0	0	0	0	-2,333	0	-2,333
							-16,301		-16,301
							13,977		13,977
						34			-0
								51,707	51,707
								-15,118	-15,118
			-1,717						-1,717
			54	419					473
									0
									0
						-164			-1,173
									29,562
0	-890	-1,632	-2,549	807	1,781	13,646	0	36,589	395,669
0	32,323	-952	0	0	0	-35	2,668	-36,589	0
						-180		180	0
		-952						952	0
						145		-2,730	0
	32,323							-32,323	0
							2,668	-2,668	0
0	31,433	-2,583	-2,549	807	1,781	13,612	2,668	0	395,669
0	0	0	0	0	0	-6	-2,668	0	-2,674
						-6	-17,786		-17,791
							15,118		15,118
						34			-0
								-11,730	-11,730
									0
			441	-394					47
									0
									0
						-356			-1,782
									26,397
0	31,433	-2,583	-2,108	414	1,781	13,284	0	-11,730	405,927
0	-11,330	363	0	0	0	57	19,811	11,730	0
						57		-57	0
		363						-363	0
								20,632	0
	-11,330							11,330	0
							19,811	-19,811	0
0	20,103	-2,220	-2,108	414	1,781	13,341	19,811	0	405,927

SHAREHOLDERS' EQUITY (in k €)	2023	2022
<b>A. Capital</b>	<b>101,820</b>	<b>94,136</b>
a. capital	103,508	95,524
b. capital increase expenses	-1,687	-1,388
<b>B. Share premium account</b>	<b>64,633</b>	<b>47,346</b>
<b>C. Reserves</b>	<b>251,204</b>	<b>217,597</b>
a. legal reserve (+)	99	99
b. reserve from the balance of changes in fair value of investment properties (+/-)	229,465	225,369
c. reserve from estimated transfer costs and rights resulting from hypothetical disposal of investment properties (-)	-20,581	-19,035
d. reserve from the balance of changes in fair value of allowed hedges to which hedge accounting according to IFRS is applied (+/-)	0	0
e. reserve from the balance of changes in fair value of allowed hedges to which hedge accounting according to IFRS is not applied (+/-)	31,433	-890
h. reserve for treasury shares (-)	-2,108	-2,549
k. reserves for deferred taxes related to property located abroad	-2,583	-1,631
m. other reserves (+/-)	1,781	1,781
n. result carried forward from previous financial years (+/-)	13,284	13,646
o. reserve for share-based payments (+/-)	414	807
<b>D. Net result of the financial year</b>	<b>-11,730</b>	<b>36,589</b>
<b>TOTAL EQUITY</b>	<b>405,927</b>	<b>395,669</b>

Appropriation and withdrawals (in k €)	2023	2022
<b>A. Net result</b>	<b>-11,730</b>	<b>51,707</b>
<b>B. Transfer to/from reserves (+/-)</b>	<b>44,883</b>	<b>-20,310</b>
1. Transfer to/from reserves of the balance (positive or negative) of changes in fair value of investment properties (+/-)		
- financial year	19,584	-4,140
- realization of real estate	0	-130
2. Transfer to/from reserves of estimated transfer rights and costs resulting from hypothetical disposal of investment properties (-/+)	1,048	1,555
5. Transfer to/from reserves for the balance of the changes in the fair value of allowed hedging instruments which are not submitted to hedge accounting as defined by IFRS (-) accounting year	11,330	-32,323
8. Transfer to/from reserves of deferred taxes related to real estate located abroad (-/+)	-363	952
11. Transfer to/from result from previous financial years carried forward (-/+)	13,284	13,776
<b>C. Remuneration of capital according to art. 13, §1, lid 1</b>	<b>-4,900</b>	<b>-13,933</b>
<b>D. Remuneration of capital – other than C</b>	<b>-14,911</b>	<b>-3,853</b>
<b>E. Retained earnings</b>	<b>13,341</b>	<b>13,612</b>

Scheme for calculation of result according to art. 13, § 1, § 1 (in k € )	2023	2022
<b>Corrected result (A)</b>		
Net result	-11,730	51,707
+ Amortization	307	359
+ Impairments	650	727
- Impairment reversals	-452	-339
+/- Other non monetary items	11,330	-32,323
+/- Result on sale of property	-28	15
+/- Changes in fair value of property	20,632	-2,730
<b>Corrected result (A)</b>	<b>20,708</b>	<b>17,415</b>
<b>Net capital gains on the sale of property not exempt from distribution (B)</b>		
+/- Capital gains and losses on property realized during the financial year (capital gains or losses compared with the acquisition value plus capitalised investment expenses)	34	33
Capital gains realised during the financial year exempt from the obligation to distribute, subject to reinvestment within four years (-)	-34	-33
<b>= Net capital gains on the sale of property not exempt from distribution (B)</b>	<b>0</b>	<b>0</b>
<b>TOTAL (A+B)</b>	<b>20,708</b>	<b>17,415</b>
<b>80% according to art. 13, §1, al. 1</b>	<b>16,567</b>	<b>13,932</b>
Net reduction in debt	-11,666	0
Minimum distribution required by art. 13	4,900	13,932

In accordance with Art. 7:212 of the Belgian Code of Companies and Associations, after payment of the intended dividend, net asset shall not be less than the amount of the recognised capital, increased with all

reserves which may not be distributed pursuant to the law or the articles of association. The available margin after distribution amounts to € 11.21 million.

Net statutory assets after distribution of the dividend (in k € )	386,116
Method of calculation of the amount referred to in art. 13, §1 er al. 6	
Paid-up capital or, if greater, called-up capital (+)	101,820
Share premiums not available pursuant to the articles of association (+)	64,633
Reserve from the positive balance from changes in the fair value of real estate assets (+)	209,880
Reserve fro transfer rights and costs estimated to arise on the hypothetical disposal of investment properties (-)	-21,628
Reserve from the balance of changes in fair value of allowed hedges to which hedge accounting according to IFRS is not applied (+/-)	20,103
Reserves for deferred taxes related to property located abroad	0
Legal reserve (+)	99
<b>Non distributable equity according to article 617 of the Companies Code</b>	<b>374,907</b>
Difference	11,209

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# STATUTORY AUDITOR'S REPORT

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## Independent auditor's report to the general meeting of Home Invest Belgium nv for the year ended 31 December 2023

In the context of the statutory audit of the Consolidated Financial Statements) of Home Invest Belgium nv (the "Company") and its subsidiaries (together the "Group"), we report to you as statutory auditor. This report includes our opinion on the consolidated balance sheet as at 31 December 2023, the consolidated results, the consolidated statement of changes in shareholders' equity 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 3 May 2022, in accordance with the proposition by the Board of Directors following recommendation of the Audit Committee. Our mandate expires at the shareholders' meeting that will deliberate on the Consolidated Financial Statements for the year ending 31 December 2024. We performed the audit of the Consolidated Financial Statements of the Group during 5 consecutive years.

## Report on the audit of the Consolidated Financial Statements

### Unqualified opinion

We have audited the Consolidated Financial Statements of Home Invest Belgium nv, that comprise of the consolidated balance sheet as at 31 December 2023, the consolidated results, the consolidated statement of changes in shareholders' equity and the consolidated cash flow statement for the year ended 31 December 2023 and the disclosures, including material accounting policy information, which show a consolidated balance sheet total of € 807,808 thousand and of which the consolidated income statement shows a loss for the year of € 14,281 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 94% of the assets of the Group. As at 31 December 2023, the investment properties on the assets of the balance sheet amount to € 755,460 thousand.

In accordance with the accounting policies and IAS 40 standard "Investment property", investment property is valued at fair value, and the changes in the fair value of investment property are recognized in the income statement.

The fair value of investment properties belongs to the level 3 of the fair value hierarchy defined within the IFRS 13 standard "Fair Value Measurement". Some parameters used for valuation purposes being based on only limited observable data (discount rate, future occupancy rate, ...) and require therefore an estimation from 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 source data (contractual rentals, maturities of the rental contracts, ...) used in their calculations and reconciled with the underlying contracts for a sample;
- reviewed the models, assumptions and parameters 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 18 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.

## 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:

- Summary of the consolidated annual accounts for the financial year ending 31/12/2023
- APM – 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/nl/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 Home Invest Belgium nv per 31 December 2023 included in the annual financial report available on the portal of the FSMA (<https://www.fsma.be/nl/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.

Diegem, 4 April 2024

EY Bedrijfsrevisoren bv  
Statutory auditor  
Represented by

Joeri Klaykens\*  
Partner

\*Acting on behalf of a bv



# PERMANENT DOCUMENT

## PERMANENT DOCUMENT

General information .....	191
Capital .....	193
Consolidated articles of association – excerpts .....	194
Statements .....	205
The RREC and its tax regime .....	206
General glossary .....	211
APM – Alternative Performance Measures .....	213
Shareholder's agenda .....	216



# GENERAL INFORMATION

<b>Name</b>	Home Invest Belgium, public regulated real estate company (RREC)
<b>Office</b>	The registered office of the company is established at Boulevard de la Woluwe 46/11, 1200 Woluwe–Saint–Lambert.
<b>Enterprise number</b>	The company is registered with the register of legal entities (RLE) in Brussels under number O420.767.885.
<b>Incorporation, legal form and notification</b>	The company was incorporated on 4 July 1980 under the name “Philadelphia”, pursuant to a deed drawn up by notary Daniel Pauporté in Brussels (published in the Annexes to the Belgian State Gazette of 12 July 1980 under number 1435–3). The articles of association have been amended on several occasions and most recently pursuant to minutes drawn up by notary Louis-Philippe Marcelis on 28 June 2023, followed by minutes of determination drawn up by notary Louis-Philippe Marcelis on 3 July 2023 (published in the Annexes to the Belgian State Gazette on 7 September 2023, under number 23114799). The company was authorised in 1999 as a real estate investment fund by the Commission for Banking, Finance and Insurance (CBFA), now the Financial Services and Markets Authority (FSMA). On 2 September 2014, the company was recognised as a RREC by the FSMA. The company appeals publicly to the savings system in accordance with Article 7:2 BCCA.
<b>Duration</b>	The company was incorporated for an indefinite period.
<b>Object</b>	Please refer to Article 3 of the articles of association, as indicated below under ‘consolidated articles of association – excerpts’.
<b>Modification of the object</b>	The company can only make changes to its object that are in accordance with its articles of association and in line with the laws and regulations applicable to RRECs.
<b>Financial year</b>	The financial year starts on 1 January and ends on 31 December of each year.
<b>Statutory auditor</b>	<p>The statutory auditor of Home Invest Belgium, which is officially approved by the Financial Services and Markets Authority (FSMA), is EY Bedrijfsrevisoren BV/EY Réviseurs d’Entreprises SRL, represented by Joeri Klaykens, partner, located at 2 De Kleetlaan, 1831 Diegem. The statutory auditor has an unlimited right of inspection concerning the Company’s transactions.</p> <p>The accredited statutory auditor was appointed for three years at the extraordinary shareholders’ meeting of 3 May 2022, and receives a fixed indexed fee of € 97,654 VAT incl. per year for the audit of the annual accounts (see Note 7 for more information regarding the remuneration of the statutory auditor).</p>

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### Real estate experts

To avoid any conflict of interest, Home Invest Belgium's real estate portfolio is audited by four independent valuation experts, namely:

- Cushman & Wakefield Belgium NV/SA, represented (within the meaning of Article 24 of the RREC legislation) by Mr. Emeric Inghels, having its registered office at 56 Avenue des Arts, 1000 Brussels;
- BNP Paribas Real Estate Hotels France, having its registered office at Quai de la Bataille de Stalingrad 167, 92867 Issy-les-Moulineaux (France) and represented by Mrs. Blandine Trotot;
- CBRE Valuations Services BV/SRL (RLE Brussels: 0859.928.556), having its registered office at avenue Lloyd George 7, 1000 Brussels, Belgium and represented by Mr. Pieter Paepen.
- Cushman & Wakefield Netherlands BV, having its registered office at Gustav Mahlerlaan 362-364, 1082ME, Amsterdam, represented by J.N. Brantsma MSc MSRE MRICS RT and Y. Buijs MSc.

In accordance with the RREC legislation, the valuation experts assess the entire portfolio each quarter, and their valuation determines the fair value of the buildings included in the annual accounts.

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### Places where the publicly accessible documents are available for inspection

- The deed of incorporation and articles of association of the company are available for inspection at the clerk's office of the French-speaking Enterprise Court of Brussels and are also available on the website [www.homeinvestbelgium.be](http://www.homeinvestbelgium.be).
- The statutory and consolidated annual accounts and additional reports are filed with the National Bank of Belgium in accordance with the legal requirements and are available for inspection at the Clerk's Office of the Enterprise Court of Brussels.
- The decisions taken with regard to the (re)appointment and dismissal of the members of the board of directors are published in the Annexes to the Belgian State Gazette. Shareholders' meetings and extraordinary shareholders' meetings are convened in accordance with the provisions of the Belgian Code of Companies and Associations. The announcement must also appear in a nationally distributed newspaper thirty days before the meeting and within the same period and be posted on the website [www.homeinvestbelgium.be](http://www.homeinvestbelgium.be) with the exception of the annual shareholders' meetings that take place at the location, date and time indicated in the articles of association and of which the agenda is limited to the usual subjects.
- All press releases and other financial information published by Home Invest Belgium may also be consulted on the website. Anyone interested can register free of charge on the website [www.homeinvestbelgium.be](http://www.homeinvestbelgium.be) in order to receive the press releases and mandatory financial information by e-mail.

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### Telephone number

+32 2 899 43 21

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### Website

[www.homeinvestbelgium.be](http://www.homeinvestbelgium.be)

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# CAPITAL

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## Issued capital

As at 31 December 2023, the capital amounted to €103,490,955.32. It is represented by 19.708.766 shares without indication of nominal value. The capital is fully paid up.

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## Authorised capital

The board of directors is explicitly authorised to increase the capital, on one or more occasions, up to an amount of maximum eighty-seven million nine hundred and fifty-nine thousand three hundred and thirty-seven euros and thirty-five cents (€87,959,337.35), on the amount to be fixed by it, and on the dates and in accordance with the modalities to be determined by this policy, in accordance with Article 7:198 of the BCCA. The board of directors is authorised to issue convertible bonds or subscription rights under the same terms and conditions.

This authorisation is granted for a period of five years from the publication in the Annexes to the Belgian State Gazette of the minutes of the extraordinary shareholders' meeting held on 3 May 2022.

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# CONSOLIDATED ARTICLES OF ASSOCIATION – EXCERPTS

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The complete consolidated articles of association of Home Invest Belgium NV/SA may be inspected at the clerk's office of the French-speaking Enterprise Court of Brussels, at the company's registered office and on the website [www.homeinvestbelgium.be](http://www.homeinvestbelgium.be).

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**Object**  
(Article 3 of the articles of association)

3.1. The sole object of the Company is:

(a) to make available buildings to users, directly or through a company in which it holds a stake in accordance with the provisions of the RREC regulations, and;

(b) within the limits set by RREC regulations, to own real estate referred to in Article 2, 5°, i to x of the Belgian RREC Act.

Real estate shall be understood to mean:

i. real estate as defined in Article 517 et seq. of the Belgian Civil Code, and real rights exercised on buildings, to the exclusion of real estate for forestry, agriculture or mining;;

ii. shares with voting rights issued by real estate companies, which are exclusively or jointly controlled by the relevant public RREC;

iii. option rights on real estate;

iv. shares in public regulated real estate companies or institutional regulated real estate companies, provided that in the latter case, the company has joint or exclusive control thereof;

v. rights resulting from contracts in which the RREC was given one or more goods in lease, or in which other analogous user rights were granted;

vi. shares in public real estate investment funds;

vii. units in foreign undertakings for collective investment in real estate as registered on the list referred to in Article 260 of the act of 19 April 2014;

viii. units in undertakings for collective investment in real estate established in another Member State of the European Economic Area that are not included on the list referred to in Article 260 of the act of 19 April 2014, insofar as they are subject to similar supervision as that applicable to the public real estate investment fund;

ix. shares issued by companies (i) with a legal personality; (ii) falling under the law of another Member State of the European Economic Area; (iii) whose shares are admitted to trading on a regulated market and/or which are subject to prudential supervision; (iv) whose primary activity is the acquisition or construction of buildings to be made available to users, or direct or indirect holdings in companies whose purpose is similar; and (v) which are exempt from income tax on the profits derived from the activities referred to under (iv) above, subject to compliance with various constraints, relating at least to the legal obligation to distribute part of their earnings to their shareholders ("Real Estate Investment Trusts", or "REIT's");

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x. real estate certificates, as referred to in Article 5, § 4 of the act of 16 June 2006;

In the framework of the provision of real estate, the company may in particular undertake all activities related to the building, conversion, renovation, development, acquisition, sale, management and operation of real estate.

3.2. On a temporary or ancillary basis, the Company may invest in securities that do not constitute real estate within the meaning of the RREC regulations. These investments will be made in compliance with the risk management policy adopted by the Company and will be diversified in order to ensure an adequate risk spread. The Company may also hold unallocated liquid assets in any currency, in the form of current or term deposits or any money market instruments that may be easily mobilised.

It can also carry out transactions on authorised hedging instruments, intended exclusively to cover exposure to interest rate and currency exchange risks in the context of the financing and management of the company's real estate and to the exclusion of any speculative transactions.

3.3. The Company may rent or let one or more buildings itself under a finance lease agreement. The finance lease activity with a purchase option relating to buildings can only be carried out as a secondary activity unless the properties in question are intended for public purposes including social housing and education (in which case the activity may be exercised as the company's primary activity).

3.4. The Company may take an interest, by merger or otherwise, in any businesses, undertakings or companies with a similar or related company object and which are conducive to the development of its business and, in general, carry out all operations that are directly or indirectly related to its object and all acts deemed necessary or useful for the achievement of its object.

The Company is required to perform all its activities and operations in accordance with the provisions of and within the limits set by the RREC regulations and any other applicable legislation.

#### Prohibitions (Article 4 of the articles of association)

The Company may not:

- a. act as a real estate developer within the meaning of the RREC regulations with the exception of occasional transactions;
- b. participate in an underwriting or guarantee syndicate;
- c. lend financial instruments, with the exception, of loans under the conditions and in accordance with the provisions of the Royal Decree of 7 March 2006;
- d. acquire financial instruments issued by a company or private association which has been declared bankrupt, which has entered into a mutual agreement with its creditors, which is the subject of a judicial reorganisation procedure, which has obtained a suspension of payments or which has been the subject of similar measures in a foreign country;
- e. make contractual arrangements or insert provisions in the articles of association with regard to perimeter companies, which would adversely affect the voting power that is vested in them in accordance with the applicable law associated with a participation of 25% plus one share.

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**Authorised capital  
(Article 6.2 of the Articles  
of Association)**

The board of directors is expressly authorised to increase the capital, on one or more occasions, up to an amount of maximum eighty-seven million nine hundred and forty-nine thousand three hundred and thirty-seven euros and thirty-five cents (€ 87,959,337.35-), the date and in accordance with the modalities it determines, in accordance with Article 7:198 of the BCCA. The board of directors is authorised to issue convertible bonds or subscription rights under the same terms and conditions.

This authorisation is granted for a period of five years from the publication in the Annexes to the Belgian State Gazette of the minutes of the extraordinary shareholders' meeting held on 3 May 2022.

Whenever the registered capital is increased, the board of directors will set the price, any issue premium and the issue conditions of the new shares, unless the shareholders' meeting decides on this itself.

The preferential subscription right of shareholders may either be limited or abolished in accordance with Article 6.5. of the articles of association.

Capital increases decided in this way by the board of directors may be undertaken by subscription in cash or by contributions in kind or by the incorporation of reserves or issue premiums, with or without the creation of new securities, or through the distribution of an optional dividend, in each case with due respect for the legal provisions; such capital increases may lead to the issuing of voting or non-voting shares.

This capital may also be increased via the conversion of convertible bonds or the exercise of subscription rights, which can give rise to the creation of both shares with and without voting rights and whether or not they are linked to another movable asset.

The associated amount will be placed in an unavailable account called "issue premium" after any costs have been settled and should any capital increases carried out pursuant to this authorisation include an issue premium, which, like the capital, will constitute a third party guarantee and may only be reduced or cancelled by a resolution of the shareholders' meeting taken in accordance with the quorum and majority conditions required for a capital decrease, subject to it being incorporated into the capital.

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**Acquisition, acceptance  
as a pledge and disposal  
of own shares  
(Article 6.4. of the articles  
of association)**

The Company may acquire or pledge its own shares under conditions laid down by law.

By decision of the extraordinary shareholders' meeting of the Company of 5 May 2020, the board of directors is authorised:

– in the context of Articles 7:215 and following of the BCCA, on behalf of the Company, to acquire and pledge, in the amount of up to 20% of its capital, its own shares at a unit price of not less than sixty-five per cent (65%) of the closing market price on the day prior to the date of the transaction (acquisition, disposal or acceptance as a pledge) and may not be more than one hundred and thirty-five per cent (135%) of the closing market price on the day prior to the date of the transaction (acquisition, disposal or pledge) for a period of five years as from the publication in the Annexes to the Belgian State Gazette of the minutes of the extraordinary shareholders' meeting of the Company of 3 May 2022.

This authorisation extends to the acquisitions of shares of the Company by one or more of its direct subsidiaries, and within the meaning of the BCCA. The board of directors may dispose of the Company's own shares in accordance with the provisions of the BCCA.

– to acquire, pledge and dispose of shares of the Company if these acquisitions, pledges or disposals are required to prevent serious and imminent harm to the Company without an additional prior authorisation from the shareholders' meeting of the Company being necessary, in accordance with Article 7: 215, §1, fourth paragraph of the BCCA.

The board of directors is authorised following a decision made by the extraordinary shareholders' meeting of the Company on 3 May 2022, to pledge any shares and to dispose of them if such acquisition, pledges or disposal are required to prevent serious and imminent harm to the Company and without the need for any additional prior authorisation from the shareholders' meeting of the Company, in accordance with Article 7: 215, §1 paragraph 4 of the BCCA in order to acquire any shares within the Company for the Company's account. This authorisation is granted for a period of three (3) years as from the publication in the Annexes to the Belgian State Gazette of the minutes of the extraordinary shareholders' meeting of the Company of 3 May 2022.



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**Capital increase  
(Articles 6.5. – 6.7. of the  
articles of association)**

**Article 6.5. Capital increase by contribution in cash**

In the event of a capital increase by cash contribution, the preferential subscription right of the shareholders may only be limited or cancelled to the extent required by the RREC regulations, while an irreducible allocation right will be granted to the existing shareholders when providing new forms of securities. This irreducible allocation right meets the following conditions under the RREC regulations:

1. it extends to all newly issued securities;
2. it is granted to shareholders in proportion to the portion of the capital represented by their shares at the time of the transaction;
3. a maximum price per share is announced at the latest on the eve of the opening of the public subscription period; which must last for at least three trading days.

This should however, in any case not be granted in the event of a capital increase by contribution in cash carried out under the following conditions in accordance with the RREC regulations:

1. the capital is increased using authorised capital;
2. the cumulative amount of the capital which has been increased over a 12-month period in accordance with this paragraph shall not exceed 10% of the amount of the capital at the time of the decision to increase the capital.

This irreducible allocation right must also not be granted in the event of a contribution in cash where any preferential subscription right may be restricted or cancelled, in addition to a contribution made within the context of the distribution of an optional dividend, provided that the distribution of this dividend is effectively payable to all of the shareholders.

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**Article 6.6. Capital increase by contribution in kind**

Shares are issued against any contribution made in kind and in accordance with the provisions of the BCCA.

6.6.1. The following conditions must also be respected in the event of a contribution in kind, in accordance with the RREC regulations:

1° the contributor's identity must be indicated in the report from the contribution made in kind and in the convening notice to the shareholders' meeting that is to decide on the capital increase;

2° the issue price cannot amount to less than the lowest value of

(a) a net asset value per share dating back no more than four months before the date of the agreement on the contribution or, if the company prefers, before the date of the deed relating to the capital increase and

(b) the average closing price of the thirty calendar days prior to this date. In this respect, it may be decided to deduct from the amount mentioned in the previous paragraph an amount that corresponds to the portion of the undistributed gross dividends to which the holders of the new shares would potentially not be entitled, provided that the board of directors specifically justifies the amount of the accumulated dividends to be deducted in its special report and explains the financial conditions of the transaction in its annual financial report;

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3° unless the issue price or, in the event of the situation referred to in Article 6.6.3., the exchange ratio, as well as the applicable terms, are determined and communicated to the public at the latest on the working day following the conclusion of the contribution agreement, indicating the period during which the capital increase will actually take place, the capital increase deed will be drawn up within a maximum period of four months;

4° the report referred to in item 1° above must also explain the impact of the proposed contribution on the situation of existing shareholders, in particular with regard to their share of the profit, the net asset value and the capital, as well as the impact with regard to voting rights.

6.6.2. The conditions laid down in Article 6.6.1. do not apply in the case of a contribution of the right to a dividend within the context of the distribution of an optional dividend, on condition that this right to a dividend is open to all the shareholders.

6.6.3. The Article 6.6.1. of these articles of association will apply mutatis mutandis in the event of mergers, divisions and assimilated transactions referred to in the BCCA in accordance with the RREC regulations.

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#### **Article 6.7. Capital increase of a subsidiary with the status of an RREC**

In accordance with the RREC regulations, in the event of a capital increase in a subsidiary with the status of a listed institutional RREC by means of a contribution in cash at a price that is 10% or more lower than the lowest value of (a) a net asset value per share dating back no more than four months before the date of the start of the issue or (b) the average closing price of the thirty calendar days prior to date of the start of the issue, the board of directors draws up a report explaining the economic justification for the discount applied, the financial consequences of the transaction for the shareholders and the interest of the capital increase under consideration. This report and the valuation criteria and methods applied are commented on by the statutory auditor in a separate report.

To calculate the prices of the contribution, it is possible to deduct from the amount mentioned in the previous paragraph an amount that corresponds to the portion of the undistributed gross dividends to which the holders of the new shares would potentially not be entitled, provided that the board of directors specifically justifies the amount of the accumulated dividends to be deducted and explains the financial conditions of the transaction in its annual financial report.

If the subsidiary in question is not a listed company, the discount referred to in paragraph 1 is calculated only on the basis of a net asset value per share dating back no more than four months; all the other obligations apply.

This Article does not apply to capital increases fully subscribed by the Company or its subsidiaries, whose capital is directly or indirectly held entirely by the Company.

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#### **Article 6.8. Capital decrease**

The Company may decrease its capital in compliance with the applicable legal provisions.

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**Shares**  
**(Article 7.1. of the articles**  
**of association)**

The shares are in registered or dematerialised form, at the owner or holder's choice and according to the restrictions imposed by law.

They are all fully paid up and without indication of nominal value.

The Company may issue dematerialised shares by capital increase or by exchange of existing registered shares.

Each shareholder may, at any time and at no cost, at its own expense, request an exchange into registered or dematerialised shares.

The Company may create various classes of shares.

The registered shares are recorded in the shareholders' register held at the Company's office. The holders of registered shares may take note of the complete shareholdersregister. Ownership of these shares is proven exclusively by recording in the share register.

Any transfer of these shares takes effect only after registration of the transfer of these shares in the share register, dated and signed by the transferor and the transferee or their proxies, or after having fulfilled the formalities required by law for the transfer of the claims. Registered certificates will be issued to the shareholders.

The shares are indivisible and the company only recognises a single owner per security. If several people have rights with regard to the same share, the exercising of these rights will be suspended until a single person has been appointed as the owner of the security in respect of the Company.

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**Other securities**  
**(Article 7.2. of the articles**  
**of association)**

The Company may issue all securities which are not prohibited by or under the law, with the exception of profit-sharing certificates and similar securities, and subject to the specific legal provisions on this matter, in particular those resulting from the RREC regulations.

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**Declaration of transparency**  
**(Article 8 of the articles**  
**of association)**

The Company's shares must be admitted for trading on a Belgian regulated market in accordance with the RREC regulations.

In accordance with the provisions of the Belgian Act of 2 May 2007 on the public disclosure of major holdings in issuers whose shares are admitted for trading on a regulated market and containing various provisions and in accordance with the RREC regulations, any legal entity or individual acquiring shares or other securities conferring voting rights, whether or not they represent capital, is required to inform the company and the FSMA of the percentage and the number of existing voting rights it holds each time the voting rights attached to these securities reach either three per cent (3%), or five per cent (5%) or a multiple of five percent of the total number of voting rights existing at this time or at the time when circumstances arise that render such disclosure mandatory.

The declaration is also mandatory in the event of the transfer of securities when, as a result of this transfer, the number of voting rights falls below the thresholds referred to in sub-paragraph two.

Subject to the exceptions provided for by law, nobody may participate in the vote at the shareholders' meeting of the Company with more voting rights than those attached to the securities which he/she/has notified to own at least twenty (20) days prior to the date of the shareholders' meeting. Voting rights attached to securities not having been notified are suspended.

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**Composition of the board of directors  
(Article 9 of the articles of association)**

The Company is managed by a board consisting of at least three (3) and no more than nine (9) directors, who may or may not be shareholders and who are appointed by the shareholders' meeting, for a term of four (4) years. The shareholders' meeting may terminate the mandate of any director at any time with immediate effect, without giving reasons and without any compensation. The directors are eligible for re-election. The shareholders' meeting must appoint at least three (3) independent directors. An independent director is understood to mean a director who meets the criteria specified in Article 7:87, §1 of the BCCA in conjunction with recommendation 3.5 of the 2020 Belgian Corporate Governance Code.

The mandate of the outgoing and non-re-elected directors will end immediately after the shareholders' meeting which has appointed new directors unless the appointment resolution of the shareholders' meeting provides otherwise.

Should one or more director's positions become vacant, the remaining directors are entitled to fill the vacancy until the next shareholders' meeting, which will make the final appointment. This right becomes an obligation whenever the number of directors actually in office no longer reaches the statutory minimum.

Without prejudice to the transitional provisions, the directors are exclusively individuals; they must fulfil the conditions of reliability and expertise laid down in the RREC regulations and cannot fall under the application of the prohibitions laid down in the RREC regulations.

The appointment of directors is subject to the prior approval of the Financial Services and Markets Authority (FSMA).

**Executive management  
(Article 12 of the articles of association)**

Without prejudice to the transitional rules, the executive management of the Company is entrusted to at least two individuals.

The members of executive management must fulfil the requirements of reliability and expertise laid down in the RREC regulations and cannot fall within the application of the prohibitions laid down in the RREC regulations.

The appointment of executive managers is subject to the prior approval of the Financial Services and Markets Authority (FSMA).

**Representation of the company  
(Article 13 of the articles of association)**

The Company is validly represented, including deeds requiring the intervention of a public official or a notary, as well as in court, either as plaintiff or defendant, either by two directors acting jointly or, in the context of daily management, by a person in whom daily management powers have been vested.

The Company is also validly represented, within the framework of their assignment, by special proxyholders of the Company within the limits of the mandate entrusted to them to that end by the board of directors or, within the limits of the daily management, by person entrusted with the daily management

The Company may be represented overseas by any person having been explicitly appointed thereto by the board of directors.

Copies or extracts of the minutes of the shareholders' meetings and of meetings of the board of directors, including extracts intended for publication in the Annexes to the Belgian State Gazette, are validly signed either by one director or by a person in whom daily management powers have been vested or who has been expressly authorised thereto by the board of directors.

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**Shareholders' meeting  
(Article 23 of the articles  
of association)**

A shareholders' meeting, known as the "annual shareholders' meeting", is held every year on the first Tuesday of the month of May at 3 p.m. If this date coincides with a public holiday, the annual shareholders' meeting will take place on the next working day at the same time (a Saturday or a Sunday are not working days).

An extraordinary shareholders' meeting may be convened every time this is required in the interests of the Company.

These shareholders' meetings may be convened by the board of directors or by the statutory auditor(s), and must be convened when requested by shareholders representing one tenth of the registered capital.

One or more shareholders who jointly own at least three percent (3%) of the capital of the Company may request that items for discussion be included on the agenda of any shareholders' meeting in accordance with the provisions of the BCCA, and they may also submit proposals for decisions on subjects to be discussed that have been or will be included on the agenda.

Annual or extraordinary shareholders' meetings are held at the registered office of the Company or at any other place specified in the convening notice or other documentation.

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**Convening and means  
of deliberation  
(Article 24 of the articles  
of association)**

Shareholders' meetings and extraordinary shareholders' meetings are convened in accordance with the provisions of the BCCA. The announcement must also appear in a nationally distributed newspaper thirty days before the meeting and within the same period and be posted on the company's website with the exception of the annual shareholders' meetings that take place at the location, date and time indicated in the articles of association and of which the agenda is limited to the usual subjects. If a new announcement is required, the notice period for this second meeting will be reduced to seventeen days before the shareholders' meeting and provided that the date of the second meeting has been specified in the initial announcement.

The convening notice contains the agenda of the meeting and the proposed resolutions. Registered shareholders will receive convening notices by ordinary mail thirty days prior to the meeting.

A shareholder attending or represented at the meeting is deemed to have been validly convened. Moreover, a shareholder may, before or after the shareholders' meeting that he did not attend, waive the possibility of invoking the absence or irregularity of the convening notice.

To be admitted to the meeting and cast their vote, shareholders must register their shares no later than midnight (Belgian time) on the fourteenth day prior to the shareholders' meeting (hereinafter the 'registration date'), either by their inclusion in the share register or by their inclusion in the accounts of an approved account holder or a clearing body by law and irrespective of the number of shares held by the shareholder on the day of the shareholders' meeting.

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The owners of dematerialised shares wishing to take part in the meeting must provide a certificate issued by their financial intermediary or approved account holder, stating the number of dematerialised shares registered in the shareholder's name in its accounts on the registration date and for which the shareholder has declared that he wishes to take part in the shareholders' meeting. This certificate must be filed at the registered office of the company or the establishments indicated in the convening notices at the latest on the sixth day prior to the date of the meeting.

They will submit the certificate to the Company or to the person designated by the Company for this purpose, as well as their wish to participate in the shareholders' meeting, if necessary by sending a proxy, no later than the sixth day prior to the date of the meeting. The date of the shareholders' meeting will be notified by an e-mail sent from the address of the Company or via the e-mail address specifically stated in the convening notice. The owners of any registered shares who wish to participate in the meeting must notify the Company, or the person it has appointed for that purpose, of their intention to attend no later than the sixth day prior to the date of the meeting, by sending an e-mail to the address of the Company or via the e-mail address specifically stated in the notice, or, where appropriate, by sending a proxy.

**Voting by proxy –  
voting by letter  
(Article 25 of the articles  
of association)**

Any shareholder may be represented at a shareholders' meeting by a proxy who may or may not be a shareholder. Proxy forms must be sent to the Company at the latest six days before the meeting; this notification should be provided by e-mail sent to the address given in the convening notice or by mail addressed to the Company's office.

The board of directors may draw up a proxy form.

The co-owners, the usufructuaries and the bare owners, the pledge-holding creditors and pledge-granting debtors must be represented by one and the same person. The Company may suspend the exercise of any voting right attached to this share until one person has been designated as the holder to exercise the voting right should several individual own rights with regards to the same share.

The Company may provide a means of voting by ballot or an electronic means of communication, according to forms and the method determined by it; in any case, the vote thus cast must reach the meeting no later than the sixth day prior to the meeting.

**Number of votes – abstention  
(Article 29 of the articles  
of association)**

Each share carries one vote, subject to the cases of suspension of the voting right provided for in the BCCA and Associations or any other applicable law.

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**Dissolution – liquidation  
(Article 39 of the articles  
of association)**

In the event of dissolution of the company, for whatever reason or at whatever time, one or more liquidators appointed by the shareholders' meeting or, in the absence of such appointment, the directors in office at the time, acting together, will be responsible for the liquidation. The appointment of the liquidators must be confirmed in the articles of association or by the shareholders' meeting to the chairman of the enterprise court when submitted should it appear from the statement of assets and liabilities in accordance with the BCCA that not all creditors can be repaid in full. This confirmation is however not required if that statement of assets and liabilities shows that the Company is only indebted to its shareholders and all shareholders who are creditors of the Company confirm in writing that they are in agreement with the appointment.

The members of the board of directors, with regard to third parties, are considered liquidators by operation of law ("ipso iure"), albeit without the powers that the law and the articles of association grant to the liquidator with regard to any liquidation transactions should no liquidators actually be appointed either in the articles of association, by the shareholders' meeting or by the court.

In the absence of other provisions in the deed of appointment, the individuals responsible for the liquidation proceedings will have the most extensive powers in this respect in accordance with the provisions of the BCCA.

The shareholders' meeting will determine the manner of liquidation as well as the liquidator(s) fees.

The liquidation will be completed in accordance with the provisions of the BCCA.

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# STATEMENTS

## Forward-looking information

This annual financial report contains financial forecasts that are based on estimates and projections of the company and on its reasonable expectations. By their very nature, these estimates relate to future events and uncertainties that could cause the results, financial position, performance and current achievements to differ from the results, financial position, performance and achievements expressed or implicitly communicated by these forecasts. In view of these uncertain factors, the forward-looking statements do not comprise any guarantee.

## Persons responsible for the content of the annual financial report

The board of directors and the senior management of Home Invest Belgium NV/SA are responsible for the information provided in this annual financial report. To the best of their knowledge, they represent that:

- the annual accounts have been drawn up in accordance with the applicable accounting standards and provide a faithful reflection of the assets, financial situation and results of Home Invest Belgium and the perimeter companies included in the consolidation;
- the annual financial report provides an accurate description of the development and results of Home Invest Belgium and the perimeter companies included in the consolidation, as well as a description of the main risks and uncertainties facing them.

## Representation concerning third-party information

The third-party information published in this annual financial report, such as the real estate experts' report and the statutory auditor's report, have been included with their consent. The board of directors and the executive management of Home Invest Belgium represent that third-party information has been faithfully reproduced in this annual financial report and, insofar as the RREC is aware and able to assure on the basis of the data published by these third parties, no fact has been omitted that would render the information reproduced to be either inaccurate or misleading.

## Historical financial information

The annual financial reports from financial year 2001 onwards (which include the abbreviated version of the statutory annual accounts and the complete consolidated annual accounts, the management report, the Statutory Auditor's report and the real estate experts' report) as well as the half-yearly reports, may be consulted on the company website. The historical financial information is included by referral in this annual financial report.

## Strategy or data on government, economic, budgetary, monetary or political policy lines or factors that could have a significant impact, whether directly or indirectly, on the activities of Home Invest Belgium

Please refer here to the chapter entitled "Risk Factors".

## Disputes or arbitration proceedings

To be best of its knowledge, the board of directors of Home Invest Belgium represents that:

- in the past five years, none of the directors or executive managers have been convicted of fraud, no official accusation and/or public sanction has been pronounced and no sanction has been imposed by any legal or supervisory authority and that, in their capacity as director, they were not involved in a bankruptcy, sequestration or liquidation;
- no management agreement has been concluded with the non-executive directors, which provides for the payment of compensation at the end of the contract. Management agreements exist between the company on the one hand and the executive directors and executive management of the company on the other hand that provide for such remuneration. (see chapter "Management report – Corporate governance statement");
- to date, no options have been granted on Home Invest Belgium shares;
- there are no family ties among executive management, with the sole exception of Mr. Johan and Mr. Liévin Van Overstraeten (brothers).

### Pro forma financial information

During the financial period under review, no transaction was effected which entails an impact of more than 25% on one of the company's activity indicators within the meaning of paragraphs 91 and 92 of the CESR's recommendation on the implementation of European Commission Directive No. 809/2004 on prospectuses. The publication of pro forma financial information is therefore not required.

### Significant subsequent events

Apart from the events occurring since the close of the financial year that are commented on in the chapter entitled Management Report, no significant changes have taken place in the financial or commercial situation of Home Invest Belgium.

## THE RREC AND ITS TAX REGIME

The information provided below is based on the tax legislation and practices in force at the time of drafting of this annual report. It is therefore subject to modification in the future, including with retroactive effect, and is purely informative.

All shareholders and potential investors are invited to enquire of their own advisers about the tax implications in Belgium and abroad of acquiring, owning and disposing of shares in Home Invest Belgium, as well as collecting dividends and proceeds from shares in the company.

### Public RREC

#### ADOPTION OF RREC STATUS

Since 2 September 2014, Home Invest Belgium has been recognised by the FSMA as a 'public regulated real estate company under Belgian law', abbreviated to 'public RREC' under Belgian law in accordance with the law of 12 May 2014 with regard to regulated real estate companies. Prior to this, it fell under the tax system applicable to 'real estate investment funds'.

#### DESCRIPTION OF THE RREC STATUS

In its capacity as a public RREC, the company (both individually and on a consolidated basis) is subject to the RREC legislation and is under the control of the FSMA.

The main characteristics of a public RREC are as follows:

- company with fixed capital and fixed number of participation rights;
- listed on the stock exchange;
- activity limited to real estate investments;
- debt ratio limited to 65% of the market value of the assets. Mortgages and other securities are limited to 50% of the total assets and 75% of the incumbered property;

- statutory annual accounts and consolidated accounts are drawn up in accordance with IFRS standards;
- the fair value of the immovable property is assessed quarterly by an independent expert. The property is recorded in the balance at this expert value. The buildings are not depreciated;
- mandatory diversification of the portfolio: maximum 20% of consolidated assets may be invested in a single building or complex, unless the FSMA grants an exemption;
- strict rules governing conflicts of interests;
- possibility for the recognition of perimeter companies of the public RREC as institutional RRECs;
- obligation to pay a dividend of a minimum amount equal to the positive difference between the following amounts:
  - 80% of the adjusted result (defined in accordance with the schedule in chapter 3 of Appendix C of the Belgian Royal Decree of 13 July 2014);
  - the net reduction over the course of the financial year of the indebtedness of the public RREC;
- supervision by the FSMA.

### Specialised real estate investment fund (REIF)

Home Invest Belgium holds 50% of the shares in De Haan Vakantiehuisen, a company that has been granted the status of a specialised real estate investment fund. The remaining 50% are held by Belfius Insurance (25%), Tinc (12.5%) and DG Infra Yield (12.5%). A specialised real estate investment fund is subject to the Belgian Programme Act of 3 August 2016 and the Belgian Royal Decree of 9 November 2016 on specialised real estate investment funds.

Home Invest Belgium also holds 100% of the shares in the following specialised real estate investment funds:

- BE Real Estate NV/SA;
- Blue Quarter NV/SA;
- The Dox 1 NV/SA;
- The Ostrov NV/SA; and
- Home Invest Netherlands NV/SA.

The main characteristics of a specialised real estate investment fund are as follows:

- not subject to prudential supervision by the FSMA. To be recognised as a REIF, the company must be registered in a list that is kept by the Federal Public Service Finance;
- closed fund with fixed capital, reserved for institutional investors;
- not listed on the stock exchange;
- activity limited to collective investment in real estate;
- duration limited to 10 years (possibility of extension by a maximum of five years each time);
- no maximum debt ratio;
- annual accounts drawn up in accordance with IFRS standards;
- no diversification obligations;
- results (rental income and realised capital gains on sales less operating expenses and financial charges) are exempt from corporate income tax;
- obligation to pay a dividend of a minimum amount equal to at least the positive difference between the amounts below:
  - 80% of the adjusted result (defined in accordance with the schedule in chapter 3 of Appendix C of the Belgian Royal Decree of 13 July 2014);
  - the net reduction over the course of the financial year of the indebtedness of the REIF.

#### **TAX REGIME – CORPORATE INCOME TAX**

As an RREC, the company benefits from a specific tax regime.

The results of the RREC (rental income and capital gains realised on the sale of assets less operating and financial costs) are not subject to corporate income tax in Belgium (except on rejected expenses and exceptional or gratuitous advantages), insofar as at least 80% of the net profit is paid out in the form of dividends. This exemption applies to Home Invest Belgium. It does not apply to its consolidated companies, unless they have the status of an REIF or institutional RREC.

Companies (other than RRECs or specialised real estate investment funds) which are absorbed by Home Invest Belgium are liable to a specific tax (exit tax) of 15% on deferred capital gains and exempted reserves.

Profits of foreign origin may be taxed in the country in which they arise in accordance with the law applicable in that country and are exempt from tax in Belgium. The net profit that Home Invest Belgium generated in 2018 via its investment properties in the Netherlands is therefore liable to corporate income tax of 25%. There is a reduced rate of 15% on the first bracket of € 395,000. The net profits are then exempt from any tax in Belgium.



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## Dividends

<b>Withholding tax</b>	Dividends distributed by the company are subject to a withholding tax of 30% (subject to legal exceptions).
<b>Belgian individuals</b>	Belgian individuals who have acquired shares in the context of the management of their private assets and are liable to personal income tax are subject to the withholding tax referred to above on the dividends distributed by Home Invest Belgium. For Belgian individuals whom may allocate their shares to their professional activity, the dividends received will be included in their professional income and be taxable at the usual personal income tax rate, which means that the withholding tax can be offset.
<b>Belgian legal entities</b>	For taxpayers liable to tax on legal entities, the dividends distributed by Home Invest Belgium are subject to the withholding tax mentioned above.
<b>Belgian companies and foreign companies with a permanent establishment in Belgium</b>	<p>The dividends distributed by Home Invest Belgium are subject to the withholding tax mentioned above.</p> <p>Belgian companies and foreign companies with a permanent establishment in Belgium are taxed on dividends distributed by Home Invest Belgium at the corporate income tax rate, without applying the 'definitively taxed income' system, subject to the proportionate share of dividends relating to foreign real estate income and dividends received and capital gains on shares realised in accordance with Article 203, §1, 2bis and §2, paragraph 2 of the Belgian Income Tax Code. The dividend will be subject to corporate income tax or the non-residents tax at the rate of 25%. Under certain conditions, a reduced rate may be applicable. The withholding tax levied at the source can be offset in the tax declaration and any surplus can therefore potentially be reclaimed.</p>
<b>Non-resident individuals and foreign companies without a permanent establishment in Belgium</b>	For non-residents, the dividends distributed by Home Invest Belgium are subject to the withholding of the aforementioned withholding tax, which may, at the request of the shareholder, be reduced or declared exempt on the basis of international tax treaties preventing double taxation, in accordance with the conditions provided for by Belgian law.

## Capital gains and losses

### Belgian individuals

In Belgium, capital gains made by an individuals from the sale of shares as part of the normal management of their private assets are not taxable, while capital losses are not tax deductible. Belgian individuals may, however, be subject to a tax of 33%, plus the additional municipal tax, the rate of which depends on the municipality of residence, if the capital gains in question are deemed to be made outside the normal management of private assets.

Capital gains made by an individual on Home Invest Belgium shares will therefore usually be exempt as being part of the normal management of private assets. Capital gains are subject to tax at 16.5%, plus the additional municipal tax in the municipality of residence, if the shares are sold to a company that does not have its registered office, main place of business or head office in a Member State of the European Economic Area and the selling shareholder (and his family) has, over the past five years, owned over 25% of the rights in the company whose shares are being sold.

Belgian individuals allocating their shares to the exercising of their professional activity are taxed on the capital gains they make on the sale of these shares at the ordinary progressive rates of personal income tax, or at 16.5% if the shares have been held for more than five years.

### Belgian legal entities

Capital gains made on the sale of Home Invest Belgium shares by Belgian legal entities that are liable to the tax on legal entities are, in principle, not taxable in Belgium. Capital losses suffered on the shares are not tax deductible.

### Belgian companies and foreign companies with a permanent establishment in Belgium

The capital gains made by a Belgian company on Home Invest Belgium shares or by foreign company on Home Invest Belgium shares allocated to its permanent establishment in Belgium are fully taxable in Belgium at the normal corporate income tax rate. Capital losses (noted or suffered) are not tax deductible.

### Non-resident individuals or foreign companies without a permanent establishment in Belgium

Capital gains made by non-residents, whether individuals or companies, on the sale of Home Invest Belgium shares (with the exception of shares allocated by a foreign company to a permanent establishment in Belgium) are not, in principle, taxable in Belgium. As an exception, a non-resident individuals may be liable to tax on capital gains made on a family holding of at least 25% when the shares are sold to a company established outside the European Economic Area. Capital losses are not tax deductible in Belgium.

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### **Tax on stock market transactions**

Subscriptions to new shares (primary market) are not subject to the tax on stock market transactions.

However, the buying and selling and any other acquisition or disposal for valuable consideration in Belgium, via a 'professional intermediary', of existing shares (secondary market) are subject to a tax on stock market transactions currently amounting to 0.12% of the transaction price. The amount of the tax on stock market transactions is limited to €1,300 per transaction and per party at the moment.

Are exempt from this tax:

- the professional intermediaries referred to in Article 2, 9° and 10° of the Belgian Act of 2 August 2002 on the supervision of the financial sector and financial services, acting on their own behalf;
- the insurance companies referred to in Article 2 § 1, of the Belgian Act of 9 July 1975 on the supervision of insurance companies, acting on their own behalf;
- the pension funds referred to in Article 2 § 3, 6° of the Belgian Act of 9 July 1975 on the supervision of insurance companies, acting on their own behalf;
- the collective investment undertakings referred to in the act of 4 December 1990, acting on their own behalf; or
- non-residents (provided that they submit a certificate attesting to their non-residence in Belgium).

### **Annual tax on securities accounts**

The Law dd. 17 February 2021 introduces an Annual tax on securities accounts opened by individuals at a financial institution. The tax rate is 0.15%.

The taxable base is the average value of the taxable financial instruments throughout the reference period. The tax is only payable if this average value exceeds €1,000,000.

# GENERAL GLOSSARY

## Acquisition value

The acquisition value is the value agreed between the parties on the basis of which the transaction is carried out. If transfer duties were paid, these are included in the acquisition value.

## Debt ratio (RREC-RD)

This is the level of debt as calculated in accordance with the RREC-RD. This means that any participating interests in associated companies and joint ventures are accounted for using the proportional consolidation method for the purposes of calculating the debt ratio.

## Debt ratio (IFRS)

The debt ratio is calculated in the same way as the debt ratio (RREC-RD), however, it is based on and can be reconciled with the consolidated balance sheet in accordance with IFRS in which participating interests in associated companies and joint ventures are accounted for using the equity method.

## EPRA NAV per share

Net asset value or net value per share according to EPRA best practices.

## EPRA earnings

The EPRA earnings are the net result (group share) excluding (i) the portfolio result, (ii) changes in the fair value of financial assets and liabilities, and (iii) the non-EPRA elements of the share in the results of associates and joint ventures. The term is used in accordance with the Best Practices Recommendations of EPRA.

## Ex-date

Coupon detachment date.

## Exit tax

Companies that request recognition as RRECs or that merge with an RREC are liable to a specific tax known as the exit tax.

## Estimated rental value (ERV)

The estimated rental value (ERV) is the rental value which, in the view of the real estate expert, corresponds to a market rent.

## Fair value

The fair value is equal to the investment value (see above for the definition), after deduction of transfer costs.

## Free float

$[(\text{Total number of shares at the close of the financial year}) - (\text{total number of shares held by parties who made themselves known through a transparency notice in accordance with the Belgian Act of 2nd May 2007})] / [\text{Total number of shares at the close of the financial year}]$ .

## Gross dividend yield

$(\text{Gross dividend for the financial year}) / (\text{Share price on the last day of trading of the financial year})$ .

## Gross rental yield

$(\text{Contractual annual gross rents} + \text{estimated rental value of vacant spaces}) / (\text{fair value of the real estate investments available for rent})$ .

## IFRS NAV per share

Net Asset Value or net value per share according to IFRS.

## IFRS standards

The International Financial Reporting Standards (IFRS) are a set of accounting principles and valuation rules drawn up by the International Accounting Standards Board, which serve to facilitate international comparison between European listed companies. European listed companies have to apply these standards in their consolidated accounts from the financial year that begins after 1 January 2005. Belgian RRECs also have to apply these standards in their statutory accounts as of the financial year that starts on 1 January 2007.

## Interest Rate Swap (IRS)

Interest Rate Swap is an agreement between two parties to exchange interest rates for a pre-determined period of time. IRS is often used to cover exposure to the risk of interest rate hikes: in this case, a floating rate is converted into a fixed rate.

## Investment value

The investment value is determined by the real estate expert as the most probable value that can be obtained on the date of the valuation under normal selling conditions, between willing and well-informed parties, without deducting transfer duties, previously referred to as 'deed in hand'.

### Net asset value (NAV) per share

Shareholders equity divided by the number of shares in circulation (after deduction of own shares).

### Occupancy rate

The occupancy rate is the average percentage of contractual rents generated by the occupied properties over a given period, compared with the total contractual rents of the occupied space and the estimated rental value of the unoccupied space.

This is the occupancy rate for the total real estate investments available for rental, excluding (i) buildings undergoing renovation, (ii) buildings being commercialised for the first time, (iii) buildings being sold.

### RREC legislation

The Belgian Royal Decree of 13 July 2014 implementing the Belgian Act of 12 May 2014 on regulated real estate companies, as amended by the Belgian Act of 22 October 2017 and the Belgian Royal Decree of 23 April 2018.

### Pay-out ratio

(Total gross dividend for the financial year)/statutory distributable result in the sense of Art. 13, §1 of the RREC-RD).

### Real estate portfolio

This consists of (i) investment properties and (ii) the investments in associated companies and joint ventures when adopting the equity method.

### Record date

The set date on which a shareholder must hold securities in order to be entitled to payment of the dividend in proportion to the securities that he owns on this date.

### Return

The shareholder's return is equal to the dividend of the financial year plus the increase in the net asset value during the financial year.

### Transfer duties

The transfer of ownership of real property is in principle liable to transfer duties. The amount depends on the geographic location of the property, the transfer method and the capacity of the purchaser.

The actual rate of taxation of the transfer duty can fluctuate between 0% and 12.5%.

The main possible methods of transferring real property and the related duties are as follows:

- sales agreements: 12.5% for real property located in the Brussels–Capital Region and the Walloon Region and 10% for real property located in the Flemish Region;
- contribution in kind of real property in return for the issuing of new shares in favour of the contributing party: exemption from duties;
- mergers, de-mergers: exemption from duties;
- sales agreements concerning shares in a real estate company: no duties;
- establishment of rights of superficies or leaseholds: 5%
- sale of real property through an estate agent: 4% or 8%, depending on the region.

### Velocity

Total volume of shares traded during the financial year divided by the total number of shares.

### Year of construction

The year in which the property was built or last underwent major renovation.



# APM – ALTERNATIVE PERFORMANCE MEASURES

Home Invest Belgium has used Alternative Performance Measures (APM) within the meaning of the Guidelines issued by the European Securities and Markets Authority (ESMA) on 5 October 2015 in its financial communication for many years. A number of these APMs are recommended by the European Public Real Estate Association, EPRA, while others were established by the sector or by Home Invest Belgium to provide the reader with a better understanding of the company's results and performances.

Performance indicators that are defined by the IFRS or by law and indicators that are not based on items in the income statement or the balance sheet are not considered to be APMs.

All of the information regarding the APMs included in this registration document has been verified by the statutory auditor.

## Coverage ratio

### Definition:

This is the percentage of financial debt with a fixed interest rate compared to the total financial debt. The numerator corresponds to the sum of fixed-rate borrowing plus floating-rate debts after conversion into fixed-rate debts via IRS contracts at the closing date. The denominator corresponds to the total amount of financial debt drawn on the closing date.

### Purpose:

A significant portion of the company's financial debts are concluded at floating rates. This APM is used to measure the risk associated with interest rate fluctuations and its potential impact on the results.

### Reconciliation:

(in € k)	31/12/2023	31/12/2022
Fixed-rate financial debt	129,000	129,000
Floating rate debt converted into fixed-rate debt via IRS agreements	223,000	223,000
<b>Total fixed-rate financial debt</b>	<b>352,000</b>	<b>352,000</b>
Total financial debt with variable interest rate	26,000	39,000
<b>Total financial debt</b>	<b>378,000</b>	<b>391,000</b>
<b>Coverage ratio</b>	<b>93.12%</b>	<b>90.03%</b>

## Average financing cost

### Definition:

The interest costs (including the credit margin and the cost of the hedging instruments) divided by the weighted average financial debt over the period in question. The numerator corresponds to the sum of the net interest costs included in item XXI of the income statement, after addition of the capitalized interest. The denominator corresponds to the average financial debt calculated over the period.

### Purpose:

The company is partly financed by financial debt. This APM is used to measure the average finance cost of these financial debts.

### Reconciliation:

(in € k)	31/12/2023	31/12/2022
Net interest charges (heading XXI)	5,121	5,110
Capitalised intercalary interest	2,565	1,280
Total cost of financial debt	7,686	6,390
Weighted average debt	387,453	377,312
<b>Average interest cost</b>	<b>1.98%</b>	<b>1.69%</b>

## EPRA NAV metrics

### Definition:

EPRA published the new Best Practice Recommendations for financial disclosures of listed real estate companies in October 2019. EPRA NAV is being replaced by three new Net Asset Value indicators: EPRA Net Reinstatement Value (NRV), EPRA Net Tangible Assets (NTA) and EPRA Net Disposal Value (NDV). The EPRA NAV indicators are obtained by adjusting the IFRS NAV in such a way that any shareholders receive the most relevant information about the value of the company's assets and liabilities.

### Purpose:

- EPRA NRV: displaying the resources required to reconstitute the company through the investment markets based on the current capital and financing structure, including transfer taxes;
- EPRA NTA: displaying a NAV in which the real property and other investments have been revalued to their respective fair values, excluding certain items that are not expected to materialise into a long-term investment property business model;
- EPRA NDV: represents the NAV of the company in a scenario when all assets are being sold, and this scenario results in the value of any deferred taxes, debts and financial instruments being realised.

### Reconciliation:

(in € k)	31/12/2023		
	EPRA NTA	EPRA NRV	EPRA NDV
<b>IFRS NAV (shareholders group)</b>	417,761	417,761	417,761
(v) IFRS NAV (shareholders group)	2,223	2,223	
(vi) Reële waarde van de financiële instrumenten	-20,103	-20,103	
(viii.b) Immateriële vaste activa	-576		
(x) Reële waarde van de schulden met een vaste rentevoet			5,067
(xi) Overdrachtsbelastingen		25,303	
<b>NAV</b>	<b>399,305</b>	<b>425,184</b>	<b>422,828</b>
Aantal aandelen op einde period	19,615,078	19,615,078	19,615,078
<b>NAV per share</b>	<b>20.36</b>	<b>21.68</b>	<b>21.56</b>

(in € k)	31/12/2022		
	EPRA NTA	EPRA NRV	EPRA NDV
<b>IFRS NAV (shareholders group)</b>	410,064	410,064	410,064
(v) Deferred tax in relation to fair value gains of investment properties	2,586	2,586	
(vi) Fair value of financial instruments	-31,433	-31,433	
(viii.b) Intangible fixed assets	-572		
(x) Fair value of fixed interest rate debt			618
(xi) Real estate transfer tax		23,789	
<b>NAV</b>	<b>380,645</b>	<b>405,006</b>	<b>410,682</b>
Number of shares	17,785,785	17,785,785	17,785,785
<b>NAV per share</b>	<b>21.40</b>	<b>22.77</b>	<b>23.09</b>

## Epra earnings (per share)

### Definition:

The EPRA earnings is the net result (share group) excluding the (i) portfolio result, (ii) the changes in the fair value of financial assets and liabilities, and (iii) the non-EPRA elements of the share in the results of associates and joint ventures. The term is used in accordance with the Best Practices Recommendations of EPRA.

### Purpose:

This APM measures the underlying operational result of the company, without regard to the result of the change in the value of the assets or liabilities on the portfolio, capital gains or losses on the sale of investment properties and the other portfolio result.

### Reconciliation:

(in € k)	31/12/2023	31/12/2022
Net result (group shareholders) (IFRS)	-14,281	57,230
- Exclusion: Result on sales of investment property (ii)	-28	+15
- Exclusion: Variations in the Fair Value of the investment property (i)	+23,793	-4,894
- Exclusion: Other portfolio result (viii)	-363	+952
- Exclusion: Changes in fair value of financial assets and liabilities (vi)	+11,330	-32,323
- Exclusion: non-EPRA elements of the share in the result of associated companies and joint ventures (ix)	+730	-2,508
<b>EPRA earnings</b>	<b>21,181</b>	<b>18,471</b>
Average number of shares	18,701,976	17,106,685
<b>EPRA earnings per share (in €)</b>	<b>1.13</b>	<b>1.08</b>

## Operating margin

### Definition:

This alternative performance indicator measures the company's operational profitability as a percentage of rental income and is calculated by dividing the "operating result before the result on the portfolio" by "the net rental income".

### Purpose:

This APM is used to assess the operating performance of the company.

### Reconciliation:

(in € k)	31/12/2023	31/12/2022
Operational result before result on the portfolio	25,253	22,320
Net rental result	34,596	31,074
<b>Operating margin</b>	<b>73.00%</b>	<b>71.83%</b>

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# SHAREHOLDER'S AGENDA

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## 2024

Annual press release on the financial year 2023	Thursday 15 February 2024
Online publication of the annual financial report on the website	Friday 5 April 2024
Annual shareholders' meeting of the financial year 2023	Tuesday 7 May 2024
Dividend financial year 2023 – Ex date	Monday 13 May 2024
Dividend financial year 2023 – Record date	Tuesday 14 May 2024
Dividend financial year 2023 – Payment date	Wednesday 15 May 2024
Interim statement: results as at 31 March 2024	Wednesday 22 May 2024
Half-yearly financial report: results as at 30 June 2024	Wednesday 4 September 2024
Interim statement: results as at 30 September 2024	Thursday 14 November 2024

## 2025

Annual press release on the financial year 2024	Thursday 13 February 2025
Online publication of the annual financial report on the website	Friday 4 April 2025
Annual shareholders' meeting of the financial year 2024	Tuesday 6 May 2025
Dividend financial year 2024 – Ex date	Monday 12 May 2025
Dividend financial year 2024 – Record date	Tuesday 13 May 2025
Dividend financial year 2024 – Payment date	Wednesday 14 May 2025
Interim statement: results as at 31 March 2025	Wednesday 21 May 2025
Half-yearly financial report: results as at 30 June 2025	Wednesday 3 September 2025
Interim statement: results as at 30 September 2025	Thursday 13 November 2025

### Investor relations

As Home Invest Belgium has opted for Dutch as its official language, the annual financial report in Dutch is the sole official version.

The French and English versions are translations produced under the responsibility of Home Invest Belgium.

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### FOR ADDITIONAL INFORMATION

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