

# ANNUAL REPORT



ACKERMANS & VAN HAAREN  
Your partner for sustainable growth



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

This report contains:

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

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

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

- the annual accounts contained in this report, which have been prepared in accordance with the applicable standards for annual accounts, give a true view of the assets, financial situation and the results of Ackermans & van Haaren and the companies included in the consolidation;
- the annual accounts give a true overview of the development and the results of the company and of the position of Ackermans & van Haaren and the companies included in the consolidation, as well as a description of the main risks and uncertainties with which they are confronted.

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

Begijnenvest 113 - 2000 Antwerp - Belgium - Tel. +32 3 231 87 70 - [info@avh.be](mailto:info@avh.be)

# MISSION



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

## Ackermans & van Haaren

- is an independent, diversified group established in 1876,
- listed on Euronext Brussels since 1984 (BEL20, BEL ESG and Eurostoxx 600) and with solid family ties,
- led by an experienced, multidisciplinary team,
- using its own resources to invest,
- in a balanced combination of a limited number of strategic long-term participations and a diversified portfolio of growth capital investments.

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

### Long-term perspective

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

### Active ownership

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

### Sustainable

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

### Growth

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

# 2023 AT A GLANCE

“With these strong results, AvH delivers on its guidance and shows once again the merits of its long-term vision and diversified portfolio in a challenging environment.

Both our private banks and DEME have realised record results thanks to their leading market positions and strong operational capabilities. The positive effects of the higher interest environment for the banks compensate somewhat the more challenging market context for real estate and contracting. Similarly, our 155 MW beneficial offshore wind energy capacity contributed to our group’s overall resilience in a period of high energy prices.

We wish to pay tribute to all of our managements teams and employees who have worked hard to maintain the strong positioning of our participations in their markets and to continue to provide relevant solutions to their customers.

We are proud of the further improvement of our Sustainalytics score. It constitutes a recognition of our group’s efforts to position itself as ‘partners for sustainable growth’ with respect for people and for the environment.”

You can watch the video message at  
[www.avh.be/en/investors/results-centre/year/2024](http://www.avh.be/en/investors/results-centre/year/2024)

John-Eric Bertrand  
co-CEO

Piet Dejonghe  
co-CEO

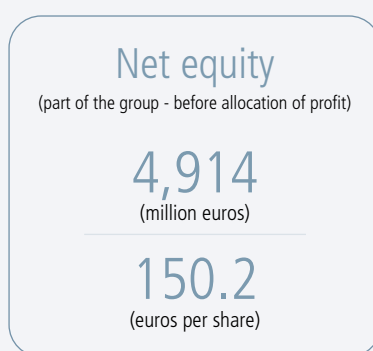
- Ackermans & van Haaren realised a net profit of 399.2 million euros, thanks to a record performance of its core participations.
- Delen Private Bank and Bank Van Breda realised a combined net profit of 264.2 million euros in 2023. Impressive commercial results generated substantial inflows of assets at both Delen Private Bank and Bank Van Breda, which in combination with strong operational performances led to record assets under management and net profits. With a contribution of 208.7 million euros (+16%) - clearly exceeding the 200 million euros threshold for the first time - **Private Banking** confirmed its position as the leading contributor to AvH’s group result.
- Thanks to a strong H2, DEME’s full year result significantly exceeded its guidance. Despite the regulatory changes imposed during 2023 on the producers of renewable offshore energy in Belgium, Rentel and SeaMade add nicely to the growth of the contribution from **Marine Engineering & Contracting** to 128.5 million euros (+36%).
- Inflation and rising interest rates created a challenging environment throughout 2023 for the **Real Estate** sector in general. Thanks to higher rental income and smooth sales of apartments at Tour & Taxis, Nextensa has been able to deliver decent, but lower results. The divestments of Residalya (2019) and Anima (2022) and the merger of Extensa and Leasinvest in 2021 have allowed AvH to reduce significantly its real estate exposure compared to a couple of years ago.
- A 3% decline in production combined with lower market prices explain why SIPEF realised a net profit of 72.7 million USD, satisfying but 33% lower than the record results of 2022. The **Energy & Resources** segment contributed 24.6 million euros to AvH (-28%).
- The consolidated participations of **Growth Capital** contribute 24.0 million euros to AvH’s profit. While this is lower than in 2022 (38.3 million euros) and 2021 (53.2 million euros), this is partly explained by the absence of contributions from the divested participations in Telemond (early 2023) and Manuchar (2022). Whereas the valuation of non-consolidated investments at ‘fair value’ had resulted in a profit of 13.8 million euros in 2022, this has been a negative of 13.1 million euros in 2023. The positive interest income on the available cash is the main reason for the improvement of the contribution from **AvH & subholdings**.
- In 2023, AvH realised 25,7 million euros **capital gains** (mainly on the disposal of Telemond early 2023). In 2022, the contribution from capital gains had been significantly higher thanks to the divestments of Anima and Manuchar. The net profit before capital gains amounted to 373.5 million euros in 2023, in line (-2%) with the 382.2 million euros of the year before.

Breakdown of the consolidated net result (group share)

(€ million)	2023	2022	2021
Marine Engineering & Contracting	128.5	94.6	99.0
Private Banking	208.7	180.1	183.1
Real Estate	15.6	45.3	42.7
Energy & Resources	24.6	34.3	30.0
<b>Contribution from core segments</b>	<b>377.4</b>	354.4	354.8
Growth Capital	10.9	52.1	71.3
AvH & subholdings	-14.8	-24.2	-18.1
Net capital gains(losses)	25.7	326.4	-1.2
<b>Consolidated net result</b>	<b>399.2</b>	708.7	406.8

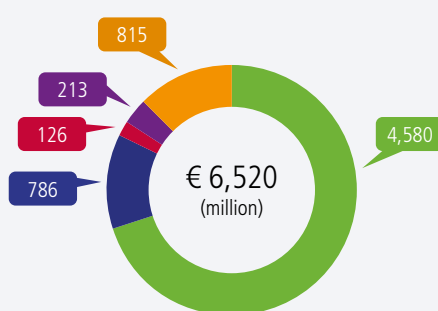
Key figures - consolidated balance sheet

(€ million)	31.12.2023	31.12.2022	31.12.2021
Net equity (part of the group - before allocation of profit)	4,914.0	4,633.6	3,957.2
Net cash position	517.5	498.7	77.7

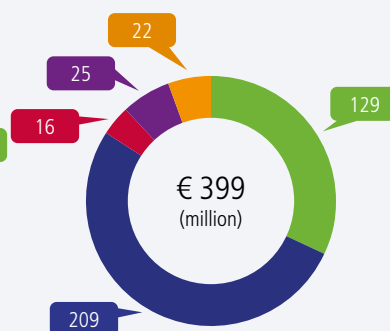


Economic footprint of the AvH group

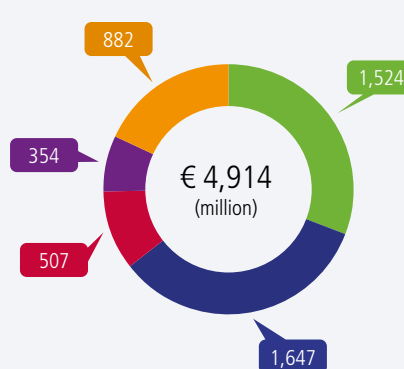
Pro forma<sup>(1)</sup> turnover



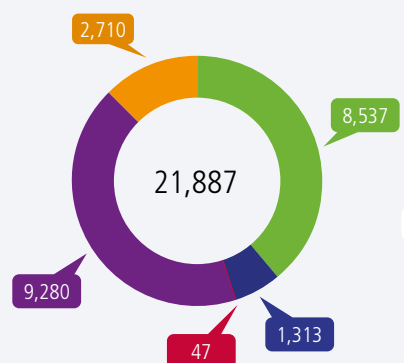
Contribution to AvH group result



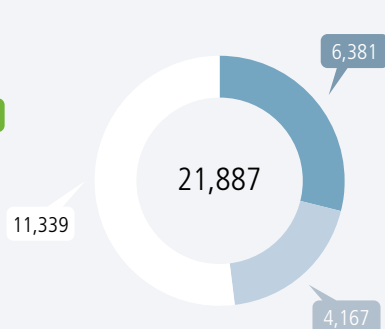
Shareholders' equity (part of the group)



Pro forma<sup>(1)</sup> personnel per segment



Pro forma<sup>(1)</sup> personnel per regio



- Marine Engineering & Contracting
- Private Banking
- Real Estate
- Energy & Resources
- AvH & Growth Capital
- Belgium
- Europe
- Rest of the world

<sup>(1)</sup> Based on consolidated figures 2023, pro forma: all exclusive control interests incorporated in full, the jointly controlled and associated interests proportionally.

- **Sagar Cements:** ESG road-map with 2030 targets
- **AvH:** sale of Telemond (capital gain of 19 million euros) to long-standing partner, the family Maas
- **AvH:** inclusion in new BEL ESG index of Euronext
- **DEME:** cable laying vessel Viking Neptun added to the fleet
- **Delen Private Bank and Bank Van Breda:** 25 year collaboration
- **Sagar Cements:** acquisition of Andhra Cements (2 million tonnes)

> January

> February

> March

KEY EVENTS  
2023



Telemond



Nextensa > Solar panels for energy community



Delen Private Bank > Charleroi office

> April

> May

> June

- **Delen Private Bank:** acquisition of Groenstate Vermogensbeheer (the Netherlands)
- **Nextensa:** sale of Treesquare office building
- **Biotalys:** strategic partnership with Syngenta to advance solutions for sustainable agriculture
- **Deep C Holding:** new name of Rent-A-Port following capital increase in IAI by RG International
- **Nextensa:** launch of energy community in Brussels

- **DEME:** offshore installation vessel Green Jade added to fleet
- **Van Moer Logistics:** extension of concession of container terminal in Brussels

- **AvH:** agreement to invest in IQIP (100 million euros)
- **CFE:** acquisition of Kronos site for redevelopment
- **Nextensa:** acquisition of Montoyer 24 office building

- **AvH:** new participation in Camlin Fine Sciences (6.6%)

- **DEME:** contract for Greater Changhua offshore wind farm (Taiwan)

> July

> August

> September

> October



DEME > Green Jade



IQIP > Hydraulic hammer



Camlin Fine Sciences



DEME > Sea Installer

> November

> December

- **Delen Private Bank:** opening new office in Charleroi
- **SIPEF:** eruption of Mount Ulawun volcano in Papua New Guinea

- **AvH:** new participation in Vico Therapeutics (3.8%)
- **DEME:** dredging contract for Port of NEOM (Saudi Arabia)

- **AvH:** improved Sustainalytics score of 7.6 and Top 50 Global; improved CDP carbon management rating to B
- **AvH:** additional investment (41 million euros) in Van Moer

### Key events 2024 (until March 22, 2024)

- **Delen Private Bank:** acquisition of Box Consultants (the Netherlands)
- **EMG:** business combination with Gravity Media



# ANNUAL REPORT



ACKERMANS & VAN HAAREN  
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# MESSAGE FROM THE CHAIRMEN

Dear shareholders,

The past year has once again been marked by geopolitical tensions and a less favourable economic environment which have affected our employees and clients across the world.

Although the European Union avoided ending 2023 in a recession by the narrowest of margins, persistent inflation continued to take a heavy toll on people's ability to spend, whilst high interest rates restricted the access to credit for investment and purchases. The war in Ukraine is not only causing untold human suffering but continues to drive up energy and commodity prices in Europe to levels, albeit lower than in 2022, still significantly above the level of the last 15 years.



Although the challenging environment did not spare our participations in 2023, AvH can present a strong net consolidated result of 399 million euros, in line with 2022, when correcting for capital gains which amounted to 326 million euros in 2022, following the divestments of Anima and Manuchar. This strong result is driven by an increase in the contribution from our core segments by 7% to the record level of 377 million euros. Both our private banks and DEME realized very strong results, with a 16% and 46% increase in net contributions thanks to their leading market positions and strong operational capabilities. At the end of 2023, our consolidated equity increased to 4.9 billion euros or 150.25 euros per share. Including the dividend paid in 2023, this results in a 9.6% increase of the shareholders' equity over the year.

These results underscore again the merits of our long-term vision and diversified portfolio in a challenging environment. For example, the positive effects of the higher interest rates at the banks compensate for the negative effects in real estate and contracting. Similarly, our 155 MW beneficial offshore wind energy capacity, held through DEME and Green Offshore, contributed to our group's overall resilience in a period of high energy prices and has been the 4<sup>th</sup> biggest contributor to our consolidated net result with 35 million euros.

Our banks remain the biggest contributor to our consolidated profit with a 16% growth of the combined net contribution to 209 million euros, supported by a continued strong commercial performance. The combined total clients' assets increased by 7.6 billion euros to 65.3 billion euros, thanks to healthy gross inflows of 4.7 billion euros and a positive market impact. Our bank's longstanding focus on customer service, proximity through our regional offices and the high transparency offered by innovative digital tools allowed us to maintain our clients' trust, as reflected by the best-in class NPS scores of both banks, and to gain new clients. New clients represented 57% of the inflows of Delen Continental setting strong foundations for the continued growth of the commercial franchise. Moreover, the collaboration between **Delen Private Bank** and **Bank Van Breda** remains very strong since almost a third of the total client assets of Delen Continental are entrusted by Bank Van Breda clients, whilst Bank Van Breda clients contribute close to half of the inflows. The successful integration of Groenstate Vermogensbeheer, acquired in Q2 2023, together with the healthy growth of the other Dutch branches results in a solid 43% growth of client assets from the Dutch branch of Delen Private Bank to 1.5 billion euros assets whilst JM Finn's total client's assets grew by 5.4% to 12,2 billion euros.

Whilst our bank pillar remains foremost a wealth manager with 76% of combined operating income coming from gross fees and commissions, the improved interest environment contributes to a strong increase of the share of interest income in our operating income from 17% in 2022 to 24% in 2023. The strong operational results more than compensated for the inflation and further increases in staff numbers to support the banks' growth ambition, as reflected by the decrease of the combined cost-income ratio to 51% (from 53% in 2022). The combined shareholders' equity of 1,9 billion euros resulted in a very solid CET1 ratio of 26%. Furthermore, both banks remain very attentive to the continued strong liquidity which can be seen in the combined LCR of 362%. Delen Private Bank and Bank Van Breda remain amongst the best performing and best capitalized banks on the continent.



**DEME** realized very strong results in 2023, thanks to solid execution of its projects around the world and continued growth across its markets, supported by its expanded and enhanced fleet capabilities. Turnover grew by 24% to a record level of 3,285 million euros, whilst EBITDA and net profit increased by respectively 26% to 596 million euros (18.2% margin) and 44% to 163 million euros. The strong results were realised despite the challenges, and losses to completion, encountered in the start-up phases of the two first projects in the Offshore Energy segment in Taiwan and the USA, where significant progress was achieved by year end, and the adaptation we have seen in the broader offshore wind market to rising interest rates, inflation, and delays in the supply chain. The pace of technological development in the offshore industry has been remarkable, with increases in turbine size from 6 MW 10 years ago to 15 MW currently. Whilst this has pushed down the electricity costs (LCOE) by approx. 60% and made offshore wind very competitive, it has also put the supply chain under significant strain and left it temporarily less able to respond to the rising demand. DEME's record order book of 7.6 billion euros (+22% compared to end of 2022), provides visibility for the next three years and confirms the strong long term growth prospects in all Dredging, Offshore and Environmental activities. DEME offers concrete solutions to challenges such as world population growth (leading to a need for larger and deeper seaports and land reclamation in densely populated coastal areas), rising sea levels as a result of climate change, energy transition with a view to reducing CO<sub>2</sub> emissions and dependence on fossil fuels of less reliable origin. To respond to all these opportunities and support its future growth, DEME continues to invest in the most versatile, modern, and sustainable fleet in the industry.

The Viking Neptun, a new cable laying ship, joined the fleet during the first half of 2023, whilst the Green Jade, a new floating offshore wind installation vessel and sister ship of the Orion, successfully started operations over the summer. An additional fall-pipe vessel is under construction in Singapore. Just as it pioneered 15 years ago in offshore wind, DEME also continues to be a front-runner in new industries with the aim to offer sustainable solutions to global challenges, such as green hydrogen and deep-sea harvesting of minerals to contribute to a low carbon society. The strategic partnership concluded with Transocean brings together GSR's leadership in ultra-deepwater mineral exploration with Transocean's worldclass offshore expertise and capabilities.

For **CFE** the economic cycle clearly turned negative in 2023 leading to a decrease of the operating margin. Higher interest rates and construction costs also resulted in delayed intake of new projects in contracting and multitechnics and lower sales of residential units developed by BPI. The impact on the consolidated bottom-line is however mitigated by the record results of its participations in **Deep C Holding**, a growing industrial zone in North Vietnam, and **Green Offshore** which allow CFE to post a net result of 22.8 million euros and realise a return on equity of 10%. CFE maintains a strong balance sheet with 237 million euros equity and is confident on its positioning and outlook throughout the cycle as illustrated by the unchanged dividend and the purchase of the Kronos site in Luxembourg.



**Nextensa's** net result decreased significantly to 24.5 million euros as a result on one hand of the standstill in the institutional real estate market which allowed to sell only one asset (TreeSquare), resulting in a decrease of capital gains by 26 million euros compared to 2022 and, on the other hand of, a non-cash revaluation of financial assets and liabilities of -7.3 million euros vs a +15.6 million euros in 2022. From an operational perspective, Nextensa resisted well however. The indexation and increased occupation rate (91%) of our investment portfolio resulted in a like for like rental growth of 12%. The quality of the 1.3 billion euros property portfolio is further illustrated by the very limited reduction of fair value by 0.9% despite the increased market yields. Whilst Nextensa is not immune to the standstill in the real estate market, we are convinced its focus on sustainable buildings, its strong balance sheet (834 million euros equity) and the healthy financial debt ratio of 44.8% will help the company to grow stronger out of this down cycle and we have further increased our participation in Nextensa in 2023. On the other hand, we have over the last few years timely reduced our exposure to real estate through the sale of French and Belgian elderly care group's Residalya and Anima.



**SIPEF** realised a good performance with a net result of 72.7 million USD. The lower result in comparison to the record 2022 result stems from a combination of a 3% decrease in the production volumes of palm oil as a consequence of weather challenges marked by El Niño, the eruption of a volcano

in Papua New Guinea, and lower market prices. SIPEF maintained a strong equity position of 854 million euros Equity and a limited net debt position of -31 million euros despite investing heavily in the expansion of its young plantations in South Sumatra, which are not yet mature and therefore not yet contributing to profit. This expansion is proceeding in full compliance with the stringent RSPO standards and without deforestation.



Most consolidated participations of **Growth Capital** realised solid results. We believe that our participations remain well positioned to be part of the solution in more challenging markets, as they provide innovative or cost-efficient solutions to their customers. While their 24 million euros contribution is lower than in 2022 (38.3 million euros), this is partly explained by the absence of contributions from the divested participation in Telemond and a loss at EMG. EMG was impacted by a year without major sports events and by non-recurring costs in preparation of the merger with Gravity Media which was closed in early 2024. The Growth Capital portfolio contribution was also impacted by the negative 13 million euros fair value adjustment of our non-consolidated investments, mainly as a result of the decrease of Biotals' stock price. This had been a profit of 14 million euros in 2022, amongst others following the successful capital increase of Medikabazaar. The announced investments in IQIP and Camlin Fine Sciences, fit with our ambition to be 'part of the solution' and to put the approx. 500 million euros cash reserve, following the divestments in Anima, Manuchar and Telemond to work in market leaders with sustainable business models. IQIP is a specialist in foundation techniques for offshore wind turbines and contributes as such to the energy transition. CFS plays a significant role, as one of the world's important producers of vanillin and shelf-life extension solutions, in addressing the global challenge of feeding more than 8 billion people in a cost-efficient way whilst minimising food wastage. We look forward to building out these companies, together with our current portfolio companies, successfully over the longer term with their family shareholders and management teams.



In 2023, our participations demonstrated resilience despite the challenging and uncertain times. This reflects our diversified portfolio mix pursuing sus-

tainable business models, as well as the way group companies are managed through steering processes and management teams in line with AvH's ESG approach and values. Our aim is to create a business culture encouraging involvement of everyone, focused on the long term. Many group companies continued notwithstanding the economic and geopolitical context, their investments in environmental areas like renewable energy, sustainable buildings, agriculture, or life sciences. These efforts come at a cost but might lead to new and better products and services. AvH's reported Taxonomy alignment is proof thereof. Steering the course is our job, identifying the risks and opportunities, and we are proud of the results we show. AvH made important efforts in 2023 to prepare group companies for providing the required reporting from the many new legislative requirements regarding ESG, by the same token leveraging them strategically to focus on the matters where group companies can make the difference. The Top 50 Global label awarded by the rating agency Sustainalytics is a welcome support for those efforts.

More than ever, given the numerous global challenges, with increasing effects of global warming and geopolitical instability, AvH wants to contribute to a better world. We owe the strong continued positioning of our subsidiaries in this regard to the dedication and commitment of our employees. We wish as such to pay tribute to all of our management teams and employees who have worked hard to make our companies more resilient and more sustainable whilst continuing to provide relevant solutions to our customers.

March 22, 2024

Luc Bertrand  
*Chairman of the board  
of directors*

John-Eric Bertrand  
*co-CEO*

Piet Dejonghe  
*co-CEO*

# ANNUAL REPORT OF THE BOARD OF DIRECTORS

Dear shareholder,

It is our privilege to report to you on the activities of our company during the past financial year and to submit to you for approval both the statutory and consolidated annual accounts closed on December 31, 2023. In accordance with Article 3:32 §1 last paragraph of the Code of Companies and Associations, the annual reports on the statutory and consolidated annual accounts have been combined.

## I. Statutory annual accounts

### 1. Share capital and shareholding structure

No changes were made to the company's share capital during the last financial year. The share capital amounts to 2,295,278 euros, and is represented by 33,496,904 shares with no nominal value. All shares have been paid up in full. In 2023, 80,000 options were granted within the framework of the stock option plan. As of December 31, 2023, the options not yet exercised entitled their holders to acquire an aggregate of 339,600 Ackermans & van Haaren shares (1.01%). The company received a transparency notice on October 31, 2008 under the transitional regulations of the Act of May 2, 2007, whereby Scaldis Invest NV, together with Stichting Administratiekantoor 'Het Torentje', communicated its holding percentage. The relevant details of this transparency notice can be found on the company's website ([www.avh.be](http://www.avh.be)).

### 2. Activities

For an overview of the group's main activities during the 2023 financial year, we refer to the Message from the chairmen (p. 14) and to the Key events (p. 10).

### 3. Comments on the statutory annual accounts

#### 3.1 Financial situation as at December 31, 2023

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

The balance sheet total at year-end 2023 amounted to 2,665 million euros, which is an increase of 97 million euros compared with the previous year (2022: 2,568 million euros). The assets consist of 9 million euros in tangible fixed assets (primarily the office building located at Begijnenvest and

Schermerstraat in Antwerp), 386 million euros in short-term investments, 69 million euros in cash, and 2,163 million euros in financial fixed assets. On the liabilities side of the balance sheet, the profit for the financial year of 266 million euros and the proposed dividend of maximum 114 million euros for the 2023 financial year resulted in a shareholders' equity of 2,481 million euros (2022: 2,329 million euros). At year-end 2023, Ackermans & van Haaren owned 791,366 treasury shares.

#### 3.2 Appropriation of the result

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

(€)	
Profit carried forward from the previous financial year	2,079,410,439
Profit for the financial year	266,430,598
Total for appropriation	2,345,841,037
Allocation to the legal reserve	0
Allocation to the non-distributable reserves	66,435,533
Allocation to the distributable reserves	0
Dividends <sup>(1)</sup>	113,889,474
Directors' fees	870,000
Profit premium for employees <sup>(2)</sup>	433,200
<b>Profit to be carried forward</b>	<b>2,164,212,830</b>

<sup>(1)</sup> It will be proposed to the ordinary general meeting of shareholders of May 27, 2024 to approve a dividend of 3.40 euros per share. This corresponds to a maximum dividend payment of 113,889,474 euros.

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

The board of directors proposes to pay a gross dividend of 3.40 euros per share. After the deduction of the withholding tax (30%), the net dividend will amount to 2.38 euros per share. Since treasury shares are not entitled to a dividend under Article 7:217 §3 of the Code of Companies and Associations, the total dividend amount depends on the number of treasury shares held by Ackermans & van Haaren, on May 29, 2024 at 11.59 pm CET (i.e. the day before the ex-date). The board of directors proposes to be authorised accordingly to enter the final total dividend amount (and the resulting change) in the statutory financial statements. The maximum proposed total amount is 113,889,474 euros. If the annual general meeting approves this dividend proposal, the dividend will be payable from June 3, 2024. Following this appropriation, taking into account the maximum proposed total dividend amount, the shareholders' equity will stand at 2,481,211,491 euros and will be composed as follows:

(€)	
<b>Capital</b>	
Subscribed	2,295,278
Issue premiums	111,612,041
<b>Reserves</b>	
Legal reserve	248,081
Non-distributable reserves	107,242,880
Distributable reserves	95,600,382
<b>Profit carried forward</b>	2,164,212,830
<b>Total</b>	<b>2,481,211,491</b>

## 4. Major events after the closing of the financial year

We refer to page 25.

## 5. Research and development

The company regularly organises exchanges of knowledge and best practices relating to innovation and research and development between the participations, fostering the innovation approach of the group companies to support new product and service offerings as well as more efficient processes. Investment managers are regularly trained to support group companies in those areas and to embed the innovation approach in the group companies' strategies. For further details, we refer to the Sustainability Report, section 3. AvH as responsible and active partner (p. 48).

## 6. Financial instruments

Companies within the group may use financial instruments for risk management purposes. Specifically, these are financial instruments principally intended to hedge the risks associated with fluctuating interest and exchange rates. The counterparties in the related transactions are exclusively first-ranked banks. At the end of 2023, Ackermans & van Haaren did not have any such instruments outstanding.

## 7. Notices

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

The provisions of Article 7:96 of the Code of Companies and Associations regarding conflicts of interest did not have to be applied in 2023.

### 7.2 Additional remuneration for the auditor

Under Article 3:65, §3 of the Code of Companies and Associations, a fee was paid to EY Bedrijfsrevisoren of 9,675 euros (excluding VAT) for a review of the implementation of ESEF and of 34,451 euros (excluding VAT) to EY Tax Consultants for tax advice.

### 7.3 Acquisition or disposal of treasury shares

On October 20, 2023, the extraordinary general meeting authorised the board of directors of Ackermans & van Haaren to acquire treasury shares within a well-defined price range during a period of five years.

On December 31, 2023 AvH owned in total 791,366 treasury shares (2.36% of the share capital):

- 351,839 of these treasury shares are held to cover options in the framework of AvH's stock option plan.
- 31,113 treasury shares are held as a result of the transactions initiated by Kepler Cheuvreux in pursuance of the liquidity agreement. Over 2023, 471,490 AvH shares were purchased and 443,883 were sold. These transactions are initiated entirely autonomously by Kepler Cheuvreux, but as they take place on behalf of AvH, the net purchase of AvH shares has an impact on AvH's equity.
- 408,414 treasury shares resulting from the share buyback programme of 70 million euros that has been completely executed on November 8, 2023. Under this plan, the company acquired 417,781 treasury shares in 2023 at an average price of 144.47 euros.

More details can be found in the financial statements.

The situation as at December 31, 2023 was as follows:

Number of treasury shares	791,366 (2.36%)
Par value per share	0.07 euros
Average price per share	135.47 euros
Total investment value	120,731,656 euros

### 7.4 Notice under the law on takeover bids

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

## 7.5 Protection schemes

On October 20, 2023, the extraordinary general meeting renewed the authorisation to the board of directors to use the authorised capital (500,000 euros) in case of a public takeover bid for the securities of Ackermans & van Haaren within the limits of Article 7:202 of the Code of Companies and Associations. The board of directors is allowed to use these powers if the notice of a takeover bid is given to the company by the Financial Services and Markets Authority (FSMA) not later than three years after the date of the aforementioned extraordinary general meeting (i.e. October 20, 2026).

The board of directors is also authorised, for a period of three years from the date of publication in the Annexes to the Belgian Official Gazette (i.e. until October 31, 2026), to acquire or dispose of treasury shares if such action is required to safeguard the company from serious and imminent harm.

## II. Consolidated annual accounts

### 1. Risks and uncertainties

This section describes, in general terms, the risks that Ackermans & van Haaren faces as an international investment company on the one hand, and the operational, financial and ESG risks associated with the various segments in which it is active (either directly or indirectly through its subsidiaries) on the other hand. As for the ESG risks, we also refer to the materiality matrix in Sustainability: annex, section 1. ESG policy.

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

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

#### Risks at the level of Ackermans & van Haaren

##### Strategic risk

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

The definition and implementation of the strategy of the group companies also depends on the aforementioned conditions, for example in the case of geopolitical tensions (such as the military conflict between Russia and Ukraine) or a pandemic (such as COVID-19). By focusing on long-term value creation and operational and financial discipline, Ackermans & van Haaren, as a proactive shareholder, endeavours to limit those risks to the extent possible.

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

Ackermans & van Haaren works together with partners in several group companies. At Delen Private Bank, for example, control is shared with the Jacques Delen family. Strategic decisions require the prior consent of both partners. Ackermans & van Haaren has a minority stake in certain group companies. The lesser degree of control could lead to relatively greater risks. This is offset, however, by close cooperation with, and an active representation on the board of directors of the group companies concerned.

##### ESG risk

Ackermans & van Haaren believes that a well-considered and strategically oriented ESG policy contributes to the long-term and sustainable growth of the group. AvH aims to increase the resilience of its participations by anticipating potential risks and systematically incorporating ESG factors in the company culture and business models, both at group and participation level. ESG risks relate to environmental, social or governance issues (such as innovation or cybersecurity topics) in a double materiality perspective, i.e. their impact on the company's results as well as the impact of the company's activities on society.

ESG risks continue to grow in importance at the same time as regulatory activity and reporting requirements are increasing. Hence, both compliance and risk mitigation approaches are combined to make the best use of the regulatory environment. AvH gradually promotes a better link between financial and ESG performance to improve the analyses performed, which relies on better data capture and interpretation thereof.

Material ESG risks are systematically mapped and integrated into AvH's responsible investment policy and in its engagement as active and responsible owner with the participations. The ESG policy is discussed annually by the board. Processes (e.g. governance structures, appropriate policies, assurance processes or innovation initiatives) and targets, depending on their materiality for AvH, have been set up to further enhance the resilience of AvH and the group.

AvH pursues a sustainable mix of activities in its investment portfolio. AvH invests both in companies with a primary focus on sustainability and in companies active in sectors facing specific ESG challenges supporting their transition. AvH wants to make a difference by investing in companies with a clear ESG policy and agenda, and aims to help them to be or become best-in-class concerning ESG. AvH engages with group companies to perform such mapping and integrate it into their business strategies.

The ESG risks are based on the materiality analyses available in Sustainability: annex, section 1. ESG policy. More information can be found in the chapter Sustainability Report (ESG), section 1. Your partner for sustainable growth. The evolution of the key financial and ESG figures of AvH over the longer term demonstrates AvH's success in creating such overall resilience.

##### Risk related to the stock market listing

As a listed company on Euronext Brussels, Ackermans & van Haaren is subject to regulations regarding information requirements, transparency reporting, takeover bids, corporate governance and insider trading. Ackermans & van Haaren monitors compliance with the constantly changing laws and

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

### Liquidity risk

Ackermans & van Haaren has sufficient resources at its disposal to implement its strategy, and seeks to achieve a positive net cash position. The subsidiaries are responsible for their own financing, it being understood that, in principle, Ackermans & van Haaren does not provide credit lines or guarantees to or for the benefit of its participations. There were no external financial debts of 'AvH & subholdings' on December 31, 2023.

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

Several fully consolidated companies have agreed on certain ratios (covenants) in their credit agreements and these were respected as of December 31, 2023.

### Risks related to technology and cybersecurity

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

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

### Risks at the level of the participations

#### Marine Engineering & Contracting

The **operational risks** of this segment are essentially associated with the execution of often complex land-based and marine contracting projects and, among other things, are related to: (i) the technical design of the projects and the integration of new technologies; (ii) the setting of prices for tenders and, in case of deviation, the possibility or impossibility of hedging against extra costs and price increases; (iii) performance obligations (in terms of cost, conformity, quality, turnaround time) with the direct and indirect consequences associated with these; (iv) the time difference between the tender and the actual execution; (v) the evolution of the regulatory framework; and (vi) the relationships with subcontractors, suppliers and partners. DEME Group is involved, both as claimant and as defendant, in discussions with customers regarding the financial consequences of deviations in the execution of contracting projects. In a small number of cases, they may result

in lawsuits. If the consequences of such lawsuits can be reliably estimated, provisions are made for this in the accounts. In new markets, such as the development of concessions, the companies are confronted with a changing regulatory environment, technological developments, and the financing of large-scale projects. To cope with these risks, the group companies work with qualified and experienced staff. By taking part in risk and audit committees at DEME Group and CFE, Ackermans & van Haaren monitors the operational risks of the main projects from the tendering stage.

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

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

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

The credit risk of Deep C Holding, primarily active in Vietnam, is limited by advances received for the sale of rights on developed sites (industrial zones) and by the monthly invoicing and the wide spread of customers when providing utilities, maintenance and management services in those industrial zones.

The **liquidity risk** is limited by spreading the credit and guarantee lines over several banks, and preferably over the long term. DEME Group permanently monitors its balance sheet structure and pursues a balance between consolidated shareholders' equity position and consolidated net debts. DEME Group predominantly invests in equipment with a long life span, which is written off over several years. For that reason, DEME Group seeks to structure a substantial part of its debts as long-term debt. DEME Group has worked out a new bank financing structure since 2015, based on bilateral unsecured long-term financing with several banks. Some loan agreements include ratios (covenants), which DEME Group must adhere to. This was also the case at year-end 2023.

DEME Group faces **ESG risks** with a potential impact (pre-mitigation) on

the AvH-group. The operations of DEME Group involve risks and opportunities related to 'climate and energy', 'health and safety' and 'fraud and integrity'.

Both the dredging and offshore wind operations emit CO<sub>2</sub>, which are primarily due to the fuel consumption of the vessels required for the realization of land reclamation, the establishment of port infrastructure, and the construction of foundations for wind turbines. DEME Group incorporates fuel-saving technologies across the fleet. In addition to the current utilisation of low carbon fuels, DEME is embarking on its first pilot projects to gain practical experience with future green fuels. However, there remains a significant level of uncertainty regarding the specific fuels that will dominate the future market, their availability, and the capacity for bunkering. The Emissions Trading Systems (ETS) will be gradually rolled out for maritime transport activities covering offshore vessels as well. DEME Group currently assesses the impact thereof and takes that into account in its carbon reduction strategy.

Risks related to health and safety apply to its employees, as well as to sub-contractors, due to the nature of their operations. Both DEME Group and CFE could incur liability in the event of accidents, even if the event is not a result of any fault on their part. To mitigate this risk, these companies continuously invest in improving safety culture and awareness. Furthermore, health and safety is a topic systematically monitored by their boards of directors.

DEME Group monitors its procedures for the avoidance of **fraud and integrity risks** and adjusts them if necessary. DEME Group applies a 'Code of ethics and business integrity' and various specific policy documents ('Compliance policy & practices', 'Human Rights Policy' & 'Whistle-blower policy & procedures'). An annual mandatory training is linked to this 'Code of ethics and business integrity'. The procedures for cooperation with third parties have also in 2023 been strictly applied.

In September 2023, certain companies of the DEME-group were summoned to appear before the criminal court in Ghent. This decision follows a judicial investigation carried out in respect of the circumstances in which a contract was awarded in April 2014 by negotiated procedure to Mordraga, a former Russian joint venture company of the DEME group, for the execution of dredging works in the port of Sabetta (Russia). The works were carried out in the summer months of 2014 and 2015. The investigation was launched following a complaint lodged by a competitor, to whom said contract was not granted by negotiated procedure and is based solely on selective information provided by this competitor. Said competitor has meanwhile definitely waived its civil complaint in the dispute. At the introductory hearing on December 6, 2023, the Court of First Instance Oost-Vlaanderen, Ghent Division, has set a calendar for exchange of submissions. The DEME companies will now, for the first time, have the chance to submit substantive arguments regarding the charges brought by the Public Prosecutor. This means that so far, there has been no assessment of the case on the merits, which will require extensive debate, both in written submissions and oral arguments. In the current circumstances, it is therefore premature to speculate on the outcome of these proceedings. It is however clear that there is no longer any risk of payment of civil damages against the Claimant, which, as stated above, has definitively waived its civil complaint.

## Private Banking

Delen Private Bank and Bank Van Breda are both specialist niche players applying a prudent approach. At Delen Private Bank this is reflected in its policy towards asset protection and responsible investment. At Bank Van

Breda this is reflected in its policy of providing a safe harbour. Both policies could have an impact on the AvH-group. The appropriate monitoring tools are set up at the various governance levels to that effect.

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

The **credit risk** and risk profile of the investment portfolio have been deliberately kept very low for many years now by Delen Private Bank and Bank Van Breda. The banks invest conservatively. The volume of lending at Delen Private Bank is very limited, as this is merely a supporting product in the context of asset management. The loans are usually temporary bridge loans that are amply guaranteed by pledges on securities. The credit risk at JM Finn is very limited. The credit portfolio of Bank Van Breda is very widely spread among a client base of local entrepreneurs and liberal professionals. The bank applies concentration limits per sector and maximum credit amounts per client. To assess the climate impact on credit risk, the bank collects data and analyses the energy efficiency of residential mortgage loans. Additionally, it assesses the potential exposure to climate risk for both residential mortgage loans and investment loans secured by real estate property and monitors their potential impact on the credit portfolio.

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

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

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

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

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

The **market risk** may arise from the limited short-term investments for the account of Delen Private Bank and Bank Van Breda, or may manifest itself on outstanding positions on suspense accounts over which securities for client portfolios are traded. Positions on those suspense accounts should be

systematically liquidated so that the bank is not exposed to a market risk. The fair value of the assets under management for clients is partly determined by the developments on the financial markets. Although this has no direct impact on the equity position of the two banks, the total volume of assets under management is a determining factor for their revenues.

Delen Private Bank and Bank Van Breda face **ESG risks** with a potential impact (pre-mitigation) on the AvH-group. These relate to 'data breach and privacy risk' and 'fraud and integrity risk'.

Both banks process large amounts of data with potential data breaches and privacy risks. The protection of data and privacy have always received high attention as they are key for the trust of their customers and reputation. Both banks handle and protect sensitive information generated in the course of their daily operations in compliance with legislation and applicable directives.

Both banks are active in a risk-prone environment, including fraud and integrity risk. Risk management is key for their growth and customer trust. Policies and processes on anti-bribery, anti-money laundering, conflicts of interest, and market abuse highlight their commitment to integrity.

### Real Estate

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

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

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

The **liquidity risk** is limited by having the financing spread over several financial counterparties and by tapping various sources of funding, as well as by diversifying the expiration dates of the credit facilities. Nextensa finances its operations through bank financing and bond financing. As of December 31, 2023, Nextensa had confirmed credit lines of 871 million euros, of which 164 million euros were undrawn. The average duration of the credit lines relating the investment portfolio was 2.08 years at 31 December 2023 and 1.31 years for the financing related to the development portfolio. The hedging policy for the real estate activities is aimed at confining the **interest rate risk** as much as possible. The hedge ratio was 79% in 2023. Financial instruments are used for that purpose.

Nextensa's primary **ESG risk** is linked to climate mitigation, with a significant focus on energy efficiency. This relates to the project design for real estate development activities as well as to the value of its portfolio. Leveraging the EU Taxonomy as a guide, Nextensa integrates climate mitigation into its vision to further develop and invest in real estate. No ESG risk was identified at Nextensa's level with a potential impact (pre-mitigation) on the AvH-group.

### Energy & Resources

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

Sagar Cements' production process encounters **ESG risks** associated with the cement industry, such as energy-intensive operations, high carbon emissions, resource use, water, waste generation and pollution. It developed an ESG roadmap for 2030 and identified levers to decarbonize its processes. Sagar Cements committed to the Science Based Targets initiative (SBTi), demonstrating its proactive approach to mitigate these risks.

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

The production volumes and the turnover and margins realised by SIPEF are influenced by **climatic conditions** such as rainfall, sunshine, temperature and humidity. The potential physical impact of climate change is uncertain and may vary by region and product. SIPEF monitors water tables to design systems to deal with water retention, maintains buffer zones and invests in fire prevention/monitoring.

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

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

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

There were no ESG risks identified at the level of those companies having a potential impact (pre-mitigation) on AvH-group.

### Growth Capital

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

these investments with equity.

The **economic environment** has a direct impact on the results of the participations. The diversified activity profile of the participations, spread over various segments, offers partial protection against economic risks.

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

Investing in life sciences carries unique risks due to the sector's reliance on long product development cycles, regulatory approvals, and market adoption, all of which can be highly unpredictable.

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

There were no **ESG risks** identified at the level of those companies having a potential impact (pre-mitigation) on AvH-group.

## 2. Comments on the consolidated annual accounts

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

The group's consolidated balance sheet total as at December 31, 2023 amounted to 19,021 million euros, which is an increase of 8% compared to 2022 (17,677 million euros). This balance sheet total is impacted by the manner in which certain group companies are accounted for in the consolidation. In particular, the full consolidation of the stake in Bank Van Breda has a major impact on the consolidated balance sheet.

The shareholders' equity (group share) at the end of 2023 was 4,914 million euros, which represents an increase of 280 million euros compared to 2022 (4,634 million euros). In May 2023, Ackermans & van Haaren paid out a gross dividend of 3.10 euros per share, resulting in a decrease of the shareholders' equity by 103 million euros.

During 2023, AvH invested 95.6 million euros in the further expansion of its portfolio, including 10.2 million euros in SIPEF and 14.2 million euros in Nextensa. 100 million euros was committed to the investment in IQIP (pending competition filing), 31 million euros in the India & South-East Asia portfolio (a.o. Camlin Fine Sciences) and 7 million euros in the life sciences segment (a.o. Vico Therapeutics). Divestments represented 68 million euros in 2023, a sharp decline compared to the record revenues of 472.9 million euros in 2022 on the sale of Anima and Manuchar. Other changes to the consolidation scope in 2023 are explained in note 2.

At year-end 2023, Ackermans & van Haaren (including subholdings) had a net cash position of 517.5 million euros, compared to 498.7 million euros at year-end 2022. This position includes an amount of 120.7 million euros of treasury shares. 339,600 treasury shares are held as cover for outstanding option obligations and are included at the lower of the market price or the exercise price of the corresponding options. All other treasury shares are included at market value. The remaining 396.8 million euros consist of cash,

term deposits and a 44.9 million euros portfolio of listed investments at the level of AvH. At year-end 2023, AvH & subholdings had no financial debt.

The contribution of the core segments to the group profit in 2023 amounted to 377.4 million euros (2022: 354.4 million euros). A detailed description of the results of the various group participations is shown in the 'Key figures' appendix and in the activity report of the annual report.

- Delen Private Bank and Bank Van Breda realised a combined net profit of 264.2 million euros in 2023. Impressive commercial results generated substantial inflows of assets at both Delen Private Bank and Bank Van Breda, which in combination with strong operational performances led to record assets under management and net profits. With a contribution of 208.7 million euros (+16%) - clearly exceeding the 200 million euros threshold for the first time - **Private Banking** confirmed its position as the leading contributor to AvH's group result.
- Thanks to a strong H2, DEME's full year result significantly exceeded its guidance. Despite the regulatory changes imposed during 2023 on the producers of renewable offshore energy in Belgium, Rentel and SeaMade add nicely to the growth of the contribution from **Marine Engineering & Contracting** to 128.5 million euros (+36%).
- Inflation and rising interest rates created a challenging environment throughout 2023 for the **Real Estate** sector in general. Thanks to higher rental income and smooth sales of apartments at Tour & Taxis, Nextensa has been able to deliver decent, but lower results. The divestments of Residalya (2019) and Anima (2022) and the merger of Extensa and Leasinvest in 2021 have allowed AvH to reduce significantly its real estate exposure compared to a couple of years ago.
- A 3% decline in production combined with lower market prices explain why SIPEF realised a net profit of 72.7 million USD, satisfying but 33% lower than the record results of 2022. The **Energy & Resources** segment contributed 24.6 million euros to AvH (-28%).
- The consolidated participations of **Growth Capital** contribute 24.0 million euros to AvH's profit. While this is lower than in 2022 (38.3 million euros) and 2021 (53.2 million euros), this is partly explained by the absence of contributions from the divested participations in Telemond (early 2023) and Manuchar (2022). Whereas the valuation of non-consolidated investments at 'fair value' had resulted in a profit of 13.8 million euros in 2022, this has been a negative of 13.1 million euros in 2023. The positive interest income on the available cash is the main reason for the improvement of the contribution from **AvH & subholdings**.

## 3. Major events after the closing of the financial year

In January 2024, EMG (AvH 22.74%), one of the leading global providers of broadcast services and media solutions for live sports, entertainment and events and Gravity Media, a global provider of complex live creative production and media services combined their businesses to create one of the world's largest and most significant broadcast technology and production companies. The new venture, which will be formally named in due course, will have significant global capability, including more than 100 outside broadcast trucks and flypacks and 40 studios and production facilities across Europe, the Middle East, United States, and Australia, which will be part of the new global business. The business will have 30 offices across 12 countries, with a total of 2,000 permanent employees and access to a global network of freelance personnel. The business combination didn't lead to additional investments from AvH, nor is it expected to have an immediate impact on AvH's results, but it diluted AvH's participation to 15.8%.

Van Moer Logistics has ambitious plans to continue its growth. To finance this, AvH Growth Capital and the founding couple Jo Van Moer - Anne Verstraeten have together implemented a capital increase in March 2024, totalling 25 million euros. Following this operation, AvH Growth Capital's stake in Van Moer Logistics increased to 32.4%. Simultaneously with this capital increase, AvH Growth Capital acquired 33.3% in the capital of Blue Real Estate.

Also in March 2024, Delen Private Bank has reached an agreement with the shareholders of Box Consultants (the Netherlands) to acquire 100% of the shares. With this acquisition, Delen Private Bank Nederland will more than double its assets under management.

## 4. Research and development

At the fully consolidated participations of Ackermans & van Haaren, DEME Group's R&D team and Central Competence Centre develop groundbreaking, innovative technologies, while the engineering departments of CFE are involved in civil engineering and construction projects. Ackermans & van Haaren and SIPEF are involved in the development of high-yielding oil palm seeds through Verdant Bioscience. Both Bank Van Breda and Delen Private Bank invested in the development of specific management software. AstriVax, Bioelectric, Biotalys, Indigo Diabetes, Medikabazaar, MRM Health, OncoDNA, OMP and Vico Therapeutics are innovative companies in their field. Their constant focus on technological innovation helps to strengthen their competitive position in the short and medium term. Mediahuis invests substantially in digital newsmedia resulting in an ever increasing digital subscriber base. Many of AvH's group companies are applying machine learning and artificial intelligence tools to optimize their processes or to develop new service features. Investment managers are regularly trained to support group companies in those areas and to embed the innovation approach in the group companies' strategies. For further details, we refer to the Sustainability Report, section 3 AvH as a responsible and active partner.

## 5. Financial instruments

Within the group (amongst others DEME Group, Deep C Holding, Bank Van Breda, Nextensa), a cautious policy is pursued in terms of interest rate risk by using interest rate swaps and options. A large number of the group companies also operates outside the eurozone (including DEME Group, Deep C Holding, Delen Private Bank, SIPEF, Sagar Cements and Turbo's Hoet Groep). Interest and exchange rate are managed at the level of the participations and hedged when possible and considered useful by that participation.

## 6. Outlook 2024

The board of directors is confident that the participations of Ackermans & van Haaren are well positioned to realise a strong result in 2024 as well. Barring unforeseen circumstances, the net profit of AvH is expected to be higher than in 2023.

### III. Corporate governance statement

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#### 1. General information

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

- On April 14, 2005, the board of directors of Ackermans & van Haaren adopted the first Corporate Governance Charter ('Charter'). The board of directors has subsequently updated this Charter several times.

- On April 18, 2006, the Charter was aligned to various Royal Decrees adopted pursuant to European regulations on market abuse.
- On January 15, 2008, the board of directors amended Article 3.2.2 (b) of the Charter in order to clarify the procedure regarding investigations into irregularities.
- On January 12, 2010, the Charter was modified to reflect the 2009 Code and the new legal independence criteria.
- On October 4, 2011, the board of directors deliberated on the adaptation of the Charter to the Act of April 6, 2010 on the reinforcement of corporate governance in listed companies and the Act of December 20, 2010 on the exercise of certain shareholders' rights in listed companies. On that occasion, the board of directors also tightened its policy on the prevention of market abuse (Section 5 of the Charter) with the introduction of a prohibition on 'short selling' and speculative share trading.
- On October 10, 2016, the Charter was amended to align it to Regulation (EU) No 596/2014 of the European Parliament and of the Council dated



April 16, 2014 on market abuse and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC.

- On February 24, 2017, the Charter was aligned to the Act of December 7, 2016 on the organisation of the profession and the public supervision of company auditors.
- On February 25, 2019, the board of directors eased the age limit.
- On November 19, 2020, the board of directors amended the Charter to align it to the 2020 Code and the Code of Companies and Associations.
- On May 17, 2022, the Charter was amended following the new composition of the body of daily management.

The Charter is available in three languages (Dutch, French and English) on the company website ([www.avh.be](http://www.avh.be)). In the version of the Charter available on the website, the special powers of attorney to the executive committee of June 21, 2022 were added.

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

Board of directors - from left to right > Bart Deckers, Jacques Delen, Julien Pestiaux, Deborah Janssens, Sonali Chandmal, Luc Bertrand, Victoria Vandeputte, Pierre Willaert, Frank van Lierde, Thierry van Baren, Frederic van Haaren, Marion Debruyne



## 2. Board of directors

### 2.1 Composition

■ audit committee ■ remuneration committee ■ nomination committee

#### Luc Bertrand

(°1951, Belgian)



Mandate ends 2025

- **Chairman of the board of directors**
- **Executive director (1985-2016)**
- **Non-executive director (since 2016)**

Luc Bertrand graduated in 1974 as a commercial engineer (KU Leuven). He began his career at Bankers Trust, as Vice-President and Regional Sales Manager, Northern Europe. He has been with Ackermans & van Haaren as a director since 1985, where he joined as financial director in 1986 and was chairman of the executive committee from 1990 to 2016. He is chairman of the board of directors of CFE, DEME, SIPEF, and JM Finn and a director of Delen Private Bank, Bank Van Breda (until May 4, 2023), and Verdant Bioscience. Luc has deep expertise in corporate governance and principles. Having served on various audit and risk committees, he is well-versed in risk management and internal control systems. Furthermore, he is a founding member of Guberna, a Belgian institute to stimulate good governance, and chairman of its 'board of trustees'. He is also chairman of the Duve Institute and Middelheim Promoters and member of several other boards of directors of non-profit associations and public institutions, such as Museum Mayer van den Bergh and Europalia.

#### Sonali Chandmal

(°1968, Belgian and Overseas Citizen of India)



Mandate ends 2027

- **Independent director (since 2023)**

Sonali Chandmal obtained a BA in economics in 1992 from the University of California, Berkeley and an MBA from Harvard University in 1997. She was active as an investment banking associate at Robertson Stephens & C° from 1992 until 1995 and as a management consultant and subsequently senior manager at Bain & Company between 1997 and 2017 in London, San Francisco and Brussels. Sonali Chandmal also acts as an independent director at Ageas (Belgium), Ageas Portugal Grupo, Medicover (Sweden) and BW LPG (Norway). She is also a member of the board of Chapter Zero Brussels, a collaboration with the World Economic Forum's Climate Governance Initiative.

#### Marion Debruyne BV<sup>(1)</sup>

(°1972, Belgian)



Mandate ends 2024

- **Permanently represented by Marion Debruyne**
- **Independent director (since 2016)**

Professor Marion Debruyne has a degree in civil engineering (RU Ghent - 1995) and a PhD in applied economic sciences (RU Ghent - 2002). She has lectured at Wharton School, Kellogg Graduate School of Management, and Goizueta Business School, all in the USA. Marion Debruyne was appointed dean of Vlerick Business School in 2015. She is a director at Kinopolis and Guberna. As the dean of Vlerick Business School, she leads initiatives to integrate sustainability (ESG) into education and research.

<sup>(1)</sup> References in this annual report to 'Marion Debruyne' should be read as Marion Debruyne BV, permanently represented by Marion Debruyne.

#### Venatio BV<sup>(2)</sup>

(°1978, Belgian)



Mandate ends 2026

- **Permanently represented by Bart Deckers**
- **Independent director (since 2022)**

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

<sup>(2)</sup> References in this annual report to 'Bart Deckers' should be read as Venatio BV, permanently represented by Bart Deckers.

#### Jacques Delen

(°1949, Belgian)



Mandate ends 2024

- **Non-executive director (since 1992)**

Jacques Delen obtained the degree of stockbroker in 1976. He is chairman of the board of directors of Delen Private Bank since July 1, 2014. He is also a director of Bank Van Breda and Scaldis Invest. Jacques Delen was chairman of the board of directors of Ackermans & van Haaren from 2011 to 2016. Jacques, with his 50 years of deep expertise in the banking sector, emphasizes sustainable wealth management, encompassing balanced growth and a long-term perspective.

**Deborah Janssens**  
(°1975, Belgian)



Mandate ends 2027

- **Non-executive director (since 2023)**

Deborah Janssens obtained a master of laws at KU Leuven in 1998 and an LLM at the New York University School of Law in the following year. She is a partner at the international law firm Freshfields, based in Brussels, and she specialises in a.o. mergers and acquisitions, public capital market transactions and corporate and financial law. She regularly advises on various aspects of ESG. She was a member of the audit and risk committee of Freshfields and is currently co-chair of the Industrials Group. She is a part-time guest lecturer in company law at KU Leuven and a director of the Foundation KickCancer.

**Menlo Park BV<sup>(3)</sup>**  
(°1971, Belgian)



Mandate ends 2026

- **Permanently represented by Victoria Vandeputte**
- **Independent director (since 2018)**
- **Chair of the remuneration committee**

Victoria Vandeputte is a civil engineer in electromechanics (KU Leuven - 1995) and holds a master's degree in risk management (Ecole Supérieure de Commerce de Bordeaux - 1996). She is currently a member of the executive committee and Chief Innovation & Marketing Officer of Diversi Foods (Geschwister Oetker) and director at Acom. In her day-to-day role at Diversi Foods, she drives innovation and coordinates sustainability (ESG) in the food sector. Victoria attended a training on climate change risk and opportunities for board members at Chapter Zero Brussels.

<sup>(3)</sup> References in this annual report to 'Victoria Vandeputte' should be read as Menlo Park BV, permanently represented by Victoria Vandeputte.

**Julien Pestiaux**  
(°1979, Belgian)



Mandate ends 2027

- **Non-executive director (since 2011)**
- **Chairman of the audit committee**

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

**Frederic van Haaren**  
(°1960, Belgian)



Mandate ends 2025

- **Non-executive director (since 1993)**

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

**Thierry van Baren**  
(°1967, French / Dutch)



Mandate ends 2026

- **Non-executive director (since 2006)**

Thierry van Baren holds a master's degree and a teaching qualification in philosophy, and obtained an MBA, with a specialisation in marketing (Solvay Business School). He is currently an independent consultant. He worked for 13 years in MarCom as an executive at TBWA Belgium and BDDP Belgium and in management functions at Ammirati Puris Lintas, Ogilvy Brussels and DDB. Thierry, who served previously as a member of the audit committee, possesses expertise in risk management and internal control systems.

**De Lier BV<sup>(4)</sup>**  
(°1963, Belgian)




Mandate ends 2027

- **Independent director (since 2023)**

Frank van Lierde obtained a master in bioengineering at KU Leuven in 1989. Between 1989 and 2021, Frank held several leading roles with US Food and Agri company Cargill, where he was a member of the Global Executive Team and president of the Food Ingredients and Bio Industrials Enterprise from 2015 until his retirement in 2021. In that capacity, he was a.o. jointly responsible for the strategy and execution of the ESG agenda of Cargill, with a personal focus on energy and water reduction and creating more sustainable supply chains for tropical products. Frank van Lierde also holds a directorship at Protix, a Dutch producer of insect-based proteins.

<sup>(4)</sup> References in this annual report to 'Frank van Lierde' should be read as De Lier BV, permanently represented by Frank van Lierde.



□ □ ■

**Pierre Willaert**  
(°1959, Belgian)

Mandate ends 2024

- **Non-executive director (since 1998)**
- **Chairman of the audit committee (until May 2023)**

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

The mandates of Jacques Delen, Marion Debruyne, and Pierre Willaert expire at the ordinary general meeting of May 27, 2024. The board of directors will propose the ordinary general meeting to renew the mandate of (i) Jacques Delen as non-executive director for a period of one year, (ii) Marion Debruyne, as independent director, for a period of four years; and (iii) Pierre Willaert as non-executive director for a period of four years.

## 2.2 Independent directors

- Sonali Chandmal
- Marion Debruyne
- Bart Deckers
- Victoria Vandeputte
- Frank van Lierde

Sonali Chandmal, Marion Debruyne, Bart Deckers, Victoria Vandeputte, and Frank van Lierde meet the independence criteria of Article 3.5 of the Code.

## 2.3 Other directors

- Luc Bertrand
- Jacques Delen
- Deborah Janssens
- Julien Pestiaux
- Thierry van Baren
- Frederic van Haaren
- Pierre Willaert

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

## 2.4 Activity report



In 2023, the board of directors convened eight times and discussed and regularly updated the budget for the current financial year, monitored the results and activities of the group companies based on reports prepared by the executive committee, discussed the ESG policy update, examined the off-balance-sheet commitments, and discussed the recommendations of the advisory committees.

Several transactions were discussed during the course of 2023, such as the investments in IQIP, Camlin Fine Sciences, and Vico Therapeutics, the divestment of Telemond Holding, the merger between Financière EMG and Gravity Media, the capital increase by a new investor in Infra Asia Investment, Nextensa's Lake Side-project at Tour & Taxis and the additional investment in Convergent Finance.

The board further assessed and reviewed the company's life sciences strategy, the preparation of the annual general meeting of May 22, 2023, the profit-sharing bonus plan for white-collar employees, and the pending judicial inquiry involving DEME.

At the meeting of August 28, 2023, the board decided to convene an extraordinary shareholders' meeting on October 20, 2023 to renew the authorisations to the board regarding the authorised capital and the redemption of shares.

At the meeting October 3, 2023, Julien Pestiaux presented to the board his views on net zero policy and climate risks and the need for resilience for states and companies.

The board of directors invited the management of DEMA Group, Bank J. Van Breda & C°, Delen Private Bank, SIPEF, and Mediahuis in 2023 to present specific investments or the strategy of the company concerned.

The annual assessment of the relationship between the board of directors and the executive committee took place on March 22, 2023. On that occasion, the non-executive directors expressed their general satisfaction with the quality of the collaboration between the board and the committee and among the co-CEOs, the quality of the reporting and strategy updates by the various management teams.

	Attendance
Luc Bertrand	8/8
Sonali Chandmal	4/4
Marion Debruyne	8/8
Bart Deckers	8/8
Jacques Delen	8/8
Deborah Janssens	4/4
Julien Pestiaux	8/8
Thierry van Baren	8/8
Victoria Vandeputte	8/8
Frederic van Haaren	8/8
Frank van Lierde	3/4
Pierre Willaert	8/8

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

## 2.5 Code of conduct regarding conflicts of interest

In the Charter (Articles 2.10 and 4.7), the board of directors published its policy regarding transactions between Ackermans & van Haaren or a company affiliated to it on the one hand, and members of the board of directors or executive committee (or their close relatives) on the other, which may give rise to a conflict of interest (within the meaning of the Code of Companies and Associations or otherwise). In 2023, no decision had to be taken to which this policy applied.

## 2.6 Code of conduct regarding financial transactions

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

## 3. Audit committee

### 3.1 Composition

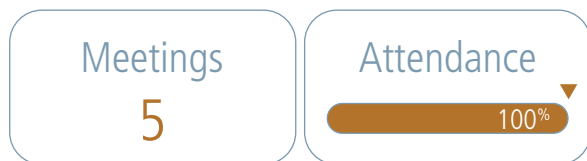
Following the voluntary resignation of Pierre Willaert as chairman of the committee, the board of directors decided on June 20, 2023 to appoint Frank van Lierde as new member of the committee and to appoint Julien Pestiaux as chairman of the committee.

<b>Julien Pestiaux</b> Non-executive director	Chairman
<b>Marion Debruyne</b> Independent director	
<b>Frank van Lierde</b> Independent director	

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

- Julien Pestiaux** (°1979) graduated in electromechanical civil engineering (specialisation energy) from the Université Catholique de Louvain in 2003, and also obtained a master's degree in engineering management at Cornell University (USA). The focus of the master in engineering management was on financial and economic analyses. Most of the course was given at the 'Johnson Graduate School of Management' of Cornell. Julien Pestiaux is a partner at Climact, a company that advises on energy and climate themes with numerous business customers. Before that, he worked for five years as a consultant and project leader at McKinsey & C°, where he became acquainted with various aspects of accounting. Julien Pestiaux was appointed director at Ackermans & van Haaren in 2011.
- Marion Debruyne** (°1972) graduated as a civil engineer from Ghent University (1995) and obtained her PhD in applied economics (2002). Marion Debruyne has lectured at Wharton School, Kellogg Graduate School of Management and Goizueta Business School, all in the USA. She has been active as dean of the Vlerick Business School since 2015. Marion Debruyne was appointed director of Ackermans & van Haaren in 2016 and as a member of the audit committee in 2018. In addition, she holds directorships at Kinopolis and Guberna.
- Frank van Lierde** (°1963) obtained a master in bioengineering at KU Leuven in 1989. Between 1989 and 2021, Frank held several leading roles with US Food and Agri company Cargill, where he was a member of the Global Executive Team and president of the Food Ingredients and Bio Industrials Enterprise from 2015 until his retirement in 2021. In that capacity, he was a.o. jointly responsible for the strategy and execution of the ESG agenda of Cargill, with a personal focus on energy and water reduction and creating more sustainable supply chains for tropical products. Frank van Lierde also holds a directorship at Protix, a Dutch producer of insect-based proteins. Frank van Lierde was appointed director of Ackermans & van Haaren and member of the audit committee in 2023.

### 3.2 Activity report



On February 20 and August 28, 2023, in the presence of the financial management and the auditor, the audit committee focused on the reporting process and the analysis of the annual and half-yearly financial statements, respectively. The members of the audit committee received, in advance, the available reports of the audit committees of the operational subsidiaries of Ackermans & van Haaren.

The audit committee of March 20, 2023, focused on the financial reporting, as published in the annual report over 2022, the analysis of the off-balance-sheet commitments, the sustainability report, and the key audit matters of the auditor. The audit committee reflected on its composition and performance under Article 3.2.3. of the Corporate Governance Charter. Pierre Willaert, after having served as chairman of the committee for more than 20 years, offered to resign from the committee to make place for a new member.

The current auditor, EY Bedrijfsrevisoren BV, represented by Christel Weymeersch, is legally required to step down as auditor at the annual shareholders meeting of May 27, 2024. Following a limited tender procedure, the audit committee decided to recommend to the board of directors to put the appointment of Deloitte Bedrijfsrevisoren BV, represented by Ben Vandeweyer, as the company's auditor on the agenda of the annual shareholders meeting of May 27, 2024. This was discussed at the audit committee of November 9, 2023.

On December 11, 2023, the audit committee discussed the ESG reporting, the scope of the CSRD reporting and the implications of its rollout in 2024, and reviewed the reports on internal audit and control, ICT, compliance and human resources, and the off-balance-sheet commitments.

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

## 4. Remuneration committee

### 4.1 Composition

<b>Victoria Vandeputte</b> Independent director	Chair
<b>Bart Deckers</b> Independent director	
<b>Julien Pestiaux</b> Non-executive director	

### 4.2 Activity report



On February 23, 2023, the remuneration committee evaluated the results achieved on the non-financial targets, discussed the amended Remuneration Policy 2021-2024 as well as the draft remuneration report, which, under Article 3:6, §3 of the Code of Companies and Associations, constitutes a specific part of the Corporate Governance Statement, and ensured that the draft report contains all the information required by law. The committee also reviewed the payment of the variable remuneration to the members of the executive committee, against the recommendations it had made on this subject at its meeting of November 21, 2022, and discussed with the co-CEOs the conclusions of the feedback interviews with the members of the executive committee.

At its meeting on March 2 and 22, 2023, the remuneration committee discussed the final remuneration report as well as the ESG KPIs to assess the variable remuneration for the financial year 2023. The committee also discussed the periodicity of the employee welfare survey, the pay gap disclosure, and the 150%-cap on variable remuneration of the members of the executive committee.

At the meeting of November 21, 2023, the committee discussed the following subjects and made recommendations to the board of directors in this respect: the fixed and variable remuneration of the members of the executive committee for 2024, the remuneration of the directors, and the number of stock options to be granted to the members of the executive committee, the ESG criteria as a basis for the variable remuneration of the executive committee and the gender pay gap.

## 5. Nomination committee

On January 10, February 23, and March 22, 2023, the board of directors, in the role of nomination committee, deliberated on the future composition of the board of directors, and, under Article 2.2.2 of the Charter, decided to propose to the ordinary general meeting of May 22, 2023 to (i) renew the mandates of Jacques Delen, Luc Bertrand and Julien Pestiaux, respectively, for one, two and four years, (ii) to appoint Deborah Janssens as non-executive director for a period of four years, and (iii) to appoint Sonali Chandmal and Frank van Lierde as independent directors for a period of four years.

## 6. Executive committee

### 6.1 Composition

#### John-Eric Bertrand

(°1977, Belgian)



Since 2008 at AvH

- **Co-chair of the executive committee, co-CEO**

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

#### André-Xavier Cooreman

(°1964, Belgian)



Since 1997 at AvH

- **Member of the executive committee**

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

#### Piet Dejonghe

(°1966, Belgian)



Since 1995 at AvH

- **Co-chair of the executive committee, co-CEO**

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

#### An Herremans

(°1982, Belgian)



Since 2014 at AvH

- **Member of the executive committee**

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

#### Tom Bamelis

(°1966, Belgian)



Since 1999 at AvH

- **CFO and member of the executive committee**

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

#### Koen Janssen

(°1970, Belgian)



Since 2001 at AvH

- **Member of the executive committee**

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

#### Piet Bevernage

(°1968, Belgian)



Since 1995 at AvH

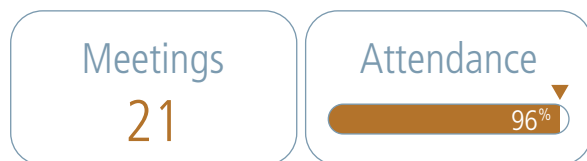
- **Legal counsel and member of the executive committee**

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



## 6.2 Activity report

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



The executive committee is essentially tasked with discussing the general management of the company and preparing the decisions to be taken by the board of directors.

During the past financial year, the committee primarily monitored and discussed the activities, results, and projects of the subsidiaries, examined new investment proposals (both in the current group companies and outside), prepared the quarterly, half-yearly, and annual financial results, and investigated the impact of changes in the law that are relevant for the company.

## 7. Diversity policy

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

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

The current board of directors counts 4 female directors and 8 male directors with a diversity of education and professional experience and is thus composed of at least one-third of directors of the opposite gender. On December 31, 2023, 3 directors were aged 50 or younger (25%) and 9 directors were older than 50 (75%).

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

A sound diversity policy starts with recruitment. In 2023, Ackermans & van Haaren recruited 11 new employees and 2 interns. The administrative support team was strengthened with Ann Frans, Miro Halfon, Yuliya Leysen, and Nadine Mohun. The financial team welcomed Bruno Maes and Anne Mampaey, whereas Heleen Boonen joined the legal team. Melissa Slabbaert reinforced the sustainability team. Emmanuel Carlier, Quentin Dumont de Chassart, and Christophe Maters joined the company respectively as an investment associate, investment manager, and investment director.

Finally, training, career counseling, and retention of staff members are managed by a combination of broadening and deepening knowledge through training programs, seminars, and workshops, career perspectives both within Ackermans & van Haaren and in the group, and through a competitive remuneration policy.

We refer to the Sustainability Report, section 4. AvH as a sustainable company (talent management) for further information on the employee policy.

## 8. External and internal audit

### 8.1 External audit

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

An annual fee of 78,513 euros (excluding VAT) was paid to the auditor in 2023 for auditing the statutory and consolidated annual accounts of Ackermans & van Haaren. An additional fee was also paid to EY Bedrijfsrevisoren of 9,675 euros (excluding VAT) for a review of the implementation of ESEF to EY Tax Consultants of 34,451 euros (excluding VAT) for tax advice. The total fees for audit activities paid to EY by Ackermans & van Haaren and its consolidated subsidiaries in the past financial year amounted to 3,595,418 euros (including the above-mentioned 78,513 euros).

### 8.2 Internal audit

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

### 8.3 Principal features of the internal control and risk management systems concerning the process of financial reporting and preparation of the consolidated annual accounts

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

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

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

### 8.3.1 Control environment

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

#### a. Integrity and ethics

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

On November 22, 2022, the board of directors also approved a revised version of the integrity code. The integrity code can be consulted on the website. The integrity code will be regularly reviewed and updated, and board members as well as staff members confirm yearly that they have read and apply the code.

#### b. Skills

Another cornerstone of the policy of Ackermans & van Haaren is how its members work together as a professional team. Particular attention is offered to a balanced and qualitative content of the various positions within the organisation. In addition, the necessary training is provided to ensure that knowledge is constantly honed and fine-tuned. Highly skilled people with the right experience and attitude in the right job form the basis of the group's internal control and risk management system. We refer to the Sustainability Report, section 4. AvH as a sustainable company (talent management) for further details. This also applies at the level of the board of directors and the audit committee, who seek to ensure that the backgrounds and experiences of the members are complementary.

#### c. Governance body / audit committee

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

#### d. Organisational structure, responsibilities and powers

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

### 8.3.2 Risk management process

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

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

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

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

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

Risks related to ESG: these are addressed by reporting twice a year to an ESG committee and once a year to the audit committee and the board of directors, based on the materiality matrix and core KPI's relating to AvH as a responsible investor, AvH as a responsible and active partner and AvH as a sustainable company (more info in Sustainability Report).

### 8.3.3 Control activities

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

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

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

There is also a cycle of external audit of both the consolidated reporting and the reporting by the subsidiaries. One of the purposes of this external audit is to assess the effectiveness of the internal control and risk management systems implemented by the subsidiaries and to report on this to the statutory auditor of Ackermans & van Haaren. Regarding ESG the audit committees of group companies get gradually involved in the approval of the ESG reporting by the group companies.

Finally, there is a system of internal audit on the financial and ESG aspects. This internal audit is completed before the external reporting.

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

#### 8.3.4 Business ethics

The Charter provides that every staff member of Ackermans & van Haaren can approach the chairman of the board of directors and/or the chairman of the audit committee directly to inform them of any irregularities in financial reporting or other matters (whistle-blowing). There was nothing to report in this respect in 2023.

#### 8.3.5 Control

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

## 9. Shareholder structure

### 9.1 Shareholder structure

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

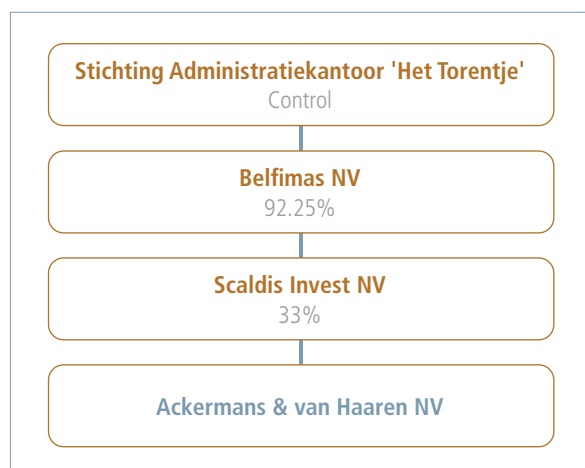
### 9.2 Cross-participations

Ackermans & van Haaren holds 791,366 treasury shares as at December 31, 2023. These shares were mainly acquired to cover the stock option plan and as part of the share buyback programme as approved by the board of directors on October 4, 2022.

In February 2024, the board of directors has decided to proceed to the cancellation of 339,154 treasury shares (approx. 1% of the outstanding shares).

### 9.3 Graphic representation

The shareholder structure, as known on December 31, 2023, is represented as shown below:



## 9.4 Reference shareholder

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

## 10. Comply or explain

The Charter of Ackermans & van Haaren complies with the provisions of the Code (as it applied in 2023) in all but one point:

- Composition of the nomination committee

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

## IV. Remuneration report

### Remuneration policy

#### 1. Introduction

In accordance with the Act of April 28, 2020 (the Act), listed companies are required:

- (i) to submit a **remuneration policy** for approval to the shareholders every four years, and
- (ii) to provide even greater transparency in their **remuneration report** - which forms part of the annual report - on the remuneration of their management.

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

The remuneration policy for 2021-2024 was approved with 77.4% of the shareholders' votes at the general meeting of May 25, 2021.

The amended policy was approved with 80.6% of the shareholders' votes and was first implemented over the financial year 2022.

For 2023, the Remuneration Committee suggested not to apply the indexation of 11% but for all members of the executive committee and other self-employed managers to increase the monthly fees by 6% only and to defer the balance of 5% to 2024.

AvH seeks to create long-term shareholder value and wishes to reflect this important part of its corporate mission in its remuneration policy. AvH not only focuses on and rewards financial value creation, but also societal value creation. The concrete ESG goals for 2023, based on the societal mission, were comfortably attained.

The gender pay gap, on which AvH reported for the first time over 2022, showed no discrepancy in 2023 (in both directions) other than based on seniority in a role or on a specific function.

In the course of 2024 AvH will evaluate the 2021-2024 remuneration policy.

#### 2. Remuneration policy

##### 2.1 Strategy • Long term • Sustainability

With its mission 'Your partner for sustainable growth', AvH positions itself as the preferred partner of family businesses and management teams, and wishes to co-invest with them in the long term with the ambition of facilitating the growth of their companies into market leaders, developing sustainable solutions for major global challenges.

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

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

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

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

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

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

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

AvH wants to attract and retain talented people to continue offering quality support as an active shareholder to its participations.

AvH has developed a vision on 'Who do we want to be?'. The three priorities are the following:

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

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

As the proposed remuneration policy links a substantial portion of the remuneration of the members of the executive committee to the achievement of those long-term objectives and sustainability parameters, AvH tries to make a significant contribution to the implementation of its corporate strategy.

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

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

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

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

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

## 2.2 Scope

On December 31, 2023, the **board of directors** had 12 members and the **executive committee** 7 members.

AvH, AvH Growth Capital and AvH Singapore employ a total of 49 **staff members**.

The proposed **remuneration policy** is valid for the financial years 2021 through 2024 and, in accordance with Article 7:89/1 of the Code of Companies and Associations, applies to the 12 directors, the persons entrusted with the daily management, i.e. the co-CEOs, and the other persons in charge of the general management of the company, i.e. the 5 other members of the executive committee.

The remuneration policy for the period 2021-2024 has been amended<sup>(1)</sup> effective from 2022, prompted by interviews with various stakeholders and a professional adviser.

## 2.3 Remuneration committee

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

More particularly, the remuneration committee will:

- make recommendations to the board of directors about the remuneration policy for the directors and the members of the executive committee and the resulting resolution proposals for the general meeting;
- make recommendations about the individual remuneration of directors and members of the executive committee (including bonuses, long-term incentive programs such as stock options and other financial instruments, and severance packages) and any resulting resolution proposals for the general meeting;
- appraise the performance of the members of the executive committee, in consultation with the chairpersons of the executive committee, except as regards their own performance;
- evaluate the accomplishment of the corporate strategy by the executive committee based on the agreed performance benchmarks and objectives, including the non-financial objectives;

- prepare the remuneration report which the board of directors incorporates in the Corporate governance statement; and
- explain the remuneration report at the ordinary general meeting.

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

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

## 2.4 Remuneration components

### (i) Board of directors

The remuneration of non-executive directors consists exclusively of a fixed remuneration. This fixed remuneration consists of a basic amount, an additional amount for the director's membership of a specific committee and an attendance fee for each meeting of the board of directors, the audit committee or the remuneration committee. The remuneration of non-executive directors is periodically reviewed and benchmarked by the remuneration committee against other relevant companies<sup>(2)</sup>.

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

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

### (ii) Executive committee

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

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

### (a) Fixed remuneration

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

<sup>(1)</sup> The adjustments concern: a floor and cap on the STI, good leaver principle as a condition for the pro rata payment of the STI, introduction of KPIs for the non-financial factor of the STI, limitation of notice periods for future EC members, ...

<sup>(2)</sup> In 2022, directors' remuneration was benchmarked against board fees of BEL20 companies.

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

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

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

No variable remuneration will be paid if the consolidated net result (group share) falls below the threshold of 100 million euros.

- (i) 80% of the total STI is dependent on the financial objective 'consolidated net result' only. This cash incentive plan is based on long-term ambitions. Although this STI is calculated in function of the consolidated net result over one year and may therefore be viewed prima facie as a short-term incentive, it should be noted that, in its long-term strategy, AvH seeks recurring results and when considering new investments always looks at the company's potential to generate value in the long term, year after year. Participations are coached over a long term by AvH's management, which prioritises long-term equity growth over short-term profit maximisation.
- (ii) 20% of the total STI is dependent on non-financial parameters that are determined each year by the remuneration committee and submitted for approval to the board of directors. The proposed criteria (KPIs) fundamentally contribute to AvH's ESG policy. Each year, the remuneration committee sets the targets that are expected for the proposed KPIs.

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

### **(c) Variable remuneration (LTI - long-term incentive)**

The purpose of the stock option plan is to remunerate the beneficiaries for their contribution to the long-term value creation.

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

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

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

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

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

### **(d) Insurance schemes and other benefits**

AvH provides for a 'defined contribution' group insurance scheme (supple-

mentary pension, death benefit, disability allowance, and orphan's pension), a hospitalisation insurance scheme and an insurance for outpatient care.

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

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

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

### **(e) Relative weighting of each remuneration component**

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

The targeted standard ratio is:

- fixed remuneration: 30%
- a variable remuneration (in cash) related to the consolidated net result (short term incentive or STI): 30%
- stock options (long-term incentive or LTI)<sup>(1)</sup>: 30%
- group insurance and other benefits: 10%

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

## 2.5 Contractual conditions

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

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

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

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

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

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

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

## 2.6 Staff members

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

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

## 2.7 Changes

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

Based on the opinions expressed by shareholders and an analysis by an external advisor, the remuneration policy was adjusted and completed with a number of explications, that were submitted for approval to the meeting of May 23, 2022.

No changes to the policy were suggested in 2023.

# Implementation of remuneration policy in 2023

## 1. Introduction

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

In its preparation of the Remuneration report, the board of directors was also inspired by:

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

Ackermans & van Haaren has a one-tier governance structure, where the board is authorised to perform all acts that are necessary or useful to the accomplishment of the corporate purpose, except those for which the general meeting is authorised by law. As of May 23, 2022 the board of directors delegated the daily management of the company to the co-CEOs. The executive committee, of which the co-CEOs are members, is responsible for discussing the general management of the company. The remuneration of the members of the executive committee, except for the co-CEOs, is disclosed as an average in the Remuneration report for the financial year 2023.

After the record year 2022, characterized by substantial capital gains on the sale of two portfolio companies (Anima and Manuchar), 2023 shows solid results by the core participations and a capital gain on the sale of Telemond.

The net result for the financial year 2023 decreased by 44% compared to the previous year due to the absence of capital gains on exceptional results.

Accordingly, the variable remuneration (short-term incentive or STI), i.e. a 1-year cash bonus for the members of the executive committee decreased as well.

The cap that has been set for the STI, has been respected for all members of the executive committee.

## 2. Remuneration procedure

On February 26, 2024, the remuneration committee discussed the draft **Remuneration report**, which constitutes a specific part of the Corporate governance statement, and ensured that the draft report contains all the information required by law.

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

It should be noted that the extraordinary general meeting of November 25, 2011 authorised the board of directors to depart from Article 7:91, second paragraph of the Code of Companies and Associations, and to link the entire variable remuneration of the members of the executive committee to

predetermined and objectively quantifiable performance criteria measured over a one-year period.

On February 26, 2024, the remuneration committee assessed the results for the non-financial ESG parameters, which account for 20% of the STI. The goals were all attained.

The committee proposed updated objectives for 2024 to the board of directors, with business relevance, focus on a limited number of priorities and continuity in terms of what has already been achieved as the guiding principles. As a company, AvH prioritises social parameters such as 'talent management', as well as ESG ratings. As a responsible investor, AvH stresses ESG as an essential parameter in asset allocation and investment decisions, as well as social parameters such as sustainable talent management and ethical business management.

### 3. Board of directors

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

The remuneration of the directors is as follows:

- Fixed remuneration for the directors: 50,000 euros
- Fixed remuneration for the chairman: 100,000 euros

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

Considering the fact that Luc Bertrand was appointed chairman of the board of directors on May 23, 2016, and that, additionally, and in the interest of the group, he remained or was appointed chairman of CFE NV, DEME Group NV, SIPEF NV and JM Finn & C° Ltd, and remained a director of Delen Private Bank NV, Bank J. Van Breda & C° NV, FinAx NV and Verdant Bioscience Ltd, the remuneration committee proposed to grant him a fixed and indexable remuneration of 350,000 euros per year with effect from June 1, 2016, as well as offering a company car. This proposal was reported at the general meeting of May 23, 2016. For the sake of completeness, it should be noted that Luc Bertrand in 2023 also received a director's fee from SIPEF of 90,000 euros, half of which is paid directly to Ackermans & van Haaren. The remuneration that SIPEF paid to Luc Bertrand is mentioned in SIPEF's annual report (Remuneration report - Remuneration of non-executive directors) for the financial year 2023.

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

**Table 1** shows for each director the remuneration he/she is entitled to in respect of his/her mandate during the financial year 2023. This remuneration will be paid after approval of the annual accounts by the general meeting, scheduled for May 27, 2024.

Table 1: Remuneration of the board of directors (financial year 2023)

Name	Fixed remuneration					Attendance fees <sup>(1)</sup>			Total remuneration	
	Chairman of the board of directors	Director	Chairman of the audit committee	Member of the audit committee	Member of the remuneration committee	Number	Board of directors	Number		Committees
Luc Bertrand	100,000					8	20,000			120,000
Sonali Chandmal <sup>(2)</sup>		25,000				4	10,000			35,000
Marion Debruyne		50,000		5,000		8	20,000	5	12,500	87,500
Bart Deckers		50,000			2,500	8	20,000	3	7,500	80,000
Jacques Delen		50,000				8	20,000			70,000
Deborah Janssens <sup>(2)</sup>		25,000				4	10,000			35,000
Julien Pestiaux		50,000	5,000 <sup>(4)</sup>	2,500	2,500	8	20,000	8	20,000	100,000
Thierry van Baren		50,000				8	20,000			70,000
Victoria Vandeputte		50,000			2,500	8	20,000	3	7,500	80,000
Frederic van Haaren		50,000				8	20,000			70,000
Frank van Lierde <sup>(2)</sup>		25,000		2,500		3	7,500	3	7,500	42,500
Pierre Willaert		50,000	5,000 <sup>(3)</sup>			8	20,000	2	5,000	80,000
<b>Total</b>	100,000	475,000	10,000	10,000	7,500	83	207,500	24	60,000	870,000

<sup>(1)</sup> An attendance fee of 2,500 euros is granted per participation in a meeting of the board of directors, the audit committee and/or the remuneration committee. In 2023, there were 8 board of directors meetings, 5 audit committee meetings and 3 remuneration committee meetings.

<sup>(2)</sup> As of May 22, 2023.

<sup>(3)</sup> Until May 22, 2023.

<sup>(4)</sup> Julien Pestiaux is chairman of the Audit committee as of May 22, 2023

After the general meeting of 2023, Pierre Willaert stepped down as chairman and member of the audit committee. As he will participate and contribute to the audit committee during a transition period, he will receive an attendance fee of 2,500 euros per committee meeting attended until the general meeting of May 27, 2024.

## 4. Executive committee

### 4.1 Total remuneration

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

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

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

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

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

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

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

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

Table 2: Stock options 2016-2023 (Number of offered and accepted options calculated based on the Black & Scholes method)

John-Eric Bertrand	Offer	Offer	Offer	Offer	Offer	Offer	Offer	Opening balance <sup>(1)</sup>	Offer	Exercised	Closing balance
	4/01/2016	13/01/2017	12/01/2018	14/01/2019	13/01/2020	15/01/2021	11/01/2022	01/01/2023	11/01/2023 <sup>(2)</sup>	3/01/2023 <sup>(3)</sup>	
Options outstanding	4,000	4,000	5,000	5,000	5,000	5,000	6,000	<b>34,000</b>	<b>10,000</b>	<b>-4,000</b>	
Exercise price	€ 130.95	€ 128.30	€ 148.64	€ 132.52	€ 141.09	€ 124.67	€ 166.35		€ 160.91	€ 130.95	
Black & Scholes	€ 28	€ 26	€ 27	€ 25	€ 22	€ 27	€ 38		€ 43		
Value based on Black & Scholes	€ 110,880	€ 102,800	€ 136,600	€ 124,600	€ 112,150	€ 132,950	€ 228,000		€ 429,290		
Balance on 31/12/2023											<b>40,000</b>

Piet Dejonghe	Offer	Offer	Offer	Offer	Offer	Offer	Offer	Opening balance <sup>(1)</sup>	Offer	Exercised	Closing balance
	4/01/2016	13/01/2017	12/01/2018	14/01/2019	13/01/2020	15/01/2021	11/01/2022	01/01/2023	11/01/2023 <sup>(2)</sup>	3/01/2023 <sup>(3)</sup>	
Options outstanding		5,500	6,000	6,000		6,000	7,000	<b>34,500</b>	<b>10,000</b>	<b>-4,000</b>	
Exercise price	€ 130.95	€ 128.30	€ 148.64	€ 132.52	€ 141.09	€ 124.67	€ 166.35		€ 160.91	€ 130.95	
Black & Scholes	€ 28	€ 26	€ 27	€ 25	€ 22	€ 27	€ 38		€ 43		
Value based on Black & Scholes	€ 0	€ 141,350	€ 163,920	€ 149,520	€ 0	€ 159,540	€ 266,000		€ 429,290		
Balance on 31/12/2023											<b>40,500</b>

Tom Bamelis	Offer	Offer	Offer	Offer	Offer	Offer	Offer	Offer	Opening balance <sup>(1)</sup>	Offer	Exercised	Closing balance
	4/01/2016	13/01/2017	12/01/2018	14/01/2019	13/01/2020	15/01/2021	11/01/2022	01/01/2023	11/01/2023 <sup>(2)</sup>	3/01/2023 <sup>(3)</sup>		
Options outstanding	5,000	5,000	5,000	5,000	5,000	5,000	6,000	<b>36,000</b>	<b>7,500</b>	<b>-5,000</b>		
Exercise price	€ 130.95	€ 128.30	€ 148.64	€ 132.52	€ 141.09	€ 124.67	€ 166.35		€ 160.91	€ 130.95		
Black & Scholes	€ 28	€ 26	€ 27	€ 25	€ 22	€ 27	€ 38		€ 43			
Value based on Black & Scholes	€ 138,600	€ 128,500	€ 136,600	€ 124,600	€ 112,150	€ 132,950	€ 228,000		€ 321,968			
Balance on 31/12/2023												<b>38,500</b>

Piet Beverage	Offer	Offer	Offer	Offer	Offer	Offer	Offer	Offer	Opening balance <sup>(1)</sup>	Offer	Exercised	Closing balance
	4/01/2016	13/01/2017	12/01/2018	14/01/2019	13/01/2020	15/01/2021	11/01/2022	01/01/2023	11/01/2023 <sup>(2)</sup>	3/01/2023 <sup>(3)</sup>		
Options outstanding	5,000	5,000	5,000	5,000		5,000	6,000	<b>31,000</b>	<b>7,500</b>	<b>-5,000</b>		
Exercise price	€ 130.95	€ 128.30	€ 148.64	€ 132.52	€ 141.09	€ 124.67	€ 166.35		€ 160.91	€ 130.95		
Black & Scholes	€ 28	€ 26	€ 27	€ 25	€ 22	€ 27	€ 38		€ 43			
Value based on Black & Scholes	€ 138,600	€ 128,500	€ 136,600	€ 124,600	€ 0	€ 132,950	€ 228,000		€ 321,968			
Balance on 31/12/2023												<b>33,500</b>

André-Xavier Cooreman	Offer	Offer	Offer	Offer	Offer	Offer	Offer	Offer	Opening balance <sup>(1)</sup>	Offer	Exercised	Closing balance
	4/01/2016	13/01/2017	12/01/2018	14/01/2019	13/01/2020	15/01/2021	11/01/2022	01/01/2023	11/01/2023 <sup>(2)</sup>	3/01/2023 <sup>(3)</sup>		
Options outstanding	5,000	5,000	5,000	5,000	5,000	5,000	6,000	<b>36,000</b>	<b>7,500</b>	<b>-5,000</b>		
Exercise price	€ 130.95	€ 128.30	€ 148.64	€ 132.52	€ 141.09	€ 124.67	€ 166.35		€ 160.91	€ 130.95		
Black & Scholes	€ 28	€ 26	€ 27	€ 25	€ 22	€ 27	€ 38		€ 43			
Value based on Black & Scholes	€ 138,600	€ 128,500	€ 136,600	€ 124,600	€ 112,150	€ 132,950	€ 228,000		€ 321,968			
Balance on 31/12/2023												<b>38,500</b>

An Herremans	Offer	Offer	Offer	Offer	Offer	Offer	Offer	Offer	Opening balance <sup>(1)</sup>	Offer	Exercised	Closing balance
	4/01/2016	13/01/2017	12/01/2018	14/01/2019	13/01/2020	15/01/2021	11/01/2022	01/01/2023	11/01/2023 <sup>(2)</sup>	3/01/2023 <sup>(3)</sup>		
Options outstanding	1,500	1,500	1,500	1,500	2,000	2,500	4,000	<b>13,000</b>	<b>7,500</b>			
Exercise price	€ 130.95	€ 128.30	€ 148.64	€ 132.52	€ 141.09	€ 124.67	€ 166.35		€ 160.91			
Black & Scholes	€ 28	€ 26	€ 27	€ 25	€ 22	€ 27	€ 38		€ 43			
Value based on Black & Scholes	€ 41,580	€ 38,550	€ 40,980	€ 37,380	€ 44,860	€ 66,475	€ 152,000		€ 321,968			
Balance on 31/12/2023												<b>20,500</b>

Koen Janssen	Offer	Offer	Offer	Offer	Offer	Offer	Offer	Offer	Opening balance <sup>(1)</sup>	Offer	Exercised	Closing balance
	4/01/2016	13/01/2017	12/01/2018	14/01/2019	13/01/2020	15/01/2021	11/01/2022	01/01/2023	11/01/2023 <sup>(2)</sup>	3/01/2023 <sup>(3)</sup>		
Options outstanding	5,000	5,000	5,000	5,000		5,000	6,000	<b>31,000</b>	<b>7,500</b>	<b>-5,000</b>		
Exercise price	€ 130.95	€ 128.30	€ 148.64	€ 132.52	€ 141.09	€ 124.67	€ 166.35		€ 160.91	€ 130.95		
Black & Scholes	€ 28	€ 26	€ 27	€ 25	€ 22	€ 27	€ 38		€ 43			
Value based on Black & Scholes	€ 138,600	€ 128,500	€ 136,600	€ 124,600	€ 0	€ 132,950	€ 228,000		€ 321,968			
Balance on 31/12/2023												<b>33,500</b>

Definition of the terms used in Table 2:

<sup>(1)</sup> Opening balance: number of options held by the beneficiary on January 1, 2023 and not yet exercised in 2023

<sup>(2)</sup> Number of options offered: number of options offered and accepted in 2023

<sup>(3)</sup> Number of options exercised: number of options acquired during 2023 (following the expiry of the vesting period)

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

The fixed remuneration will be increased in 2024 by 6.5%, being the aggregate of the indexation of 1.48% for 2024 and last year's non-allocated indexation of 5%.

In general, the fixed remuneration and the STI of the executive committee members do not need to be adjusted.

For two members, the fixed remuneration increases towards the chosen market position and in line with their development of relevant competencies and skills. For two other members, the STI target is slightly increased in line with their responsibilities.

## 4.2 Stock options

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

The board of directors decides on the grant of stock options to members of the executive committee based on the recommendation of the remuneration committee. The grant of stock options is determined based on the 2022 benchmarking and the level of responsibility of the executive committee member concerned. In accordance with applicable tax law, the members of the executive committee are taxed on the date of grant of the stock options.

The company does not offer the beneficiaries any hedging instruments against the risks associated with the stock options. It is AvH's policy to cover granted options.

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

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

During 2023, no (non-exercised) stock options expired that were held by members of the executive committee.

## 5. Severance packages and claw-back rights

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

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

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

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

Table 3: Individual remuneration of the (co) CEO(s) and average remuneration of the other members of the executive committee (financial year 2023)

Name	Fixed remuneration			Variable remuneration			Group insurance (fixed contribution paid by the company)	Hospitalisation insurance	Total remuneration	Fixed remuneration on total remuneration	STI on total remuneration	LTI on total remuneration	Variable remuneration on total remuneration	STI on fixed remuneration
	Fixed remuneration	Benefits in kind <sup>(1)</sup>	Total	STI	LTI in the form of stock options <sup>(2)</sup>	Total								
John-Eric Bertrand (co-CEO)	424,020	2,818	426,838	640,257	429,290	1,069,547	112,684	2,444	1,611,513	26%	40%	27%	66%	150%
Piet Dejonghe (co-CEO)	636,000	6,179	642,179	644,121	429,290	1,073,411	174,881	1,521	1,891,992	34%	34%	23%	57%	100%
Other EC members - average	396,936	4,190	401,126	346,215	321,968	668,182	113,435	2,394	1,185,137	34%	29%	27%	56%	86%

<sup>(1)</sup> Benefits in kind: company car, smartphone, laptop, tablet computer.

<sup>(2)</sup> The market value of the stock options offered & accepted in 2023 was calculated according to the Black & Scholes method.

## 6. Deviations from the remuneration policy

No deviations from the remuneration policy were applied during the past financial year.

**Table 3** shows the average remuneration of the 5 members of the executive committee and the individual remuneration of the (co) CEO(s)

and on the development of the stock market price. These two parameters developed as follows in 2023 relative to 2022:

- Consolidated net result: -44%
- Stock market price: -1%

For financial year 2023, the STI was calculated on the basis of the consolidated net result and 20% thereof based on ESG performance goals.

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

### 7.1 Annual change in the remuneration

The average total fixed remuneration of the members of the executive committee increased in 2023 by 11.29%. This is explained by an indexation of 6% and an adjustment towards midpoint of one person.

The average variable remuneration of the members of the executive committee decreased by 21% as a result of the decrease in the consolidated net result.

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

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

As mentioned above, a substantial part of the remuneration (notably the variable remuneration and the stock options) of the members of the executive committee is dependent on the evolution of the consolidated net result

### 7.3 Annual change in the average remuneration of the staff

As of December 31, 2023, the company employed 32 staff members. Their average fixed gross remuneration (excl. employer's contributions) was indexed in 2023 at 11.08% (indexation and sectoral agreement) supplemented with a CLA bonus of 307.94 euros. A number of staff members received a pay raise above indexation based on the benchmarking exercise and their personal performance. Considering the recruitment of 13 new persons (+35% growth) with mixed roles and seniorities in 2023, the salaries increased on average only by 5.9%. Like for like there is an increase of 13.8% as some persons were promoted.

For staff members, AvH adopts a categorised profit-sharing bonus plan, in the context of which the board of directors decides each year whether or not to pay a share of the profit to the staff. The two categorisation-criteria are job title and length of service. The board of directors decides each year on the application of a profit-sharing bonus plan and its terms and conditions. The maximum ratio between the highest and lowest profit-sharing bonus is 1 to 10. Given the results of 2023, the range for 2023 is 3,500 euros to 35,000 euros.

In 2023 the average variable remuneration of the staff decreased by 29.9% as a result of a lower profit sharing and multiple recent joiners.

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

(€)	2019	2020	2021	2022	2023
Fixed remuneration	415,570 (11%)	418,902 (1%)	428,931 (2%)	394,681 (-8%)	439,235 (11%)
Variable remuneration <sup>(1)</sup>	702,384 (47%)	316,477 (-55%)	623,361 (97%)	986,051 (58%)	783,410 (-21%)
Consolidated net result	394,900,000 (36%)	229,791,000 (-42%)	406,813,985 (77%)	708,655,465 (74%)	399,193,823 (-44%)
Stock market price	141.6 (7%)	124.5 (-12%)	168.7 (36%)	160.9 (-5%)	158.8 (-1%)

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

(€)	2019	2020	2021	2022	2023
Fixed remuneration	74,109 (7%)	80,577 (9%)	83,257 (3%)	88,767 (7%)	94,016 (6%)
Fixed remuneration like for like					101,014 (14%)
Variable remuneration <sup>(2)</sup>	9,908 (4%)	11,809 (19%)	14,926 (26%)	17,594 (18%)	12,331 (-30%)
Consolidated net result	394,900,000 (36%)	229,791,000 (-42%)	406,813,985 (77%)	708,655,465 (74%)	399,193,823 (-44%)
Stock market price	141.6 (7%)	124.5 (-12%)	168.7 (36%)	160.2 (-5%)	158.8 (-1%)

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

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

**Table 5** shows the evolution, in percentage terms, of the average total fixed and variable remuneration of the staff, relative to the development of the consolidated net result and the stock market price.

#### 7.4 Pay gap

The ratio between the average fixed remuneration of the members of the executive committee and that of the staff of the company is 1 to 4.7 on the basis of the following data:

- Average fixed remuneration of the members of the executive committee: 439,235 euros
- Average fixed remuneration (gross annual salary) of the staff: 94,016 euros

The ratio between the fixed remuneration of the highest remuneration (642,179) and the median staff salary (88,904.46) is 1 to 7.2.

#### 7.5 Gender pay gap

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

W.r.t. 2023, we not only disclose the weighted pay gap on fixed remuneration, but also the unweighted gender pay gap on fixed remuneration.

Where the difference in remuneration across the weighted groups deviates negatively for women this is purely based on seniority in the role. The pay gap in the 'Member of the Executive Committee/Director'-category decreased substantially from -26% (2022) to -15.46% (2023).

The unweighted gender pay gap of 48.67% is entirely due to differences in gender mix per function.

These two differences are entirely in line with the remuneration policy, which states that the fixed remuneration evolves towards the chosen market

position. If the fixed remuneration has not yet reached the level of the chosen market position, the fixed remuneration will grow towards that point provided the individual concerned also evolves in terms of taking responsibility and the development of relevant competencies and skills.

**Table 6** shows the pay gap between the fixed remuneration of men and women per target group

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

(€)	Women	Men	% delta M/W
Co-CEO	n.a.	530,010.00	n.a.
Executive committee and Directors	279,125.04	330,159.00	-15.46%
Management	148,746.40	139,005.87	7.01%
Staff and Support	70,273.54	55,777.29	25.99%

## V. Statement regarding non-financial information

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

On behalf of the board of directors, March 22, 2024

Luc Bertrand  
*Chairman of the board of directors*

# SUSTAINABILITY REPORT (ESG)

This chapter contains the statement regarding the non-financial information of Ackermans & van Haaren ('AvH') in accordance with Article 3:32 § 2 of the Companies and Associations Code, relating to the financial year ending December 31, 2023. ESG topics are also covered in other chapters of the report as a result of the integrated reporting.

## 1. Your partner for sustainable growth

### 1.1 Vision

**Ackermans & van Haaren (AvH) positions itself as the long-term partner of choice for family businesses and management teams. Its goal is to promote the development of high-performing market leaders who operate with sustainable business models. AvH firmly believes that enduring market leadership goes hand in hand with respect for social and environmental aspects.**

AvH aims to increase the resilience of its participations by anticipating potential risks and taking advantage of opportunities systematically incorporating ESG factors in their business models. This approach is applied at both the group and participation levels. The evolution of the key financial and ESG figures of AvH over the longer term clearly demonstrates that AvH is succeeding. With an overall return on equity of 9.8% over the past 10 years, the AvH results show that these efforts, supported by a focus on governance, solvency and prudent accounting, reinforce each other and generate more sustainable earnings.

Despite very challenging and uncertain times, the participations demonstrated resilience in 2023. Notwithstanding the economic and geopolitical context, many group companies continued their investments in environmental areas such as renewable energy, sustainable buildings or agriculture, sometimes facing significant technical and other challenges. Group companies also continued their efforts in the social domain in order to provide an engaging, constructive and safe working environment.

Group companies actively define and reassess their goals outlined in company policies. This is reflected in an increased number of group companies (measured in terms of AuM) with various policies focused on business ethics, innovation and the broader ESG approach. The aim is to create a sound business culture and proper governance, encouraging the involvement of all those working for and on behalf of group companies. The right corporate culture is also key to ensuring that ESG visions are embedded within the company strategy, governance and processes at all levels. Such efforts

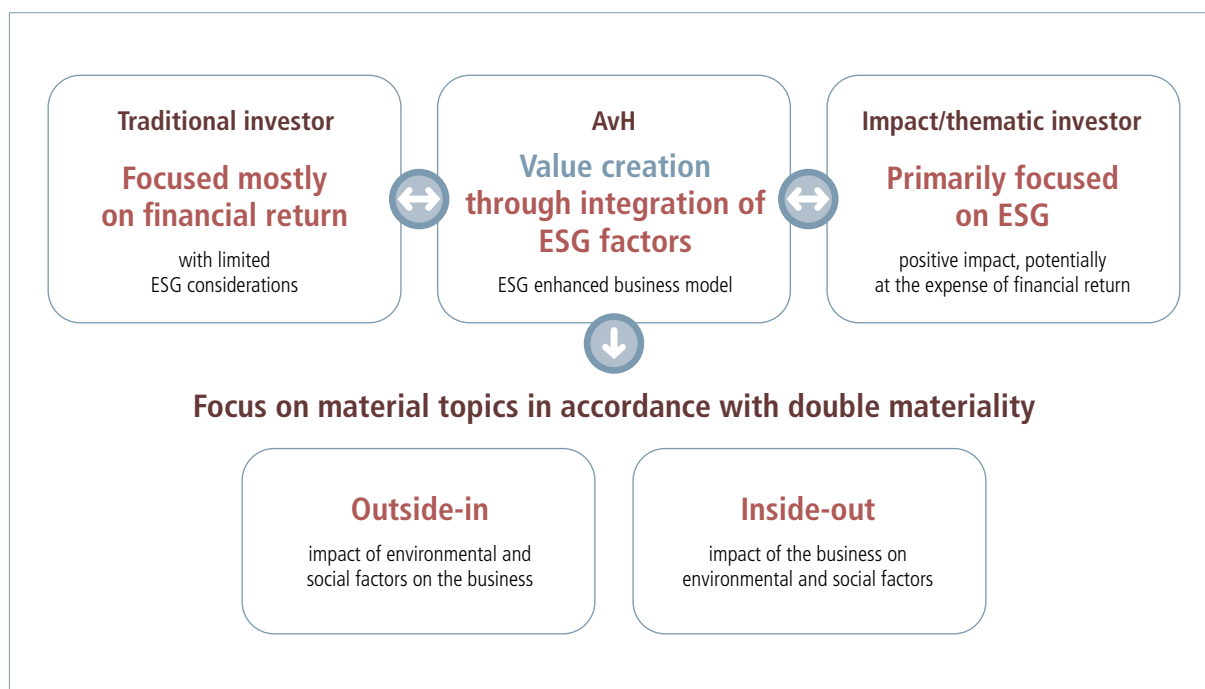
come at a cost, for which payback is not guaranteed. These efforts lead to more innovative and sustainable product offerings. AvH's EU Taxonomy strong alignment underscores this positive impact. This emphasizes that a structural ESG policy makes sense.

AvH integrates its ESG vision into its **responsible investment policy** and into its engagement with the participations as a **responsible and active partner**. Steps are implemented on a continuous basis to discuss ESG strategic topics with the boards of directors to develop appropriate policies. The implementation of these ESG policies in the participations is regularly monitored by AvH and discussed with group companies. Being a **sustainable company**, AvH also acts as a role model by integrating this ESG vision into its own organisation.

### 1.2 Integration of ESG factors into the business model

AvH systematically integrates strategic ESG topics into its responsible investment policy and its engagement with participations. AvH embeds topics such as corporate governance, business ethics, talent development, and innovation, with the aim of creating long-term return and financial resilience. This approach gradually promotes a better link between financial and ESG

DESPIITE VERY CHALLENGING AND UNCERTAIN TIMES, THE PARTICIPATIONS CONTINUED TO DEMONSTRATE RESILIENCE IN 2023, WHICH UNDERLINES THAT A STRUCTURAL ESG POLICY MAKES SENSE.



performance. Bearing in mind the increasing focus on climate change and the drive towards a low carbon economy, due consideration is also given to the carbon footprint and reduction plans. AvH expects that by 2025 most of its participations (> 80% of AuM) will have defined a CO<sub>2</sub> reduction plan for 2030 inspired by the SBTi methodology. AvH actively engages with the highest CO<sub>2</sub> emitters to discuss their CO<sub>2</sub> evolutions.

Any progress made as a result of the rollout of AvH's ESG policy is tracked using quantitative core KPIs, in the tables indicated with **KPI**.

AvH not only invests in companies with a primary focus on sustainability, but more importantly also supports the transition of companies in sectors facing specific ESG challenges. AvH wants to make a difference by investing in companies with a clear ESG policy and agenda, and aims to help them be or become best-in-class with respect to ESG. This sets AvH apart from 'impact' or 'thematic' investors.



Further information on AvH's ESG policy and methodology can be found in the Sustainability report: annex 1. 'AvH's ESG policy and methodology'.

More detailed information on the identified material ESG risks of AvH and its group companies can be found in the section entitled 'Annual report of the board of directors - Risks and uncertainties'.

**AvH WANTS TO MAKE A DIFFERENCE IN TERMS OF ESG BY INVESTING IN COMPANIES WITH AN ESG POLICY AND AGENDA, AND TO HELP THEM BE OR BECOME BEST-IN-CLASS WITH RESPECT TO ESG CHALLENGES.**

### 1.3 Focused approach based on materiality

AvH's ESG approach systematically incorporates environmental and social aspects. This is done using a 'double materiality perspective', which considers both the impact of these aspects on the company's results and the impact of the company's activities on society. In order to achieve impact in its portfolio, AvH focuses on material participations and material aspects in its approach and processes. It also involves the other companies, screening whether new material issues for AvH might develop, and helping them to define their own ESG policy.

AvH determines material participations based on several criteria: the size of the group company, the type of ESG legislation applicable, AvH's shareholding percentage in them or the interest of their stakeholders in specific ESG topics. Based on these criteria, AvH considers DEME, Delen Private Bank, Bank Van Breda and SIPEF as material participations from an ESG perspective. Together, they represent 67% of the AuM. When the Corporate Sustainability Reporting Directive (CSRD) comes into force, the criteria for defining material companies will be reassessed.

AvH conducts annual risk analyses of group companies. The goal is to identify potential material ESG issues for the AvH group. All risks and opportu-

nities are analysed pre-mitigation comparing it with a relevant peer group, representing the sector view. This means that risks might actually be much lower thanks to the risk mitigation processes that are followed. The results of these analyses identified that DEME, Delen Private Bank and Bank Van Breda have potentially material ESG risks and opportunities in terms of corporate governance. In the case of DEME this also applies with respect to the environment and social aspects. As for SIPEF, the analyses do not identify any potentially material issues for the AvH group. Other participations and ESG risks and opportunities included in the analyses are, based on current insights, not deemed to have a potential material impact on the AvH group. The results of these analyses are reported to and discussed with the executive committee, the audit committee and the board of directors.



More information on the identified SDGs and a detailed reference table to the GRI Universal Standards can be found in the Sustainability report: annex 2 'Sustainable Development Goals (SDGs)' and 3 'GRI content index'.

## 1.4 Reporting scope & reference frameworks

In the Sustainability Report, progress in the investment portfolio in terms of ESG is reported using the assets AvH manages (AuM) as the relevant scope in accordance with the UN PRI approach and the way investors look at AvH. Certain key figures do only apply to the investment company itself and the associated (investment) team. In the annex AvH reports on ESG based on its accounting scope.

AvH applies the Sustainable Development Goals (SDGs) as its reference framework and the latest version of the GRI Universal Standards. In the run-up to the implementation of the CSRD, the first steps towards integrated reporting were taken in 2023, linking more closely ESG impacts to the activities reported on.

AvH has identified 4 Sustainable Development Goals (SDGs) as material, being 'Good health and well-being', 'Decent work and economic growth', 'industry, innovation and infrastructure' and 'Peace, Justice and strong Institutions'.

### Value creation through the integration of ESG factors

#### Material ESG topics

responsible investment policy - responsible ownership - corporate governance - business ethics  
talent development - innovation - financial resilience and long-term return

#### Responsible investor

('AvH as investor' - section 2)

p52	Long-term value creation
p52	External validation (ESG ratings)
p53	Exclusion policy
p54	ESG due diligence

#### Responsible and active partner

('AvH as shareholder' - section 3)

p57	Corporate governance
p57	HR policy
p57	Business ethics
p58	ESG policy and engagement
p59	CO <sub>2</sub> emissions
p61	EU Taxonomy
p62	Innovation

#### Sustainable company (AvH's own ESG policy - section 4)

p62	Corporate governance	p67	Environmental/social impact
p64	Talent development	p67	Contribution to society
p67	Business ethics		

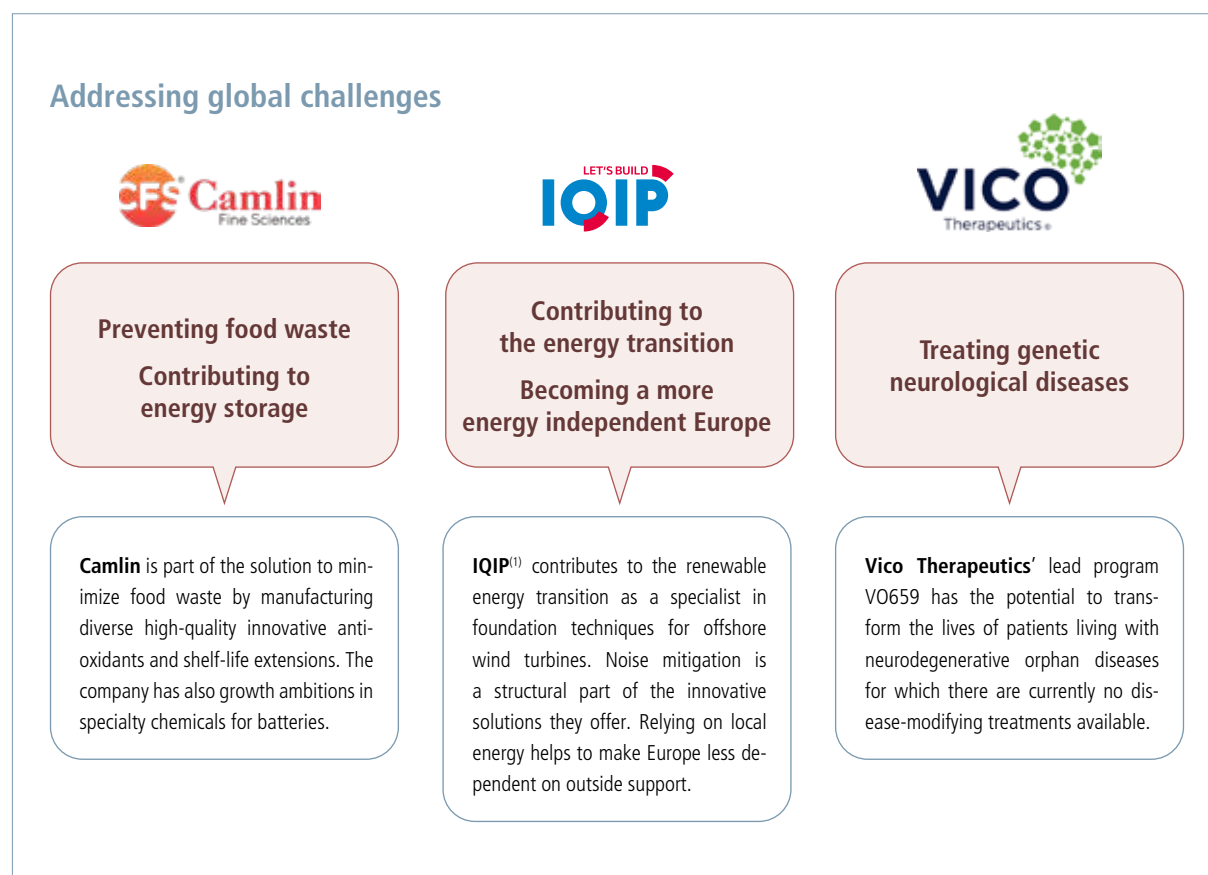
#### Action plan & data reporting





p68	Action plan 2024	p220	Sustainability Report: Annex (a.o. AvH's ESG policy and methodology, SDGs, GRI-content index,...)
p70	ESG highlights at participations - see 'Activity report'		

## 2. AvH as a responsible investor

Being a responsible investor, AvH incorporates ESG factors into its business model and analyses in a structural manner, combining a long-term vision with a focus on strategic ESG risks and opportunities. AvH's responsible investment policy is supported by its exclusion policy and due diligence pro-

cedures, which are in line with its ESG vision. AvH is keen on exploring new investment opportunities which address global challenges, to be part of the solution. Clearly, this depends on whether they can show value creation over the longer term including potential opportunities, comply with AvH's exclusion policy and the due diligence review does not identify unmanageable risks. ESG rating agencies recognise and appreciate AvH's structural and long-term approach.



AvH material topics	SDG	Goal	KPI	Trend	2023	2022	2021
Financial resilience and long-term return		10%	 <b>Value creation</b> - Growth of shareholders' equity <sup>(2)</sup>	✓	9.8%	10.3%	9.4%
		Positive	 <b>Net cash position</b>	✓	517 million euros	499 million euros	78 million euros
Responsible investment policy		Obtaining relevant ESG ratings	Sustainalytics	↗	Negligible risk (7.6)	Negligible risk (9.0)	Low risk (12.5)
			UN PRI	✓	4/5 stars	4/5 stars	-
			CDP	↗	B rating	C rating	-
		ESG part of investment decision	Sector exclusion policy	✓	✓	Informal	
			ESG screening of new investments	100%	100%	100%	
ESG training of investment team	92%	96%	91%				

<sup>(1)</sup> This transaction is subject to various closing conditions, including regulatory approvals.

<sup>(2)</sup> Growth of shareholders' equity plus dividends paid over 10 years (CAGR 2013-2023, 2012-2022, 2011-2021).

## 2.1 Long-term value creation

AvH adopts a long-term horizon across the economic cycle in terms of its investment philosophy and evaluates the performance of the portfolio of group companies as a whole. It tracks its value creation based on the **growth of shareholders' equity (including dividends paid) over a 10-year period**. By integrating ESG factors into its business model, it anticipates and mitigates risks, but also positions itself for sustainable growth by enhancing the resilience, competitive advantage and long-term financial performance of its companies. AvH's results confirm that performance goes hand in hand with a strategically focused ESG policy. The overall business culture seems to be an important driver thereof, more than any particular single programme or policy.

AvH aims to always have a **positive net cash position**. The net cash position increased in 2023 to 517 million euros. Moreover, AvH has 280 million euros in confirmed credit lines from several banks with which it has established long-term partnerships. AvH wants to have ample resources at its disposal to invest in new promising, sustainable and innovative companies and to support the growth of its existing participations, beyond strong balance sheets. These factors are key for the financial independence of the group companies.

That is why AvH monitors these 2 metrics which link ESG to its long-term financial performance.

## 2.2 External validation: ESG ratings and assessments


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


In general, ESG rating agencies seem to appreciate AvH's ESG philosophy and priorities. In line with its objective of committing to **ESG ratings relevant for a quoted investment company**, AvH actively engages with UN PRI, Sustainalytics and CDP. The target is to maintain the current ratings.


The **UN Principles for Responsible Investment (UN PRI)** is a United Nations' framework that oversees the integration of ESG in investment decisions and active involvement in participations. AvH formally subscribed to the principles of UN PRI in 2020. In 2023, AvH confirmed its rating of 4 out of 5 stars.


AvH was able to further improve its **Sustainalytics' 'negligible' ESG risk rating, going from 9.0 to 7.6**. Within the segment of multisector holdings, Sustainalytics ranked AvH in the **upper quartile** (5<sup>th</sup> percentile on January 3, 2024) among its sector peers. AvH is now included in Sustainalytics' **ESG Global 50 Top Rated 2024** list, being one of the 50 best companies assessed worldwide. ISS also awarded AvH the 'Prime' label, which is comparable to the Sustainalytics' 'Industry Top Rated' label.




PART OF









Active engagement (core rating)		
	4/5 star rating	<p style="color: red; font-weight: bold;">Maintain</p> <div style="background-color: #4a7c9c; color: white; padding: 5px; text-align: center;">4 star rating</div>
	7.6	<p style="color: red; font-weight: bold;">Maintain</p> <div style="background-color: #4a7c9c; color: white; padding: 5px; text-align: center;">Negligible risk</div>
	B rating	<p style="color: red; font-weight: bold;">Maintain</p> <div style="background-color: #4a7c9c; color: white; padding: 5px; text-align: center;">B rating</div>

CDP runs a global environmental information system to measure and manage climate related risks and opportunities. The CDP rating and data are used by many stakeholders in their assessment of non-financial information. Over 2023, AvH improved its rating from a C to a **B rating**.

Other ESG ratings such as **MSCI** (BBB score) apply different methodologies not (entirely) reflecting the ESG risks relevant for an investment company. Engagement is ongoing to update their approach.

## 2.3 Responsible investment policy

ESG is systematically integrated into AvH's investment policy. A due diligence review is performed for new investments. AvH ensures that the composition of its portfolio evolves in line with long-term challenges in order to achieve a future-proof and resilient investment portfolio. ESG is integrated into every stage of the investment cycle based on the UN PRI framework.

The overview below summarises AvH's responsible investment policy. The outcome of the **ESG assessment** and **due diligence review** is discussed with management and incorporated into action plans. AvH strives for a **best-in-class position for its group companies** in the sectors in which they are active. However, as AvH is often only one of the shareholders, each company defines its own ESG policy, with AvH acting as a partner and providing (pro)active input on relevant ESG challenges. The best-in-class position is determined for each company based on sector relevant standards, indices or benchmarks.

### 2.3.1 Exclusion policy

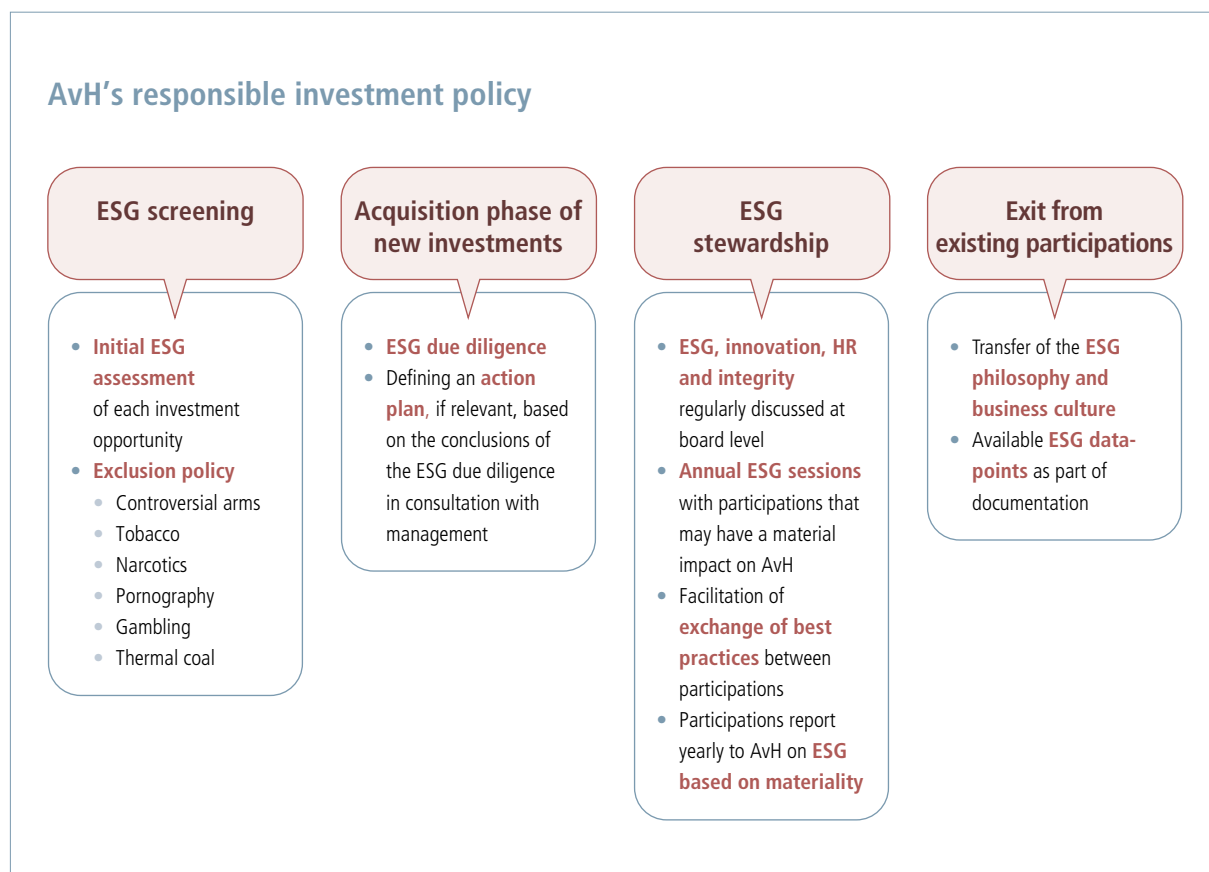
Rather than excluding many sectors, AvH believes in active and responsible engagement, even in sectors facing specific but manageable ESG challenges. AvH prefers to exert a positive influence on these companies in the long term and to mitigate any negative aspects of the sectors in question. As a result, the number of 'hard exclusions' is confined to 6 sectors.

AvH is committed to not investing in the following activities:

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

Adherence to the exclusion policy by existing participations is monitored on a regular basis.

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



## 2.3.2 ESG due diligence

An ESG due diligence review enables AvH to anticipate risks and to respond to opportunities. The ESG due diligence review, which is an integral step in the evaluation of all potential investments, was performed for all new investment decisions in 2023. ESG is included in the investment memos that summarise the analyses and results of the screening and serve as a basis for an investment decision. The Sustainability Accounting Standards Board (SASB) is used as a reference model when focusing on relevant ESG topics, and complemented by sector relevant frameworks and trends.

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

Depending on the investment opportunity and the sector in which it is active, the following topics may be covered in the ESG screening:

- **Environmental factors (E)**, such as climate change (including CO<sub>2</sub> and other emissions), energy consumption, efficient use of raw materials and equipment, prevention and management of pollution, waste, ecosystems, biodiversity and product impact
- **Social aspects (S)**, such as working conditions, work environment, leadership, training, human rights, industrial relations and/or grievance procedures
- **Governance (G)**, such as organisational structure, corporate governance charters, integrity and other policy, risk management and cyber-security

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



Bank Van Breda



DEME

### 3. AvH as a responsible and active partner

Responsible ownership and ESG are closely intertwined. As an active and long-term shareholder, AvH manages its portfolio in line with its values. Therefore, the focus of its ESG approach is to establish relevant policies through the appropriate governance processes. The group companies actively define and reassess their goals included in these policies with the support of AvH, focusing on the material ESG topics to support their corporate strategy.

AvH interprets ESG in a broad way to drive meaningful change and positive impact. An appropriate corporate culture and governance framework foster ESG integration in the strategy and processes of its participations.

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

- **ESG embedded in the corporate culture** promoted by the management at AvH and its participations.

- **Focus on material topics** in line with the strategy and key success factors, based on a double materiality perspective.
- **Substance over form approach and achieving impact in its portfolio** (based on a company's share in the group's consolidated shareholders' equity) by initially focusing on the participations and aspects that are material to AvH and subsequently involving the other companies.

AvH supports its participations in defining and implementing relevant ESG policies tailored to their industry. Given the increasing concern about climate change, the environmental footprint and related CO<sub>2</sub> emissions are given due consideration. Participations have been asked to define a CO<sub>2</sub> reduction plan for 2030 by 2025 inspired by the SBTi methodology. Social factors are another focus area, particularly when it comes to the strength-



Further information on achievements and highlights for 2023 can be found in 'Key events 2023' and in the 'Activity report'.

#### Responsible ownership in practice

##### Growth capital

- Integration of ESG factors (e.g. business culture, innovative developments, talent development)
- Active in various sectors such as life sciences, supply chain, clean technology and media

##### DEME

- Offshore wind (global leader in projects, 144 MWh concessions)
- Environmental remediation, use of renewable energies
- Strong innovation focus (fuel efficient fleet, green hydrogen, etc.)

##### SIPEF

- Sustainable RSPO palm oil production
- High rating on ESG indices

##### Sagar Cements

- Continuous investments in energy efficiency, circular and renewable energy

##### Nextensa

- Sustainable buildings and urban development

##### CFE

- Sustainable and innovative construction
- Energy efficient buildings
- Rail infrastructure

##### Deep C Holding

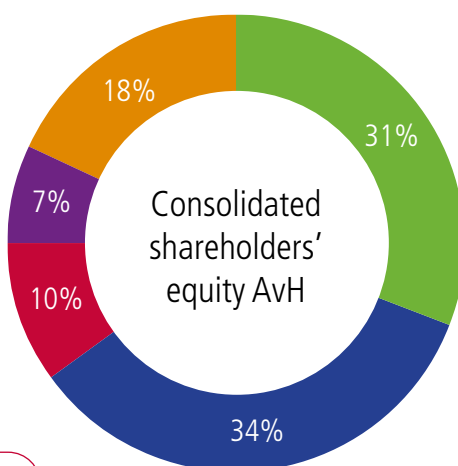
- Integration ESG factors in port development (e.g. renewable energy)
- Alternative for global supply chain risks

##### Delen Private Bank

- Responsible investment policy (SFDR article 8, 4/5 star rating from UN PRI)
- Business culture focused on high client satisfaction

##### Bank Van Breda

- Safe harbour (high solvency, high client satisfaction level, etc.)
- Strong business culture (Great Place to Work, etc.)



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

ening or diversification of the skill sets of the management teams of the participations. This includes topics such as leadership, innovation and digital transformation. Health and well-being also receive significant focus, as a safe environment, autonomy, competence, and engagement are considered important.

ESG aspects that are considered as material are listed in the table on the following page along with AvH's objectives:

- **ESG policy:** annual discussion at board level of the policy pursued relating to environmental, social and governance material topics, with related ambitions, action plans, goals and KPIs to monitor progress.
- **Innovation strategy:** annual discussion at board level of the inno-

vation initiatives pursued, and whether it is in line with the business strategy across various time horizons. AvH considers innovation an essential factor to mitigate risks, capitalise on opportunities and make the best use of limited resources. This relates not only to environmental aspects, but to all domains that promote sustainable growth, such as assessing innovative product/market combinations, digitising or improving operational processes, or looking for new partnerships (e.g. with universities, governments, customers or suppliers).

- **Corporate governance:** organisation of the decision-making processes formalised in a charter adapted to sector specific standards. This charter defines, for instance, the matters to be discussed at the board or executive management level.

## Selection of ESG achievements in 2023

### > DEME

- EU Taxonomy: 33% of turnover aligned and 49% of capex aligned (i.e. modernising its fleet in a sustainable way)
- Increase of consumption of low carbon fuels to 10.3%



DEME

### > CFE

- Delivery of sustainable and smart buildings, including Wood Hub, CFE's new headquarter office
- Awarded Top Employer



SIPEF

### > Nextensa

- An action plan was drawn up to move towards a fossil-free portfolio



Nextensa

### > SIPEF

- Defined its carbon footprint target to reduce 28% of its emissions intensity by 2030 (compared to the 2021 baseline)

### > Sagar Cements

- Developed ESG roadmap (e.g. CO<sub>2</sub>, energy, environment, water, health and safety) with targets in line with the Science Based Targets initiatives (SBTi) for 2030, i.e. a reduction of 28%, and to become net zero by 2050

### > Growth Capital

- Despite difficult context, scaling-up of Bioelectric's activities led to profitability after substantial investments in the past
- Significant progress at Biotallys in manufacturing its protein-based biocontrol Evoca, strengthening the prospects for safe, sustainable biocontrol products
- Concession obtained for the expansion of Van Moer Logistics' container terminal in the Port of Brussels, supporting the transition to sustainable transport modes

- **Risk management (by audit and/or risk committees):** identification and monitoring of potential material risks adapted to sector specific conditions, with appropriate processes.
- **HR policy (by remuneration committees):** discussing the HR policy pursued and the composition and functioning of the management (including attention to succession planning and attracting and retaining diversified talent).
- **Business ethics:** an integrity code (description of values and appropriate rules of conduct) adapted to sector-specific conditions and underpinned by relevant compliance procedures (e.g. anti-corruption), programmes (e.g. training, annual confirmation) and reporting to relevant board levels.

### 3.1 Governance

AvH considers **corporate governance** and **business ethics** fundamental principles of its ESG philosophy. These principles guide strategic decisions and operational processes based on the right set of values. Having the right culture is not just an add-on, but a fundamental requirement for the successful roll-out of sustainable business models. AvH consequently aims to have the right supervision processes in place for a substantial part of the assets under management. AvH is glad to report that more than 95% of the AuM is covered across these dimensions.

AvH material topics	SDG	Goal	KPI	Trend	2023	2022	2021	
Responsible ownership	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	<b>ESG engagement with participations</b>						
		> 80% of portfolio	KPI	<b>ESG policy<sup>(1)</sup></b>	↗	<b>94%</b>	91%	91%
				Individual strategic ESG sessions		<b>77%</b>	78%	83%
	3 GOOD HEALTH AND WELL-BEING	<b>CO<sub>2</sub> emissions investment portfolio</b>						
				Scope 3 emissions - investment portfolio (tonnes of CO <sub>2</sub> equivalents) <sup>(2)</sup>		<b>1.4 million</b>	1.2 million	1.2 million
				Scope 3 emissions - investment portfolio <sup>(1)</sup>		<b>97%</b>	93%	89%
		> 80% of portfolio (in 2025)	KPI	<b>CO<sub>2</sub> ambition and reduction plan<sup>(1)</sup></b>	↗	<b>61%</b>	50%	-
	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	<b>EU Taxonomy<sup>(3)</sup></b>						
				% eligible <b>Turnover</b> EU Taxonomy		<b>49%</b>	43%	46%
				% aligned <b>Turnover</b> EU Taxonomy		<b>27%</b>	21%	15%
			% eligible <b>Capex</b> EU Taxonomy		<b>56%</b>	56%	39%	
			% aligned <b>Capex</b> EU Taxonomy		<b>43%</b>	47%	25%	
			% aligned <b>Opex</b> EU Taxonomy <sup>(4)</sup>		-	-	-	
Innovation	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	> 80% of portfolio	KPI	<b>Innovation strategy<sup>(1)</sup></b>	✓	<b>85%</b>	84%	77%
Corporate governance	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	> 80% of portfolio	KPI	<b>Corporate governance charter<sup>(1)</sup></b>	↗	<b>99%</b>	98%	96%
			KPI	<b>Audit and/or risk committee<sup>(1)</sup></b>	✓	<b>96%</b>	96%	96%
			KPI	<b>Remuneration committee<sup>(1)</sup></b>	✓	<b>98%</b>	99%	94%
Business ethics	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	> 80% of portfolio	KPI	<b>Integrity code<sup>(1)</sup></b>	✓	<b>97%</b>	97%	92%

<sup>(1)</sup> Expressed as a % of the consolidated shareholders' equity of AvH.

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

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

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

### 3.2 ESG policy and engagement

AvH considers it important that an ESG policy is aligned with the corporate strategy. **Focusing on material topics and discussing the status and action plan at board level** are, therefore, important tools when it comes to rolling out an ESG policy.

All participations are requested to complete an annual **ESG questionnaire**. They report in a manner that is relevant to AvH’s materiality, the size of the company, their economic life cycle stage and the sector they operate in. This enables AvH, and in particular the investment managers, to review the ESG performance status and progress and support the participations where needed. One-on-one sessions are organised upon request and AvH engages with a significant number of group companies on a regular basis. All participations are asked to present their ESG questionnaire to their board of directors and/or audit committee to facilitate ESG monitoring. Based on the information gained from these questionnaires AvH formulates its recommendations going forward.

As in previous years, numerous **workshops** were organised in 2023 for participations. These workshops concentrated on clusters of group companies with the same ESG maturity, materiality for AvH, or specific types of material topics.

Individual **ESG strategic sessions** were organised for DEME, Delen Private Bank, Bank Van Breda, Nextensa and SIPEF. These sessions are attended by the investment managers who sit on the board of directors of the

participation, the ESG teams, and members of the executive committees. The purpose of these ESG strategic sessions is to evaluate progress on material ESG matters, including the ESG policy and its current status, relevant action plans, progress of metrics and data collection, review of relevant stakeholders, etc. These sessions are held in preparation for discussions at board level.

AvH also organised various workshops in 2023 to prepare the participations for the upcoming ESG disclosure standards within the context of the **Corporate Sustainability Reporting Directive (CSRD)**.

A workshop was organised for the ESG teams of the participations and the investment managers to brief them on the implications of the CSRD. Another workshop was attended by the ESG teams and **CFOs** of the participations regarding setting up appropriate ESG data processes and incorporating ESG reporting into the reviews performed by audit committees.

A **pilot project** was carried out with DEME, CFE and Delen Private Bank to provide individual guidance and knowledge sharing on the interpretation of double materiality (i.e. ‘financial materiality’ and ‘impact materiality’), the performance of a gap analysis and the formulation of a CSRD roadmap. Bank Van Breda and Nextensa also participated in the knowledge sharing sessions. **Multidisciplinary teams** were set up to roll out the CSRD.

A dedicated **HR workshop** on the financial impact of investing in talent was organised with various group companies, at which multidisciplinary teams (HR, ESG and Finance) discussed the topic.



Lessons learnt from the pilot project and dedicated workshops are shared with the other participations during annual review workshops to ensure that the AvH group is ready by the time the legislation's requirements come into force.

A programme was hosted in 2020 and 2021 based on the '10 Types of Innovation' by Larry Keeley. A follow-up workshop was organised in 2023 to discuss the governance and metrics of the **innovation** strategies executed and the lessons learnt. Although the percentage of portfolio companies with an innovation strategy remained stable compared to last year, a distinct improvement in the quality and monitoring of the strategies was noted.

Innovation workshops focusing on topical subjects such as AI and cybersecurity were also organised.

### 3.3 CO<sub>2</sub> emissions








KPI	61%	of portfolio has <b>CO<sub>2</sub> ambition and reduction plan</b> for 2030
	1.4 mio	tonnes of CO <sub>2</sub> equivalents <b>scope 3 emissions - investment portfolio</b> (coverage 97% of portfolio)
	98%	emissions of investment portfolio was <b>SBTi tested</b>

The transformation towards a low-carbon economy triggered by the urgency to tackle climate change goes hand in hand with AvH's approach to sustainable business models. Despite contributing to climate solutions and/or reducing the CO<sub>2</sub> intensity of activities, increased turnover can nevertheless result in an increase in CO<sub>2</sub> emissions.

AvH has adopted a '**fit for purpose**' approach to find out to what extent CO<sub>2</sub> ambitions and action plans match the **Science Based Targets** initiative (SBTi) and **sector-specific transition pathways** (e.g. 1.5°C and 2°C scenarios in the Paris Climate Agreement). By starting to focus on reducing the **emission intensity**, AvH aims to achieve an absolute emission reduction in the long term. Three examples of how its participations are working on emission reduction are highlighted on page 60.

Participations are requested to establish by 2025 a carbon reduction plan for 2030. In 2023 AvH actively engaged with the largest emitters, which

#### CO<sub>2</sub> emissions of AvH investment portfolio (scope 3) in tonnes of CO<sub>2</sub> equivalents

	2023			2022			2021		
	CO <sub>2</sub> absolute emissions	Shareholding percentage	CO <sub>2</sub> emissions weighted according to the shareholding percentage ('share AvH')	CO <sub>2</sub> absolute emissions	Shareholding percentage	CO <sub>2</sub> emissions weighted according to the shareholding percentage ('share AvH')	CO <sub>2</sub> absolute emissions	Shareholding percentage	CO <sub>2</sub> emissions weighted according to the shareholding percentage ('share AvH')
	3,217,391 <sup>(1)</sup>	20%	643,478 <sup>(1)</sup>	2,486,023	20%	488,255 <sup>(1)</sup>	1,929,030	22%	421,493 <sup>(1)</sup>
 <b>DEME</b>	733,500	62%	454,770	653,000	62%	405,643	832,800	62%	517,169
 <b>Sipef</b>	651,512 <sup>(2)</sup>	39%	254,090 <sup>(2)</sup>	608,769 <sup>(2)</sup>	37%	224,088 <sup>(2)</sup>	681,769 <sup>(2)</sup>	35%	239,505 <sup>(2)</sup>
 <b>cfe</b>	15,283	62%	9,476	15,309	62%	9,510	16,489	62%	10,240
 <b>VAN MOER</b> Logistics	42,679	22%	9,389	40,752	22%	8,859	35,565	22%	7,731
 <b>DELEN</b> PRIVATE BANK	1,378	79%	1,089	1,361	79%	1,072	1,713	79%	1,348
 <b>Bank VanBreda</b>	1,376	79%	1,087	1,470	79%	1,158	1,388	79%	1,093
Other	22,131	-	8,158	8,165	-	4,905	4,903	-	3,380
Scope 3 emissions - participations	-	-	1,381,536	-	-	1,143,749	-	-	1,202,189

<sup>(1)</sup> Sagar's CO<sub>2</sub> footprint for 2023 is based on Sagar's accounting year 2022/2023. The CO<sub>2</sub> footprint for 2022 is based on Sagar's accounting year 2021/2022. The CO<sub>2</sub> footprint for 2021 is based on Sagar's accounting year 2020/2021.

<sup>(2)</sup> Sipef has, according to ISO 14064, slightly adjusted the calculation methodology for scope 1 and scope 2 emissions. The CO<sub>2</sub> footprint according to the adjusted methodology for 2022 would have been 658,271 tonnes CO<sub>2</sub> eq, weighted 243,560 tonnes CO<sub>2</sub> eq and for 2021, 728,762 tonnes CO<sub>2</sub> eq, weighted 255,067 tonnes CO<sub>2</sub> eq. Sipef considers net emissions in line with the GHG protocol.

## Case studies regarding GHG intensity: DEME, SIPEF and Sagar Cements

In the case studies, the metrics and reference years were used as reported by the participations in their respective sustainability reports and annual reports available on their websites.



### > DEME

#### Reduction percentage of GHG intensity

DEME has set a target to **reduce GHG intensity by 40% by 2030** (compared to 2008), in line with the decarbonisation trajectory set out by the International Maritime Organization (IMO). By the end of 2022 DEME had already achieved a GHG intensity reduction of 27%<sup>(1)</sup>. DEME aims to attain climate neutrality by 2050.

<sup>(1)</sup> Data of 2008 and 2022 verified by Lloyd. Verification of the data of 2023 is pending.

#### > Way forward

- Operational efficiency (e.g. fuel saving)
- Technical and technological efficiency (e.g. heat waste recovery systems)
- Connection to shore power & bunkering of LNG and blends of biofuels

### > SIPEF

#### Net GHG intensity (scope 1 & 2) per tonne of palm oil produced (CPO)

SIPEF has set a target to **reduce GHG intensity by 28% by 2030** (compared to 2021). In 2023, SIPEF has already achieved a reduction of 10%. There was a slight increase in 2023 (compared to 2022), due to lower production levels, an increase in production area and refinements in the calculation methodology.

#### > Way forward

- Methane capture
- RSPO new planting procedure

### > Sagar Cements

#### GHG intensity (scope 1 & 2) per tonne of cementitious production

Sagar Cements has set a target to **reduce GHG intensity by 28% by 2030** (compared to 2020) notwithstanding the core of its activities is performed in India. This target is in accordance with Sagar's plan of working towards the Science Based Targets initiative (SBTi), with the aim of attaining **net zero by 2050**, which will a.o. require a change in customer behaviours.

#### > Way forward

- Reduction clinker ratio
- Use of alternative fuels
- Greater share of green energy
- Energy efficiency
- Alternative raw materials
- Partnering with academic institutions and research centres

represent 98% of the emissions from the investment portfolio, further challenging their CO<sub>2</sub> strategy and action plans. The discussions focused on available and utilized operational and technical levers for improvement, market willingness to pay for products and services with lower carbon intensity, expected carbon footprint costs, and the impact of related operational costs and investments.

Looking at AvH as an **investment company**, scope 1 and 2 (186 tonnes of CO<sub>2</sub> equivalents) are the direct and indirect CO<sub>2</sub> emissions related to energy consumption in its own offices. Scope 3 emissions are attributable to two sources. On the one hand, there are scope 3 emissions that relate to its own activities (249 tonnes of CO<sub>2</sub> equivalents), i.e. business travel.

On the other hand, there are scope 3 emissions that relate to the investment portfolio (1.4 million tonnes of CO<sub>2</sub> equivalents). Scope 3 emissions of the investment portfolio include the scope 1 and 2 emissions from the companies in the portfolio, weighted according to the shareholding percentage. For an investment company such as AvH, the majority of the emissions can be attributed to scope 3 emissions caused by its investment portfolio.

The overall CO<sub>2</sub> emissions (in CO<sub>2</sub> equivalents of scope 1 and 2) based on the accounting scope amounted to 754,749 tonnes of CO<sub>2</sub> equivalents in 2023 (see Sustainability Report: Annex 4 at the back of the annual report). It remains very difficult to get reliable figures on scope 3 emissions for group companies. A pragmatic approach based on business sense taking into account the underlying drivers thereof, remains the best way forward the coming years. AvH considers reporting as an investment company, in a voluntary way, more meaningful for its stakeholders.

The investment portfolio's CO<sub>2</sub> footprint increased from 1.2 to 1.4 million tonnes of CO<sub>2</sub> equivalents in 2023 relative to 2022. This CO<sub>2</sub> footprint covers the core sectors as well as Growth Capital participations that are potentially active in CO<sub>2</sub> intensive industries. AvH's CO<sub>2</sub> footprint may change substantially, depending on its investment and divestment decisions or those of its group companies.

Sagar Cements acquired Andhra Cement in January 2023, which resulted in an increase in absolute CO<sub>2</sub> emissions. It has incorporated an action plan to tackle CO<sub>2</sub> emissions in its overall strategy. DEME's increase in total greenhouse gas emissions is caused by a slightly higher occupation of the offshore fleet and the deployment of a number of cutter suction dredgers in more energy-intensive projects. The increase in CO<sub>2</sub> emissions of SIPEF can be explained by lower production levels and an increase in production area in 2023, as well as refinements in SIPEF's calculation methodology.

In 2023, the CO<sub>2</sub> footprint of the investment portfolio reported to AvH became more comprehensive, covering 97% of the portfolio (AuM). However, at the time of publication of this report, the data for some participations is either unavailable or not uniformly established. Based on current knowledge, these factors are not expected to have a significant impact at AvH level. Nevertheless, AvH encourages all relevant participations to initiate or refine these measurements so that they can be incorporated in future reporting.



Further information on the individual CO<sub>2</sub> emissions and targets of AvH as a company can be found in section '4.4 Direct impact on environment and social aspects'.

### 3.4 Alignment with EU Taxonomy

The EU Taxonomy is part of the EU's Green Deal approach and defines a classification system for environmentally sustainable activities, with the aim of facilitating sustainable investments and avoiding the risk of 'green-washing'.

The EU Taxonomy system sets high standards in terms of technical screening criteria. Notwithstanding these high standards, the AvH group already reaches substantial percentages. By contrast, many activities that actually make a positive contribution to the climate are not considered 'aligned'. This does not prevent AvH from supporting such activities if they contribute to a low-carbon environment.

AvH and its participations adopted a conservative approach as regards the reporting of alignment with EU Taxonomy. A sanity check was carried out on the used methodology and interpretations by the participations, also to avoid the risk of double counting.

AvH reports on the following two elements based on its **accounting consolidation scope**:

- **Eligible:** determining which economic activities are covered by the EU Taxonomy and contribute to the environmental objectives.
- **Aligned:** checking against EU Taxonomy criteria such as the technical screening criteria (TSC), without having a significant negative impact (Do not significantly harm, DNSH) on the other goals defined within the EU Taxonomy system.

**AvH's group companies** have a significant potential to make a positive impact on climate change. AvH's strong EU Taxonomy alignment underscores its positive impact. The AvH group stands out thanks to the substantial portion of its turnover (27%) and investments (43%) which is already 'aligned' with this framework. These figures show the financial impact of initiatives taken by the AvH group from an ecological perspective, whereby the capex figure clearly demonstrates its commitments to, and belief in, the future.

**DEME's** activities in offshore wind are considered both eligible and largely aligned. Rail infrastructure projects were screened as well. DEME's eligible activities expanded in 2023 to also include parts of its environmental activities. **CFE's** eligible activities primarily relate to construction and renovation, electrical installation, rail infrastructure and real estate development. The aligned turnover mainly relates to BPI's project development and CFE's construction projects. **Nextensa's** eligible activities are primarily related to real estate development and the letting of real estate from its own investment portfolio. The aligned turnover is mainly generated from rental income and the sale of apartments (Park Lane). The EU Taxonomy reporting for **Delen Private Bank** and **Bank Van Breda** is included in their respective sustainability reports and annual reports available on their websites.

A summary of the EU Taxonomy figures for 2023 are included in the table. The complete tables as required by the regulations are included in the Sustainability Report: Annex 5 at the back of the annual report.

EU Taxonomy alignment 2023		
	Eligible	Aligned
<b>Turnover</b>		
<b>AvH group</b>	<b>49%</b>	<b>27%</b>
DEME	42%	33%
CFE	79%	20%
Nextensa	97%	32%
<b>Capex</b>		
<b>AvH group</b>	<b>56%</b>	<b>43%</b>
DEME	49%	49%
CFE	87%	19%
Nextensa	100%	20%
<b>Opex<sup>(1)</sup></b>		
<b>AvH group</b>	-	-
DEME	-	-
CFE	-	-
Nextensa	-	-

<sup>(1)</sup> The Opex, as defined in the scope of the EU Taxonomy, comprises a restrictive list of non-capitalised costs. As the participations prepare their annual financial statements on the basis of IFRS, they are already to a large extent included in the Capex. AvH chooses to focus on Turnover and Capex.

### 3.5 Innovation

Sustainable business models are shaped by constant innovation. Innovation is key when it comes to enhancing a company’s resilience in a continuously evolving business landscape. By defining an appropriate innovation strategy, businesses are better equipped to diversify their products and services, explore new markets and optimise operations. Moreover, innovative solutions often lead to increased operational efficiency, cost savings and improved customer experiences, all of which strengthen a company’s competitive position.

As a responsible and active partner, AvH encourages its participations to make innovation part of their corporate strategy. Efforts are focused on the strategic drivers that can deliver the most significant impact over the long term. This commitment ensures that resources are aligned with goals and that results are evaluated on a regular basis. That is why AvH encourages its participations to **formalise an innovation strategy and related processes**, and to evaluate them annually at board level. This process is monitored via the ESG questionnaire.

Each participation is responsible for its innovation strategy. AvH’s role consists of (1) providing and mutually exchanging cross-sectoral methodologies and best practices (e.g. through the workshops already mentioned), and (2) monitoring the supervision of the innovation strategy at board level.

## 4. AvH as a sustainable company

AvH is committed to fostering a sustainable and responsible business environment focused on the material topics of corporate governance, talent development and a culture of values (e.g. integrity). They define and shape the quality of AvH’s portfolio. These are consequently the ESG metrics that AvH closely monitors with clearly defined ambition targets.

### 4.1 Corporate governance

**Corporate governance** is a cornerstone in AvH’s ESG philosophy to define strategies and steer processes. It provides a framework that ensures accountability, fairness and transparency.






AvH has defined an **ESG governance** structure to ensure strategic alignment. Since 2019, AvH’s ESG policy has been coordinated by a member of the executive committee (André-Xavier Cooreman). Twice a year, the **ESG steering committee**, composed of the two co-CEOs, the CFO, the Secretary-general and the member of the executive committee responsible for ESG, evaluates the ESG policy, the progress made and the ambitions and priorities.

An ESG working group meets on average every three months and is in charge of the operational rollout of the ESG policy. The ESG working group is coordinated by the Head of ESG and is composed of the member of the executive committee responsible for ESG, representatives of the investment team, the Chief Human Capital Officer (CHCO), legal, investor relations and finance.

The full executive committee approves these evaluations from the ESG steering committee and reports at least once a year to the audit committee, remuneration committee and the board of directors. In 2023 a session was held on ESG policy and its strategical ambitions for the board of directors and a session on ESG reporting was made for the audit committee. The scope of these discussions includes AvH (group level, own operations and investments) and the participations’ ESG policy.

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

 Further information concerning the approach and implementation of corporate governance can be found in the section entitled ‘Corporate governance statement’.

AvH material topics	SDG	Goal	KPI	Trend	2023	2022	2021
Corporate governance			ESG policy		✓	✓	✓
			AvH corporate governance charter		✓	✓	✓
			AvH audit committee		✓	✓	✓
			AvH remuneration committee		✓	✓	✓
Talent development		5 days	<b>KPI</b> Average number of <b>training days</b> per person	✓	11.1	8.3	9.7
			Training cost (as % of general costs)		693,139 euros (2.5%)	518,771 euros (2.1%)	534,204 euros (2.8%)
		> 10 years	<b>KPI</b> Average number of years of relevant <b>experience</b> per person in the <b>investment team</b>	✓	19.2 years	19.8 years	19.5 years
		< 10%	<b>KPI</b> Average employee <b>turnover</b> in the <b>investment team</b> (excluding intra-group and retirement, over 3 years)	✓	2%	3%	1%
			Average employee <b>turnover</b> (excluding intra-group and retirement, over 1 year)		0%	5%	0%
	90%	<b>KPI</b> <b>Performance review</b>	✓	100%	100%	100%	
Business ethics		Business ethics part of corporate governance	Integrity policy		✓	✓	✓
AvH's CO <sub>2</sub> emissions as an investment company		30% reduction	CO <sub>2</sub> reduction (scope 1 & 2)		28%	-	-
		(scope 1 & 2, base year 2022 - in 2030)	Scope 1 emissions - direct emissions (tonnes of CO <sub>2</sub> equivalents) <sup>(1, 2)</sup>		183	202	197
			Scope 2 emissions - indirect emissions (tonnes of CO <sub>2</sub> equivalents) <sup>(1, 3)</sup> - market based		3	57	32
			Scope 2 emissions - indirect emissions (tonnes of CO <sub>2</sub> equivalents) <sup>(1, 3)</sup> - location based		56	57	32
			Scope 3 emissions - business travel (tonnes of CO <sub>2</sub> equivalents) <sup>(1, 4)</sup>		249	210	7
Philanthropy		Contribution to society			368,000 euros	366,000 euros	251,000 euros

<sup>(1)</sup> The emission factors originate from DEFRA and Ember - (yearly electricity data per country) in accordance with the GHG protocol methodology.

<sup>(2)</sup> Scope 1 emissions are direct emissions from heating, vehicle fuel consumption and coolant leakage.









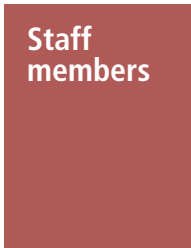














<sup>(3)</sup> Scope 2 emissions are indirect emissions from the production of electricity that is purchased and consumed.

<sup>(4)</sup> Scope 3 emissions relating to the investment company are indirect emissions from business travel.

## 4.2 Talent development

An investment company's success is defined by the skills, engagement and experience of its staff. As an employer, AvH creates a work environment with an emphasis on ethical and respectful conduct and continuous talent development. AvH aims to develop teams with a diversity of skills and experience to be able to offer the best support to the participations' manage-

ment teams active in a vast array of sectors. Low staff turnover ensures that the staff members propagate AvH's values to maximum effect. In 2023, 11 people joined the team. Therefore, special attention went to onboarding new colleagues and ensuring a smooth integration into the AvH culture and practices.

							
	<p><b>John-Eric Bertrand</b> co-CEO - co-Chairman of the executive committee</p>	<p><b>Piet Dejonghe</b> co-CEO - co-Chairman of the executive committee</p>	<p><b>Tom Bamelis</b> Member of the executive committee - CFO</p>	<p><b>Piet Bevernage</b> Member of the executive committee - Secretary-general</p>	<p><b>André-Xavier Cooreman</b> Member of the executive committee - ESG</p>		
							
	<p><b>An Herremans</b> Member of the executive committee</p>	<p><b>Koen Janssen</b> Member of the executive committee</p>		<p><b>Ivo Berckmoes</b> IT support</p>	<p><b>Isabelle Bernaerts</b> Management assistant</p>		
							
	<p><b>Ann Bex</b> Management assistant</p>	<p><b>Heleen Boonen</b> Legal counsel</p>		<p><b>Bart Bressinck</b> Accountant - Controller</p>	<p><b>Gloria Burihabwa</b> Reception</p>	<p><b>Emmanuel Carlier</b> Investment manager</p>	<p><b>Hilde Delabie</b> Senior group controller</p>
							
<p><b>Quinten Dumont de Chassart</b> Investment associate</p>	<p><b>Peter Florus</b> Tax officer</p>	<p><b>Sarah Franssens</b> Management assistant</p>		<p><b>Ann Frans</b> HR assistant</p>	<p><b>Michaëla Goelen</b> Office manager</p>	<p><b>Nele Govaert</b> Senior legal counsel</p>	



**Hilde Haems**  
Chief Human Capital Officer



**Miro Halfon**  
Management assistant



**Philip Heylen**  
International relations & public affairs officer



**Thijs Hoste**  
Investment manager - Group controller



**Gilles Huyghebaert**  
Group controller



**Yuliya Leysen**  
Reception



**Bruno Maes**  
Controller



**Lydie Makiadi**  
Management assistant



**Anne Mampaey**  
Accountant



**Christophe Maters**  
Investment director



**Iris Meirlaen**  
Paralegal



**Robin Muller**  
Management assistant



**Subin Oswal**  
Analyst



**Filip Portael**  
IT manager



**Hari Rajmohan**  
Investment manager



**Melissa Slabbaert**  
Sustainability expert



**Brigitte Stockman**  
Management assistant



**Garry Suy**  
Maintenance



**Thomas Ternest**  
Investment director



**Petra Van de Velde**  
Management assistant



**Jeroen Vangindertael**  
Investment manager



**Jens Van Nieuwenborgh**  
Investment director



**Bart Vercauteren**  
Head of ESG



**Julie Wouters**  
Investment associate

## 4.2.1 Growth through training and evaluation

Creating and taking advantage of opportunities are central to AvH's HR policy. Hence, AvH focuses on providing opportunities, feedback loops, mentoring and development. Career prospects are actively supported by establishing whether there are internal candidates for each vacancy. Opportunities within the participations are also screened.

Year-end performance reviews are intended to assess how each staff member can grow, as a person and as a professional, in line with AvH's strategic ambitions. There are a variety of areas in which colleagues have grown in 2023: empathic communication, priority setting, smarter working by using software applications more efficiently, negotiating, personal coaching, role as director, presentation and communication techniques, languages, team development, stakeholder management, corporate finance skills, strategic decision-making and understanding global trends. Moreover, the AvH Academy provides updates on various legal, financial, HR and ESG domains.

AvH complies with the applicable sectoral Collective Labour Agreements and goes beyond the minimum requirement of 4 personal training days. Staff members participated in 11 training days on average in 2023.

## 4.2.2 Diversity, equity and inclusion

AvH's policy on diversity, equity and inclusion (DEI) focuses on broadening the perspectives from which diversity is viewed, at the level of both the investment company and the participations.

AvH is taking measures to improve the diversity of the inflow of new employees. These measures include gender-neutral job vacancies ensuring that the intake of applicants for a vacancy is evenly divided between men and women, as well as diversity searches.

AvH has adopted a broader view on diversity in its investment team by also taking educational, cultural and professional backgrounds into consideration, which was also reflected in the appointment of the three new non-executive board members, i.e. two women and one man joining the board of directors. They bring a wealth of experience and ESG expertise, as well as a connection to Indian culture. AvH believes in the value of diversity since it drives innovation and promotes empathy and a broader outlook.



Further information relating to the ESG competencies of the board of directors can be found in the section entitled 'Corporate governance statement, 2. Board of directors - 2.1 Composition'.

KPI		2023	2022	2021	
AvH staff members (in headcount)	<b>Total number of staff members</b>	<b>49<sup>(1)</sup></b>	<b>38</b>	<b>37</b>	
	Belgium	47	36	36	
	India & South-East Asia	2	2	1	
	<b>Diversity men/women</b>	<b>27/22</b>	<b>21/17</b>	<b>20/17</b>	
	Belgium	25/22	19/17	19/17	
	India & South-East Asia	2/0	2/0	1/0	
AvH investment team (in headcount)	<b>Total number of staff members</b>	<b>26</b>	<b>22</b>	<b>23</b>	
	<b>Diversity men/women</b>	<b>20/6</b>	<b>17/5</b>	<b>17/6</b>	
	Belgium	18/6	15/5	16/6	
	India & South-East Asia	2/0	2/0	1/0	
	<b>Diversity by degree</b>				
	Economic	<b>49%</b>	43%	43%	
	Legal	<b>19%</b>	15%	23%	
	Science/Engineering	<b>24%</b>	33%	23%	
	Other	<b>8%</b>	9%	11%	

<sup>(1)</sup> 2023: 40 FTE: 22 men, 18 women (employees only)

### 4.2.3 Well-being

AvH is committed to protecting the mental and physical resilience of its staff. The company keeps its finger on the pulse via its annual 'Looking back and forward' process and structurally provides a wide range of options to support employee resilience (e.g. healthy lunches, sport, yoga, meditation, individual coaching, a meeting and e-mail hygiene policy and personalised support). The work environment, teleworking and the flexible timetables policy also help to enhance people's work-life balance and well-being.

A concrete action plan, derived from the 2022 survey, was implemented and has already shown encouraging results during 2023.

## 4.3 Business ethics

The AvH integrity code, which was last updated in 2022, sets out the ethical standards for AvH's staff and board of directors. The code provides guidelines to assist the investment team when making investment decisions. Members of the investment team are expected to consider whether group companies act in accordance with relevant legislation and international standards regarding human rights, the environment, anti-corruption and working conditions. Where the applicable rules might be breached, companies are urged to set targets and introduce measures to ensure compliance within a reasonable time frame.

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

Staff members and directors are required to acknowledge annually that they are familiar with, understand and will comply with the Integrity and Dealings code (part of the Corporate governance charter). A training course focused on business ethics and an in-depth anti-trust analysis were organised in 2023 as part of the AvH Academy scope. Follow-up training is planned for 2024.

## 4.4 Direct impact on environment and social aspects

AvH's activities as an investment company only have a limited impact on the environment and are not material (no in-house production nor service activities). The company also has a limited headcount. AvH upholds human rights as stipulated in the Universal Declaration of Human Rights. Aiming to act as a role model, AvH makes sustainability an integral part of its business operations. The group encourages its workforce to make the same commitment.

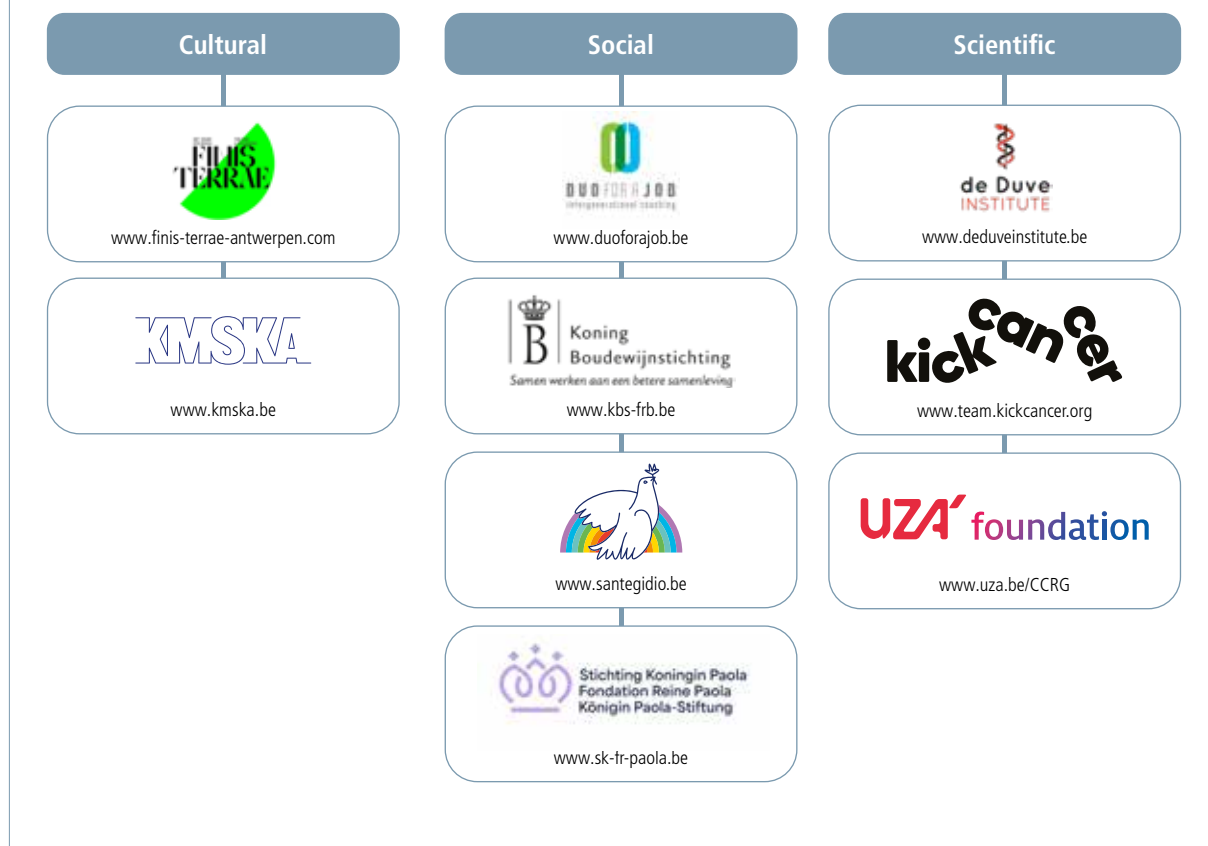
In view of AvH's desire to set an example, a CO<sub>2</sub> reduction target for its own activities as an investment company was set in 2022. AvH is committed to **reducing its CO<sub>2</sub> emissions by 30% by 2030** (scope 1 and 2 - base year 2022). In 2023, the CO<sub>2</sub> footprint already decreased by 28%, the lowest level since the start of the measurements. This reduction is the result of the electrification of AvH's fleet, employees making use of the mobility budget and the purchase of green electricity. A new reduction target will be defined during 2024. AvH intends to continue to reduce with a focus on:

- Raising awareness around electricity consumption and heating.
- Sustainable mobility based on further electrification of the vehicle fleet, by offering a mobility budget instead of a car and by promoting alternatives (virtual meetings, lease bikes, etc.).
- Using green electricity based on guarantees of origin (exploring the possibility of installing solar panels on the roof of the building).
- Sustainable heating by evaluating the options available to make the building's heating system more green.

## 4.5 Contribution to society

AvH aims to contribute to a dignified and cultured society through its patronage policy. In Antwerp, art and entrepreneurship have gone hand in hand since the time of Rubens, Stevin and Plantin. Galleries, museums, artists and scientists have made enormous contributions to society. AvH also strives to increase the number of opportunities available to everyone in society. In 2023 AvH contributed 368,000 euros (excluding efforts in that area through the participations) in support of projects focused on culture, scientific research, the fight against poverty and human rights. AvH colleagues were actively involved in a selection of these projects through board membership, as a volunteer or otherwise, underlining AvH's commitment to these causes. The main projects are shown in the overview.

## Contribution to society



## 5. Review on 2023 and 2024 action plan

In 2023 AvH, and its participations, continued to focus strategically on material ESG topics and on incorporating them within all organisations, covering topics such as talent management, wellbeing, carbon footprint, innovation, cybersecurity and integrity. Special efforts were made to involve more group companies than those considered material, with also a focus on India. Moreover, initial steps were taken and heavy efforts made to prepare the group for the new ESG disclosure reporting standards within the context of the Corporate Sustainability Reporting Directive (CSRD). The remuneration committee confirmed that all ESG relevant targets had been reached in 2023.

The action plan for 2024 will primarily focus on (1) preserving and continue the progress that has been made to date in the current action plans (e.g. regarding carbon reduction plans), and on (2) strategically leveraging the CSRD to further promote AvH's sustainability efforts going forward. Setting the right priorities in the materiality mapping, and capturing the right data and appropriate assurance methodologies, will be the main challenges to address.

A clear commitment of the executive committee exists in supporting this action plan, as shown by the relevance of it as part of their bonus.

THE ACTION PLAN FOR 2024 WILL PRIMARILY FOCUS ON (1) CONTINUING TO MAKE PROGRESS REGARDING THE ACTION PLANS THAT ARE WORKED ON TO DATE AND ON (2) STRATEGICALLY LEVERAGING CSRD TO FURTHER DRIVE OUR SUSTAINABILITY EFFORTS FORWARD.



Further information concerning the ESG parameters part of the variable remuneration of the executive committee can be found in the section entitled 'Remuneration report, 2.4 Remuneration components'.

## 2024 action plan ESG

### AvH as a responsible investor

#### Responsible ownership

Disclosure - rolling out CSRD	Prepare ESG disclosure in line with CSRD applying the European Sustainability Reporting Standards (ESRS)
Expert consultation	Organise expert consultation to assess impact materiality of ESG topics
ESG rating agency	Maintain the current Sustainalytics, CDP and UN PRI ratings

### AvH as a responsible and active partner

#### ESG

Disclosure - rolling out CSRD	Support participations with rollout of upcoming European Sustainability Reporting Standards (ESRS)
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#### Environment

Carbon reduction strategy	Assess feasibility to align with Paris Agreement and pathway to net zero for AvH's fully consolidated companies
	Monitor action plan to define carbon reduction plans for mature companies
Climate resilience	Determine framework to assess climate risk exposure for AvH's fully consolidated entities
EU Taxonomy	Monitor implications of new delegated acts for AvH's fully consolidated entities

#### Social

Talent development	Organise workshops for CEOs and/or members of management teams
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#### Governance

Corporate governance	Fine-tune role and actions of remuneration committees regarding talent management
	Monitor cybersecurity strategy
Business ethics	Monitor action plan to roll-out a relevant integrity programme

### AvH as a sustainable company

#### Environment

CO <sub>2</sub> emissions of AvH as an investment company	Define new CO <sub>2</sub> ambition level
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#### Social

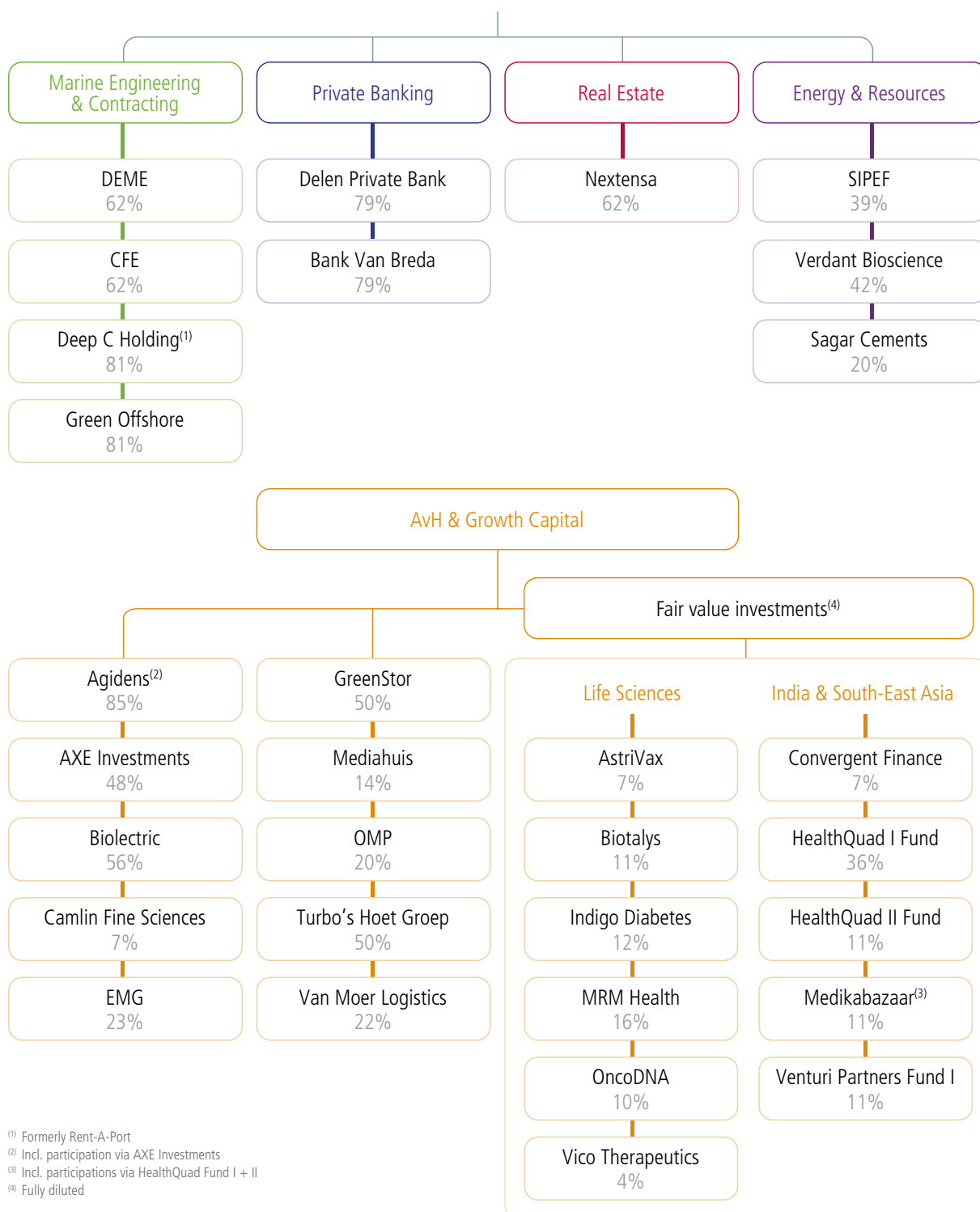
Talent development	Assess well-being and maintain on the same level as 2023
	Continue AvH Academy
Business ethics	Organise integrity training (AvH Academy)

# ACTIVITY REPORT



ACKERMANS & VAN HAAREN  
Your partner for sustainable growth

# Ackermans & van Haaren



(1) Formerly Rent-A-Port  
 (2) Incl. participation via AXE Investments  
 (3) Incl. participations via HealthQuad Fund I + II  
 (4) Fully diluted

# MARINE ENGINEERING & CONTRACTING

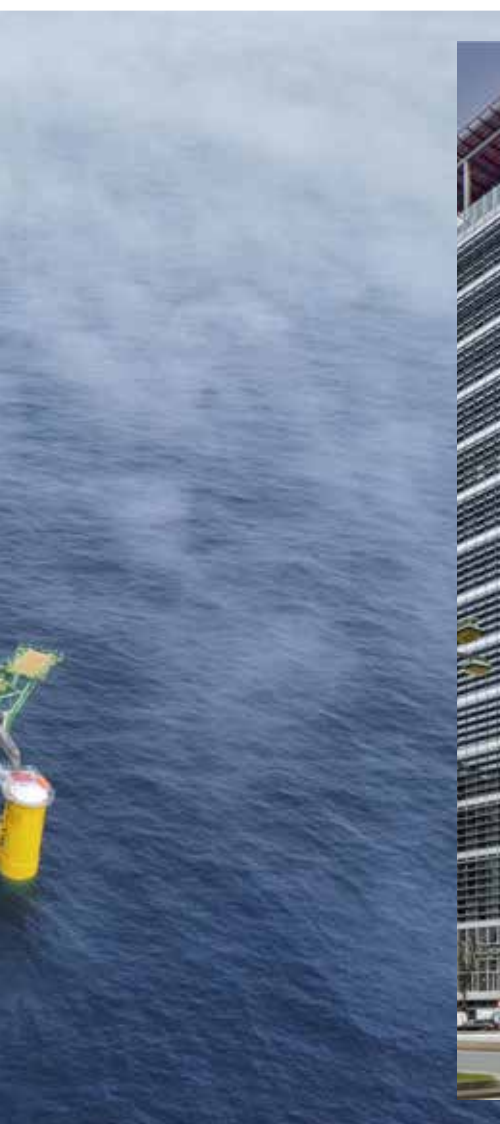


## Contribution to the AvH consolidated net result

(€ million)	2023	2022	2021
DEME	<b>98.6</b>	67.5	68.6
CFE <sup>(1)</sup>	<b>6.8</b>	17.5	23.5
Deep C Holding	<b>7.1</b>	6.6	2.9
Green Offshore	<b>16.0</b>	3.0	4.0
<b>Total</b>	<b>128.5</b>	94.6	99.0

<sup>(1)</sup> Excluding Deep C Holding, Green Offshore contribution

Thanks to a strong H2, DEME's full year result significantly exceeded its guidance. Despite the regulatory changes imposed during 2023 on the producers of renewable offshore energy in Belgium, Rentel and SeaMade add nicely to the growth of the contribution from Marine Engineering & Contracting to 128.5 million euros (+36%).



DEME > Orion and Sea Installer



CFE > ZIN



Deep C Holding



Green Offshore > SeaMade

## DEME

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

## CFE

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

## Deep C Holding

Deep C Holding develops port-related industrial zones in Vietnam.

## Green Offshore

Green Offshore invests in offshore wind farms.

62%

Shareholding percentage AvH

CEO: Luc Vandenbulcke  
 Management team: Hugo Bouvy • Christopher Iwens  
 Eric Tancre • Els Verbraecken



# DEME

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

## Financial overview 2023

For 2023, the DEME team delivered outstanding results, achieving a 24% growth in turnover and a 26% increase in EBITDA. These figures reflect the effective execution of a variety of projects around the world in all segments while the broader offshore wind market adapted to changing market conditions.

The order book reached a robust 7.6 billion euros (+22%) including sizeable wins across the board which demonstrate DEME's strong market position and the healthy demand for its capabilities. This growth is mainly attributed to a series of contract awards in both the Offshore Energy and Dredging & Infra segments, representing further global expansion.

All segments contributed to the group turnover growth of 24%. In particular, Offshore Energy achieved an outstanding 57% growth in turnover, reflecting the execution of installation projects in Europe, Taiwan and the US, with the latter two regions illustrating the segment's geographical growth strategy. Dredging & Infra contributed a solid 5% growth in turnover, reflecting a solid performance and high utilization starting from the second half of the year. Environmental demonstrated a remarkable 48% increase in turnover, driven in part by increased market demand resulting from stricter environmental legislation.

In 2023 DEME generated an EBITDA of 596 million euros, or a 26% increase compared to the previous year. The EBITDA margin was 18.2%, up from 17.9% in 2022. Dredging & Infra held its position as a key EBITDA contributor in the group, with a 18.6% margin for the year, compared to 16.7% last year. Also Environmental delivered a solid increase in EBITDA margin to 16.8% from 12.1% last year. These increases helped offset the lower performance in Offshore Energy which recorded a 15.4% margin compared to 23.2% the year before.

The increase in EBITDA yielded an increase in EBIT of more than 50% compared to 2022, reaching 241 million euros, equivalent to 7.3% of turnover. Net profit for the group for 2023 was 163 million euros up (+44%) from 113 million euros in 2022.

Capital expenditure for the year amounted to 399 million euros, a decrease from the 484 million euros invested in 2022, as the company finalizes its current investment program that was primarily focused on expanding and upgrading the fleet to support future growth.

DEME's financial position remains healthy with a net debt position of 512 million euros (or 0.9 times EBITDA) compared to 521 million euros (or 1.1 times EBITDA) at the end of 2022.

## Operational overview 2023

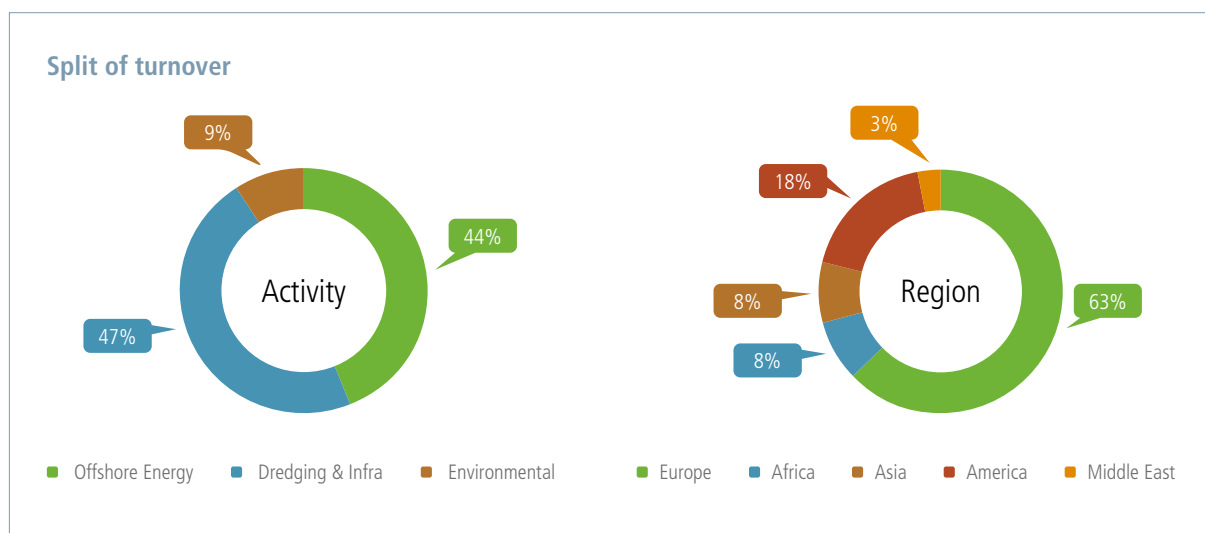
Offshore Energy provides engineering and contracting services globally in the offshore renewables and non-renewables.

The **Offshore Energy** segment grew revenue 57% year-over-year to 1,502 million euros, driven by continued solid demand and reflecting the expanded fleet capacity, coupled with robust project execution.

In addition to solid results, 2023 was also a year of operational accomplishments for DEME Offshore Energy. The segment entered into two new

### DEME NV

(€ 1,000)	2023	2022	2021
Turnover	<b>3,285,422</b>	2,654,725	2,510,607
EBITDA	<b>596,461</b>	473,906	469,309
EBIT	<b>241,264</b>	155,236	143,282
Net result (group share)	<b>162,761</b>	112,720	114,581
Shareholders' equity (group share)	<b>1,910,473</b>	1,753,947	1,579,543
Net financial position	<b>-512,182</b>	-520,513	-392,678
Balance sheet total	<b>4,760,058</b>	4,509,778	4,049,597
Order backlog	<b>7,582,000</b>	6,190,000	5,905,000
Capex	<b>398,947</b>	483,923	282,044
Personnel	<b>5,333</b>	5,153	4,880



geographies, continued to strengthen the organisation and expanded the fleet with amongst others 'Viking Neptun', a cable laying vessel and 'Green Jade', an additional floating installation vessel.

'Green Jade' was added to the fleet in July and performed well on the Zhong Neng project in Taiwan, installing jackets.

In the US, the segment delivered its 'first steel in the water' already before summer, pioneering the adoption of the offshore wind in the US market. The segment completed the cabling works for the Southfork projects during 2023 and preparations are on track with Dominion's Energy group for the Coastal Virginia project, a 2.6 GW wind farm, to kick-off in 2024.

On the Vineyard project the works progressed well in the second half of the year with 47 of 62 monopiles installed, a string of turbines installed and a first part of the Vineyard windfarm operational and connected to the grid.

For both the Vineyard and the Zhong Neng project, the project losses to completion have been accounted for in the 2023 figures. These are partly offset by a conservative estimate of turnover including variation orders, pending approval and completion, in accordance with IFRS standards (IAS 37) and supported by solid local legal opinions.

In Europe, the segment successfully completed installation projects in Denmark and the Netherlands while extending its presence in France and continuing inter-array cabling works in the UK.

In non-renewables, the segment continued its activities at the Hinkley Point project in the UK, completing the drilling of the shafts for all intake and outfall structures.

**Dredging & Infra provides a wide variety of dredging activities worldwide, including capital and maintenance dredging, land reclamation, coastal protection and marine infrastructure works such as port construction and tunnel construction.**

**Dredging & Infra** reported a turnover of 1.6 billion euros, 5% higher than a year ago.

The segment continued to perform under long-term maintenance dredging contracts in Europe including different seaports in Belgium. In Germany the segment added both maintenance and new capital dredging work, expanding its presence around the Elbe River between Hamburg and the North Sea. The segment also completed the dredging works for a new container terminal in Gdansk in Poland, started dredging hard rock in the port of La Pallice in La Rochelle in France and continued the modernization works for the port of Ravenna in Italy.

Overseas, the segment finished the works on a container terminal in Sri Lanka and continued working on several projects in West Africa and maintenance dredging projects in India. The segment also continued capital dredging and land reclamation works for the extension of the port of Abu Qir in Egypt and executed dredging and reclamation works in Abu Dhabi deploying multiple trailing suction hopper dredgers and mega cutter suction dredgers. In Saudi Arabia, the preparatory activities for the Oxagon Phase 2 project were immediately initiated following the contract award in the last quarter of the year.

Large ongoing marine infrastructure projects testify to DEME's unrivalled immersed tunnel expertise. In the Netherlands, for the Blankenburg project the two tunnel-elements were successfully installed and the project is now expected to be completed in the summer of 2024. On the Fehmarnbelt Fixed Link project (Denmark), the production of the tunnel-elements has started in preparation for the first installation during the second half of 2024. In Belgium, DEME is also involved in the Oosterweel Connection project, including the construction of an immersed tunnel in the River Scheldt to complete the Antwerp Ring Road. Furthermore, in France, the port development in Port-La Nouvelle advanced, and in The Netherlands the new lock Terneuzen project entered its final stage.

The EBITDA margin in the Dredging & Infra segment increased from 16.7% in 2022 to 18.6% in 2023 with vessel occupation stable for the trailing suction hopper fleet and decreasing for the cutter fleet but demonstrating an increased occupancy in the second half of the year.

**Environmental focuses on on environmental solutions for soil remediation and brownfield redevelopment, environmental dredging and sediment and water treatment.**

The **Environmental** segment accelerated its turnover with a growth of 48% compared to last year (to 304 million euros).

The topline growth was fueled by ongoing work on long term and complex remediation and high-water protection projects in Belgium (Blue Gate in Antwerp, Oosterweel, Cokerie du Brabant), the Netherlands (GoWA), UK and Norway. The team finalized the multi year Condé Pommeroeul project in France and kicked off new large projects in Ijburg and Marken in the Netherlands.

DEME Environmental team continues to set the standard for addressing the environmental challenges of the future, including PFAS pollution, for which it deploys a wide range of solutions in soil and water installations.

EBITDA for 2023 was 51 million euros, with an EBITDA margin of 16.8%, up from 12.1% in 2022.

**Concessions develops and invests in projects in wind, port infrastructure, green hydrogen and other special projects.**

DEME **Concessions** oversees DEME's development activities in offshore wind, marine infrastructure, green hydrogen and mineral harvesting. In 2023 the associates of the concession activity delivered a net result of 37 million euros compared to 9 million euros a year ago, partly driven by higher wind production, higher electricity prices and impacted by new legislation in Belgium.

The segment has economic ownership of 144 MW of wind energy from offshore wind concessions in operation, generating stable recurring income while building a pipeline that already includes more than 2 gigawatts in Scotland.

For dredging & infrastructure, the Concessions segment is forging ahead with the Blankenburg Connection in The Netherlands, Port-La Nouvelle in France and further expanding in Port of Duqm in Oman. DEME continues to explore new opportunities for ports and other concessions.

DEME Concessions remains on track to be amongst the first in the world to produce green hydrogen. At its flagship green hydrogen project HYPOR Duqm in Oman, DEME and its development partner OQ signed a Project Development Agreement with the government in Oman.

The Concessions segment also continued to work on the Global Sea Mineral Resources (GSR) initiative, which marked a decade of deep ocean exploration and innovation in 2023 and announced a strategic cooperation with Transocean Ltd. (NYSE: RIG). The International Seabed Authority (ISA) council indicated in July 2023 that is aiming for the adoption of a regulatory framework in 2025.

## ESG overview 2023

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

In the context of the EU Taxonomy, DEME's eligible activities expanded in 2023 beyond offshore wind and rail infrastructure to now also include parts of DEME's environmental activities, such as remediation of contaminated sites and soil and sediment management. As a result of this expanded scope and stronger growth in eligible activities, 42% of the turnover is now eligible compared to 29% a year ago. 33% of the turnover is qualified as aligned compared to 26% last year. Taxonomy-eligible and aligned capital expenditures remained in the same range at 49%, compared to 52% last year.

### • Climate and energy

DEME continued to execute its strategy to promote the transition to clean energy, installing over 700 megawatts of wind turbines and 1,212 megawatts of foundations in 2023. The total installed megawatts of foundations in 2023 were impacted by the mix of installation, mobilizations, and other works, including decommissioning, performed by the primary vessels.

The Dredging & Infra segment is engaged in constructing the Fehmarnbelt Fixed Link, the immersed road and rail tunnel between Denmark and Germany, facilitating future sustainable trade and tourism. This segment is also advancing the design of the Princess Elisabeth Island in Belgium, the world's first artificial energy island and offshore energy hub.

DEME is also actively engaged in diverse renewable energy initiatives, including the production and storage of green hydrogen.

DEME group has set a clear target to reduce its GHG-intensity by 40% by 2030 (compared to 2008), in line with the decarbonization trajectory outlined by the International Maritime Organization (IMO).

In this context, DEME is also working to effectively increase the utilization of low carbon fuels compared to conventional ones. In 2023 the consumption of low carbon fuels amounted to 10.3% of the total volume consumed, a

FOR 2023, THANKS TO OUR CAPABLE AND DEDICATED TEAM AT DEME, WE DELIVERED OUTSTANDING RESULTS, ACHIEVING A 24% GROWTH IN TURNOVER AND A 26% INCREASE IN EBITDA.

Luc Vandenbulcke  
CEO

notable improvement from 6.0% in 2022 and surpassing the 8.0% target set for 2023.

DEME expanded its sustainable operational capacity with the addition of 'Viking Neptun', a cable laying vessel, and the inauguration of 'Green Jade', a new offshore installation vessel, both fully compliant with the latest emission standards and equipped with the latest environmental technology including fuel saving measures and innovations.

## • Health and safety

Safety is ingrained in DEME's core values and evidenced in the worldwide LTIFR. The worldwide LTIFR for the year stood at 0.19, a notable improvement compared to 0.23 in 2022 and better than the target level of 0.20. The group intensified its focus on essential Safety Key Performance Indicators (KPIs), consistently meeting or surpassing targets for toolbox meeting participation, incident reporting, closure of action items, observations, inspections, and incident investigations.

## • Sustainable innovation

The latest edition of the DEMEx program which focuses on disruptive and transformational innovation, had its final showcase event in June 2023. It was a powerful illustration of how firmly innovation and sustainability are embedded in the heart and minds of the DEME team and made it tangible

	2023	2022	2021
<b>EU Taxonomy</b>			
Turnover: % eligible activities	<b>42%</b>	29%	28%
Turnover: % aligned activities	<b>33%</b>	26%	24%
Capex: % eligible activities	<b>49%</b>	52%	32%
Capex: % aligned activities	<b>49%</b>	52%	32%
<b>Transition to clean energy</b>			
MW installed wind turbines	<b>712</b>	440	2,378
MW installed foundations (Contributed capacity)	<b>1,212</b>	2,798	1,867
MW offshore wind (beneficial ownership)	<b>144</b>	144	144
<b>GHG footprint</b>			
Scope 1 (ktonnes CO <sub>2</sub> -equivalents)	<b>733</b>	652	832
Scope 2 (ktonnes CO <sub>2</sub> -equivalents)	<b>0.5</b>	1	0.8
<b>Low carbon fuels</b>			
% versus total fuel consumption	<b>10.3%</b>	6.0%	N/A <sup>(1)</sup>
<b>Health &amp; safety</b>			
Worldwide Lost Time Injury Frequency Rate	<b>0.19</b>	0.23	0.19
<b>Sustainable innovation</b>			
Approved innovation initiatives	<b>12</b>	12	14
<b>Business ethics</b>			
% compliance staff training	<b>99%</b>	99%	99%

<sup>(1)</sup> The first reliable measurement took place in 2022.



DEME > Viking Neptun

in powerful initiatives. Out of the nine innovative ideas proposed in the final event, three were selected by a broad DEME audience to be further developed and launched.

## • Business ethics

Business ethics remains a consistent focal point for DEME, with ongoing refinement of compliance processes, exemplified by 99% of DEME's staff participating in the annual internal compliance training.

## Outlook 2024

Given the robust demand trends and a strong order book, DEME's management remains confident about the company's growth prospects and expects turnover to continue to grow over the coming years with an annual EBITDA margin in a 16 to 20% range each year. For 2024, taking into account present geopolitical and market conditions, current orderbook and fleet capacity, management expects a turnover growth of at least 10% compared to 2023 with an EBITDA margin comparable to 2023. Capital expenditure is anticipated to be between 300 and 350 million euros for 2024, including fleet, upgrade, repair and maintenance investments. The company also expects to further reduce the net financial debt level in 2024.

## PARTNERS FOR SUSTAINABLE GROWTH



www.deme-group.com



62%

Shareholding percentage AvH

CEO: Raymund Trost

Management team: Isabelle De Bruyne • Fabien De Jonge  
Raphaël de Visser • Alexander Hodac • Bruno Lambrecht  
Jacques Lefèvre • Peter Matton • Arnaud Regout  
Valérie Van Brabant • Hans Van Dromme



# CFE

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

## Financial overview 2023

### Decent financial results in a challenging market

CFE achieved decent financial results in 2023 considering the extremely challenging market situation. The group continues to show the strength of its multidisciplinary model to reduce overall risks and mitigate the operational challenges on a few large projects. CFE's continued focus on operational excellence, with as key elements selective bidding and risk management, will further reinforce/support results over the coming years.

In 2023, CFE realised a turnover of 1,248.5 million euros. The 7% increase compared to 2022 (1,167.2 million euros) was mainly driven by Construction & Renovation. The operating result decreased to 33.0 million euros (operating margin of 2.6%) due to an unfavorable economic environment and the negative impact of a limited number of difficult projects. While Real Estate Development and Investments realised a high operating result, Construction & Renovation and Multitechnics saw a decline in operating result. The net result of the group amounted to 22.8 million euros (2022: 38.4 million euros).

The order book decreased by 26% to 1,269 million euros, due to an increased selectivity in order intake in Belgium and an unfavorable macroeconomic context in Belgium and Luxembourg.

CFE succeeds to keep its leverage at a low level despite the acquisition of the Kronos project in Luxembourg. The 55,658 m<sup>2</sup> development in the heart of the Kirchberg financial district in Luxembourg will feature the new 31,000 m<sup>2</sup> KPMG headquarter and 24,658 m<sup>2</sup> mixed-use space. The design of Kronos will be exemplary in terms of sustainability and well-being of its occupants, and is the largest development ever done by BPI Real Estate.

## Operational overview 2023

### Flagship projects in core markets

2023 was marked by the commissioning of three emblematic, highly

sustainable and smart buildings: Wooden in Luxembourg, Baarbeek in Antwerp, and Wood Hub in Brussels. All three buildings feature wooden bearing structures and smart building management, are the result of multiple CFE entities working together, and are now used by CFE companies together with other tenants. CFE also continued to pursue large-scale renovations with, amongst others, the continuation of Zin in No(o)rd for Befimmo, Usquare for ULB-VUB, and the Kanal Centre Pompidou for Kanal Foundation. With these developments CFE successfully shows its ambition and leadership in the market of sustainable buildings.

CFE's **Real Estate Development** segment generated consistent results with a return on equity of 10% despite the challenging market conditions. In Poland, BPI Real Estate sold 350 units in 2023 thanks to flagship projects such as Cavallia in Poznan and Chmielna Duo in Warsaw of which recently 50% was sold to Bois Sauvage. In Luxembourg, the mixed-use projects Gravity and Livingstone III were successfully delivered and the newly acquired Kronos project is set to start in 2025. In Belgium, Wood Hub was delivered and sold to Ethias, and the first residents are moving into the neighboring residential project Serenity Valley. BPI successfully sold the joint venture 'JOMA2060 NV', which is developing the former John Martin brew-

CFE NV<sup>(1)</sup>

(€ 1,000)	2023	2022	2021
Turnover	<b>1,248,470</b>	1,167,221	1,125,346
EBITDA	<b>49,533</b>	63,130	68,538
EBIT	<b>33,024</b>	51,014	57,976
Net result (group share)	<b>22,779</b>	38,434	39,506
Shareholders' equity (group share)	<b>236,770</b>	224,653	133,831
Net financial position	<b>-93,268</b>	-48,849	-112,995
Balance sheet total	<b>1,180,586</b>	1,058,079	1,002,598
Order book	<b>1,268,600</b>	1,715,131	1,620,619
Personnel	<b>2,914</b>	2,997	3,043

<sup>(1)</sup> Excluding joint ventures

CFE > ZIN



Vlaamse  
Overheid



WE ACHIEVED MIXED RESULTS IN 2023 IN A VERY CHALLENGING MARKET. OUR OPERATIONAL RESULT IS LOWER THAN LAST YEAR BUT REMAINS HEALTHY WHILE OUR GEARING REMAINS LOW, DESPITE SIGNIFICANT INVESTMENTS FOR OUR FUTURE GROWTH SUCH AS THE KRONOS PROJECT.

Raymund Trost  
CEO

ery at Park Spoor Noord in Antwerp into a mixed-use residential project, to ION Residential Platform. Other residential projects located in Brussels such as Pure, Tervueren Square and Arboreto made steady progress in 2023 and will be delivered in the course of 2024. BPI's focus for 2024 will be on smaller developments that avoid lengthy permit procedures, continued fruitful collaboration with fellow CFE companies, and leveraging sustainability and innovation as key differentiators in the market.

Within **Multitechnics**, VMA's Building Technology Business Unit worked on a range of smart buildings such as Zin in No(o)rd, Marnix, Howest, Tivoli and hospitals like Grand Hôpital de Charleroi, AZ Diest hospital and AZ Sint-Lucas. Projects were also successfully delivered directly to industrial clients such as La Lorraine, Winery Delhaize, EdgeConneX datacenter, and Sonaca. Recurring revenues continue to be generated with maintenance contracts for UGent, the city of Aarschot, and additional works for CFE's long-standing client Nike. Development is ongoing to enrich VMA's bespoke Vmanager building software with dynamic EV charging and predictive building maintenance capabilities. VMA's Automotive Business Unit continued its strong track record with production lines for Jaguar Land Rover, the Volvo EX90 and the VW ID.3, and with new battery lines for Scania and Ford. Its Process Manufacturing Technology unit successfully delivered production lines for Enough and Vincolit and has started working on Indaver and Dai-kin's new innovation center in Ghent.

In 2023, Mobix continued to deploy ETCS2 technology on the rail network of Infrabel, and to construct the catenary infrastructure on a third and fourth line on the Ghent-Ostend connection to double its capacity. Furthermore, Mobix teams installed new lighting and signage on Brussels Airport's taxiways and finalized the installation of LED lighting on Walloon highways in the LuWa project. In 2024, Mobix will be diversifying its client portfolio and offering with large-scale cabling services for energy infrastructure providers, renewable energy infrastructure and airports, and with rail infrastructure services for private clients in the Belgian ports.

CFE's **Construction & Renovation** segment worked on a solid string of projects in 2023. In the residential market, flagship projects included 121 apartments of Canal Wharf in Brussels for AG Real Estate, 300 apartments of the BAN project in Antwerp by the Japanese architect Shigeru Ban for Triple Living NV, and 346 apartments of Park Lane phase II at the Tour & Taxis site in Brussels for Nextensa. For BPI Real Estate, projects included phase 2 of Domaines des Vignes in Luxembourg, 108 apartments of Bernadovo in Gdynia (Poland), and 272 apartments of Panoramika in Poznan (Poland). In the industrial market, CFE built new battery factories for Umicore and Northvolt in Poland. In 2024 it will be delivering the Topaz logistics centre in Berlin and start working on a new wood-based logistics center in Poland. Works on the Ineos ethane cracker in the port of Antwerp successfully resumed early 2024 after a temporary standstill in 2023 due to permit issues. CFE continued to leverage its expertise in hospitals with ZNA Cadix in Antwerp and a new building for Sint-Jan hospital in Genk, both in collaboration with VMA for the technical installations.

CFE's **Holding & Investments** segment delivered record results in 2023. Green Offshore's wind park benefited from exceptional weather conditions and registered record production levels. The agreement with the Belgian state on the new regulatory framework will benefit all stakeholders involved. The results of the BStor 10 MW battery park normalized after some exceptional years. Currently, negotiations are ongoing for two new parks with an additional capacity of 150 MW to be launched end 2024. Deep C Holding saw record sales with 21 new clients and 127 hectares sold, with recurring revenues being generated by additional services. Discussions are ongoing to extend to new zones, thereby further leveraging its outstanding geographic position and the positive dynamic of the Vietnamese market.

CFE: Breakdown by division

	Turnover		Operational result <sup>(1)</sup>		Net result <sup>(1)</sup>		Order book	
(€ million)	2023	2022	2023	2022	2023	2022	2023	2022
Real estate development	157.7	85.4	17.4	17.6	11.7	14.4	259.0	203.0
Multitechnics	338.0	338.8	-4.3	11.3	-6.3	6.9	266.5	368.9
Construction and Renovation	872.6	798.7	-0.2	15.0	-0.1	9.0	983.2	1,264.1
Investments & Holding (incl. eliminations)	-119.8	-55.7	20.1	7.2	17.5	8.1	-240.6	-120.9
<b>Total</b>	<b>1,248.5</b>	1,167.2	<b>33.0</b>	51.0	<b>22.8</b>	38.4	<b>1,268.6</b>	1,715.1

<sup>(1)</sup> Including contribution Deep C Holding and Green Offshore



CFE > Electric car factory (Brussels)



CFE > Wood Hub

## ESG overview 2023

For the second year in a row, CFE was named ESG Industry Top Rated Company by ESG-rating agency Sustainalytics with an improved risk score of 24.0. Key evaluation criteria are corporate governance, human capital, health and safety, community relations, and carbon footprint of its operations.

Safety remained the top priority of the group in 2023. The severity rate was 0.68, slightly better than in 2022, and the frequency rate was 18.47, a 16% improvement compared to previous year. The industry-standard Nosacq safety culture survey was conducted across the group and the results developed into the Go for Zero action plan.

CFE's CO<sub>2</sub> reduction plan remained on track to reach the targeted 40% reduction by 2030. 20% of CFE's turnover and 19% of CFE's capex is aligned with the EU Taxonomy. CFE is preparing for the EU CSRD framework by end of 2024.

CFE was awarded the Top Employer certification for its solid HR strategy, receiving a specific recognition for its learning and development opportunities as well as its employee engagement in the strategy and values of the group. The newly launched CFE Academy registered more than 15,000 training sessions followed by employees in one year. All employees attended the strategic sessions organized in each business unit throughout the year and were invited with their families to the CFE Group family day .

In 2023, CFE involved its employees in the creation of the Heroes for Good Foundation which will go live in 2024. The foundation will be supporting non-profit organizations active in health, social justice and education, which were all proposed by CFE employees.

## Outlook 2024

The medium- and long-term outlook for CFE remains positive, thanks to its positioning in the growth markets of renovation and energy performance improvements of existing buildings, and the development of infrastructure linked to the energy transition. The economic environment, however, remains difficult in the short term in Belgium and Luxembourg, both in the residential and office markets. In this context, CFE expects a moderate contraction in turnover in 2024 but an improved operating margin compared to 2023.

### PARTNERS FOR SUSTAINABLE GROWTH



[www.cfe.be](http://www.cfe.be)

81%

Shareholding percentage AvH

CEO: Bruno Jaspert

Management team: Christian Moller Laursen • Patrick Nellens  
Diep Thi Kim Hoan



# DEEP C HOLDING

Deep C Holding (formerly Rent-A-Port) specializing in developing and operating sustainable industrial zones in Vietnam, holds an 84% majority share in the Hong Kong-based investment holding company Infra Asia Investment Ltd.

Deep C Industrial Zones (Deep C) manages today a massive 3,400 ha of industrial land across 5 industrial zones (DVIZ, HDIZ, HPIP, TPIZ, BPIZ) in Haiphong and Quang Ninh, representing almost 21% of North Vietnam's industrial landbank.

Beyond industrial land business, Deep C provides utilities/services to its customers through 4 legal entities: Deep C Green Energy (Power), Deep C Blue (Water and Wastewater), Deep C RED (Workshops/Warehouses Rental), and Deep C Euro Jetty (Jetty services). In addition, Deep C Farm offers organic farming products to employees and customers.

Despite global economic uncertainties due to continuous geopolitical tensions and the unclear consequences of global minimum tax introduction, Deep C recorded historical sales in 2023, amounting to 127 hectares compared to 66 hectares in 2022. The first zones, Deep C Haiphong I (part of DVIZ) and HDIZ (part of Deep C Haiphong II) reached full occupancy. In Quang Ninh, TPIZ recorded its first sales and BPIZ set new records.

Deep C secured 21 new investment projects, strengthening automotive and electronic clusters and fueling the fastest-growing renewable energy cluster. Korean giant SK Group made a landmark investment of 1.5 billion USD over the next years to build Southeast Asia (SEA)'s first biodegradable materials (PBAT) factory in Deep C.

Key drivers of strong performance are the growing industrial land demand in North Vietnam, fueled by global factors (supply chain shifts, free trade agreements) and Vietnam's resilient economic growth and political stability. Deep C's unique sustainability vision and customer-centric model boosted recurring revenue (almost 1/3 revenue from services in 2023). To further benefit from Vietnam's economic momentum, Deep C's management is establishing an expansion strategy to scale up its platform.

In April, RG International Limited acquired a 10% stake in Deep C's subsidiary Infra Asia Investment (IAI) through a capital increase of in total 23.8 million USD. RG International is controlled by Mr Horst Geicke, a German investor based in Hong Kong. Deep C Holding and RG International will join forces in further developing the potential of Deep C as a leading industrial park developer in one of the most dynamic regions of Vietnam.

Deep C Holding NV

(€ 1,000)	2023	2022	2021
Turnover	46,025	58,027	50,527
EBITDA	11,903	17,535	8,656
EBIT	9,020	14,827	6,167
Net result (group share)	9,640	8,104	3,578
Shareholders' equity (group share)	89,406	83,514	79,555
Net financial position	-62,585	-64,281	-29,698
Balance sheet total	280,156	260,565	254,687

## PARTNERS FOR SUSTAINABLE GROWTH

- Deep C continues to lead SEA's sustainable industrial development, proven by its recognition in the Top 100 Sustainable Companies (CSI 2023) for the 4<sup>th</sup> time.
- Deep C pioneered ESG transparency, being Vietnam's first industrial zone developer to publish an ESG report.
- Deep C achieved 51/64 indicators of the international framework for Eco-Industrial Parks (EIP) and is among the 5 pioneers in the Global Eco-Industrial Park Program by United Nations Development Organization and Ministry of Planning & Investment.



www.deepcolding.be

81%

Shareholding percentage AvH

CEO: Mathias Verkest  
 Management team: Christophe De Winter • Wendy Goossens • Bruno Verbeke



# GREEN OFFSHORE

Green Offshore is active in the development and operation of offshore wind farms.

Green Offshore has stakes (directly and indirectly) in the Belgian offshore wind farms Rentel (12.5%) and SeaMade (8.75%). Both farms produced more green power in 2023 than in previous years, thanks to favourable winds and excellent wind farm availability throughout the year.

The Rentel offshore wind farm is located approximately 34 km off the Ostend coast and comprises 42 x 7.35 MW wind turbines. With a total installed capacity of 309 MW, Rentel supplies renewable energy to approximately 300,000 households. In 2023 the Rentel wind farm generated more than 1.1 TWh in green energy.

The SeaMade wind farm comprises the Mermaid and Seastar concession zones in the Belgian North Sea - respectively 50 km and 38 km off the Ostend coast - with 58 x 8.4 MW wind turbines. With a total capacity of 487 MW, SeaMade is the largest offshore wind farm in Belgium. The SeaMade wind farm generated approximately 1.8 TWh green power in 2023.

Green Offshore's net profits, including its (equity method accounted) participations in SeaMade and Rentel, amounted to 19.7 million euros in 2023, compared to 3.6 million euros in 2022. This excellent result was driven by higher wind production, increased electricity prices and the impact of new legislation in Belgium.



Green Offshore

## PARTNERS FOR SUSTAINABLE GROWTH

- Rentel and SeaMade generate a total capacity of just under 800 MW, producing approximately 2.7 TWh per annum. This is a substantial share of the total annual expected offshore production of approximately 8 TWh, which at 10% of the total electricity consumption in Belgium contributes to the growing objective focused on obtaining more energy from renewable sources.
- Both offshore wind farms together supply renewable energy to 700,000 households, facilitating an annual reduction in CO<sub>2</sub> emissions of 1.2 million tonnes. SeaMade's contribution constituted the provisional final stage of the currently available concession zone for offshore wind energy generation, bringing the total capacity in the Belgian part of the North Sea to more than 2,200 MW at this stage.
- Green Offshore aims to participate in the future expansion of Belgian offshore wind capacity (in total up to 5.8 GW including the Princess Elisabeth zone by 2030), with a view to further strengthening its position in the Belgian offshore market.



### Green Offshore NV

(€ 1,000)	2023	2022	2021
Production (in GWh)			
Rentel	1,084	899	922
SeaMade	1,798	1,534	1,592
Net result (group share)	19,669	3,560	4,831
Shareholders' equity (group share)	55,040	45,604	26,622
Net financial position	3,059	-2,669	-7,853
Balance sheet total	59,508	50,111	38,610

[www.otary.be](http://www.otary.be)

# PRIVATE BANKING



## Contribution to the AvH consolidated net result

(€ million)	2023	2022	2021
FinAx	0.7	-0.2	-0.2
Delen Private Bank	141.3	126.5	132.0
Bank Van Breda	66.7	53.8	51.3
<b>Total</b>	<b>208.7</b>	180.1	183.1

Delen Private Bank and Bank Van Breda realised a combined net profit of 264.2 million euros in 2023. Impressive commercial results generated substantial inflows of assets at both banks, which in combination with strong operational performances led to record assets under management and net profits. With a contribution of 208.7 million euros (+16%) - clearly exceeding the 200 million euros threshold for the first time - Private Banking confirmed its position as the leading contributor to AvH's group result.



Delen Private Bank &gt; Antwerp

Delen Private Bank &gt; Antwerp

Bank Van Breda &gt; Antwerp

Bank Van Breda &gt; Antwerp

## Delen Private Bank

Delen Private Bank focuses on discretionary asset management for private clients.

## Bank Van Breda

Bank Van Breda is a specialised advisory bank that focuses exclusively on entrepreneurs and liberal professions.

# PRIVATE BANKING

Both Delen Private Bank and Bank Van Breda again reported excellent financial results with a combined net profit growth of 15% to 264.2 million euros.

This excellent result was supported by a continued strong commercial performance, positive financial markets after a strong correction end 2022 and higher interest income which more than offset high cost inflation.

The combined total client assets grew to a record 65.3 billion euros at December 31, 2023, compared to 62.4 billion euros at June 30, 2023 and 57.7 billion euros at December 31, 2022. Despite a commercially more difficult environment due to lacklustre financial markets at the end of 2022 and the TARA-climate (There Are Reasonable Alternatives), (net) inflow remains once more a significant contributor to growth in underlying assets with gross inflows reaching 4,666 million euros. The increase of total client assets is also attributable to a strong positive market effect. Cadelam, the fund manager of Delen Group, achieved superior portfolio returns compared to the market average with a weighted average performance of the patrimonial funds of 13.7%.

The combined gross operating income increased by 15% to 747 million euros, of which 76% remains fee related notwithstanding the strong growth in net interest income. For the group as a whole, the gross fee and commission income as % of total AuM remains high at 1.03%. The gross operating income of Delen Private Bank (incl. JM Finn) increased by 10.5% to 569 million euros, primarily thanks to higher average assets under management and increasing net interest margin. At Bank Van Breda, the gross operating income increased by 22.8% to 242 million euros with a 48% growth in interest result thanks to rapidly increasing market interest rates. Fee income increased by 6% in line with the average assets under management over the year. Other income decreased strongly due to a 15.3 million euros realized loss on rebalancing of the bond portfolio, which was partly compensated by a 4.3 million euros recovery of bank levies paid in 2016.

The combined operating costs also increased markedly due to the automatic salary indexation, complemented with further increases in staff numbers and growing IT investments in order to support growth ambitions. Never-

theless, the combined cost-income ratio improved further to an excellent 50.7% (42.4% at Delen Private Bank, 83.0% at JM Finn and 50.8% at Bank Van Breda) versus the already very robust figure of 53.0% reported over 2022.

As such, the combined net profit grew markedly to 264.2 million euros (2022: 228.9 million euros), of which 179.5 million euros contributed by Delen Private Bank (including 11.2 million euros by JM Finn) and 84.7 million euros by Bank Van Breda. The total provision for credit losses at Bank Van Breda remains low at 0.01% of the average loan portfolio, underlining its prudent approach.

The combined shareholders' equity increased to 1,939 million euros (compared to 1,749 million euros at year-end 2022). Solvency and liquidity remain exceptionally strong, with a combined common equity tier 1 ratio (CET1) based on the 'Standardized approach' of 26.3% and a leverage ratio of 14.1%, well above the industry average and legal requirements. Notwithstanding the conservative balance sheet, the group achieved an above average ROE of 14.3%.

## Outlook 2024

While the rate environment will result in some pressure on the interest margin revenues, a healthy growth of fee and commissions is expected for 2024 in case of no material adverse market conditions. AuM at the start of the year are at record levels and strong portfolio returns such as those achieved in 2023 usually support inflows for the subsequent year. Some increase in staff will be needed to support growth, but 2024 costs will no longer be impacted by high levels of inflation. Given those trends, continuing strong inflows in discretionary AuM and further improvements of profits are expected in 2024.

## Total client assets

(€ million)	2023	2022	2021
<b>Total client assets</b>			
<b>Delen Private Bank (AuM)</b>	<b>54,759</b>	48,010	54,346
<i>of which discretionary</i>	<b>90%</b>	89%	85%
Delen Private Bank	<b>42,547</b>	36,419	40,340
<i>Delen Private Bank Netherlands<sup>(1)</sup></i>	<b>1,461</b>	1,022	1,154
JM Finn	<b>12,212</b>	11,591	14,006
<b>Bank Van Breda</b>			
Off-balance sheet products	<b>16,363</b>	14,095	14,720
Client deposits	<b>7,491</b>	6,553	6,368
AuM at Delen <sup>(1)</sup>	<b>-13,354</b>	-10,943	-11,502
<b>Delen and Van Breda combined (100%)</b>	<b>65,260</b>	57,715	63,932
<b>Gross inflow AuM</b>	<b>4,666</b>	4,557	5,598

<sup>(1)</sup> Already included in AuM Delen Private Bank

## Delen Private Bank and Bank Van Breda combined (100%)

(€ million)	Delen and Van Breda combined (100%)			Delen Private Bank			Bank Van Breda		
	2023	2022	2021	2023	2022	2021	2023	2022	2021
<b>Profitability</b>									
Operating income (gross)	<b>747</b>	650	633	<b>569</b>	515	506	<b>242</b>	197	185
Net profit	<b>264</b>	229	233	<b>179</b>	161	168	<b>85</b>	68	65
Gross fee and commission income as % of gross operating income	<b>76%</b>	83%	86%	<b>93%</b>	97%	99%	<b>44%</b>	52%	54%
Gross fee and commission income as % of average AuM	<b>1.03%</b>	1.01%	1.00%	<b>0.96%</b>	0.99%	1.0%	<b>0.64%</b>	0.65%	0.67%
Cost-income ratio	<b>51%</b>	53%	52%	<b>51%</b> <sup>(1)</sup>	52% <sup>(1)</sup>	50% <sup>(1)</sup>	<b>51%</b>	55%	55%
<b>Balance sheet</b>									
Total equity (incl. minority interests)	<b>1,939</b>	1,749	1,691	<b>1,187</b>	1,080	1,024	<b>762</b>	674	678
Total assets	<b>11,214</b>	10,162	10,072	<b>2,784</b>	2,582	2,429	<b>8,500</b>	7,657	7,792
Customer deposits	<b>7,491</b>	6,553	6,368	-	-	-	<b>7,491</b>	6,553	6,368
Customer loans	<b>6,986</b>	7,044	6,458	<b>738</b>	855	710	<b>6,248</b>	6,188	5,748
Cost of risk <sup>(2)</sup>	<b>0.01%</b>	0.01%	-0.04%	<b>0.00%</b>	0.00%	0.00%	<b>0.01%</b>	0.02%	-0.04%
<b>Key ratios</b>									
Return on equity	<b>14.3%</b>	13.3%	14.4%	<b>15.8%</b>	15.3%	17.0%	<b>11.8%</b>	10.1%	10.0%
CET1 ratio	<b>26.3%</b>	23.0%	23.8%	<b>43.8%</b>	38.1%	38.0%	<b>17.7%</b>	15.5%	16.8%
Leverage ratio	<b>14.1%</b>	13.8%	13.2%	<b>33.1%</b>	31.7%	30.2%	<b>8.3%</b>	8.1%	8.1%
LCR	<b>362%</b>	212%	208%	<b>527%</b>	640%	495%	<b>304%</b>	138%	160%

<sup>(1)</sup> Delen Private Bank: 42.4% (2023), 41.9% (2022), 39.9% (2021); JM Finn: 83.0% (2023), 87.7% (2022), 87.3% (2021)

<sup>(2)</sup> Of which ECL (expected credit loss): -0.01% (2023), 0.02% (2022), -0.05% (2021)

79%

Shareholding percentage AvH

CEO: Michel Buyschaert

Management team: Matthieu Cornette • Alexandre Delen  
Katrin Eyckmans • Eric Lechien • Bart Menten



# DELEN PRIVATE BANK

Delen Private Bank focuses on the management and planning of assets of private clients and companies.

The group is an established name in Belgium and has a growing presence in the other Benelux countries, in Switzerland and in the United Kingdom (JM Finn).

## Financial overview 2023

### Assets under Management at record level

Delen Private Bank achieved a historic milestone in 2023, reaching record levels of assets under management (AuM), both at a consolidated level and in continental Europe (Belgium, the Netherlands, Luxembourg and Switzerland). The consolidated Delen Group's assets stood at 54,759 million euros at year-end 2023, a substantial increase from 48,010 million euros in 2022. The assets of Delen Private Bank (Benelux and Switzerland) reached 42,547 million euros at year-end 2023, up from 36,419 million euros in 2022.

These remarkable figures were driven by a favourable market environment, resulting in a solid investment performance and a robust net inflow of funds.

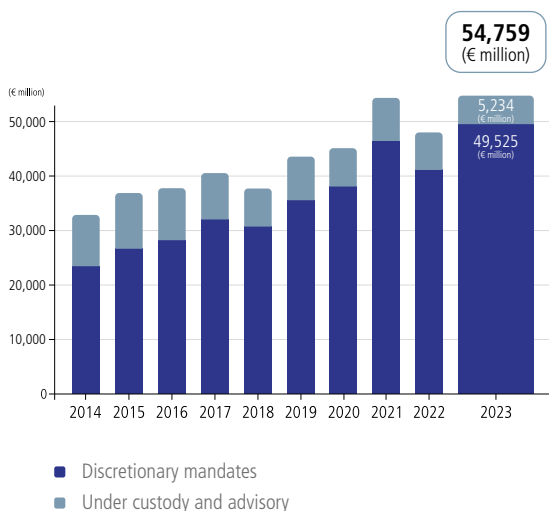
After the challenges faced in 2022, financial markets experienced a posi-

tive turnaround in 2023. Inflation and interest rates remained focal points throughout the year, whilst the economy and companies demonstrated unexpected resilience. As inflation declined, central bankers adopted a more dovish stance on future interest rate cuts towards the year-end, instilling confidence in financial markets and reducing fears of recession.

Against this backdrop, Cadelam, the fund manager of Delen Group, achieved superior portfolio returns compared to the market average, thanks to keeping its overweight position in US equities, especially in prominent tech stocks, and a gradual increase of the bonds portfolio's duration.

Delen's long-term vision proved beneficial for clients, guiding them through the aftermath of the challenging stock market in 2022. Clients who contemplated staying on the sidelines in the start of the year were advised to remain invested as usual, to seize the opportunity for potential favourable returns and keep a long-term approach to investing.

Consolidated assets under management



Delen Private Bank

(€ 1,000)	2023	2022	2021
Gross revenues	565,895	512,143	502,076
Net result (group share)	179,490	160,623	167,556
Shareholders' equity (group share)	1,184,875	1,078,596	1,022,453
Assets under management	54,759,024	48,009,787	54,345,999
Cost-income ratio	50.5%	51.8%	50.2%
Return on equity	15.8%	15.3%	17.0%
CET1 ratio	43.8%	38.1%	38.0%
Personnel	945	909	829

Another significant contributor to the growth in underlying assets was the net inflow of AuM. This inflow came from both existing and new clients, almost exclusively in the domain of discretionary asset management. Delen's consistent, recognizable, and accessible service continued to attract individuals seeking financial peace of mind. The opening of numerous new accounts in the course of 2023 signals a promising start for potential asset growth in the future.

The Dutch branch of Delen Private Bank contributed 1,461 million euros to the total AuM, a significant rise from 1,022 million euros in 2022. Positive developments included the successful completion of the integration of Groenstate Vermogensbeheer, a Twente-based asset manager with approximately 225 million euros in AuM. Additionally, the commercial efforts of a strong and motivated team translated into sustained organic net inflows.

The Luxembourg and Swiss Private Banking centres have also shown a positive evolution of discretionary AuM throughout the year.

The AuM at JM Finn (Delen Private Bank 92.3%), a British asset management company, slightly increased to 12,212 million euros (10,613 million pounds sterling) at year-end 2023, compared to 11,591 million euros (10,281 million pounds sterling) in 2022. While the impact of the increase was primarily driven by a positive market impact, net inflows were negative due to, amongst others, market wide pressure from higher cost of living and higher interest rates.

## Substantial increase of the financial results

The increase in average AuM at Delen Private Bank in 2023 has led to higher gross revenues (565.9 million euros) compared to 2022 (512.1 million euros), a 10.5% increase. The substantial positive impact on the result was

**THREE ENGINES - CONSISTENTLY GOOD PERFORMANCE, CLIENT PROXIMITY AND OPERATIONAL EXCELLENCE - DROVE DELEN FULL STEAM AHEAD IN 2023.**

Michel Buyschaert  
CEO

attributed to both a higher interest margin (resulting from increased interest rates in the financial markets) and higher average levels of AuM.

The significant impact of higher inflation since 2022 impacted adversely personnel costs and energy costs. In addition, the ongoing effort to expand the workforce (+40 net staff members in 2023) and the increase in the marketing efforts to engage with the strongly growing client base contributed to increased operational costs.

Above all, the cost-income ratio remained stable at 50.5% (42.4% at Delen Private Bank, 83.0% at JM Finn), a robust figure within the industry.

Delen Group's net profit experienced a substantial increase (+11.8%), reaching 179.5 million euros in 2023. JM Finn's contribution to the group's net result amounted to 11.2 million euros (2022: 8.4 million euros), attributed to a favourable interest margin, reduced personnel costs, and a decrease in regulatory expenses.



Delen Private Bank > Offices Antwerp



Delen Private Bank > Offices Charleroi

The consolidated equity (group share) of Delen Group stood at 1,184.9 million euros as of December 31, 2023, compared to 1,078.6 million euros on December 31, 2022. The group's Common Equity Tier 1 capital amounted to 860.8 million euros at year-end (compared to 768.2 million euros at year-end 2022). Delen Private Bank remains extremely well-capitalized, with a Common Equity Tier1 ratio of 43.8%. The return on (average) equity reached a strong figure of 15.8%.

## Operational overview 2023 by activity

### Delen Private Bank (Benelux and Switzerland)

Against the backdrop of volatile markets, Delen's clients adhered to its long-term, prudent, and sustainable approach. Clear and transparent communication was key, e.g. through daily client meetings, newsletters, videos, and events like Delen Perspectieven.

In addition, Delen's relationship managers guided clients in wealth planning, emphasizing the integrated offerings of Delen Private Bank. Starting from a complete overview of the family wealth, clients are invited to simulate future wealth evolutions and succession rights payments.

A client satisfaction survey in November 2023 underscored the importance of a personal and proactive approach. More than 80% of clients are very satisfied with Delen's services, the contact with their relationship manager being a significant contributor.

Client satisfaction was further evidenced by the increased market share in the Belgian private banking market. Emphasizing client proximity and operational excellence (e.g. through a state-of-the-art digital support) Delen Private Bank expanded its footprint with a new branch in Charleroi, in addition to ongoing development in digital channels for an efficient and secure client experience. The Charleroi branch is the 15<sup>th</sup> location in Belgium. Acting local remains a strategic focus.

At year-end 2023, 93% (39,399 million euros) of the total client assets in Benelux and Switzerland were managed directly under a discretionary mandate or through the bank's own patrimonial beveks (open-ended investment trusts). Expressed in number of accounts, the share of discretionary management accounts is 96.4%.

Bank Van Breda once again made a significant contribution to the result and represented approximately 31% of the total AuM. On December 31, 2023,

Delen Private Bank managed 13,354 million euros on behalf of clients introduced by the Bank Van Breda network.

In the Netherlands, the team's commercial efforts and the successful integration of Groenstate Vermogensbeheer led to solid figures, i.e. 1,461 million euros in AuM. The offices in Amsterdam, Den Bosch and Heereveen had an excellent organic growth over the year. The strategy in the Netherlands – an integrated service of asset management and planning – is fully aligned with that of Delen Private Bank.

Delen Suisse experienced a robust influx of assets, with a strategic focus on key regions where expatriates from the Benelux countries benefit from the tailored services and expert team. Meanwhile, Delen Luxembourg sustained positive commercial momentum, exemplified by the Luxembourg Art Week, a new event which attracted many promising prospects.

### JM Finn (UK)

Despite the more challenging market conditions than on the continent, JM Finn experienced a satisfactory gross inflow of assets. The positive dynamic within the team was further augmented by the successful relocation of the Leeds team to a new office in York.

Since the acquisition of JM Finn in 2011, Delen Private Bank progressively raised its direct shareholding to 92.3%. As of year-end 2023, JM Finn effectively managed 12,212 million euros (10,613 million pounds sterling) in total client assets, with 82.9% under discretionary management. A shift toward a centralized approach in managing part of the assets is underway. The firm remains dedicated to aligning JM Finn's business model more closely with that of Delen.

## ESG overview 2023

Responsible investment and asset protection are the cornerstones of Delen Private Bank's ESG policy. Delen Private Bank is a member of the UN PRI and consistently integrates sustainability parameters into its investment process. Hence 37,823 million euros of AuM are managed under the responsible investment management policy.

Through its partnership with EOS, Delen Private Bank also enters into dialogue with the companies in its funds ('Engagement'). Engagement discussions are ongoing for 70% of the companies in the equity portfolio of Delen's in-house funds. Furthermore, the principle of dynamic and good stewardship forms the basis for thorough asset protection.

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

### Asset protection

Asset protection is a priority for the clients of Delen Private Bank. The bank strives to invest its clients' assets prudently and proactively thereby contributing to a sustainable future. In addition to the usual thorough financial analysis, non-financial parameters are also integrated into the investment management process. The day-to-day implementation of the responsible investment policy ensures long-term thinking and risk mitigation.



Delen Private Bank > Offices Charleroi

## Responsible investment policy

As a member of UN PRI, Delen Private Bank is committed to making its investment process fundamentally sustainable by integrating ESG-related criteria and by acting as an active shareholder, engaging with the companies it invests in.

Delen Private Bank also monitors and communicates openly on different non-financial parameters regarding its patrimonial funds. One example is CO<sub>2</sub> intensity. The aim is to ensure that the CO<sub>2</sub> intensity of the in-house funds is lower than the global benchmark (e.g. MSCI ACWI).

## Business ethics and protection of data and privacy

Delen Private Bank adheres to a strict integrity policy, emphasizing values that employees must uphold. With the growing threat of global cybercrime, the bank prioritizes data and privacy protection.

Delen Private Bank invests heavily in its IT systems and IT support services to comply with legal obligations and to guarantee the protection of its clients' data and privacy. It consistently underscores the importance of a secure organization to both its employees and clients. In addition to robust IT systems and support services, the experience and dedication of all staff also plays a crucial role. An 24/7 initiative was launched, with employees vigilantly monitoring the systems day and night, every day of the week, to safeguard against security breaches.

## ESG performance

Client satisfaction remains a top priority for Delen Private Bank. A client satisfaction survey in November 2023, conducted in Belgium, the Netherlands, Luxembourg and the UK, highlighted the importance of the quality of its personal and proactive approach. More than 80% of clients are very satisfied with Delen's services, the contact with their relationship manager being a significant contributor. With a Net Promoter Score (NPS) of 43, the bank performs remarkably better than the market average. JM Finn continued to also deliver very high client satisfaction NPS levels, above industry trends.

	2023	2022	2021
<b>Assets under management</b>			
Funds managed according to sustainable investment principles (billion euros)	<b>38.0</b>	31.8	35.4
Engagement scope <sup>(1)</sup>	<b>70%</b>	72%	70%
Average ESG rating of own funds <sup>(2)</sup>	<b>19.9</b>	19.7	19.4
<b>Client satisfaction</b>			
Net Promoter Score <sup>(3)</sup>	<b>43</b>	N/A	58

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

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

<sup>(3)</sup> Bi-annual measurement (excluding JM Finn)

At the corporate level, Delen Private Bank closely monitors its ecological footprint. As of 2023, the bank switched to an all-electric fleet for all new vehicle orders. Delen remains committed to reducing the paper pile. The share of digital quarterly reports continues to rise to approximately 90%. The bank is investigating the feasibility of adding more solar panels for increased renewable energy production, taking into account structural challenges from the bank's historic buildings. Tenders have been requested and initial installations have begun based on the study's findings.

## Outlook 2024

Cautious optimism pervades the outlook of Delen Private Bank on the macroeconomic landscape in 2024, with a plausible scenario of a soft landing and controlled inflation. The backdrop of declining interest rates typically fosters buoyant stock markets. On the other hand, Cadelam, the fund manager of the Delen Group, remains vigilant, particularly in monitoring geopolitical tensions and the evolution of sovereign debt.

Delen Private Bank remains committed to seeking growth opportunities. At the outset of 2024 the bank announced an asset deal with Puur Beleggen in the region of The Hague, the Netherlands. Puur Beleggen, a Noordwijk-based boutique asset manager overseeing assets totalling 40 million euros, will seamlessly integrate into Delen Private Bank. This acquisition coincides with Delen's desire to be present in the largest Dutch cities. In Belgium, the inauguration of a new office building in Knokke is planned during 2024.

In addition to leveraging organic growth prospects, the group actively explores acquisition opportunities, particularly aligning with entities that share a similar strategic vision. The focus is on regions where the group is already present.

The group is actively seeking to integrate AI into various bank services with a focus on efficiency. The bank offers trainings to staff to enhance their ways of working by leveraging evermore technology.

## PARTNERS FOR SUSTAINABLE GROWTH



**DELEN**  
PRIVATE BANK

[www.delen.bank](http://www.delen.bank)

79%

Shareholding percentage AvH

CEO: Dirk Wouters

Management team: Tom Franck • Véronique Léonard  
Vic Pourbaix • Marc Wijnants



# BANK VAN BREDA

Bank Van Breda is a specialised niche market bank, which focuses on supporting entrepreneurs and liberal professions in building up, managing and protecting their assets.

## Financial and operational overview 2023

After increasing from -0.5% in mid-2022 to +2% at the end of 2022, ECB deposit rates continued to rise in 2023 to +4.0% in September 2023, before stabilizing thereafter. This led to an inverse yield curve with higher interest rates in the short term than in the long term. Stock markets experienced a steady recovery. Inflation and wage indexation were tempered. However, energy prices remained at higher levels than before Russia's invasion of Ukraine. The war in Gaza further inflamed geopolitical tensions.

Within this challenging context, Bank Van Breda once again achieved very impressive commercial and financial results. Total commercial volumes increased by 12% to 30.1 billion euros and net profit increased by 24% to 84.7 million euros.

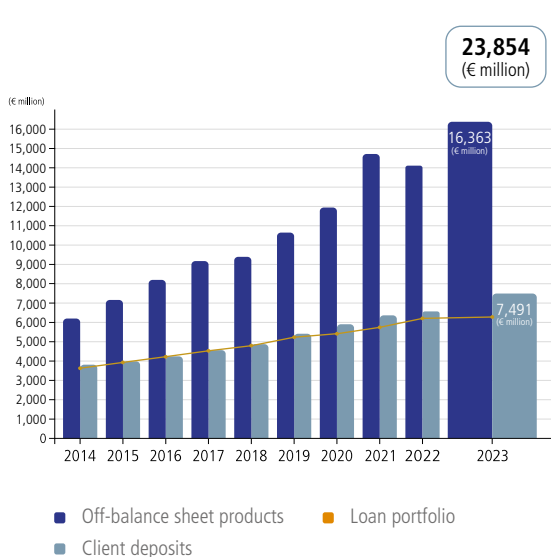
## Growth in commercial volumes

Total assets invested by clients increased substantially to 23.9 billion euros (+16%). Client deposits increased by 938 million euros (+14%) to a total volume of 7.5 billion euros with remarkable growth in term deposits (mostly short term).

The volume of off-balance sheet products increased by 2.3 billion euros (+16%) to 16.4 billion euros. On the one hand, this was the result of a positive stock market effect of 1.5 billion euros. Moreover, an attractive net increase of 0.8 billion euros was achieved, despite the challenging 'TARA' ('There Are Reasonable Alternatives') environment, following a markedly negative stock market climate in 2022.

13.3 billion euros of the volume of off-balance sheet products was entrusted to Delen Private Bank in the form of asset management and funds.

Invested by clients



Bank Van Breda

(€ 1,000)	2023	2022	2021
Operating income	240,943	194,602	184,193
Net result (group share)	84,675	68,325	65,178
Shareholders' equity (group share)	761,940	674,141	678,459
Balance sheet total	8,500,221	7,657,027	7,791,801
Invested by clients	23,854,226	20,648,415	21,087,881
Loan portfolio	6,248,124	6,188,490	5,748,252
Net loan loss provision	0.01%	0.02%	-0.04%
Cost-income ratio	50.6%	55.1%	55.1%
Return on equity	11.8%	10.1%	10.0%
CET1 ratio	17.7%	15.5%	16.8%
Solvency ratio (RAR)	17.7%	16.5%	17.9%
Personnel	569	547	518

Due to interest rate increases and the uncertain economic climate, credit demand declined somewhat in 2023. Despite this, the credit volume to target group clients of Bank Van Breda remained almost stable at 5.5 billion euros, thanks to a level of credit production that almost completely compensated for the repayments.

Based on its comprehensive approach, Bank Van Breda provides loans to family entrepreneurs and liberal professions. Through its Van Breda Car Finance division, the bank also offers financing and financial leasing of cars, equipment, charging stations and bicycles. Van Breda Car Finance again achieved a strong commercial performance during a challenging year for the automotive industry, increasing its credit portfolio by 14% to 0.7 million euros.

## Sustainable profit increase and profitability

The gross operating result (operating income - costs) increased by 28.1 million euros (+31%) to 119.0 million euros thanks to a 24% increase in operating income and a lower increase in operating costs of 18%. This is the result of a particularly impressive commercial performance, both in target group banking for entrepreneurs and liberal professionals and at Van Breda Car Finance.

Consolidated operating income increased by 24% to 241 million euros, thanks to a diversified source of interest and fee income.

Interest results increased by 48%. This is due, on the one hand, to the substantial tightening of monetary policy. The ECB raised its deposit rate by 450 basis points in less than a year and a half, the largest increase since

the introduction of the euro in 1999. Combined with a higher volume of cash due to exceptionally strong deposit growth and limited credit growth, this resulted in a significant increase in treasury income. On the other hand, interest income increased due to credit production at higher rates. Deposit costs also rose sharply due to an increase in rates and the shift in volume from savings accounts to term deposits.

Net fee income, the main component of which fees from off-balance sheet products are the main component, increased by 6% to 106.4 million euros.

Finally, the bank rebalanced its bond portfolio resulting in a realized loss of 15.3 million euros. There was also a one-off recovery of 4.3 million euros as a result of wrongly paid bank tax in 2016.

Total costs increased by 18% to 121.9 million euros. Abstracting from the one-off reversal of commissions in 2022, recurring costs increased by 14%, driven primarily by sharply risen personnel costs. This is partly due to new wage indexations and the impact of the high indexations in 2022 that are now included over a full year. On the other hand, there is the continued increase in the number of staff.

The bank continues to invest in commercial strength, client and staff events, and in the renewal and upgrade of its branches. The bank is also continuing to strengthen and secure its IT platform to take full advantage of opportunities presented by the cloud and digitalization.

With operating income rising more sharply than costs, the cost-income ratio improved from 55% in 2022 to 51% in 2023. This makes Bank Van Breda one of the most efficient Belgian banks.



Bank Van Breda > Antwerp



Bank Van Breda > Antwerp

Bank Van Breda did not record significant losses on credit files in 2023, although its clients continued to face the effects of high inflation in 2022. The risk costs for credit losses (including Expected Credit Losses or ECL) remained low at 0.01% of the average credit portfolio. This denotes the outstanding quality of the bank's credit portfolio as well as the resilience of its clients.

All these elements combined led to a substantial 24% increase in net profit to 84.7 million euros. As a result, return on average equity (ROE) increased from 10.1% to 11.8%.

## Solid liquidity and solvency

Adopting a prudent approach, the bank always ensures a generous liquidity position. The Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) at the end of 2023 were respectively 304% and 150%, both well above the statutory requirement of 100%. The credit portfolio is fully financed through client deposits, so the bank is not dependent on external financing on the financial markets.

The shareholders' equity (group share) rose to 762 million euros, contributing to the bank's strong solvency position, which represents the main protection for deposit holders. The Common Equity Tier1 ratio (CET1 ratio) stood at 17.7%. The solvency expressed as shareholders' equity to assets (leverage ratio) amounted to 8.3%, a multiple of the legally required 3%.

## ESG overview 2023

Based on the material topics identified by Bank Van Breda and the materiality analysis performed at AvH group level, 'Safe harbour', 'Business ethics' and 'Protection of data and privacy' are potentially considered of material importance at AvH level. Moreover, Bank Van Breda pays particular attention to 'Asset accumulation and protection', 'Respect for laws and regulations', 'Staff and Customer satisfaction'.

## Safe harbour

'Safe harbour' inherently encompasses safeguarding the financial stability of the bank and contribute to the Belgian economic fabric. Thanks to prudent management, the bank's equity has never been under threat during crisis periods or in turbulent financial markets. The bank has never received state aid.

The rapid succession of the COVID crisis, the energy crisis, the sharp upsurge in inflation, rising personnel costs, interest rate hikes and the 'war for talent' posed major challenges for entrepreneurs and the liberal professions. The bank reaffirmed its role as a safe harbour and chose to be in dialogue with and close to the client. Due to prudence and bankruptcy prevention, net additions to loan provisions continued to be limited in 2023. The quality of its credit portfolio and the resilience of its clients once again proved to be particularly significant.

With its credit portfolio, Bank Van Breda targets a very specific niche group of clients with economic activities in Belgium: liberal professions, family SMEs and independent entrepreneurs. This focus and relevant Belgian regulations in this respect significantly reduce the likelihood of major ESG risks.

TODAY WE REAP THE BENEFITS OF CAREFULLY BUILT TRUST RELATIONSHIPS FROM A MODEL OF DIVERSIFIED WEALTH ACCUMULATION.

Dirk Wouters  
CEO

Self-employed clients have to accrue and protect their own retirement capital, whereby a long term view and consistent distribution are elementary requirements. Even in a year when the interest rate environment changed completely, clients affirmed their confidence. Deposit growth was also supported by rising customer rates, primarily on time deposit accounts. Off-balance sheet products also generated a significant increase, thanks in part to the positive stock market effect. Finally, the Net Promoter Score (NPS) of 53 confirms a high level of customer satisfaction. With this score, Bank Van Breda achieved an NPS in excess of 50 for the seventh time in a row. Internationally, this is considered an outstanding rating.

	2023	2022	2021
<b>Client satisfaction</b>			
Net Promoter Score	53	54	53
<b>Employee satisfaction</b>			
Great place to work <sup>(1)</sup>	98%	-	98%

## Employee engagement



<sup>(1)</sup> Statement 'Overall, I can say that this is an excellent organization to work for' Figures surveyed December 2021 and 2023.

## Business ethics and protection of privacy and data

The deontology and ethical values of the staff are decisive for the way in which Bank Van Breda interacts with its clients and suppliers. Cybercrime and phishing are a growing threat worldwide. Clients consider the protection of their personal data and respect for their privacy of increasing importance. The bank consequently conducts regular awareness campaigns and consistently invests in IT infrastructure and a greater focus on security. Within this context, Bank Van Breda handles and protects everyone's data in compliance with relevant laws and regulations, in an honest and transparent manner.

## ESG realisations

Bank Van Breda regards the health and well-being of its staff as a crucial asset. It pays considerable attention to attracting new talent, developing financial and specialized expertise, as well as promoting cohesion and diversity. A culture and values survey using the methodology of the 'Richard Barret Values Centre' showed that employees of the bank put 3 personal values first: honesty, a sense of responsibility and enthusiasm.



The November 2023 'Great Place to Work' survey confirmed that 98% of employees consider the bank an excellent organization to work for. In March 2024, the bank was nominated again as 'Best Employer' on the basis of this participation. The book entitled 'Medewerkers aan zet' describes the path Bank Van Breda took to evolve into 'an outstanding' organization.

The bank's own ecological footprint is limited. Nevertheless, it aims to adopt an exemplary role in this respect. A CO<sub>2</sub>-reduction plan is being rolled out to reduce emissions by more than 55% by 2030 compared to 2017 levels. New company cars are now plug-in or fully electric. The bank continues to invest in promoting bicycle use, solar panels, charging stations, insulation and energy efficient offices with heat pumps.

Entrepreneurs and liberal professions also play a crucial role in the transition to a more sustainable economy. The importance of ESG factors (ecology, social responsibility and corporate governance) has continued to increase in discussions concerning credit applications. An energy performance certificate (EPC) is standard today in applications for loans with property as collateral. Energy efficiency, the transition to renewable energy and circular enterprise are becoming increasingly important in any business plan. The bank believes that through its network it can bring clients together so that they can motivate each other.

When it comes to investments all clients are systematically surveyed about their sustainability preferences. In doing so, the bank is committed to the combination of three sustainability strategies: exclusion, engagement and integration of non-financial parameters. This approach is applied to the overall portfolios in asset management and covers all own funds. Any investments offered by Bank Van Breda, via Delen Private Bank and via other partners, not only incorporate sustainability features (SFDR Article 8) but also fit within a well-spread portfolio.

## Outlook 2024

After the sharp interest rate hikes in 2022 and 2023, the European Central Bank may ease its monetary policy again during 2024. Inflation fell faster than expected in 2023 and the inflation outlook is favourable. This may lead to a normalization of the yield curve.

Following a year of limited economic growth in the euro zone, growth expectations for 2024 are rather limited. Despite this challenging context, Bank Van Breda remains very well equipped for the future.

The commercial strength and positioning should ensure the continued increase of total client assets. The impact of this increase on the operational result will also depend on the evolution of the financial markets, the interest rate climate and the competitive environment.

Bank Van Breda has a track record of low costs for credit risks, even in an economically turbulent environment. Nevertheless, uncertainty remains about potential credit losses due to limited economic growth (and possibly a mild recession), ongoing geopolitical tensions and inflation. Given its conservative policy on the matter, this impact should remain limited in the future as well.

With its core values of 'fast, friendly & flexible', Van Breda Car Finance continues to invest in customer loyalty and remains committed to being a sound, reliable and fast acting partner for car dealers and brokers.

A team of competent staff, satisfied clients, the reputation and positioning, the ongoing investments, the prudent risk profile and the sound financial structure of the bank all serve as a solid basis for healthy, long term financial growth.

### PARTNERS FOR SUSTAINABLE GROWTH



[www.bankvanbreda.be](http://www.bankvanbreda.be)

**Bank  
VanBreda**

# REAL ESTATE



Contribution to the AvH consolidated net result

(€ million)	2023	2022	2021
Nextensa	15.6	42.5	38.6
Anima	-	2.8	4.1
<b>Total</b>	<b>15.6</b>	45.3	42.7

Inflation and rising interest rates created a challenging environment throughout 2023 for the Real Estate sector in general. Thanks to higher rental income and smooth sales of apartments at Tour & Taxis, Nextensa has been able to deliver decent, but lower results. The divestments of Residalya (2019) and Anima (2022) and the merger of Extensa and Leasinvest in 2021 have allowed AvH to reduce significantly its real estate exposure compared to a couple of years ago.



Nextensa > Tour & Taxis - Gare Maritime  
- Park Lane 1

Nextensa > Tour & Taxis - Sheds

Nextensa > Tour & Taxis - Park Lane

Nextensa > Tour & Taxis - Hôtel des Douanes

## Nextensa

Nextensa is a mixed real estate investor and developer.

62%

Shareholding percentage AvH

CEO: Michel Van Geyte

Management team: Peter De Durpel • Tim Rens • Olivier Vuylsteke



# NEXTENSA

Nextensa is a listed, mixed real estate investor and developer.

As an investor, Nextensa is active in the Grand Duchy of Luxembourg (43%), Belgium (42%) and Austria (15%). Nextensa's total investment portfolio was valued at 1.3 billion euros on December 31, 2023.

As a developer, Nextensa primarily designs large-scale urban developments. At Tour & Taxis (development of more than 350,000 m<sup>2</sup>) in Brussels, Nextensa is building a mixed real estate portfolio consisting of a redevelopment of iconic buildings and new construction. At Cloche d'Or in Luxembourg, it is working in partnership on a major urban expansion of more than 400,000 m<sup>2</sup> consisting of offices, retail and housing.

## Financial overview 2023

Nextensa realised a net result of 24.5 million euros in 2023, in comparison to the net result of 71.3 million euros in 2022. The reason of this lower result is twofold. In a first instance, there has been limited activity on the institutional real estate market in 2023, which resulted in a lower number of divestments. While in 2022 Nextensa was able to realize profits on sales of the Monnet and Titanium buildings of 28.3 million euros, in 2023 Nextensa only sold the Treesquare-building in the Brussels Leopold district generating a profit of 2.1 million euros. On the other hand, the revaluation of financial instruments played an important role. In 2023, the financial assets and liabilities were revaluated with a negative amount of 7.3 million euros, while in 2022 these instruments were positively revaluated with an amount of 15.6 million euros.

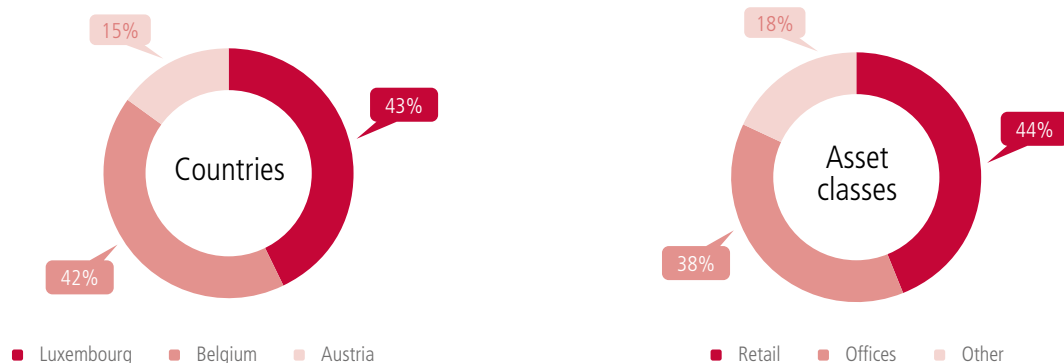
The operating results of the real estate portfolio proved to be resilient. The net rental income from the investment properties was 3.1 million euros higher compared to 2022, despite the sale of several properties (70.5 million euros in 2023 vs 67.4 million euros in 2022). The indexation and the increased occupancy resulted in a like-for-like rental growth of 12% compared to 2022. In addition, property costs decreased with 0.9 million euros. Only a minor decrease (0.9%) in the value of the investment properties of 11.2 million euros was recorded.

The operating result of the development projects decreased from 22.2 million euros in 2022 to 18.1 million euros in 2023. This result consisted mainly of the development activities on Cloche d'Or and Tour & Taxis (Park Lane phase II). A higher development result was recognised in Belgium thanks to

AFTER THE EXCEPTIONAL RESULT OF 2022, NEXTENSA WAS STILL ABLE TO DELIVER A DECENT RESULT IN 2023 IN DIFFICULT MARKET CONDITIONS.

Michel Van Geyte  
CEO

Real estate portfolio (% based on fair value)



the successful sales of the apartments at Tour & Taxis (4.4 million euros in 2023 vs 2.4 million euros in 2022).

The net financial debt increased from 721.5 million euros at year-end 2022 to 786.8 million euros at year-end 2023. Hence, the financial debt ratio increased from 42.6% to 44.8%. The average finance cost increased slightly from 2.18% to 2.67%. Although interest rates increased significantly during 2023, Nextensa's successful hedging policy ensures that this increase has only a minimal impact on the average finance cost. At the end of 2023 a headroom of 88 million euros existed on the existing credit lines.

The shareholders' equity amounted to 834 million euros.

## Operational overview 2023

### Real estate developments

Tour & Taxis: the textbook example of a '5-minute' neighbourhood

#### • Offices and retail

The occupancy rate of the offices and the retail spaces at the Tour & Taxis site continues to rise. For the retail spaces at Gare Maritime, new leases were signed in 2023 for a total of 4,045 m<sup>2</sup> which brings the occupancy rate to 72% at the end of 2023. New leases for offices were furthermore signed for the Depot des Colis building, part of the Gare Maritime, for a total of 582 m<sup>2</sup>. This brings the occupancy rate of the offices at Tour & Taxis to 92%. The higher occupancy is not only visible in terms of retail and office rentals, but also in terms of events on site, both in the Sheds and Gare Maritime, and

in the conference centre Maison de la Poste. Part of the Sheds, the site's event hall totalling 28,000 m<sup>2</sup>, was given a permanent occupation with the signing of lease agreements with the Tour & Taxis padel club (2,380 m<sup>2</sup>), with exhibition organiser Tempora (2,700 m<sup>2</sup>) and with the indoor karting Battle Kart (1,780 m<sup>2</sup>). Discussions are also ongoing for an additional permanent occupation of 1,650 m<sup>2</sup>. Approx. 9,500 m<sup>2</sup> of the Sheds will remain available for temporary events.

In the course of 2024, an additional 6,500 m<sup>2</sup> of office space will be added to the site with the completion of the Hôtel des Douanes. The commercialisation of this building is ongoing.

Nextensa NV

(€ 1,000)	2023	2022	2021
Rental income	<b>70,522</b>	67,400	65,174 <sup>(1)</sup>
Operational result developments	<b>18,136</b>	22,243	15,373 <sup>(1)</sup>
Net result (group share)	<b>24,492</b>	71,310	53,244 <sup>(1)</sup>
Shareholders' equity (group share)	<b>834,048</b>	838,798	779,970
Real estate portfolio (fair value)	<b>1,298,074</b>	1,278,716	1,407,919
Rental yield	<b>5.74%</b>	5.30%	5.20%
Netto financial position	<b>-786,820</b>	-721,493	-853,333
Financial debt ratio	<b>44.8%</b>	42.6%	48.6%
Personnel	<b>47</b>	45	48

<sup>(1)</sup> 2021: 12 months Leasinvest Real Estate, 6 months Extensa



Nextensa > Tour & Taxis - Hôtel des Douanes



Nextensa > Tour & Taxis - Gare Maritime

## • Residential

Nextensa submitted the permit application for the Lake Side project, the final phase of urban development on the Tour & Taxis site, at the end of Q1 2023. It involves the development of 140,000 m<sup>2</sup>, with a largely residential programme, representing around 800 new homes, as well as 37,000 m<sup>2</sup> of offices, 2,800 m<sup>2</sup> of shops and 3,800 m<sup>2</sup> of public facilities. The new district will be completely free of fossil fuels, while also aiming for a lower ecological footprint through a well-founded choice of building materials. If everything goes according to plan, the works could start mid-2025, ensuring the continuity of the development activities at Tour & Taxis. Until mid-2025, Nextensa will complete the Park Lane residential area, which comprises some 800 residential units, with the second phase currently under construction. Sales of the second phase of the Park Lane project, comprising 346 apartments, continue to run smoothly. At the end of 2023, the Imperial building was sold to Quares Residential Investment, bringing the number of apartments sold or reserved to 64%. The site is on track to start the first deliveries by the end of 2024.

### Cloche d'Or: a new urban district in Luxembourg City (in joint venture with the Luxembourg developer Promobe)

## • Offices

At the end of October 2023, the Darwin II office building (approx. 5,000 m<sup>2</sup>) was sold to the Luxembourg state following the exercise of their purchase option. The building was taken into use by the Ministry of Health during 2022.

Two other office buildings are also delivered. Emerald has a floor area of 7,000 m<sup>2</sup> and is 100% let to Stibbe, Intertrust and a third party with whom a LOI has been signed for the lease of the last two floors. White House (7,000 m<sup>2</sup>) is 100% leased to Intertrust.

Two other office buildings are in a planning phase: Lofthouse (5,000 m<sup>2</sup>) and Stairs (8,500 m<sup>2</sup>). Discussions are ongoing with potential tenants.

## • Residential

The residential developments on Cloche d'Or consist of several subprojects. During 2023, all the apartments of the D-Nord project (194 apartments) were delivered. 96% of the apartments of this project are sold or reserved. The first phase of the D5-D10 project (117 apartments on a total of 185) is under construction. 77% of these apartments are sold or reserved. The B&B HOTELS project (4,500 m<sup>2</sup> and 150 rooms) is also under construction, with delivery expected in 2025.

## Real estate investments

## • Belgium

In August 2023, Nextensa acquired the leasehold rights of the office building located at 24 Rue Montoyer in Brussels. The building is located in the Leopold district, one of the most sought-after office locations in Brussels, just a few metres from the Monteco building. It is currently leased to several European associations. Nextensa plans to develop here a carbon-neutral wooden office building of approx. 2,800 m<sup>2</sup>, called TreeMont. The permit application was submitted at the end of September and has in the mean-

time been declared complete. Through the use of energy-efficient systems, preservation and reuse of part of the existing structure combined with a new wooden structure, the building aims to achieve a 'BREEAM excellent' certification upon completion of the works and to be aligned with the criteria of the EU taxonomy.

## • Luxembourg

In 2023, Montimmo was rebranded as Hygge. Located on Avenue Monterey 35 in Luxembourg City and built in 2009, the office building was given a new identity after a short period of renovation and upgrading. The building consists of a total area of 1,600 m<sup>2</sup> spread over 7 floors and 15 underground parking spaces. Five floors have already been let (total approx. 1,068 m<sup>2</sup>). Discussions are ongoing for the letting of the remaining floors.

The Moonar site, located near Luxembourg airport, is undergoing extensive redevelopment to make these buildings modern and future-proof. The office park consists of 5 buildings (about 21,000 m<sup>2</sup> in total), of which buildings 'D' (3,546 m<sup>2</sup>) and 'B' (3,620 m<sup>2</sup>) were delivered in 2023. The redevelopment of the remaining buildings will be completed during 2024. Already 69% of the available surface (about 21,500 m<sup>2</sup>) has been leased at a prime rent.

The permit application for the new building MonTree, the redevelopment of the office building located at 18 Avenue Monterey together with the building acquired in 2023 located at 20 Avenue Monterey in Luxembourg City, is in full preparation. Current tenant CVC will vacate the Monterey 20 building at the end of Q2 2024, after which both buildings will be redeveloped into one new CO<sub>2</sub>-neutral office building in wood, following the example of Monteco and Treemont in Brussels.

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

Visitor numbers at the Knauf Shopping centres increased sharply in 2023. The Knauf Shopping in Pommerloch welcomed more than 2.4 million visitors, which is an all-time high in the centre's history. The Knauf Shopping in Schmiede saw an increase in visitor numbers of 10.32% and also welcomed more than 2 million visitors. Underlying this success are Nextensa's investments, the attractiveness and quality of the retail offered and the management and animation of the centres.

## • Austria

Nextensa's Austrian investment portfolio includes 5 retail parks, with an occupancy rate that remains consistently at 100%.

## ESG overview 2023

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

In 2023, efforts to accomplish this mission included the following initiatives:

- EU Taxonomy: 32% of Nextensa's turnover and 20% of Nextensa's capex are aligned with the EU Taxonomy. In 2023, the decision was taken to align new developments going forward with the criteria of the



Nextensa &gt; Hangar 26-27 (Antwerp)



Nextensa &gt; Cloche d'Or (Luxembourg)



Nextensa &gt; Tour &amp; Taxis - Lake Side project (artist impression)

EU taxonomy (within the climate mitigation objective) and an action plan was drawn up to move towards a fossil-free portfolio.

- The Monteco office building won the public's prize in the Belgian edition of the Green Solutions Awards 2022-2023 in the Building category. The Green Solutions Awards are organised annually by the international trade organisation Construction 21 with the aim of applying innovation and sustainability on a large scale. In addition, the building was also nominated for the MIPIM awards 2024 in the Best Office & Business Project category.
- Renewable energy in the investment portfolio: The total number of solar panels on the roofs was increased to 26,904 (+2,311 panels in 2023), accounting for 8,898 kWp of installed capacity on the roofs of the entire investment portfolio. This installation will generate an average of 7,500 MWh of green electricity per year, the equivalent consumption of nearly 2,200 households.
- A 425-kWp (780-panel) mobile solar farm was installed at Tour & Taxis to power the worksite of Park Lane phase II, the residential neighbourhood at Tour & Taxis currently under construction, as much as possible with locally generated green electricity.
- Since May 1, 2023, apartment residents on Park Lane can enjoy locally generated electricity by joining a new energy community. The creation of the Energy Community at Tour & Taxis is a pilot project with the aim of offering the production surplus from the solar panels installed on neighbouring buildings to neighbourhood consumers at an advantageous rate.
- Additional charging infrastructure: 153 additional charging points were installed in 2023 to further accelerate the transition to electrified mobility. This brings the total in the Nextensa portfolio to 279 charging points. In Belgium, 537 MWh was charged at these charging points, which represents a reduction of 715.5 tonnes of CO<sub>2</sub>.

## Outlook 2024

In 2023, macroeconomic conditions and the geopolitical environment were challenging, resulting in a sharp rise in interest rates, tighter credit conditions, higher financing costs and a significant drop in transaction volume. Whereas 2023 was characterised by this total standstill, Nextensa thinks that in 2024 the first signs of cautious recovery will be felt. Nextensa's goal in 2024 remains to further reduce its debt ratio by selling some of its non-strategic investment properties. This sale programme is under preparation and will be carried out under the right conditions.

Nextensa will in any case in 2024 and in subsequent years be fully dedicated to making its investments and developments more sustainable by aligning all new developments with the criteria of the EU taxonomy and by moving towards a fossil-free portfolio. This will continue to be worked on in 2024.

Due to the structural imbalance between demand and qualitative supply of residential real estate and prime offices in both Belgium and Luxembourg, Nextensa is convinced that its strategy, as a developer and investor, is the right one.

### PARTNERS FOR SUSTAINABLE GROWTH



[www.nextensa.eu](http://www.nextensa.eu)

nextensa.

# ENERGY & RESOURCES



Contribution to the AvH consolidated net result

(€ million)	2023	2022	2021
SIPEF	25.1	36.9	27.7
Verdant Bioscience	-1.3	-0.5	-0.9
Sagar Cements	0.8	-2.1	3.2
<b>Total</b>	<b>24.6</b>	34.3	30.0

A 3% decline in production combined with lower market prices explain why SIPEF realised a net profit of 72.7 million USD, satisfying but 33% lower than the record results of 2022. The Energy & Resources segment contributed 24.6 million euros to AvH (-28%).



SIPEF



SIPEF



Verdant Bioscience



Sagar Cements

### SIPEF

SIPEF produces certified sustainable tropical agricultural products, primarily palm oil.

### Verdant Bioscience

Biotech company Verdant Bioscience develops F1 hybrid palm oil seeds (Singapore/Indonesia).

### Sagar Cements

Sagar Cements, with headquarters in Hyderabad (India), is a listed cement manufacturer.

39%

Shareholding percentage AvH

CEO: François Van Hoydonck

Management team: Bart Cambre • Charles De Wulf  
Thomas Hildenbrand • Robbert Kessels • Petra Meekers



# SIPEF

SIPEF is a Belgian agro-industrial group listed on Euronext Brussels, specialising in the sustainable production of crude palm oil and other palm products in Indonesia and Papua New Guinea, and bananas in Côte d'Ivoire.

## Financial overview 2023

In 2023, SIPEF's plantations encountered weather challenges, marked by the El Niño weather phenomenon. Despite initial expectations, the impact of El Niño proved less severe than anticipated, albeit contributing to increased unpredictability in local productions throughout the year.

After a cyclical decline in production in the first semester in Indonesia, the plantations in Papua New Guinea recorded much lower bunch numbers in the second half of the year, making that the overall annual palm oil production of the SIPEF group declined by 3.1% against the previous year.



The total crude palm oil production in 2023 was 391,215 tonnes, of which 321,629 tonnes was own production and 69,586 tonnes was produced by smallholders. The SIPEF group faced lower production figures than the previous year despite a steady recovery of the group's Indonesian palm oil production by the fourth quarter and a strong start of the year of the Papua New Guinea operations. The quarterly increase of 7.9% in palm oil production in Indonesia was, unfortunately, more than offset by the cyclical decline in production in Papua New Guinea in the second semester (-17.4%). This

### SIPEF NV

(USD 1,000)	2023	2022	2021
Turnover	<b>443,886</b>	527,460	416,053
EBITDA	<b>160,702</b>	226,251	188,031 <sup>(1)</sup>
EBIT	<b>107,978</b>	178,312	139,416 <sup>(1)</sup>
Net result (group share)	<b>72,735</b>	108,157	93,749 <sup>(1)</sup>
Shareholders' equity (group share)	<b>853,777</b>	817,803	727,329
Net financial position	<b>-31,418</b>	122	-49,192
Balance sheet total	<b>1,080,242</b>	1,062,223	991,765
Personnel	<b>23,057</b>	22,157	21,233

<sup>(1)</sup> Including capital gain on PT Melania: 11.6 million USD (group share: 11.0 million USD)

### SIPEF: Production (Tonne)<sup>(1)</sup>

					
2023	2022	2021	2023	2022	2021
<b>391,215</b>	403,927	384,178	<b>40,976</b>	32,270	32,200

<sup>(1)</sup> Own + outgrowers

reduction was exacerbated by a volcanic eruption on the November 20, affecting parts of the own estates' planted palms and smallholder production.

The banana production increased by 27.0% compared with the previous year's exported volumes. The increase is entirely related to the ongoing expansion of 421 hectares at two new production sites in Côte d'Ivoire.

In the turbulent, geopolitical landscape, palm oil grappled with intense competition from other vegetable oils. While Malaysian stocks edged slightly higher than a year ago, Indonesia experienced a substantial decline, rebounding from the lingering impact of the 2022 export ban. Indonesian exports showed strength, yet it was the surge in domestic consumption driven by the B35 mandate for biodiesel that tightened the stock environment.

In the interconnect of global markets, palm oil played a role as a follower rather than a leader in the vegetable oil complex. Prices navigated within a tight range of 80 USD, fluctuating between 900 USD and 980 USD CIF Rotterdam. The market hit its peak in the second half of November, ultimately closing around 930 USD at year end.

Global production, exports as well as consumption of bananas remained generally stable in 2023, and there were no important climatic upheavals affecting the major production areas. However, in the fourth quarter there was significant pressure from European distributors to reduce banana import prices, underpinning the purchasing power of consumers, with supply being in line with or even slightly higher than demand. It complicated the negotiations for the renewal of the commercial contracts for 2024 and contractual import prices have somewhat declined compared to those recorded in 2023.

The turnover for palm amounted to 405.4 million USD as per December 31, 2023 compared to 495.7 million USD in 2022. Meanwhile, the turnover of the banana and horticulture segment increased to 32.6 million USD in 2023 compared to 22.2 million USD in 2022 due to expansion of 421 hectares.

The group's total revenue amounted to 443.9 million USD as per December 31, 2023 and dropped by 83.6 million USD, or 15.8%, compared to year-end 2022. The palm segment's revenue in particular dropped (-90.4 million USD), mainly as a result of the greatly reduced unit selling price (-16.8%). In addition, the total tonnes of produced CPO have decreased by 3.1%.

The group ended the year 2023 with a net result (group share) of 72.7 million USD. As a consequence of ongoing expansion efforts, which involved capital expenditures amounting to 106.9 million USD, and the distribution of a record dividend totaling 33.8, the net financial position concluded at -31.4 million USD.

## Operational overview 2023

### Palm oil

#### • Indonesia

The renowned El Niño weather phenomenon impacted on the production in North Sumatra less with abundant precipitation figures recorded in all mature estates over 2023. The mineral estates exceeded last year's crops by 7.5%, but due to the higher rainfall, the extraction rates were reduced by 1.3%, leaving still a 1.8% higher palm oil production compared to the same quarter last year. The organic soil estates had difficulties coping with the high rainfall and part of the estates were substantially flooded in December, affecting harvesting and transport to the mill.

The estates in Bengkulu, however, continued to be confronted with extreme dry weather conditions, with hardly any rainfall in September and October. The annual rainfall for all estates varied between -17% and -48% against the 10-year average. Production recovered near the year's end and the last quarter closed with a 7.7% increase on last year's crops.

## STEADY PRICES AND ENHANCED COST CONTROL GUARANTEED ONCE MORE OUTSTANDING FINANCIAL PERFORMANCES.

François Van Hoydonck  
CEO

The maturing estates in South Sumatra, suffering from drought in the third quarter, recovered near year end with good precipitation levels, resulting in 32.1% high crop volumes compared to the fourth quarter of 2022. The palm oil production from the South Sumatra region already represented 23.5% of SIPEF's total annual production in Indonesia. Cultivated areas in Musi Rawas continued to grow by 2,337 hectares to 18,760 hectares, in compliance with RSPO. With the replant of Dendymarker completed, the group has 28,362 newly planted, maturing oil palm hectares in South Sumatra.

#### • Papua New Guinea

The Papua New Guinea operations had a strong start to the year, in line with the impressive performance over the last two years. However, production declined in the second semester, both for own estates and surrounding smallholders. Lower bunch numbers, combined with higher than usual rainfall, reduced the annual palm oil production by 12.0% compared to the previous year. The total CPO production of Hargy Oil Palms in 2023 was 146,763 tonnes of CPO, of which 90,060 tonnes is of own estates, and 69,586 metric tonnes produced by smallholders.

The volcanic eruption of Mount Ulawun, located north from the Group's estates and surrounding smallholders, which was experienced on November 20, 2023, disrupted the activities. The focus was onwards on safeguarding people and assets. The efficient evacuation of workers and communities made that no injuries or deaths were suffered, but the impact on plantations



SIPEF



SIPEF > Hargy Oil Palms

and infrastructure was considerable. However, after initial verification, the damage was found less significant than originally expected. The rehabilitation work on 3,565 hectares (out of a total of 13,559 planted hectares) is already more than 60% executed and would be fully completed by the end of the first half of 2024. While remarkable progress, it is anticipated that it will take an additional two years before the negative impact on production will have been fully absorbed.

• **Investments**

SIPEF’s total capital expenditures amounted to 107.0 million USD and mainly related to finalising the expansion in South Sumatra in Indonesia.

By the end of 2023, a total of 82,171 hectares of the SIPEF group was planted with oil palms as a result of recent achievements. The supply base was exceeding 100,000 hectares, supplying nine palm oil processing mills in Indonesia and Papua New Guinea.

In 2024, the group will continue to concentrate mainly on the investment programmes in South Sumatra. These programmes concern the further expansion of the planted areas and new infrastructure in Musi Rawas, and improvement of the existing infrastructure in Dendymarker since the replanting of its 10,184 hectares has been completed end of 2023.

In Musi Rawas, in compliance with RSPO ‘New Planting Procedures’ (NPP), an additional 1,786 hectares were compensated last year, and 2,337 hectares were prepared for planting or planted, to reach a total of 18,760 cultivated hectares. This corresponds to 85.9% of the 21,850 hectares acquired through compensation.

As per the end of 2023, the total renewed and cultivated area in the South Sumatra business unit was already 28,362 hectares, of which 18,367 hectares (64.8%) are young mature and harvested.

The construction of the 10<sup>th</sup> palm oil mill within the SIPEF group, situated on one of the Musi Rawas estates, was completed at the end of the first quarter in 2024. This facility will further enhance processing capacity, ensuring efficient handling of the entire crop yield from both the own estates and those of smallholders in South Sumatra.

In addition to the expansion in South Sumatra, the group is investing in 2024 in the renewal of materials and mills, as well as in the usual replanting programmes of 9,632 hectares of older plantings in Sumatra, Papua New Guinea, and Côte d’Ivoire. Notably, the conversion of rubber estates in North Sumatra and Bengkulu into 2,458 hectares of maturing oil palms is underway. The strategic investments in ‘value creation’ are intricately tied to innovation, early adoption of new techniques, and operational enhancements, with a specific focus on producing high-quality, low-contaminant oils. These initiatives are set to surpass 10 million USD in 2024.

The expansion of Plantations J. Eglin’s banana plantations will be completed. As a result, the total planted area will reach 1,338 hectares by year end 2024, leading to a gradual increase in production up to 60,000 tonnes by 2025.

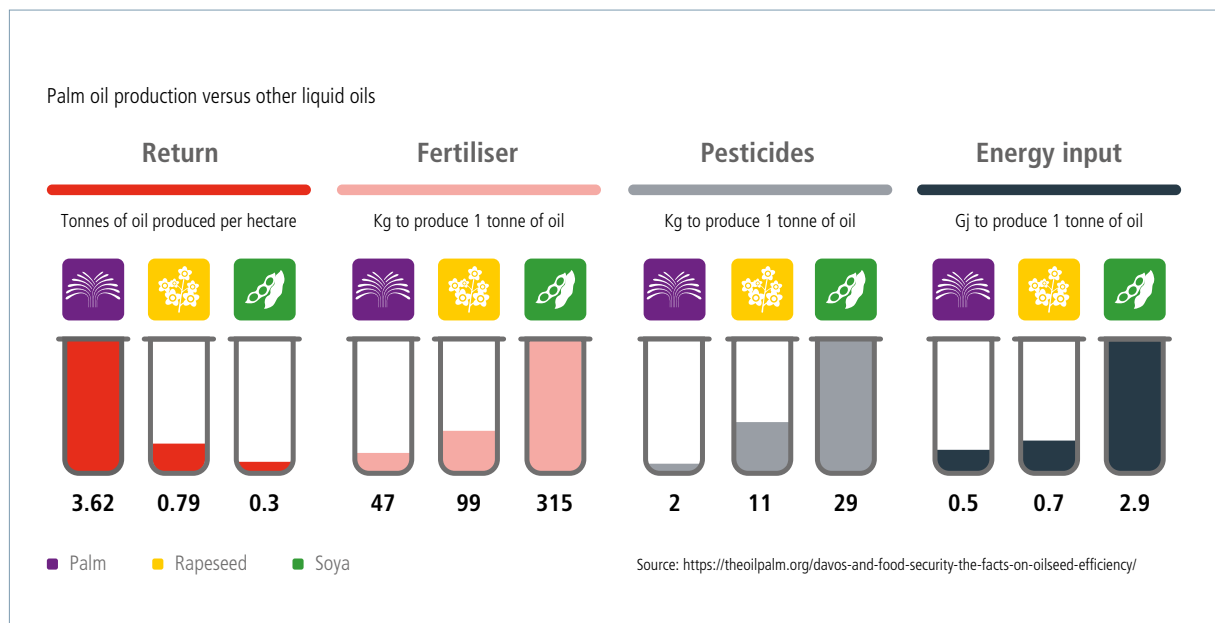
The financing of this extensive and diversified investment budget, exceeding 100 million USD, is assumed to fit into the generated operational cash flow for the year, while still leaving margin for the usual dividend distribution. As a result, it is projected that the net financial debt position at the end of 2024 will closely align with the well-managed position reported at the end of 2023.

• **Other products: bananas**

After a production slowdown in the second half of the year, the exported banana volumes from Côte D’Ivoire did not show the anticipated strong growth. The additional harvests from the newly planted areas in the Lumen/Akoudié plantations made up for the harvests missed, due to rain and colder temperatures in the existing operations.

**ESG overview 2023**

SIPEF believes that sustainable palm oil provides substantial added value in maintaining a balanced global food supply. Oil palm production requires much less land than other oil producing crops, offering higher yields per hectare at a lower cost. Sustainable palm oil can therefore play a critical role in meeting the increasing demands of a growing global population, while respecting the limited availability of agricultural land.



SIPEF adheres to strict sustainability standards on no deforestation, minimizing environmental impacts, respecting human rights, supporting local smallholders, and engaging in ethical business conduct. Through its activities and partnerships, the company is also working to contribute positively to the communities and local economies in the remote areas where it operates.

The materiality matrix was updated in 2022 to align with evolving standards and with its own strategy, with additional focus on internal stakeholder involvement to obtain views from the local teams. A selection of ESG topics is explained below. No topics were identified that are potentially ESG material to the AvH group.

### • Sustainability certification progress

Supplying sustainable, traceable, segregated and certified products is central to SIPEF's business model and sustainability approach. In 2023, SIPEF continued to maintain and progress its compliance with leading sustainability standards.

SIPEF is committed to achieving 100% RSPO (Roundtable on Sustainable Palm Oil) certification for its palm oil operations, including Indonesian smallholders supplying SIPEF mills, by 2026. As of the end of 2023, SIPEF's production fully complies with RSPO standards, with nine of its mills RSPO certified. Moreover, 76% of the planted area within SIPEF's operations is RSPO certified, and the entirety of its production is traceable. With the expansion of operations in South Sumatra, once new planting is completed, efforts will focus on obtaining their related HGU (Hak Guna Usaha; Indonesian land title), a prerequisite for RSPO certification. Additionally, the group maintains its 100% ISPO (Indonesia Sustainable Palm Oil) certification for its six mills in Indonesia.

SIPEF is committed to 100% Rainforest Alliance, GlobalG.A.P. and Fairtrade certifications for its banana operations. As of 2023, all sites are Rainforest Alliance and GLOBALG.A.P certified. This includes the new sites in Akoudié and Lumen, which obtained their Rainforest Alliance and GLOBALG.A.P certifications in 2022 and 2023. Preparations for the certification of these new sites had been ongoing since their acquisition in 2021. Akoudié and Lumen are also currently undergoing the Fairtrade certification process.

### • Climate change

The group set its target in 2022 to reduce its net GHG emission intensity (Scope 1 and 2) per tonne of crude palm oil (CPO) by 28% by 2030, against its 2021 baseline.

The main focus of SIPEF's climate change mitigation efforts remains on progressing its greenhouse gas emissions (GHG) reduction plan, as well as preparing for reporting in accordance with the CSRD on climate change. This includes the significant challenge of calculating the group's scope 3 emissions. The company's Scope 3 emissions will be reported for 2024.

SIPEF has also continued to develop its climate strategy, which sets short, medium and long term goals. A key step in this regard is a climate risk assessment, the first phase of which will be completed in 2024. The strategy leverages SIPEF's current initiatives, such as methane capture from palm oil production waste, converting waste for re-purpose as industrial biomass, preserving biodiversity through nature conservation projects, and exploring removal technology options such as biochar and enhanced weathering.

### • Sustainable land use and community engagement

As part of its group-level commitment to No Deforestation, SIPEF adheres to the requirements of the RSPO New Plantings Procedure (NPP) for any new developments in its oil palm operations. The NPP requires all new development plans to undergo an integrated High Conservation Value and High Carbon Stock Approach (HCV-HCSA).

In 2023, SIPEF's operations in Papua New Guinea completed an integrated HCV-HCSA assessment, which covered all existing estates, smallholders, and surrounding areas. A total of 5,624 hectares of HCV-HCSA area was identified for conservation, as well as a potential for new development in and around existing smallholder estates. As a mapping initiative, the assessment facilitated extensive community engagement across 35 villages and 15 hamlets. Customary landowners actively participated by providing insights into their present land usage and outlining future land use plans.

### • Responsible supply chain management

Creating value in a responsible way includes supporting smallholder suppliers to become a part of the sustainable supply chain. In July 2023, SIPEF reached its target to achieve 100% RSPO certification for the smallholders supplying the group's mill at PT Dendymarker Indah Lestari.

Another important advancement, is the certification of the smallholders cooperative, Koperasi Serba Usaha Suka Makmur, in 2023. A supplier of SIPEF's Umbul Mas Wisesa mill, this is the first independent smallholder cooperative working with and supported by SIPEF to become certified to the RSPO Independent Smallholder Standard.

The achievements add approximately 3,000 hectares to the certified area of SIPEF's supply base, moving the group closer to its overarching goal of a fully certified supply chain by 2026.

## Outlook 2024

SIPEF can look forward to another strong performance year, thanks to continuous increasing production in Indonesia and supportive palm oil markets. As the volcanic eruption from November 2023 will still impact the production volumes in Papua New Guinea, the final recurring result for 2024 might be slightly lower than the one presented for 2023.

## PARTNERS FOR SUSTAINABLE GROWTH



[www.sipef.com](http://www.sipef.com)



42%

Shareholding percentage AvH

CEO: Stephen Nelson

Management team: Paul Connelly • Brian Dyer  
Brian Forster • Juan-Carlos Martinez



# VERDANT BIOSCIENCE

Verdant Bioscience (VBS) is a biotech company with the primary objective of developing high-yielding F1 hybrid palm oil seeds.

VBS continues to advance its core strategy of developing and delivering high-yielding, field-proven F1 hybrid varieties for the oil palm industry. Recognising the escalating global demand for vegetable oil, without the option to expand oil palm cultivation areas, enhancing yield per unit area of land emerges as the primary solution. F1 hybrids hold the promise of potentially doubling yields per hectare, thereby mitigating the risk of further deforestation and biodiversity loss.

There are three primary areas of ongoing research and development with significant potential to enhance palm oil production: development of improved crop varieties; enhancing crop genetic resistance and resilience; and improvements in agronomic and crop protection practices, including early adoption of new techniques focusing on soil health and regenerative practices.

VBS is developing commercial F1 hybrid crosses which will deliver high yields despite the changing rainfall patterns caused by climate change and in more marginal environments in terms of soil fertility.

In 2021, VBS started its field trial programme by planting 31 F1 hybrid crosses and in 2022 another 42 crosses were trial planted. In 2023, a further 161 F1 hybrid crosses were trial planted. More batches of genetically diverse F1 hybrid crosses will be trialled each year. The objective of these trials is to ensure that VBS' F1 hybrid crosses have been robustly field tested

before selection and commercial release. The harvesting/yield recording of the first F1 hybrid trial started in January 2024. VBS remains on track to be able to market fully tested high yielding F1 hybrids by 2029.

In addition to testing genetically diverse crosses, VBS will also produce crosses from parents with complimentary traits. Therefore, producing crosses which are not only high yielding but are also tolerant to diseases and pests and/or with traits which will allow ease of future mechanisation and ease of harvesting.

As research progresses, VBS promotes integrated pest and disease management strategies, prioritising biological control methods and preventative measures, with minimal reliance on pesticides. In cases where biological control proves ineffective, VBS will only recommend the use of targeted pesticides specifically tailored to control the pest, avoiding the use of broad-spectrum pesticides whenever possible. This approach is facilitated by employing precise application techniques and selecting formulations that are best suited to the task at hand.

## Verdant Bioscience

(USD 1,000)	2023	2022	2021
Turnover	5,315	5,905	3,319
EBITDA	-1,932	-477	-1,754
EBIT	-2,523	-1,094	-2,412
Net result (group share)	-3,310	-1,288	-2,514
Shareholders' equity (group share)	6,592	9,903	11,191
Net financial position	-22,546	-20,019	-19,077
Balance sheet total	32,291	32,989	33,665
Personnel	392	407	370

## PARTNERS FOR SUSTAINABLE GROWTH

- Significantly enhancing yield per hectare annually, utilising Verdant's innovative F1 hybrids, will result in effectively optimised land utilisation for oil palm cultivation. This alleviates pressure on further deforestation and biodiversity loss through the concept of 'land sparing'. It stands as the foremost sustainability objective yet to be attained by the global oil palm industry as well as the agricultural sector in general.
- Boosting the resilience of future crops is a key step in strengthening the capacity for adaptation to climate change.



www.verdantbioscience.com

20%

Shareholding percentage AvH

CEO: Anand Reddy  
 Management team: K. Ganesh • K. Prasad • Anji Reddy  
 Raja Reddy • Sreekanth Reddy • Rajesh Singh



# SAGAR CEMENTS

Sagar Cements is a listed cement manufacturer headquartered in Hyderabad (India) with a total production capacity of 10.25 million tonnes per year.

During 2023 Sagar completed the acquisition of Andhra Cements, including a 2 million tonnes integrated cement plant located in Andhra Pradesh (south India). This acquisition increased Sagar's production capacity from 8.25 to 10.25 million tonnes, surpassing its strategic goal of reaching 10 million tonnes by 2025. This acquisition strengthens Sagar's market position as one of the leading cement producers in south India and enables it to serve its customers more efficiently by reducing the average transport distances. Now operating four integrated cement plants and two grinding units across the states of Telangana and Andhra Pradesh (south India), Madhya Pradesh (central India) and Orissa (east India), Sagar continues to scale in a regionally diversified manner.

The Indian government increased capital spending by 37% in 2023, driven by major infrastructure projects such as the National Master Plan aimed at developing India's road, rail- and airway infrastructure in a holistic way, enabling multimodal connectivity across all economic zones. For 2024, the government further increased the budgeted allocation for capex spending by 11%. Unprecedented government spending, in combination with strong private sector demand, is leading to a projected increase of 6-8% in cement production, despite the challenging global macro-economic context.

Sagar Cements reported a decent growth in 2023 with turnover increasing by 15% to 24.2 billion INR (271 million euros), This was mainly driven by

a volume increase of 15% due to the utilization ramp-up of the two green-field factories constructed in the course of 2022 and the Andhra Cements acquisition. Despite the EBITDA improvement of 24% to 2.2 billion INR (24.3 million euros), profitability remains under pressure due to high raw material and energy costs, which make up approx. 60% of Sagar's production costs. Non-recurring components positively impacted the net result. Sagar is making continued efforts to control costs, such as improving energy efficiency, increasing consumption of alternate fuels and reducing average transport distances.

## Sagar Cements LTD

	2023		2022	2021
	(€ 1,000)	(INR mio)	(INR mio)	(INR mio)
Turnover	<b>270,740</b>	<b>24,174</b>	21,097	15,128
EBITDA	<b>24,263</b>	<b>2,166</b>	1,754	3,294
EBIT	<b>2,019</b>	<b>180</b>	297	2,482
Net result (group share)	<b>5,151</b>	<b>460</b>	-830	1,278
Shareholders' equity (group share)	<b>171,251</b>	<b>15,738</b>	15,177	12,765
Net financial position	<b>-152,379</b>	<b>-14,004</b>	-10,809	-9,749
Balance sheet total	<b>432,866</b>	<b>39,780</b>	36,557	32,605
Personnel		<b>1,173</b>	955	914

## PARTNERS FOR SUSTAINABLE GROWTH

- Sagar developed an ESG vision and roadmap and formulated targets towards 2030 and 2050 in line with SBTi.
- Sagar manages its environmental footprint in a prudent way with a focus on reducing the carbon intensity and water usage via investments in renewable energy, efficiency enhancement programmes, circularity in operations and stringent emission controls.
- In 2023, Sagar replaced approximately 5% of carbon-based fuels by alternative fuels at the factory in Mattampally. The aim is to increase this to 25% by 2030.
- Other priorities include good mining practices, technology and data driven manufacturing processes and proactive limitation of waste.
- Sagar also upholds the highest levels of corporate governance standards and has formalised various codes of conduct and policies e.g., on human rights, innovation, ethics, fair competition, anti-corruption and data protection.



[www.sagarcements.in](http://www.sagarcements.in)



# AvH & GROWTH CAPITAL



## Contribution to the AvH consolidated net result

(€ million)	2023	2022	2021
Contribution of participations	10.9	52.1	71.3
Contribution consolidated participations	24.0	38.3	53.2
Fair value	-13.1	13.8	18.1
AvH & subholdings	-14.8	-24.2	-18.1
Net capital gains/losses	25.7	326.4	-1.2
<b>Total</b>	<b>21.7</b>	354.3	52.0

The consolidated participations of Growth Capital contribute 24.0 million euros to AvH's profit. While this is lower than in 2022 (38.3 million euros) and 2021 (53.2 million euros), this is partly explained by the absence of contributions from the divested participations in Telemond (early 2023) and Manuchar (2022). Whereas the valuation of non-consolidated investments at 'fair value' had resulted in a profit of 13.8 million euros in 2022, this has been a negative of 13.1 million euros in 2023.



Camlin Fine Sciences > Dahey Diphenol Plant



Agidens



Mediahuis



OMP

# AvH & GROWTH CAPITAL

AvH provides capital to a limited number of growth companies with international and sustainable business models with growth potential. The investment policy is based on a multi-sector approach with a longer-term horizon. It focuses on business trends, the quality of management teams and value creation through operational improvement, innovation, talent development and other relevant ESG aspects.

Healthy balance sheets, an agile entrepreneurial business culture with strong risk monitoring or a selective investment policy: all contribute to diversification and a mitigation of economic and financial risks. The limited number of participations allows the teams of AvH to acquire the necessary understanding of their activities, in order to help them shape their strategy in an informed manner.

In its more mature investments portfolio, AvH announced a new investment, still subject to regulatory approvals, in the Dutch company IQIP, a supplier of hydraulic hammers and other equipment mainly for the offshore wind market. The group also invested in the listed Indian company Camlin Fine Sciences, active in specialty chemicals. The successful sale of Telemond, after more than 30 years joint redevelopment with the Maas family starting from a turn-around situation, shows that AvH adopts a long investment horizon and still delivers great results.

Since a number of years, part of the investment portfolio specifically aims at investments in early-stage Life Sciences companies, as well as in India & South-East Asia through funds where AvH can play a role as cornerstone investor. This should lead, over the coming years, to a local dedicated team. A new investment in those segments concerns the Dutch early-stage biotech company Vico Therapeutics, which develops novel Antisense-Oligonucleotide (ASO) therapies for rare diseases. Follow-up investments were made in OncoDNA and MRM Health, as well as in the HealthQuad II, Venturi and Convergent Finance funds in India and Singapore.

## Contribution of the participations

Despite the economic context, nearly all participations performed in line with 2022 results or sometimes even better. The total contribution of the participations amounting to 24.0 million euros (2022: 38.3 million euros) decreased due to the sale of Telemond.

Turbo's Hoet Groep and OMP realised results close to their records of 2022, both increasing their turnover substantially by 16% and 15% respectively. Van Moer Logistics even set a new record net result supported by a turnover growth of 5%, including some successful acquisitions. Mediahuis continued expanding its activities through acquisitions, and maintained its recurring net profit level despite a challenging advertising market. Agidens increased its turnover and its net profit notwithstanding many delays of investments by its customers. EMG on the other hand suffered from a year without major international events, while its customers faced lower advertising revenues. It should do better in 2024 thanks to the Olympic games and the Euro Football tournament. Bioelectric realised in a challenging market an impressive turnover growth of 64%, and, after important investments in the scaling up of their activities, a net profit with a promising order book.



From left to right > Turbo's Hoet Groep - Van Moer Logistics

## Fair value investments

AvH invested over the past years in a number of young and promising companies, either directly or through specialist investment funds. As they become successful and subsequent capital transactions take place, this may give rise to the recognition of fair value remeasurements.

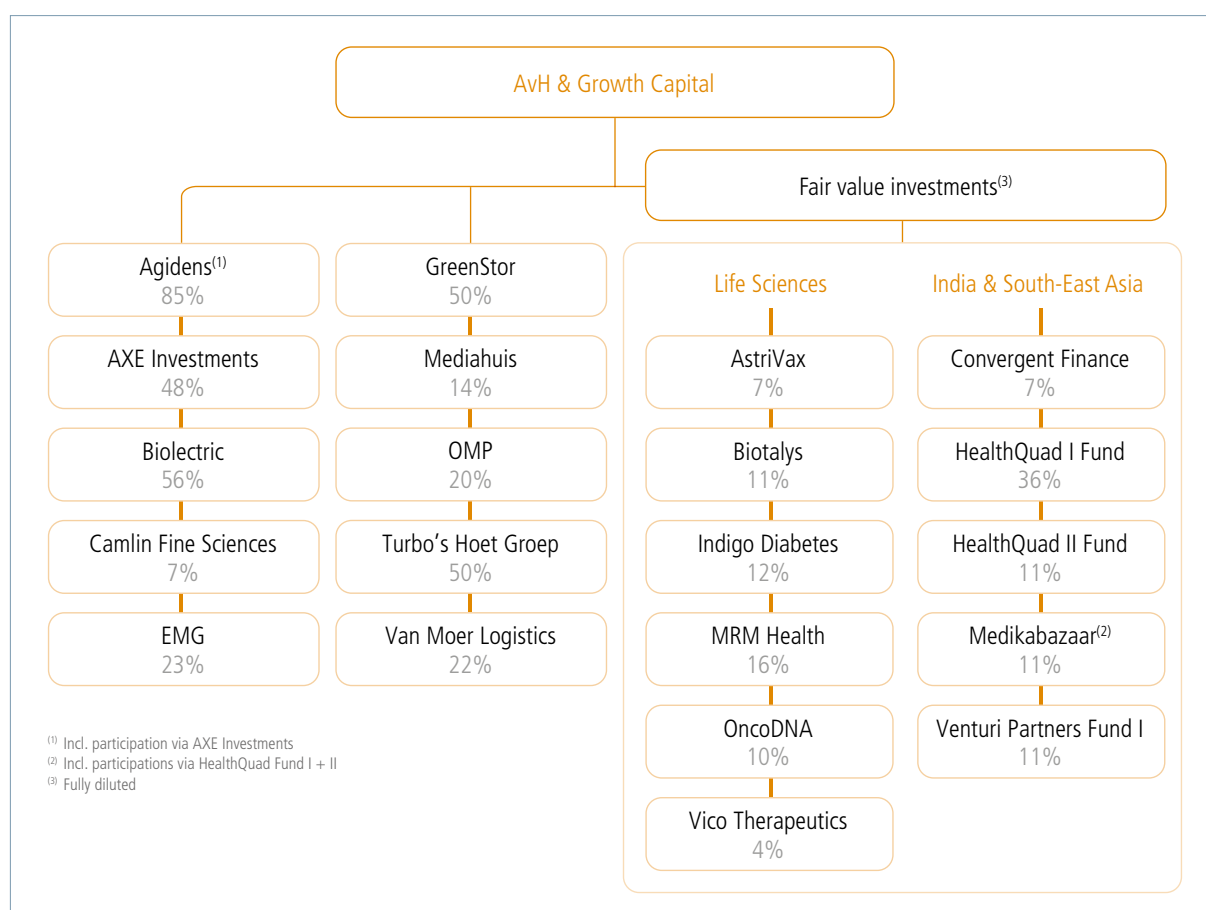
Overall, the profit contribution from this investment cluster was substantially negative in 2023 to the amount of -13.1 million euros. This was mainly due to the lower share price of Biotalys, but also related to the young Life Sciences companies where technological results took more time than expected, while raising additional funding in the current environment has become more difficult for such companies. The positive fair value adjustments on the other participations did not compensate for those effects. The HealthQuad II, Convergent Finance and Venturi funds continue their investment strategy in line with expectations.

## AvH & subholdings

The improved contribution from AvH & subholdings is partly explained by the interest income earned on treasury due to the strong rise of the interest rates, an increase of the general expenses as a result of inflation, the further expansion of the AvH team, and finally by a result-dependent part of remuneration.

## Net capital gains/losses

At the beginning of 2023, AvH sold its 50% of Telemond to its partner, the family Maas. The transaction represents for AvH a cash revenue of 55 million euros and a capital gain of 19 million euros. An earn-out relating to the earlier sale of Ogeda was also obtained.



85%

Shareholding percentage AvH

**CEO:** Hedwig Maes  
**Management team:** Peter Cox • Philip De Keulenaer • Arnoud den Hoedt  
 Jeff Krbec • Steven Peeters • Pieter Tilkens • Veronique Vandenele



# AGIDENS

Agidens, an independent solution provider, delivers engineering and complete solutions in production process automation as well as validation and compliance services. The automation of production processes offers improvements in productivity, safety, quality, time-to-market and energy optimization. In addition, it provides validation and compliance services to the healthcare sector in ensuring patient safety. The group currently has over 510 employees spread across Belgium, the Netherlands and Switzerland.

2023 was a year with double digit growth in turnover and profit. The progress realized in the strategic repositioning of Agidens, including innovative digital approaches and helping its customers in their sustainability transformation, demonstrates how Agidens creates value for its stakeholders.

Regarding the main industries it targets, the market position in the **Life Sciences** industry was further strengthened. Turnover growth was fueled by strong backlog execution in Automation turnkey projects and new customers in Validation & Testing services. The combination of process domain expertise and Good Manufacturing Practices (GMP) proves to be a key success factor for this industry.

**Energies**, with a focus on tank terminals, experienced a solid year with a well-balanced footprint of key customers across the Netherlands and Belgium. Turnover increase was driven by recurring business, with margins under pressure due to rising material cost.

**Food & Beverages**, active in the manufacturing and processing of beverages, dairy products and frozen foods, increased its turnover and profit as well, in a highly competitive market.

Agidens also delivered solid margins in **Fine Chemicals**, while revenues were impacted by the uncertain market environment and delayed capex

decisions. This industry remains attractive due to growth prospects, with opportunities to improve margins further.

Despite volatile market conditions, Agidens' strong performance in 2023 was reflected in the results with a substantial increase in order intake to 72.9 million euros and a turnover of 70.6 million euros (both +18%). The net result (1.2 million euros) was unfortunately negatively impacted by the real estate company with a loss due to a low occupancy rate and renovation cost.

The higher profitability and strong cash generation of Agidens provide flexibility for further expanding its capabilities, like in AI and data-driven solutions, and for engaging in M&A to further grow.

Agidens NV

(€ 1,000)	2023	2022	2021
Turnover	70,584	59,745	74,807
EBITDA	4,869	4,045	10,758
Net result (group share)	5	-492	5,410
Shareholders' equity (group share)	24,961	22,589	23,068
Net financial position	3,000	-340	1,959

## PARTNERS FOR SUSTAINABLE GROWTH

- In 2023, Agidens continued to invest in sustainability, increasingly supporting clients with reducing their environmental impact. Multiple projects were delivered that reduce waste and water usage, or increase energy efficiency of clients' production processes.
- The ongoing efforts on sustainability are covered by the newly defined ESG strategy, providing a guideline for continued investments and initiatives in the near future.



www.agidens.com



48%

Shareholding percentage AvH

**Management team:** Christian Leysen  
Patrick Leysen • Veerle Peeters



# AXE INVESTMENTS

AXE Investments is an investment company with participations in the IT group Xylos and in Agidens. It also owns part of the Ahlers building on the Noorderlaan in Antwerp.

**Xylos** developed specific competencies in recent years relating to the application of Artificial Intelligence and automation. Utilising various core competencies, clients are supported throughout their modern digital transformation process. Utilising the skills of 200 specialists, Xylos focuses on 4 core competencies:

**Cloud & Data:** Xylos provides assistance and solutions relating to Microsoft Azure, Fabric and PowerBI cloud technology. A team of highly skilled technical consultants helps to develop complex data driven solutions in preparation for artificial intelligence driven applications.

**Information management and digital collaboration:** Xylos helps companies design and maintain a secure and user-friendly digital workplace that adds value to the organization. Sound identity and access management is an indispensable part of this and Xylos has further expanded its expertise in this respect. Xylos also focuses on transforming time consuming and error prone processes into automated tasks.

**Learning:** Xylos is a recognised partner in terms of the development of digital skills among employees. Xylos Digital Coaches help employees optimize their tasks and put knowledge into practice. In addition to the traditional services, the in-house developed digital learning platform Oase is rolled out across Europe and used, via a licence based model, by approximately 200,000 users.

**Managed Infrastructure:** Xylos takes on all or part of the management and maintenance of IT infrastructure environments to ensure that customers are unburdened of unnecessary tasks 24/7 by certified Xylos experts. Xylos currently ranks among the top 5 operators in Belgium and is a leading partner of HPE.

The turnover of Xylos increased by 6% in 2023 thanks to high occupancy rates in all business units. The company was also awarded a number of major public tenders. Xylos has been able to reap the benefits of its 'Grow with the Core' strategy.

In 2023 the tenth floor of the **Ahlers House** was renovated and made available for office space rentals. The space has not been rented out as yet as the rental prospects in the offices market are fairly conservative.

AXE Investments NV<sup>(1)</sup>

(€ 1,000)	2023	2022	2021
Turnover	450	503	542
EBITDA	-80	51	255
Net result (group share)	913	403	-223
Shareholders' equity (group share)	15,479	14,566	14,184
Net financial position	4,029	5,052	5,045

<sup>(1)</sup> The figures of Agidens are not consolidated at the level of AXE Investments.

## PARTNERS FOR SUSTAINABLE GROWTH

- A focus group within the Xylos organisation works on initiatives centred on the personal development, health and well-being of employees.
- Xylos is also continuously improving its ecological footprint with creative, sustainable and affordable energy and mobility campaigns.
- All initiatives are inspired by the UN Sustainable Development Goals and laid down in the DRIVE values (Diversity, Respect, Innovation, Vision and Entrepreneurship).



www.axe-investments.com **axe** | investments

56%

Shareholding percentage AvH

CEO: Philippe Jans

Management team: Els Van Brussel • Klaas Vanhee



# BIOELECTRIC

Bioelectric is the market leader in the production and sale of compact biogas installations (11 to 74 kW) intended for dairy cattle and pig farms and water purification stations. Thanks to the anaerobic digestion technique, methane gas from manure and sludge is converted into sustainable electricity and heat or is purified to sustainable natural gas, avoiding the emission of harmful greenhouse gases.

Bioelectric experienced a more friendly economic environment in 2023 compared to 2022. Its clients though, the farmers, were confronted with rising interest rates and declining dairy prices and, in Flanders and the Netherlands, with the ongoing political uncertainty regarding the regulation of nitrogen emissions. In this context, Bioelectric was able to sell 116 biogas installations in 2023 (-16% compared to 2022), 66% of which were sold in Benelux, Poland, and France. The decline in sales is explained by the fact that 2022 was an exceptionally strong sales year (138 units sold) and that public authorities in Flanders and the Netherlands were hesitant to issue permits to farmers in the absence of a clear legal framework regarding nitrogen emissions.

In 2023, the company realised a turnover of 19.0 million euros (+64%) thanks to the installation of 75 units (+53%) in several countries. Today, more than 300 Bioelectric digesters across Europe are contributing to a more sustainable agriculture. Bioelectric continues to invest in strengthening its direct sales organization, a top-quality after-sales service, research and development, and in shortening the lead time between signing the contract and installing the biogas unit. The group reported a net profit of 0.8 million euros. In 2024, Bioelectric will install the first pilot plants in the Netherlands for the purification of biogas into biomethane for industrial and residential consumption. In this way, Bioelectric diversifies its product range and embraces the market trend of larger installations toward the production of sustainable natural gas.

## Bioelectric NV

(€ 1,000)	2023	2022	2021
Turnover	18,974	11,584	9,521
EBITDA	1,940	-134	-876
Net result (group share)	791	-641	-1,013
Shareholders' equity (group share)	10,466	9,619	9,767
Net financial position	-1,890	-4,239	-6,069



Bioelectric

## PARTNERS FOR SUSTAINABLE GROWTH

- Bioelectric's innovations in manure digestion and nitrogen stripping reduce greenhouse gas and nitrogen emissions by 82% and 65% respectively. Its fertilizer substitutes contribute to a 45% reduction of phosphate deposits on fields.
- By installing a Bioelectric digester, an average Belgian farm avoids 270 tonnes of CO<sub>2</sub> equivalents of methane gas emissions, which corresponds to the annual emissions of 150 cars. Bioelectric's solution thus creates a win-win for farmers and the environment.



www.bioelectric.be



7%

Shareholding percentage AvH

CEO: Nirmal Momaya

Management team: Ashish Dandekar • Arjun Dukane • Santosh Parab



# CAMLIN FINE SCIENCES

Camlin Fine Sciences (CFS) is a leading vertically integrated specialty chemicals player active globally in antioxidants and aroma chemicals.

CFS operates across 4 verticals: shelf-life solutions (e.g. TBHQ, BHA sold as individual products or as high value blends tailored to customer requirements), aroma ingredients (e.g. vanillin, ethyl vanillin), health & wellness (e.g. omega-3 fatty acids), and performance chemicals (e.g. HQ, Catechol, TBC, MEHQ). Diversified end markets (F&B, pet food, animal feed) combined with vertically integrated operations allow the company to have a robust competitive positioning in the products they are active in.

CFS is publicly listed in India and headquartered in Mumbai. It has a global presence with 9 manufacturing facilities, 5 application labs and 2 dedicated R&D centres.

In January 2023, CFS initiated the commercial production of 6k MT composite plant for vanillin and ethyl vanillin at its manufacturing facility in Gujarat with a total capital spend of c. 33 million euros.

In 2023, CFS North America's business successfully started supplying high value blends to a large pet food company, generating turnover of c. 25 million euros.

CFS's facility in Ravenna, Italy, with manufacturing capacity of 10k MT of Diphenol (Hydroquinone, Catechol) was temporarily shut down in August, due to adverse economic conditions, weak demand and lower prices in Europe. CFS is exploring an alternative use for the facility.

Whilst weak local demand in China (leading to intense de-stocking in supply chains), geopolitical tensions in Europe and the Middle East, as well as higher interest rates present headwinds to chemical businesses at large, CFS' leadership remains focused on its ambitions. CFS endeavors to become

a global leader in supplying vanillin where they have positioned themselves successfully as a credible non-Chinese alternative for global customers looking to derisk their supply chain. CFS also aims to continue their strong growth in blends (c. 49% of revenue in December 2023 quarter, and growing 48% versus the same period last year) and to further scale up several innovative downstream products.

In September 2023, on the back of a successful public offer, AvH (through an investment of 20 million euros) and funds advised by Convergent Finance joined Ashish Dandekar (previously the sole reference shareholder) to become part of Camlin's group of core shareholders. AvH started consolidating CFS in Q4 2023 as equity method.

## PARTNERS FOR SUSTAINABLE GROWTH

- CFS' range of antioxidants (shelf-life extension products) are key in reducing wastage of human and pet food. Through collaborative efforts with various food companies, CFS works on application projects to further improve this.
- CFS has strengthened its presence in natural products with a range of natural antioxidants (rosemary, tocopherols, and green tea extracts), omega-3 fatty acids (derived from micro-algae leveraging proprietary fermentation technology) and producing vanillin extracted from clove.
- In 2023, CFS progressed positively on an innovative flow battery project together with Lockheed Martin that would allow for storage of renewable energy.
- Within its manufacturing process, a significant waste component is the solvent. To prioritize environmental preservation, resource conservation, and cost reduction, the company has resorted to purifying the solvent and reuse it within the process.
- To reduce dependence on finite resources such as coal, CFS has switched to agro-based brickettes as an energy source at its Tarapur plant.

Camlin Fine Sciences

	31/03/2023	
	(€ 1,000)	(INR mio)
Turnover	<b>188,095</b>	<b>16,816</b>
EBITDA	<b>23,838</b>	<b>2,131</b>
Net result (group share)	<b>4,453</b>	<b>398</b>
Shareholders' equity (group share)	<b>91,653</b>	<b>8,194</b>
Net financial position	<b>-76,717</b>	<b>-6,858</b>

[www.camlinfs.com](http://www.camlinfs.com)



23%

Shareholding percentage AvH

CEO: Shaun Gregory

Management team: Warwick Lynch • Rohan Mitchel  
Sean Seamer • Wendy Stanborough • Stephane Vermersch



(as of February 20, 2024)

# EMG

EMG is a leading global player in broadcast and media solutions for live sports, entertainment, and events.

2023 saw EMG once again present with crew and technology at the most watched television broadcasts worldwide like the Tour de France, the World Artistic Gymnastics Championships, and the Ryder Cup.

In 2023 EMG has realized a turnover of 331.7 million euros which is -7.6% vs 2022 as a result of the absence of biennial major sporting events Football World Cup and (Winter) Olympics as well as lower volumes in the entertainment content production market. EBITDA amounted to 30.1 million euros and the net result to -20.8 million euros. Despite savings on opex, the net result was impacted by both the activity slowdown as well as by non-recurring restructuring costs and fees in preparation of the business combination with Gravity Media Group.

In January 2024, EMG combined forces with the Gravity Media, a global provider of complex live creative production and media services.

Aligning the strengths, expertise, and resources, this new venture will deliver an unparalleled range of media services and solutions to clients worldwide: 30 offices, 100+ outside broadcast trucks and flypacks and 40 studios across the UK, Europe, Middle East, USA and Australia. Offering market-leading broadcast, technology, production, and post-production solutions across the world's most-watched live events and entertainment programmes and working with renowned sports rights holders, production houses and broadcasters.

The group's acknowledged broadcast technology and production partnerships across major sports including UEFA EUROs, Olympic Games, FIFA

World Cup, Formula E, ATP Tour, AUS Open, US Open and French Open, Tour de France, Giro d'Italia, College Sports in the US.

Through its studios, production, post-production, OB (outside broadcast) facilities and specialist camera technologies, EMG and Gravity Media work with major production companies, television networks, pay television and streaming platforms in many international markets across projects including The Voice, Dancing with the Stars, and I'm A Celebrity Get Me Out Of Here and major events including the BAFTA Awards, Brit Awards, AACTA Awards and major state events, including the Coronation of King Charles III.

The combination's post-production centres play a key role in the production of international television productions across broadcast, subscription, and streaming platforms as well as projects from multiple US and international studios and many of the world's leading independent film productions.

## PARTNERS FOR SUSTAINABLE GROWTH

- EMG's dedication to nurturing future talent led the business to forge connections with local educational institutions, raising awareness about the diverse career opportunities available.
- EMG is committed to its ESG responsibilities and achieved the following milestones in 2023.
  - First full group carbon footprint completed for scope 1, 2 & 3.
  - Second year of CDP reporting with an increase in overall score from 2022.
  - Use of renewable energy at EMG locations increased by 22% in 2023.
  - Roll out of 4 Outside Broadcast remote production vehicles and first fully electric 19 tonne tender vehicle ordered for EMG fleet. EMG is at the forefront of remote production with over 4,500 broadcast events since 2020.



### Financière EMG

(€ 1,000)	2023	2022	2021
Turnover	331,708	359,128	366,845
EBITDA	30,064	55,899	59,666
Net result (group share)	-20,819	4,232	152
Shareholders' equity (group share) <sup>(1)</sup>	72,622	90,996	88,269
Net financial position	-130,456	-128,475	-162,470

<sup>(1)</sup> Including shareholder loans and/or convertible bonds

www.emglive.com



14%

Shareholding percentage AvH

CEO: Gert Ysebaert

Management team: Kristiaan De Beukelaer • Paul Verwilt



# MEDIAHUIS

Mediahuis is one of the leading media groups in Belgium, the Netherlands, Ireland, Luxembourg and the German North Rhine-Westphalia region. The more than 30 newsbrands of Mediahuis supply more than 10 million news consumers daily with online and printed news.

Mediahuis saw a strong 8% increase in digital subscribers in 2023, allowing the group to offset the decline in print subscribers. Today, just under 50% of all Mediahuis subscribers read the newspaper digitally.

In 2023, the first pan-European news title joined the Mediahuis portfolio: Euractiv, a digital news brand focusing on coverage of European politics and policies in Brussels and EU member states. At the same time, Mediahuis boosted its growth ambitions in the German market. Just before year-end, the group reached an agreement with Rheinische Post Mediengruppe under which Mediahuis acquired the remaining 30% in Medienhaus Aachen. The publisher of the Aachener Zeitung will henceforth be 100% part of Mediahuis group.

The advertising market also remained unpredictable in 2023 with the continued evolution from print to digital, including video and audio. In the Dutch advertising market, Mediahuis strengthened its position by acquiring Radio Veronica and Radiocorp, the company behind radio stations 100% NL, Slam! and Sunlite. In the auction of FM frequencies for national commercial radio stations in the summer, Mediahuis acquired two FM licences, which it assigned to Radio Veronica and 100% NL.

In Belgium, Mediahuis sold 20% in radio Nostalgie Vlaanderen to Telenet Group, remaining the majority shareholder with 55%, directly and indirectly. Nostalgie was rebranded as Play Nostalgie, with a new look, brand identity and presenters.

Mediahuis' investment policy focused on further diversifying its revenues. Mediahuis invested for instance in scale-ups in the property technology

market (Smooved), HR technology (Settly, YourCampus), recruitment technology (CareerFairy) and education technology (Swap Language). With the acquisition of Skarabee, a provider of innovative real estate software and websites for real estate agencies, Mediahuis strengthened its offering in the real estate market.

Mather Economics, the US consultancy active in economic analysis and data modelling optimising sales and pricing strategies for subscription management in which Mediahuis owns a majority stake, acquired Sophi. This company provides AI-driven automation and optimisation technology for modern news editors.

The acquisition of Belgium's RouteYou, a navigation platform offering recreational cycling and walking routes, offers Mediahuis great opportunities to enrich its services to its subscribers.

## PARTNERS FOR SUSTAINABLE GROWTH

- Mediahuis' IMPACT sustainability policy is built on three pillars: strong and independent journalism that has a positive impact on people and society, developing talent with equal opportunities for all, and reducing its ecological footprint (halving CO<sub>2</sub> emissions by 2030 in line with SBTi).
- Within the journalistic pillar, a Newsbrand Impact Rating was developed over the past year in collaboration with MJ Hudson, examining the impact of a news brand on society. The evaluation is based on the journalistic content, the title's reach and reader engagement, whether the title operates independently, and the extent to which the title publishes explanatory investigative journalism in a factual, objective, ethical and well-researched manner.



### Mediahuis NV

(€ 1,000)	2023	2022	2021
Turnover	1,230,590	1,222,960	1,130,790
EBITDA	184,880	173,800	240,480
Net result (group share)	72,210	65,264	117,321
Shareholders' equity (group share)	518,890	483,600	482,477
Net financial position	-254,860	-221,100	-151,880

www.mediahuis.be

 **MEDIAHUIS**

20%

Shareholding percentage AvH

CEO: Anita Van Looveren

Management team: Georges Schepens • Jan Geuens • Kurt Gillis  
Abhi Patel • Luc Schepens • Marc Scherens • Bart Stijnen  
Pieter Van Nyen • Paul Vanvuchelen • Philip Vervoesem



# OMP

OMP is a Belgian global player in AI-driven supply chain planning. With its Unison Planning™ solution - a combination of software and services - OMP optimizes the planning of the world's largest and most complex supply chains.

OMP employs more than 950 people and operates offices in more than 10 countries. In addition, approx. 165 people from partners are also called upon. OMP is known for its industry knowledge and integrated planning solution. In 2023, Gartner reaffirmed OMP's leading role on a global scale, having the expertise and capacity to successfully deliver large supply chain planning projects. Customers include giants such as Nestlé, P&G, Roche, J&J, BASF, ArcelorMittal and Smurfit Kappa.

OMP as strong grower achieved a 191 million euros turnover in 2023, a 15% increase, with a 22% EBITDA margin. Thanks in part to its years of excellent growth figures, OMP was a finalist of the 'Onderneming van het Jaar' (Company of the Year) event in 2023.

The challenging economic conditions, the unstable geopolitical environment and the resulting conflicts made for a slight slowdown in investments, especially in the chemical industry. The same challenging conditions underlined the need for agile management of supply chains around the world. Interest therefore remains high worldwide.

This was confirmed at the well-attended OMP Conference in Barcelona in September 2023, with interesting customer testimonials and keynotes on the central themes of agility and sustainability. With its new Green Planning offering, OMP supports companies to become more sustainable and less wasteful. The rapid developments in AI technology mean that OMP can support planners even better.

Despite the economic climate, the ambitious budget targets for 2023 were met. The software was further developed, with an emphasis on performance and scalability of the basic software and functional extensions for the various industries. All services continued to grow: advisory, implementation, user engagement, cloud services, and customer services.

In 2023, OMP continued to hire people at a brisk pace (140 employees in total). Furthermore, OMP continues to invest heavily in its global alliance network. The focus in 2023 was on reinforcing the partnerships with trainings and a certification program.

## PARTNERS FOR SUSTAINABLE GROWTH

- OMP's commitment to sustainability is a core value, reflected in the products and the services provided to customers as well as in the internal operations. With Green Planning, a lasting positive impact is made among the world's largest supply chains.
- In 2023, significant strides were made in reducing the company's own environmental footprint. A comprehensive CO<sub>2</sub> analysis was conducted as a base for a broader reduction strategy. These actions are integral to the broader effort to align OMP's operations with sustainability reporting legislations, showcasing the company's dedication to transparency and accountability in ESG matters.



### OMP NV

(€ 1,000)	2023	2022	2021
Turnover	190,843	166,657	115,713
EBITDA	42,694	47,920	30,716
Net result (group share)	33,155	35,519	23,777
Shareholders' equity (group share)	141,567	115,128	83,494
Net financial position	101,187	80,285	64,844

www.omp.com



50%

Shareholding percentage AvH

**CEO:** Piet Wauters  
**Management team:** Kristof Derudder • Bart Dobbels  
 Sandu Stoica • Sergei Tarasiuk • Peter Tytgadt  
 Serge Van Hulle • Georgi Zagorov



# TURBO'S HOET GROEP

Turbo's Hoet Groep (THG) is a leading European truck dealer and leasing company for commercial vehicles. In addition, THG is also one of the major European turbo distributors for the aftermarket.

TH Trucks, which has 61 subsidiaries in 9 countries, is one of the leading DAF dealers worldwide as well as a dealer for, amongst others, Iveco, Ford Trucks, Nissan, Isuzu, Fuso, Kögel and various other trailer brands. TH Lease provides insurance, rental and leasing facilities for commercial vehicles in the countries in which THG operates. Its fleet increased substantially to include more than 5,000 vehicles in 2023. TH Turbos is a leading European turbo distributor for the aftermarket of passenger vehicles, trucks and industrial applications, with branches in 5 countries.

The European truck market (+16T) increased by 15% to 343,000 vehicles in 2023. This significant increase is the result of the global recovery of supply chains, which eliminated shortages in the replacement market. In the second half of 2023 demand came under pressure due to a cooling economy.

THG realized very solid results with a record turnover of 758.0 million euros (+16%) in 2023, with an almost stable EBITDA of 46.3 million euros and a net result (group share) amounting to 19.4 million euros. The net financial position increased to -130 million euros, due in part to an 8% increase in the leasing and rental fleet, which now and for the first time comprises more than 5,000 vehicles.

For 2024, manufacturers anticipate a European market +16T of approximately 260,000 to 300,000 vehicles, i.e. a decrease of approximately 10% to 25%. THG looks to the future with confidence and is convinced that it will be able to continue to deploy its strategy of sustainable profitable growth.

## Turbo's Hoet Groep NV

(€ 1,000)	2023	2022	2021
Turnover	<b>757,970</b>	653,767	620,486
EBITDA	<b>46,318</b>	47,096	36,455
Net result (group share)	<b>19,416</b>	24,826	18,083
Shareholders' equity (group share)	<b>162,771</b>	152,297	132,806
Net financial position	<b>-130,015</b>	-75,692	-89,514

## PARTNERS FOR SUSTAINABLE GROWTH

- THG attaches importance to sustainable and ethical entrepreneurship, with due respect for the individual and for society as a whole. The THG Code of Conduct and a comprehensive compliance framework have already been implemented in recent years. Work is currently underway to implement and roll out the CSRD guidelines with respect to sustainability reporting.
- THG employees are motivated and inspired, in part through training, to pursue the objectives of sustainable and ethical entrepreneurship. In 2023 a total of 1,195 employees, or nearly 90% of the total workforce, participated in training courses, which means that overall THG provided more than 19,000 hours of training.
- THG has been monitoring and reporting its Scope 1 & 2 carbon footprint on a monthly basis since 2022 (2023: 5,727 tons).
- In 2024 THG will initiate the overall monitoring and reporting of its waste flows.
- Together with its partners, THG is fostering a general awareness and searching for more environmentally friendly sustainable transport solutions.
- THG continues to make ongoing investments in its infrastructure, with a specific focus on sustainability. More than 1 MW of solar panels have already been installed on TH buildings, but other elements (LED lighting, ventilation, insulation, etc.) are also systematically considered from the outset for each project.



www.th-group.eu



22%

Shareholding percentage AvH

CEO: Jo Van Moer

Management team: Bert Calluy • Ann Cools • Iwan De Block  
Joris Emanuel • Jonas Fiers • Carl Ghekiere • Nick Jolley  
Steven Pauwels • Anne Verstraeten



# VAN MOER LOGISTICS

Van Moer Logistics is an integrated logistics service provider active in road transport, intermodal transport and warehousing. The group operates 40 locations in Belgium and Germany, and employs 2,200 people. Van Moer Logistics runs a fleet of 500 trucks, 9 barges and 800,000 m<sup>2</sup> of warehouses.

Van Moer Logistics' performance for the fiscal year 2023 was marked by clear progress across various business units. The improved results were particularly evident in the business units Ports and Intermodal, Warehousing, and Bulk and Tank Container Logistics. The Transport business unit faced challenges due to a significant decrease in demand, leading to downward pressure on prices. Despite this, Van Moer Logistics demonstrated resilience and achieved a net profit of 6.9 million euros, a commendable increase from 5.8 million euros in 2022.

Highlighting Van Moer Logistics' commitment to expansion and innovation, Van Moer Logistics inaugurated new filling lines for liquids at its Zwijndrecht facility. This expansion, part of its 27-hectare logistics hub in the Port of Antwerp, represents a substantial investment of 14.5 million euros. By offering comprehensive services encompassing transport, storage, heating, filling, cleaning, and repair of tank containers at a single location, the company aims to provide its clients with an unparalleled 'perfect flow' solution.

Moreover, this strategic investment enables Van Moer to optimize logistics operations, resulting in reduced truck traffic and significant cost savings. Such initiatives underscore Van Moer Logistics' dedication to sustainable practices and operational excellence.

Another important development in 2023 was the extension of Van Moer Logistics' concession for the container terminal at the Port of Brussels, valid for a period of 20 years. This extension will facilitate a remarkable expansion of the existing terminal, tripling its capacity from 16,700 m<sup>2</sup> to 60,000 m<sup>2</sup>.

This development aligns with Van Moer Logistics' long-term vision of bolstering logistical capabilities and fostering growth opportunities in key strategic locations.

Looking ahead, Van Moer Logistics remains steadfast in its pursuit of innovation, efficiency, and customer-centric solutions.

## PARTNERS FOR SUSTAINABLE GROWTH

- All divisions of Van Moer Logistics renewed their Ecovadis ratings in 2023: platinum for Bulk and Tank Container, gold for Transport and Intermodal and silver for Chemical Warehousing.
- In 2023, an ESG-governance system was put in place with an in-house Sustainability Department (2 FTEs) as the driving force for sustainability strategy definition, follow-up of ESG targets, operational translation and awareness within the organisation.
- The subsidiary WeBarge expanded its barge fleet with an estuary ship equipped with electrically driven propellers. With the current battery pack, the ship can operate with low emissions for several hours.
- The Bulk & Tank Container division was equipped with ultrafiltration membrane technology (allowing the cleaning activities to reuse up to 70% of the wastewaters) and with reverse osmosis technology (enhancing even further the purification of process water used in activities).

Van Moer Logistics NV

(€ 1,000)	2023	2022	2021
Turnover	327,125	310,267	222,378
EBITDA	32,832	22,187	14,520
Net result (group share)	6,875	5,754	1,328
Shareholders' equity (group share)	48,954	42,106	36,266
Net financial position	-55,677	-28,398	-15,806



www.vanmoer.com

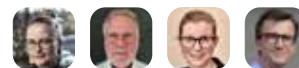


7%

Shareholding percentage AvH

CEO: Hanne Callewaert

Management team: Wilfried Dalemans • Barbara Freitag • Mathieu Peeters



## FAIR VALUE INVESTMENT - LIFE SCIENCES

## ASTRIVAX

AstriVax uses DNA technology to develop new vaccines that are easy to produce, have less cold chain requirements, and offer broad and long-lasting protection against various viruses and other pathogens.

AstriVax, a spin-off from the university of Leuven founded in 2022, has gone through a year of growth and achieved some important milestones.

In 2023, AstriVax encountered significant growth and expansion, with the team expanding to nearly 30 dedicated professionals. This not only strengthens its internal capabilities but also highlights the confidence and trust placed in the mission that AstriVax is pursuing.

The AstriVax leadership team was further fortified with the strategic appointments of Dr. Mathieu Peeters (MD) as Chief Development Officer and Barbara Freitag (MBA) as Chief Financial Officer. The diverse group of professionals positions AstriVax for continued success and effective navigation through the complexities of this industry.

Further on, early 2023, the AstriVax Scientific Advisory Board has been established with Dr. Emmanuel Hanon (chair of SAB), Prof. Dr. Peter Piot, Prof. Dr. Patrick Soentjens, Prof. Dr. Johan Neyts and Prof. Dr. Kai Dallmeier (latter two are co-founders) and was further strengthened mid-year with the inclusion of distinguished experts, Prof. Dr. Christian Brander and Prof. Dr. Mala Maini. Their invaluable contributions, spanning viral immunology and therapeutic vaccinology, promise to be instrumental in driving the development of groundbreaking vaccines.

AstriVax' dedication to advancing new vaccines was further reinforced by securing 5.5 million euros funding grants from VLAIO - Flanders Innovation & Entrepreneurship. This funding stands as strong validation of its therapeutic Hepatitis B vaccine program, allowing AstriVax to optimize its potential and progress its lead therapeutic vaccine into the clinical stage.

To prepare the first programs (with the yellow fever vaccine and yellow fever-rabies vaccine) for the upcoming First-In-Human (FIH) clinical trial in 2024, the company has actively engaged with regulatory bodies to consult on the development plan. Additionally, the two investigational product materials for this FIH trial are being produced at manufacturing facilities in Good Manufacturing Practice setting and the necessary safety & toxicity studies have been started. On the therapeutic vaccines, the company has advanced in generating preclinical proof of concept data on its vaccine against chronic hepatitis B.

AstriVax has also progressed in building and fostering relationships at EU and US partnering/investor conferences.



AstriVax

2024 is anticipated to be an important year for the company, marked by the upcoming FIH trial. The team is highly committed to pushing innovation boundaries in vaccine development as AstriVax transitions into a clinical stage company.

## PARTNERS FOR SUSTAINABLE GROWTH

- With the development of vaccines for serious diseases, some of which have increased tropical geographic prevalence, AstriVax contributes to the global health situation.

[www.astrivax.com](http://www.astrivax.com)



11%

Shareholding percentage AvH

CEO: Kevin Helash

Management team: Carlo Boutton • Douglas Minder  
Toon Musschoot • Sophie Snijders • Eva Van Hende



FAIR VALUE INVESTMENT - LIFE SCIENCES

# BIOTALYS

Biotalys is an agricultural technology (AgTech) company that disposes of a groundbreaking technology platform to develop effective and safe crop and food protection products with novel modes of action, addressing key pests and diseases across the whole food value chain. Biotalys is listed on Euronext Brussels following a successful IPO in July 2021.

Biotalys witnessed a challenging 2023, due to a delay in the registration process in the US of its first biofungicide, EVOCA™. As part of the ongoing exchange of information, the Environmental Protection Agency (EPA) from time to time requests additional information, which is not uncommon considering the novelty of the product candidate. In the EU, Biotalys received confirmation from the competent authority - the Dutch Board for the Authorisation of Plant Protection Products and Biocides (Ctgb) - that it has concluded the first review of all sections of the full data package. As a result, the Ctgb has requested additional information, to which the company has replied. If accepted, the authority will be able to finalize this first phase of the EU review and pass its assessment report to both EFSA and the European Member States for the next phase of the review at EU level.

In April, Syngenta and Biotalys announced a collaboration to research, develop, and commercialize new biocontrol solutions addressing specific insect targets.

In June, Agri Investment Fund (AIF) and the Belgian Sovereign Wealth Fund (SFPI) participated in a 7 million euros capital increase through a private placement at an issue price of 6.166 euros per share, thereby raising the share capital to 46.2 million euros and extending the company's financial runway.

The company further announced the progress to the second-generation AGROBODY™ technology platform which should increase the potency and efficacy of its bioactive agents with multiple modes of action while lowering the cost of goods per hectare, allowing for a broader market penetration of its biocontrol products. The move to AGROBODY 2.0 entailed organizational changes to concentrate resources on core research and development capabilities while focusing on obtaining registration for Biotalys' first product candidate EVOCA™. The organizational changes resulted in a reduction of staff and annualized cost savings, leading to an approximate 10% reduction in operating expenses going forward. Together with savings realized during 2023 and planned reductions in future spending, the company revised its expected cash burn for 2023 from approximately 22 million euros to less than 20 million euros.

The company confirmed the continued strong performance of EVOCA™ in independent efficacy field trials conducted by the University of California Davis and the University of Florida. EVOCA™ performed as a true replacer for

existing crop protection products to combat fungal diseases in grapevines and strawberries. The trials are industry gold-standard studies that provide growers and crop advisors with detailed information on the performance of crop protection products. The outcome of the academic studies in California is particularly relevant as California is the largest US grape market.

The management team of Biotalys witnessed organic succession in the course of 2023. Kevin Helash succeeded Patrice Selles as CEO on October 5, 2023 and Douglas Minder was promoted to CFO effective July 1, 2023 succeeding Wim Ottevaere, who had retired. Patrik Haesen, CEO of AIF, was appointed to the board following the private placement.

In March 2024, Biotalys announced a strategic manufacturing and commercialisation partnership with Novonosis for EVOCA Next Generation.

## PARTNERS FOR SUSTAINABLE GROWTH

- Biotalys earned Top 100 status in Forward Fooding's highly competitive 2023 FoodTech 500 list, climbing to #65. Biotalys was also honored in its inaugural FoodTech 500 \$100 Million Club.



www.biotalys.com



12%

Shareholding percentage AvH

CEO: Danaë Delbeke

Management team: Peter Devlin • Gijs Klarenbeek  
Emmet Lydon • Paul Moraviec • Daniel Verstappen

## FAIR VALUE INVESTMENT - LIFE SCIENCES

## INDIGO DIABETES

Indigo Diabetes is a pioneering developer of medical devices that utilise proprietary nanophotonics technology.

Indigo is developing a fully implantable Continuous multi-metabolite Monitoring (CMM) system for people living with diabetes to access accurate information on their glucose, ketones and lactate levels. The CMM sensor is inserted subcutaneously, avoiding the need to wear an external device on the body. It is designed to give people living with diabetes and their caregivers instant access to the comprehensive metabolic information they need to better manage diabetes and improve therapeutic decision-making.

In 2023, Indigo completed its second clinical study SHINE at the Antwerp University Hospital demonstrating the safety of Indigo's CMM sensor and its long-term immunological stability for up to 6 months. In parallel, Indigo worked on increasing its devices' analytical performance advancing towards real-time, clinically accurate, continuous glucose, ketone, and lactate levels.

Indigo reinforced the team with the hiring of Dr. Arun Venkatasubramanian as Chief Technology Officer. Arun oversees the technical development of Indigo's CMM device and is responsible for managing and driving value from the technology within the company. Arun is an award-winning engineer who brings over 15 years' experience in leading the design and development of transformational technology within the medical, consumer, and military sectors.



Indigo Diabetes

## PARTNERS FOR SUSTAINABLE GROWTH

- As a young company with the potential for enormous socio-economic impact, Indigo Diabetes prioritized ESG right from the start in its various policy choices.
- Today, Indigo's multidisciplinary team includes members from several nationalities. The HR policy is geared towards an inclusive organization supported by its diversity.
- Its product development process prioritizes sustainable life cycle management, with minimal packaging and multiple no-waste processes.
- Its operational policy, even as a small business, is also focused on sustainability.


[www.indigomed.com](http://www.indigomed.com)

16%

Shareholding percentage AvH

CEO: Sam Possemiers

Management team: Katja Conrath • Ludo Haazen • Christiane Verhaegen



FAIR VALUE INVESTMENT - LIFE SCIENCES

# MRM HEALTH

MRM Health develops innovative medicines based on intestinal bacteria selected from the healthy intestine. The company's lead program is in preparation for final clinical development in the inflammatory bowel disease Ulcerative Colitis, upon demonstrating safety and efficacy in a first patient trial. MRM Health further has ongoing programs in inflammatory diseases, neurological disorders and metabolic diseases.



MRM Health

The human intestine harbors a large population of bacteria (the microbiome) with an important regulatory function in the body. Disturbances in the microbiome are now known to be strongly associated with local diseases of the intestine, such as inflammatory bowel disease, as well as disorders in the rest of the body, such as arthritis, diabetes and Parkinson's disease.

The core of MRM Health's activities is centered around its proprietary CORAL® platform, which allows to select specific combinations of beneficial intestinal bacteria and to develop and elegantly manufacture these as ground-breaking medicines. Upon oral intake, the combinations of bacteria are able to reach the patient's intestine, restore the specific disturbances in the microbiome and treat a broad range of diseases.

MRM Health reached a significant milestone in 2023, upon completing its first patient trial with MH002, a drug candidate for inflammatory bowel diseases. In a placebo-controlled, randomized and double blinded study with 45 patients, MH002 was shown to have an excellent safety profile and consistently improve disease symptoms in patients with active Ulcerative Colitis. Based on these positive results, the pivotal clinical development plan is being prepared. This includes ongoing regulatory interactions with the European and US regulatory authorities, as well as expansion of the MRM Health team with seasoned experts in late-stage clinical development. In addition to the Ulcerative Colitis program, a second clinical trial in the rare disease Pouchitis was also pursued with MH002 in 2023, with patient en-

rollment completed by year-end. Initial results are expected during the first quarter of 2024.

Further scientific progress was achieved in 2023 within the program in metabolic diseases (type 2 diabetes and non-alcoholic fatty liver disease, partnered with IFF) and Parkinson's disease. With the support from a VLAIO grant, a clinical study was set up in Parkinson's patients with the aim to unravel the specific disturbances in the small intestinal microbiome in these patients. Data are expected in the course of 2024 and will allow MRM Health to further accelerate its pioneering R&D in how bacteria from the intestine play a role in fighting neurological disorders.

Based on the progress made in 2023, MRM Health started preparations for a next financing round and initiated partnering discussions to support its further growth and execute its mission to bring safe and effective therapies to patients.

## PARTNERS FOR SUSTAINABLE GROWTH

- With a key mission to improve the lives of patients in inflammatory, metabolic and neurological diseases, MRM Health puts the patient first in its strategic choices.
- In the pursuit of its strategic growth, the use of innovative technologies and making decisions, MRM Health prioritises ethics, sustainability, good governance, society and environment.



[www.mrmhealth.com](http://www.mrmhealth.com)

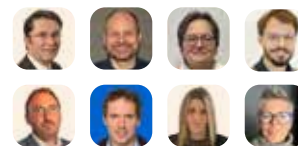


10%

Shareholding percentage AvH

CEO: Bernard Courtieu

Management team: Charles-André Brouwers • Virginie Decoster  
François Degrave • Jean-Pol Detiffe • Koenraad Eycken  
Berengere Genin • Manu Puissant



## FAIR VALUE INVESTMENT - LIFE SCIENCES

## ONCODNA

OncoDNA is a genomic and theranostic company specializing in precision medicine for the treatment of cancer and genetic diseases.

OncoDNA provides its customers (clinicians, academic researchers and bio-pharma companies) with tools designed to outsmart molecular complexity with the mission of delivering the promise of precision medicine. The company provides clinical guidance for the treatment and real-time monitoring of late-stage cancer patients, but also supports research and drug development in cancer and genetic diseases.

OncoDNA has offices across 9 countries, works with an international network of 35 distributors and is active in all continents.

In 2023, OncoDNA's turnover decreased by 4%, from 16.7 million euros to 16 million euros, mostly due to the slowdown of the COVID-19 related activities in France. Apart from these specific, low margin activities, all other business lines have grown, with a spectacular growth of the CE marked pan-cancer kit, which allows laboratories across the globe to realize a comprehensive molecular profiling of cancer in their own facilities while benefiting from OncoDNA's expertise in bioinformatics, genomic data management and results visualization. The OncoDEEP kits have been selected as the solution of choice by some leading German and French institutions, and the growth is expected to continue in 2024.

A second milestone was achieved by the lab of OncoDNA in France (formerly IntegraGen) with its accreditation by the College of American Pathologists (CAP) on December 22, 2023. This accreditation now allows the French lab to process clinical samples for the clinical development of pharmaceutical drugs, providing access to a much larger total addressable market.

While preparing for an additional capital round in the course of 2024, OncoDNA continues to develop its portfolio of diagnostic tests with a focus on liquid biopsy and sequencing of circulating tumor DNA, a non-invasive way to access the tumor profile and provide improved patient monitoring and early identification of relapse. This is particularly relevant for oncology clinical trials as it allows a monitoring of the residual disease with a higher precision than imaging technologies and a significantly lower burden for the patient (a blood sample drawn compared to an MRI or scanner realized in a cancer center), and a significant competitive advantage for bio-pharmaceutical companies in terms of duration and overall costs of clinical trials.



OncoDNA

## PARTNERS FOR SUSTAINABLE GROWTH

- OncoDNA and its subsidiaries have continued their ESG efforts with various programs of environmental impact reduction (such as waste and travel).
- OncoDNA teams are fully committed to improve health and well-being. The company expects to reach more patients and improve its ESG policy regarding societal impact, human capital and corporate governance. On the long-term, OncoDNA looks forward to deliver the promises of personalized medicine.


[www.oncodna.com](http://www.oncodna.com)


4%

Shareholding percentage AvH

CEO: Micah Mackison

Management team: Nicole Datson + Scott Schobel



FAIR VALUE INVESTMENT - LIFE SCIENCES

# VICO THERAPEUTICS

Vico Therapeutics, based in Leiden, the Netherlands, is a clinical-stage genetic medicines company that was founded in 2019. Vico develops antisense oligonucleotide-based RNA modulating therapies for patients with severe neurological diseases.

Vico's lead program, VO659, is an innovative antisense oligonucleotide (ASO) drug being developed for patients with spinocerebellar ataxia types 3 and 1 and Huntington's disease. These diseases are among a broad category of polyglutamine diseases that are progressive and neurodegenerative in nature and cause profound functional and motor loss ultimately resulting in early mortality within about 10-20 years of symptom onset. The polyglutamine diseases are all caused by a common mutational DNA signature and there are no disease-modifying therapies available for these patients. Vico's VO659 is the only program in clinical development that specifically targets the DNA signature, the underlying cause of these devastating diseases.

Vico accomplished a number of key milestones in 2023 including the approval of several clinical trial applications in countries across Europe and the initiation of a Phase 1/2a clinical trial with VO659. The company recently announced the closing of a 54 million euros Series B which was co-led by AvH. Other investors in the Series B include EQT Life Sciences, Kurma Partners, Droia Ventures, Polaris Partners, Pureos Bioventures and Eurazeo.

Vico is led by an executive team with significant expertise in the field of rare, neurological diseases and antisense oligonucleotides. Vico's CEO, Micah Mackison has served in leadership positions in multiple growth-stage biotech companies focused on neurodegeneration and genetic medicine. Dr. Scott Schobel, Vico's Chief Medical Officer has extensive experience developing large scale clinical programs for neurodegenerative diseases including an ASO for Huntington's disease. Vico's Chief Scientific Officer, Dr. Nicole Datson has been discovering and developing novel ASOs for many years including several that have transitioned into clinical development.



Vico Therapeutics

## PARTNERS FOR SUSTAINABLE GROWTH

- VO659 has received the 'orphan drug designation' from the FDA for both Spinocerebellar Ataxia's and Huntington Disease, highlighting the effort to get medical aid to the patients of forgotten and incurable diseases.

[www.vicotx.com](http://www.vicotx.com)



7%

Shareholding percentage AvH

CEO: Harsha Raghavan  
 Management team: Amruta Adukia • Sarvjit Bedi



## FAIR VALUE INVESTMENT - INDIA & SOUTH-EAST ASIA

# CONVERGENT FINANCE

Convergent Finance is a Mumbai-based investment management and advisory partnership with a focus on investing in well-established and listed companies in India.

In 2023, Convergent continued to pursue its motto of bringing together ideas, capital, and passionate entrepreneurs to help great companies become global leaders.

In January, Convergent, along with travel industry veteran Manoj Chacko, founded fly91, a pure-play domestic regional airline. Convergent, through flagship fund Infinity Holdings (in which AvH is an investor) invested 11.2 million USD as part of fly91's 24.7 million USD fundraising.

In May, Convergent partnered with the management team of Puma India to set up Agilitas Sports, an innovation-led sportswear and athleisure solutions platform. Convergent invested 44.8 million USD in Agilitas as part of the company's 56.8 million USD fundraising.

In September, Convergent and AvH completed a joint investment in listed specialty chemicals company Camlin Fine Sciences, one of Convergent's existing platform companies, following a successful open market offer process. AvH, Convergent, and Ashish Dandekar (promoter) are now joint reference shareholders of Camlin, together holding 48% stake in the company. Camlin markets products such as shelf-life solutions and vanillin (the taste and aroma behind the 'vanilla' flavor) across US, Europe and India.

In December, Convergent participated in a preferential allotment of shares conducted by existing platform company Hindustan Foods Limited, India's leading contract manufacturer for consumer products, with a cumulative investment of 19.2 million USD. Convergent now holds a 6.5% stake in HFL.

During 2023, Infinity Holdings realized a partial exit from Onward Technologies (IT company focused on engineering, research & development) and a full exit from Borosil Renewables (leading solar glass manufacturer in India) and from Welspun India (leading manufacturer and exporter of home textile products in India).

Convergent and AvH strengthened their strategic partnership, with AvH committing an additional 9 million USD to Infinity Holdings. AvH's cumulative investment in Infinity Holdings now stands at 15.0 million USD. AvH will now participate in the fund's key governance body, the Investor Advisory & Valuation Committee. Convergent will continue leveraging AvH's operating and industrial expertise while helping it implement its strategy of investing in the rapidly expanding Indian market.

## PARTNERS FOR SUSTAINABLE GROWTH

- Over the years, Convergent has assisted with and learned from platform companies' ESG initiatives to create positive impact. Convergent has prepared its own sustainability profile while doing the same for all its platform companies.
- Camlin Fine Sciences worked with a consultant to compile a sustainability profile that enhanced transparency while giving the company clarity on metrics to track for implementing targeted ESG programs.
- ADF Foods executed several initiatives, including:
  - Installing a solar unit at its largest factory with a capacity of 550 kilowatts. This unit meets a significant portion of the facility's energy requirements.
  - Installing an effluent treatment plant at its second-largest factory with a daily recycling output of approx. 90,000 liters of water.
  - Prioritizing biodegradable packaging and eliminating single-use plastics from customer-facing materials.



[www.convergentfinance.com](http://www.convergentfinance.com)



Your partner for sustainable growth

36%

Shareholding percentage AvH  
HealthQuad I Fund

11%

Shareholding percentage AvH  
HealthQuad II Fund

CIO: Charles-Antoine Janssen  
Management team: Ajay Mahipal • Pinak Shrikhande  
Sunil Thakur • Amit Varma



FAIR VALUE INVESTMENT - INDIA & SOUTH-EAST ASIA

# HEALTHQUAD

HealthQuad is an Indian healthcare transformation fund set up to nurture innovative models which radically improve healthcare access and affordability by leveraging technology.

HealthQuad Fund I has been completely deployed across 7 companies in Indian healthcare. Focus segments include specialized hospitals, medical devices, healthcare IT and related services. In November 2023, HealthQuad Fund I completed the exit of Regency Healthcare by selling its stake to Nor-west Venture Partners. This resulted in a distribution to paid-in capital ratio of 1.8x to investors thus far (following 2 full exits and 1 partial exit). The Fund also signed binding agreements for exit from Asian Institute of Neph- rology and Urology (AINU). The transaction is awaiting regulatory approval and is expected to close during the first half of 2024.

As of December 2023, HealthQuad Fund II has invested 104 million USD across 11 companies. In 2023, the Fund participated in follow-on rounds of Redcliffe Lifesciences, Ekincare and GoApptiv. In 2024, it has plans to de- ploy an additional 20 - 30 million USD across two new deals and follow-on investments in portfolio companies.

HealthQuad will continue to add operational and strategic value to its port- folio companies through the rich clinical, healthcare operating and investing expertise of the management team and its extensive network.

AvH is represented on the Investment Committee and on the Governance Board of HealthQuad Fund I and Fund II and seeks to co-invest with Health- Quad in a few promising portfolio companies.

## PARTNERS FOR SUSTAINABLE GROWTH

- HealthQuad has a dedicated ESG Policy which has been de- veloped considering the potential ESG risks and opportunities for investments. The Fund has developed and implemented a robust ESG Management System for screening and assessing ESG aspects of businesses it seeks to invest in and for manag- ing such risks across the lifecycle of all investments. The Fund has also implemented comprehensive governance structures and practices.
- HealthQuad has mapped the contribution of its portfolio com- panies towards the UN SDG goals and the IRIS+ Impact Ma- trix. HealthQuad has formulated a clear impact thesis and has focused its impact objectives on investing in healthcare com- panies which improve the Access, Affordability, Quality, and Awareness of healthcare.
- The Fund has a long-term commitment to support the UN in achieving its Sustainable Development Goals (SDGs). As a leading healthcare transformation Fund, ensuring good health and well-being is at the core of the business and is aligned with the mission of building an ecosystem of category defining companies that help elevate the healthcare standards in India.



HealthQuad



[www.healthquad.in](http://www.healthquad.in)

AVH & CAPITAL GROWTH

11%

Shareholding percentage AvH

**CEO:** Vivek Tiwari  
**Management team:** Vishal Chaturvedi • Raman Chawla  
 Manish Gahlaut • Dr Sandeep Gandhi  
 Ketan Malkan • Jitesh Mathur



## FAIR VALUE INVESTMENT - INDIA & SOUTH-EAST ASIA

# MEDIKABAZAAR

Medikabazaar is India's leading B2B Healthtech company revolutionizing the healthcare supply chain through its wide range of tech driven solutions.

Medikabazaar is improving accessibility, availability, affordability and awareness of healthcare primarily in Tier 2 and 3 cities and in rural areas. Following a hybrid model of owned inventory and marketplace, it works with more than 15,000 partners to sell its product catalogue of 900,000 SKUs to more than 200,000 medical centres (incl. 57,000 hospitals) across India. Medikabazaar processes circa 55,000 deliveries per month.

The company concluded the acquisition and integration of two specialized distribution businesses in India: Utivac, India's largest vaccine distributor, and Sri Nidhi Pharma, a leading distributor of specialty pharma products. During 2023, Medikabazaar strengthened its leadership team by hiring key profiles in finance, technology, product and operations functions and grew its employee base from circa 1,000 to 1,380 FTE.

Furthermore, Medikabazaar continues to actively develop new business verticals, such as nuclear medicine, equipment lifecycle management (MBCAR

platform) and private label medical products. In 2023 Medikabazaar witnessed strong growth in its VPO (Value Procurement Organization) business. VPO helps the partner hospitals to enter an exclusive procurement arrangement wherein Medikabazaar takes over the responsibility of the entire healthcare procurement needs, thereby providing significant operational efficiencies and up to 30% cost savings for the hospitals. This service is powered by VIZI, Medikabazaar's AI based SaaS product for predictive inventory management.

## PARTNERS FOR SUSTAINABLE GROWTH

- Health and sustainability are important ESG themes for Medikabazaar. Green Initiatives and lower carbon emissions have been its key focus areas. It has adopted the reuse of packaging material and increased the recycle rate. It has also installed LED bulbs at all its locations in line with IFC performance standards for resource efficiency. Medikabazaar Go (MBGO) has launched an electric delivery fleet, with 60% of the entire fleet already converted to electric.
- Medikabazaar considers employees as its main assets and promotes their safety and well-being. Multiple sessions on health and eye checkups and awareness on prevention of heart diseases were organized for all the employees.
- As a validation of its commitment to customers, employees and environment Medikabazaar was awarded at multiple forums through the year: Forbes DGEMS 2023 in Health Technology, Deloitte Fast 50 Tech Company Award, Elets Global Healthcare Award and Hurun India Star Award in Healthcare.



Medikabazaar

[www.medikabazaar.com](http://www.medikabazaar.com)

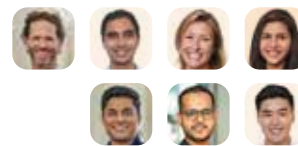
 **MEDIKABAZAAR**

11%

Shareholding percentage AvH

CEO: Nicholas Cator

Management team: Pramod Beri • Lauren Burns  
Rishika Chandan • Sarvesh Nevatia  
Hari Rajmohan • Eric Woo



FAIR VALUE INVESTMENT - INDIA & SOUTH-EAST ASIA

# VENTURI PARTNERS

Venturi Partners is a Singapore-based fund manager with a singular focus on the consumer sector in India and South-East Asia.

Built around shared values and long-term partnerships, Venturi aims to bring operational added value to entrepreneurs building tomorrow's leading brands in Asia. Venturi closed its maiden fund in 2022 at 180 million USD in which AvH participated as an anchor investor, with a commitment of 20 million USD.

In total, the fund intends to make up to 8 investments, allowing it to be a truly active investor. The focus will be on customer centric, purpose-driven brands in the region. AvH aims at co-investing alongside the fund in selected high growth companies with disruptive business models and unique market positioning. End 2023, the fund has 4 investments in its portfolio and has drawn down 43% of committed capital.

- **Livspace:** India's leading end-to-end home improvement solutions provider, with operations in India, Singapore, Malaysia, and the Middle East. The company has expanded its offering to more premium offerings and benefited from larger contribution from private labels as they further integrated backwards.
- **Country Delight:** India's largest online subscription platform for daily pantry essentials such as milk, milk derivatives, bread, pulses, fruits and vegetables. The company successfully closed a follow-on round from Temasek and Venturi in Q4 2023 to support its continued growth.
- **Believe:** a beauty and personal care 'identity' brand focused on products that are vegetarian and halal compliant, primarily catering to the Muslim population.
- **Pickup Coffee:** a 'grab & go' coffee brand in the Philippines. It was added to the portfolio in 2023 solidifying Venturi's foray into this fast-growing South east Asian market

Despite continued global challenges on the geopolitical and economic fronts, Asia continued to fuel global growth in 2023. Favourable demographics and solid long-term macro-fundamentals will result in a larger consumption opportunity in the region for the next decade. Shifts in preference of digitally-enabled populations to more premium and aspirational brands will continue to create opportunities and a long runway for growth across the region, which Venturi's portfolio companies would benefit from.



Venturi Partners > Livspace

## PARTNERS FOR SUSTAINABLE GROWTH

- Venturi believes that the fund's interests are best aligned with those of its investors and of its portfolio companies when impact and ESG considerations are applied to all aspects of the business. This allows better management of risks and the generation of sustainable, responsible, long-term value creation for Venturi, as well as its investors.
- In 2023, Venturi dedicated significant amount of time designing a toolkit to support the embedding of ESG principles into all their activities, including upgrading the firm's ESG Policy, Investment Principles, setting of goals and targets and onboarding an ESG platform to aid gathering and tracking of these metrics.
- Venturi continues to donate 2% of its annual revenues to projects focused on female empowerment and education in India and land regeneration in Indonesia.
- In addition, Venturi offsets its carbon footprint since 2022.



www.venturi.partners

AVH &

ADMITTED TO LISTING

GROWTH





# FINANCIAL STATEMENTS



ACKERMANS & VAN HAAREN  
Your partner for sustainable growth

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## Income statement

(€ 1,000)	Note	2023	2022
<b>Revenue</b>	6	<b>5,221,553</b>	<b>4,401,419</b>
Rendering of services		26	42
Real estate revenue	10	284,101	221,392
Interest income - banking activities		233,068	115,243
Fees and commissions - banking activities		106,367	100,051
Revenue from construction contracts	15	4,508,561	3,864,890
Other operating revenue		89,431	99,802
<b>Operating expenses (-)</b>	6	<b>-4,819,411</b>	<b>-4,108,096</b>
Raw materials, consumables, services and subcontracted work (-)	25	-3,338,275	-2,849,372
Interest expenses Bank J. Van Breda & C° (-)		-92,370	-20,047
Employee expenses (-)	24	-944,751	-820,282
Depreciation (-)	7 - 9	-385,286	-359,585
Impairment losses (-)		-19,556	1,053
Other operating expenses (-)		-42,136	-51,455
Provisions	18	2,964	-8,408
<b>Profit (loss) on assets/liabilities designated at fair value through profit and loss</b>	6	<b>-23,379</b>	<b>-16,854</b>
Financial assets - Fair value through P/L (FVPL)	13	-12,177	-5,234
Investment property	10	-11,202	-11,620
<b>Profit (loss) on disposal of assets</b>	6	<b>49,367</b>	<b>379,402</b>
Realised gain (loss) on intangible and tangible assets		19,534	9,491
Realised gain (loss) on investment property	10	2,074	28,346
Realised gain (loss) on financial fixed assets	13	43,067	343,866
Realised gain (loss) on other assets		-15,308	-2,301
<b>Profit (loss) from operating activities</b>		<b>428,130</b>	<b>655,871</b>
<b>Financial result</b>	12	<b>-41,924</b>	<b>-10,156</b>
Interest income		36,959	17,619
Interest expenses (-)	19	-58,544	-37,365
(Un)realised foreign currency results		-11,217	-9,219
Other financial income (expenses)		976	-7,114
Derivative financial instruments designated at fair value through profit and loss	12	-10,098	25,923
<b>Share of profit (loss) from equity accounted investments</b>	11	<b>223,378</b>	<b>243,874</b>
<b>Other non-operating income</b>		<b>0</b>	<b>0</b>
<b>Other non-operating expenses (-)</b>		<b>0</b>	<b>0</b>
<b>Profit (loss) before tax</b>		<b>609,585</b>	<b>889,590</b>
<b>Income taxes</b>	21	<b>-102,483</b>	<b>-82,078</b>
Deferred taxes		12,365	3,250
Current taxes		-114,848	-85,328
<b>Profit (loss) after tax from continuing operations</b>		<b>507,101</b>	<b>807,512</b>
<b>Profit (loss) after tax from discontinued operations</b>	4	<b>0</b>	<b>3,050</b>
<b>Profit (loss) of the period</b>		<b>507,101</b>	<b>810,562</b>
Minority interests	16	107,908	101,907
Share of the group		399,194	708,655

Earnings per share (€)		2023	2022
<b>1. Basic earnings per share</b>			
1.1. from continued and discontinued operations	28	12.13	21.39
1.2. from continued operations	28	12.13	21.31
<b>2. Diluted earnings per share</b>			
2.1. from continued and discontinued operations	28	12.12	21.37
2.2. from continued operations	28	12.12	21.28

We refer to Note 6. Segment information for more comments on the consolidated results.

## Statement of comprehensive income

(€ 1,000)	Note	2023	2022
<b>Profit (loss) of the period</b>		<b>507,101</b>	<b>810,562</b>
Minority interests	16	107,908	101,907
<b>Share of the group</b>		<b>399,194</b>	<b>708,655</b>
<b>Other comprehensive income</b>		<b>-32,718</b>	<b>121,581</b>
<b>Items that may be reclassified to profit or loss in subsequent periods</b>			
Changes in revaluation reserve: bonds - Fair value through OCI (FVOCI)	13	36,429	-58,554
Taxes	21	-8,934	14,639
		27,496	-43,916
Changes in revaluation reserve: hedging reserves	12	-56,445	186,396
Taxes	21	13,999	-46,495
		-42,445	139,901
Changes in revaluation reserve: translation differences		-17,325	22,929
<b>Items that cannot be reclassified to profit or loss in subsequent periods</b>			
Changes in revaluation reserve: shares - Fair value through OCI (FVOCI)	13	713	5
Taxes	21	-178	-1
		535	4
Changes in revaluation reserve: actuarial gains (losses) defined benefit pension plans	26	-1,105	3,525
Taxes	21	127	-861
		-978	2,664
<b>Total comprehensive income</b>		<b>474,384</b>	<b>932,143</b>
Minority interests	16	95,185	144,643
<b>Share of the group</b>		<b>379,199</b>	<b>787,501</b>

For a breakdown of the item 'Share of the group and Minority interests' in the results, we refer to Note 6. Segment information.

In accordance with the accounting standard "IFRS 9 Financial Instruments", financial assets are split into three categories on the balance sheet and fluctuations in the fair value of financial assets are reported in the consolidated income statement. The only exception to this rule are the fair value fluctuations in the investment portfolio of Bank Van Breda and Delen Private Bank, which in the table above are divided into shares and bonds. The market value of the bond portfolio of Bank Van Breda is affected by the volatility in the interest rates and by the sale of bonds (in the context of its Asset & Liability Management).

Hedging reserves arise from fluctuations in the fair value of hedging instruments used by group companies to hedge against risks. Several group companies (a.o. DEME, Nextensa and Rentel/SeaMade) have hedged against a possible rise in interest rates. In 2023 the positive market value of the hedging instruments has declined, resulting in unrealised gains on hedging reserves having decreased by 42.4 million euros (including minority interests).

Translation differences arise from fluctuations in the exchange rates of group companies that report in foreign currencies. In 2023, the euro increased in value against most relevant currencies, which explains a big part of the negative evolution in translation differences of 17.3 million euros (including minority interests).

With the introduction of the amended IAS 19R accounting standard in 2013, the actuarial gains and losses on certain pension plans are recognized directly in other comprehensive income.

## Balance sheet - assets

(€ 1,000)	Note	2023	2022
<b>I. Non-current assets</b>		<b>12,343,167</b>	<b>11,968,509</b>
<b>Intangible assets</b>	7	<b>118,806</b>	<b>117,649</b>
<b>Goodwill</b>	8	<b>320,123</b>	<b>319,953</b>
<b>Tangible assets</b>	9	<b>2,909,412</b>	<b>2,720,708</b>
Land and buildings		279,354	246,782
Plant, machinery and equipment		2,241,138	2,183,188
Furniture and vehicles		65,730	49,296
Other tangible assets		11,753	9,310
Assets under construction		311,437	232,132
<b>Investment property</b>	10	<b>1,288,844</b>	<b>1,278,716</b>
<b>Participations accounted for using the equity method</b>	11	<b>2,022,091</b>	<b>1,845,237</b>
<b>Non-current financial assets</b>	13	<b>450,040</b>	<b>398,203</b>
Financial assets : shares - Fair value through P/L (FVPL)		223,016	208,328
Receivables and warranties		227,024	189,875
<b>Non-current hedging instruments</b>	12	<b>89,227</b>	<b>158,911</b>
<b>Deferred tax assets</b>	21	<b>150,442</b>	<b>154,829</b>
<b>Banks - receivables from credit institutions and clients after one year</b>	14	<b>4,994,181</b>	<b>4,974,302</b>
Banks - loans and receivables to clients		5,029,531	4,974,302
Banks - changes in fair value of the hedged credit portfolio		-35,350	0
<b>II. Current assets</b>		<b>6,666,355</b>	<b>5,645,505</b>
<b>Inventories</b>	15	<b>415,779</b>	<b>389,711</b>
<b>Amounts due from customers under construction contracts</b>	15	<b>780,222</b>	<b>532,289</b>
<b>Investments</b>	13	<b>589,954</b>	<b>544,498</b>
Financial assets : shares - Fair value through P/L (FVPL)		44,914	41,328
Financial assets : bonds - Fair value through OCI (FVOCI)		501,037	502,908
Financial assets : shares - Fair value through OCI (FVOCI)		58	263
Financial assets - at amortised cost		43,944	0
<b>Current hedging instruments</b>	12	<b>20,079</b>	<b>24,359</b>
<b>Amounts receivable within one year</b>	13	<b>937,971</b>	<b>847,085</b>
Trade debtors		789,368	719,214
Other receivables		148,603	127,871
<b>Current tax receivables</b>	21	<b>46,851</b>	<b>37,379</b>
<b>Banks - receivables from credit institutions and clients within one year</b>	14	<b>2,791,806</b>	<b>1,965,939</b>
Banks - loans and advances to banks		102,073	110,836
Banks - loans and receivables to clients		1,218,593	1,214,188
Banks - changes in fair value of the hedged credit portfolio		-1,402	0
Banks - cash balances with central banks		1,472,542	640,916
<b>Cash and cash equivalents</b>		<b>989,810</b>	<b>1,160,972</b>
<b>Deferred charges, accrued income and other current assets</b>		<b>93,885</b>	<b>143,270</b>
<b>III. Assets held for sale</b>	5	<b>10,998</b>	<b>62,504</b>
<b>Total assets</b>		<b>19,020,522</b>	<b>17,676,517</b>

The breakdown of the consolidated balance sheet by segment is presented in Note 6. Segment information. This reveals that the full consolidation of Bank Van Breda (Private Banking segment) has a significant impact on both the balance sheet total and the balance sheet structure of AvH. Bank Van Breda contributes for 8,500.2 million euros to the balance sheet total of 19,020.5 million euros, and although this bank is solidly capitalized with a Common Equity Tier 1 ratio of 17.7%, its balance sheet ratios, as explained by the nature of its activity, are different from those of the other companies in the consolidation scope. To improve the readability of the consolidated balance sheet, certain items from the balance sheet of Bank Van Breda have been summarized in the consolidated balance sheet.

## Balance sheet – equity and liabilities

(€ 1,000)	Note	2023	2022
<b>I. Total equity</b>		<b>6,377,063</b>	<b>6,002,456</b>
<b>Equity - group share</b>		<b>4,913,951</b>	<b>4,633,633</b>
<b>Issued capital</b>		<b>113,907</b>	<b>113,907</b>
Share capital		2,295	2,295
Share premium		111,612	111,612
<b>Consolidated reserves</b>		<b>4,907,712</b>	<b>4,547,922</b>
<b>Revaluation reserves</b>		<b>-7,594</b>	<b>12,401</b>
Financial assets : bonds - Fair value through OCI (FVOCI)		-11,310	-32,964
Financial assets : shares - Fair value through OCI (FVOCI)		697	129
Hedging reserves		32,617	59,938
Actuarial gains (losses) defined benefit pension plans		-24,164	-23,375
Translation differences		-5,434	8,673
<b>Treasury shares (-)</b>	22	<b>-100,074</b>	<b>-40,597</b>
<b>Minority interests</b>	16	<b>1,463,112</b>	<b>1,368,824</b>
<b>II. Non-current liabilities</b>		<b>2,803,449</b>	<b>2,916,141</b>
<b>Provisions</b>	18	<b>118,304</b>	<b>95,036</b>
<b>Pension liabilities</b>	26	<b>72,121</b>	<b>76,955</b>
<b>Deferred tax liabilities</b>	21	<b>138,710</b>	<b>151,635</b>
<b>Financial debts</b>	12 - 19	<b>1,465,653</b>	<b>1,631,833</b>
Bank loans		1,219,260	1,333,174
Bonds		99,613	139,348
Subordinated loans		677	677
Lease debts		133,969	112,180
Other financial debts		12,135	46,453
<b>Non-current hedging instruments</b>	12	<b>35,869</b>	<b>53,892</b>
<b>Other amounts payable</b>		<b>46,754</b>	<b>41,721</b>
<b>Banks - non-current debts to credit institutions, clients &amp; securities</b>	20	<b>926,038</b>	<b>865,069</b>
Banks - deposits from credit institutions		0	0
Banks - deposits from clients		926,038	736,385
Banks - debt certificates including bonds		0	40,003
Banks - changes in fair value of the hedged credit portfolio		0	88,681
<b>III. Current liabilities</b>		<b>9,840,010</b>	<b>8,757,920</b>
<b>Provisions</b>	18	<b>30,356</b>	<b>35,232</b>
<b>Pension liabilities</b>	26	<b>136</b>	<b>248</b>
<b>Financial debts</b>	12 - 19	<b>550,672</b>	<b>402,656</b>
Bank loans		338,070	280,710
Bonds		40,000	0
Subordinated loans		0	0
Lease debts		43,055	39,778
Other financial debts		129,547	82,168
<b>Current hedging instruments</b>	12	<b>20,175</b>	<b>31,893</b>
<b>Amounts due to customers under construction contracts</b>	15	<b>660,854</b>	<b>526,349</b>
<b>Other amounts payable within one year</b>		<b>1,683,849</b>	<b>1,529,778</b>
Trade payables		1,266,776	1,136,241
Advances received		84,486	72,539
Amounts payable regarding remuneration and social security		218,725	210,608
Other amounts payable		113,863	110,391
<b>Current tax payables</b>	21	<b>92,010</b>	<b>98,131</b>
<b>Banks - current debts to credit institutions, clients &amp; securities</b>	20	<b>6,725,882</b>	<b>6,059,308</b>
Banks - deposits from credit institutions		49,604	116,379
Banks - deposits from clients		6,564,963	5,817,110
Banks - debt certificates including bonds		111,315	124,766
Banks - changes in fair value of the hedged credit portfolio		0	1,052
<b>Accrued charges and deferred income</b>		<b>76,075</b>	<b>74,326</b>
<b>IV. Liabilities held for sale</b>	5	<b>0</b>	<b>0</b>
<b>Total equity and liabilities</b>		<b>19,020,522</b>	<b>17,676,517</b>

## Cash flow statement (indirect method)

(€ 1,000)	Note	2023	2022
<b>I. Cash and cash equivalents - opening balance</b>		<b>1,160,972</b>	<b>883,730</b>
Profit (loss) from operating activities		428,130	655,871
Reclassification 'Profit (loss) on disposal of assets' to cash flow from divestments		-49,367	-377,790
Dividends from participations accounted for using the equity method	11	134,974	122,246
Other non-operating income (expenses)		0	0
Income taxes (paid)	21	-121,739	-84,378
<b>Non-cash adjustments</b>			
Depreciation	7 - 9	385,286	359,585
Impairment losses	7 - 8 - 9	19,598	-1,014
Share based payment	22	2,827	-5,834
Profit (loss) on assets/liabilities designated at fair value through profit and loss	10 - 13	23,379	16,854
(Decrease) increase of provisions	18	-7,179	8,523
Other non-cash expenses (income)		3,513	-951
<b>Cash flow</b>		<b>819,423</b>	<b>693,111</b>
<b>Decrease (increase) of working capital</b>		<b>-168,234</b>	<b>23,524</b>
Decrease (increase) of inventories and construction contracts	15	43,719	-19,152
Decrease (increase) of amounts receivable	13	-380,371	-112,931
Decrease (increase) of receivables from credit institutions and clients (banks)	14	-878,853	172,598
Increase (decrease) of liabilities (other than financial debts)		259,186	213,384
Increase (decrease) of debts to credit institutions, clients & securities (banks)	20	774,564	-204,306
Decrease (increase) other		13,520	-26,069
<b>Cash flow from operating activities</b>		<b>651,189</b>	<b>716,635</b>
<b>Investments</b>		<b>-1,016,584</b>	<b>-954,131</b>
Acquisition of intangible and tangible assets	7 - 9	-433,989	-514,530
Acquisition of investment property	10	-72,015	-42,157
Acquisition of financial fixed assets (business combinations included)	4 - 13	-145,278	-59,940
Cash acquired through business combinations		0	4,433
New loans granted	13	-43,756	-46,762
Acquisition of investments	13	-321,547	-295,174
<b>Divestments</b>		<b>495,760</b>	<b>956,824</b>
Disposal of intangible and tangible assets	7 - 9	57,310	12,115
Disposal of investment property	10	43,532	169,036
Disposal of financial fixed assets (business disposals included)	4 - 13	71,750	488,707
Cash disposed of through business disposals		0	-541
Reimbursements of loans	13	19,326	26,455
Disposal of investments	13	303,843	261,051
<b>Cash flow from investing activities</b>		<b>-520,824</b>	<b>2,693</b>
<b>Financial operations</b>			
Dividends received		9,677	9,037
Interest received		37,233	17,619
Interest paid	12 - 19	-57,755	-38,175
Other financial income (costs)		-21,148	-26,767
Decrease (increase) of treasury shares - AvH	22	-58,945	-8,550
Decrease (increase) of treasury shares - affiliates		-835	-15,661
Increase of financial debts	19	311,105	593,858
(Decrease) of financial debts	19	-401,724	-824,484
(Investments) and divestments in controlling interests	4	18,214	-43,733
Dividends paid by AvH	29	-102,511	-91,085
Dividends paid to minority interests		-35,492	-16,241
<b>Cash flow from financial activities</b>		<b>-302,180</b>	<b>-444,181</b>
<b>II. Net increase (decrease) in cash and cash equivalents</b>		<b>-171,816</b>	<b>275,147</b>
Impact of exchange rate changes on cash and cash equivalents		654	2,095
<b>III. Cash and cash equivalents - ending balance</b>		<b>989,810</b>	<b>1,160,972</b>

## Statement of changes in consolidated equity

(€ 1,000)											
	Issued capital & share premium	Consolidated reserves	Bonds -Fair value through OCI (FVOCI)	Shares -Fair value through OCI (FVOCI)	Hedging reserves	Actuarial gains (losses) defined benefit pension plans	Translation differences	Treasury shares	Equity - group share	Minority interests	Total equity
<b>Opening balance, 1 January 2022</b>	<b>113,907</b>	<b>3,943,016</b>	<b>1,620</b>	<b>126</b>	<b>-31,050</b>	<b>-24,458</b>	<b>-12,682</b>	<b>-33,251</b>	<b>3,957,229</b>	<b>1,277,774</b>	<b>5,235,003</b>
Profit		708,655							708,655	101,907	810,562
Unrealised results			-34,584	3	90,988	1,083	21,355		78,845	42,736	121,581
<b>Total of realised and unrealised results</b>	<b>0</b>	<b>708,655</b>	<b>-34,584</b>	<b>3</b>	<b>90,988</b>	<b>1,083</b>	<b>21,355</b>	<b>0</b>	<b>787,501</b>	<b>144,643</b>	<b>932,143</b>
Distribution of dividends		-91,085							-91,085	-16,241	-107,326
Operations with treasury shares								-7,346	-7,346		-7,346
Other (a.o. changes in consol. scope / beneficial interest %)		-12,664							-12,664	-37,353	-50,017
<b>Ending balance, 31 December 2022</b>	<b>113,907</b>	<b>4,547,922</b>	<b>-32,964</b>	<b>129</b>	<b>59,938</b>	<b>-23,375</b>	<b>8,673</b>	<b>-40,597</b>	<b>4,633,633</b>	<b>1,368,824</b>	<b>6,002,456</b>
Impact IFRS amendments									0		0
<b>Opening balance, 1 January 2023</b>	<b>113,907</b>	<b>4,547,922</b>	<b>-32,964</b>	<b>129</b>	<b>59,938</b>	<b>-23,375</b>	<b>8,673</b>	<b>-40,597</b>	<b>4,633,633</b>	<b>1,368,824</b>	<b>6,002,456</b>
Profit		399,194							399,194	107,908	507,101
Unrealised results			21,653	568	-27,321	-789	-14,107		-19,995	-12,723	-32,718
<b>Total of realised and unrealised results</b>	<b>0</b>	<b>399,194</b>	<b>21,653</b>	<b>568</b>	<b>-27,321</b>	<b>-789</b>	<b>-14,107</b>	<b>0</b>	<b>379,199</b>	<b>95,185</b>	<b>474,384</b>
Distribution of dividends		-102,511							-102,511	-35,492	-138,003
Operations with treasury shares								-59,477	-59,477		-59,477
Other (a.o. changes in consol. scope / beneficial interest %)		63,107							63,107	34,595	97,702
<b>Ending balance, 31 December 2023</b>	<b>113,907</b>	<b>4,907,712</b>	<b>-11,310</b>	<b>697</b>	<b>32,617</b>	<b>-24,164</b>	<b>-5,434</b>	<b>-100,074</b>	<b>4,913,951</b>	<b>1,463,112</b>	<b>6,377,063</b>

More details on the unrealised results can be found in the section "Statement of comprehensive income".

After the General Meeting of May, 22th 2023, AvH paid a dividend of 3.10 euros per share, resulting in a total dividend payment of 102.5 million euros, taking into account that no dividend is paid on the treasury shares that AvH owns at the date of payment.

In October 2022, AvH announced the start of a share buyback programme of up to 70.0 million euros. The programme started on October 5, 2022 and its duration was extended by the Board of Directors until year end 2023. Since the start of this programme, 488,414 treasury shares have been bought, for a total amount of 70 million euros. Meanwhile 80,000 of these shares have been allocated to cover stock option plan obligations. On December 31, 2023, 339,600 options were outstanding on AvH shares. In order to hedge these (and future) obligations, AvH owned 351,839 treasury shares on that date.

In addition, 471,490 AvH shares were purchased and 443,883 shares were sold in 2023 in the context of the contract that AvH entered into with Kepler Cheuvreux in order to support the liquidity of the AvH share. These transactions are initiated autonomously by Kepler Cheuvreux, but as they take place on behalf of AvH, the net purchase of 27,607 AvH shares has an impact on AvH's equity. On December 31, 2023, the number of treasury shares in the portfolio in the context of this liquidity agreement amounts to 31,113. In total, on December 31, 2023, the total number of treasury shares amounts to 791,366 (2.36% of the shares issued).

The item "Other" in the "Minority interests" column arises, among other aspects, from the changes in the consolidation scope of AvH or its affiliates. Third-party capital increases in Infra Asia Investment (Deep C Holding) and GSR (DEME) resulted in an increase in minority interests, without loss of control. The increase in the controlling interest in Nextensa gave rise to a decrease in minority interests. We refer to Explanatory Note 6. Segment reporting for more details.

The item "Other" in the column "Consolidated reserves" includes a.o. the eliminations of results on sales of treasury shares, the impact of the acquisition or sale of minority interests and the impact of the remeasurement of the purchase obligation on certain shares. The third-party capital increases mentioned above gave rise to results on the dilution at GSR (43 million euros) and at Infra Asia Investments (7 million euros); the acquisition of additional Nextensa shares (12 million euros).

#### General data regarding the capital

The issued capital amounts to 2,295,277.90 euros. The capital is fully paid-up and is represented by 33,496,904 shares without nominal value. Please refer to the Section 'General information regarding the company and the capital'.

## Note 1: IFRS valuation rules

### 1. Statement of compliance

The consolidated annual accounts are prepared in accordance with the International Financial Reporting Standards and IFRIC interpretations effective on December 31, 2023, as approved by the European Commission.

#### New and amended standards and interpretations

Following new standards and amendments to existing standards published by the IASB, are applied as from January 1, 2023.

- Amendments to IAS 1 presentation of financial statements and IFRS practice statement 2: disclosure of accounting policies
- Amendments to IAS 8 accounting policies, changes in accounting estimates and errors: definition of accounting estimates
- Amendments to IAS 12 income taxes: deferred tax related to assets and liabilities arising from a single transaction
- IFRS 17 insurance contracts

The application of the new and amended standards and interpretations has no significant impact on the group's financial statements.

Below amendment applies for the first time in 2023 and has an impact on the consolidated financial statements of the group:

- amendments to IAS 12 income taxes: Pillar Two Model Rules International Tax Reform. The amendments include a temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules. Following the amendments, the Group is required to disclose that it has applied the exception and to disclose separately its current tax expense (income) related to the Pillar Two income taxes. Reference is made to Note 21. Taxes for more information.

### 2. Main assumptions and estimates

The preparation of financial statements under IFRS requires estimates to be used and assumptions to be made that affect the amounts shown in the financial statements, particularly as regards the following items:

- the period over which non-current assets are depreciated or amortized;
- the measurement of provisions and pension obligations;
- the measurement of income or losses on construction contracts using the percentage of completion method;
- estimates used in impairment tests;
- the measurement of investment property and financial instruments at fair value;
- the assessment of control;
- the qualification of a company acquisition as a business combination or an acquisition of assets;
- the assumptions used to determine the financial liabilities in accordance with IFRS 16.
- The estimates used in the assessment of income taxes or uncertain tax positions. These estimates assume the operation is a going concern and are made on the basis of the information available at the time. Estimates may be revised if the circumstances on which they were based alter or if new information becomes available. Actual results may be different from these estimates.

The valuation rules, which are part of the annual report, are approved annually by AvH's board of directors. The most recent deliberation on and approval of these valuation rules by AvH's board of directors took place on March 22, 2024. At the same board meeting, AvH's financial statements as of 31 December 2023 were approved.

#### Macroeconomic matters

Despite low economic growth in 2023 in the Eurozone, marked by high inflation, rising interest rates and weak external demand, AvH realised an excellent set of results. Both our private banks and DEME have realised record results thanks to their leading market positions and strong operational capabilities. The positive effects of the higher interest environment for the banks compensate somewhat the more challenging market context for real estate and contracting.

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

#### Climate related matters: Opportunities and Risks

The **EU Taxonomy** is part of the EU's Green Deal approach and defines a classification system for environmentally sustainable activities, with the aim of facilitating sustainable investments and avoiding the risk of 'greenwashing'. The EU Taxonomy system sets high standards in terms of technical screening criteria. Notwithstanding these high standards, AvH group stands out thanks to the substantial portion of its turnover (27%) and investments (43%) which is already 'aligned' with this framework. These figures show the financial impact of initiatives taken by the AvH group from an ecological perspective, whereby the Capex figure clearly demonstrates its commitments to, and belief in, the future.

- DEME's activities in offshore wind are considered both eligible and largely aligned. Rail infrastructure projects were screened as well. DEME's eligible activities expanded in 2023 to also include parts of its environmental activities.
- CFE's eligible activities primarily relate to construction and renovation, electrical installation, rail infrastructure and real estate development. The aligned turnover mainly relates to BPI's project development and CFE's construction projects.
- Nextensa's eligible activities are primarily related to real estate development and the letting of real estate from its own investment portfolio. The aligned turnover is mainly generated from rental income and the sale of apartments (Park Lane).

The **climate risks** to which AvH is exposed of are described in Section "ESG risks" starting on page 20. For more information on the description, mitigating actions and governance, we refer to 'Risk and uncertainties' (p.20). More specific regarding the Climate related matters:

- The operations of **DEME Group** involve risks and opportunities related to 'climate and energy'. Both the dredging and offshore wind operations emit CO<sub>2</sub>, which are primarily due to the fuel consumption of the vessels required for the realization of land reclamation, the establishment of port infrastructure, and the construction of foundations for wind turbines. DEME Group incorporates fuel-saving technologies across the fleet. In addition to the current utilisation of low carbon fuels, DEME is embarking on its first pilot projects to gain practical experience with future green fuels. However, there remains a significant level of uncertainty regarding the specific fuels that will dominate the future market, their availability, and the capacity for bunkering. The Emissions Trading Systems (ETS) will be gradually rolled out for maritime transport activities covering offshore vessels as well. DEME Group currently assesses the impact thereof and takes that into account in its carbon reduction strategy.
- **Nextensa's** primary ESG risk is linked to climate mitigation, with a significant focus on energy efficiency. This relates to the project design for real estate development activities as well as to the value of its portfolio. Leveraging the EU Taxonomy as a guide, Nextensa integrates climate mitigation into its vision to further develop and invest in real estate.
- The production volumes and the turnover and margins realised by **SIPEF** are influenced by climatic conditions such as rainfall, sunshine, temperature and humidity. The potential physical impact of climate change is uncertain and may vary by region and product. SIPEF monitors water tables to design systems to deal with water retention, maintains buffer zones and invests in fire prevention/monitoring. With the growing concern over sustainability, tighter rules may be imposed on companies. SIPEF's oil palm plantations adhere to the RSPO standards and comply with the RSPO principles and criteria. If SIPEF is unable to continue to meet stricter requirements, it may lose its certification, or this may be suspended.
- **Sagar Cements'** production process encounters ESG risks associated with the cement industry, such as energy-intensive operations, high carbon emissions, resource use, water, waste generation and pollution. Sagar Cements developed an ESG roadmap for 2030 and identified levers to decarbonize its processes. Sagar Cements committed to the Science Based Targets initiative (SBTI), demonstrating its proactive approach to mitigate these risks.

### Disclosures related to Climate and Macroeconomic matters

The impact of macroeconomic issues such as inflation and rising interest rates, among others, are discussed in the Notes: Investment property (10), Participations accounted for using the equity method (11), Financial risk management and financial derivatives, (12), Banks receivables and debts (14-20), Financial debts (19) and Pension liabilities (26).

Climate-related topics are included in subsequent disclosures: Goodwill (8), Tangible assets (9), Investment property (10) and Provisions (18).

For the year ended December 31, 2023, no material impact on financial reporting judgement and estimates arising from climate change were identified and as a result the valuations of assets and liabilities have not been significantly impacted by climate change risks. Further, the Group concludes that the climate change risk does not impact the going concern assessment for December 2023.

## 3. Principles of consolidation

The consolidated annual accounts contain the financial details of the parent AvH, its subsidiaries and jointly controlled companies, as well as the share of the group in the results of the associated companies.

### 3.1 Subsidiaries

Subsidiaries are entities which are controlled by the group. Control exists when AvH (a) has power over the subsidiary; (b) is exposed, or has rights, to variable returns from its involvement with the subsidiary; and (c) has the ability to affect those returns through its power over the subsidiary. The participating interests in subsidiaries are consolidated in full as from the date of acquisition until the end of the control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full in the consolidated financial statements.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Group.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/ permitted by applicable IFRSs).

An investment retained is initially measured at fair value. This fair value becomes the initial carrying amount at the date when control is lost and for the purposes of

subsequently accounting for the retained interest as an associate, joint venture or financial asset.

### 3.2 Jointly controlled subsidiaries and associated participating interests

#### Jointly controlled subsidiaries

Companies which are controlled jointly (defined as those entities in which the group has joint control, among others via the shareholders' percentage or via contractual agreement with one or more of the other shareholders and that are considered to be joint ventures) are included on the basis of the equity method as from the date of acquisition until the end of the joint control.

#### Associated participating interests

Associated participating interests in which the group has a significant influence, more specifically companies in which AvH has the power to participate (without control) in the financial and operational management decisions, are included in accordance with the equity method, as from the date of acquisition until the end of the significant influence.

#### The equity method

Assets, liabilities, revenues and expenses from jointly controlled subsidiaries and associates are accounted for under the equity method in the consolidated financial statements. Under the equity method, an investment in a jointly controlled subsidiary or associate is firstly recorded at cost in the consolidated financial statements and then adjusted to record the share of the Group in the net result and in the comprehensive income of the jointly controlled subsidiary or associate. When the Group's share of losses of a jointly controlled subsidiary or associate exceeds the Group's interest in that jointly controlled subsidiary or associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the jointly controlled subsidiary or associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the jointly controlled subsidiary or associate.

According to the equity method, the participating interests are initially recorded at cost. Any surplus between the cost of the investment and the share in the fair value of net assets of the entity is recorded as goodwill included in the carrying amount of the investment. The carrying amount is subsequently modified to include the share of the group in the profit or loss of the participating interest, as from the date of purchase. The financial statements of these companies are prepared for the same reporting period as AvH and uniform IFRS valuation rules are applied. Unrealised intra-group profits and losses on transactions are eliminated to the extent of the interest in the company.

The Group continues to use the equity method when an investment in an associate becomes an investment in a jointly controlled subsidiary or an investment in a jointly controlled subsidiary becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests. When the Group reduces its ownership interest in an associate or a jointly controlled subsidiary but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

#### Joint operations

A joint operation is a joint arrangement in which the parties (joint operators) have direct rights over the assets and direct obligations with respect to the entity's liabilities. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. When a subsidiary of AvH starts a joint operation, that subsidiary recognises:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred held jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of its share of the output by the joint operation;
- its expenses, including its share of any expenses incurred jointly.

## 4. Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in the income statement as operating expenses as incurred.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Non-controlling interests that represent ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with IFRS 9, or IAS 37 provisions, contingent liabilities and contingent assets, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted retrospectively during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

As current IFRSs do not specify recognition and measurement principles in respect of business combinations between entities under common control (these are excluded from the scope of IFRS 3 business combinations), the Group applies

predecessor accounting. This means that the assets and liabilities of the acquiree are initially recognised at their carrying amount without fair value adjustments. The difference between the acquisition/selling price and the carrying amount of the net assets acquired/disposed of is accounted for in equity as a compensation to the shareholder.

## 5. Intangible fixed assets

Intangible fixed assets with a finite useful life are stated at cost, less accumulated amortisation and any accumulated impairment losses.

Intangible fixed assets are amortised on a straight-line basis over the useful economic life. The useful economic life is reviewed per annum and this is also the case for any residual value. The residual value is assumed to be zero.

Intangible fixed assets with indefinite useful life, stated at cost, are not amortised but are subject to an impairment test on an annual basis and whenever indications of a possible impairment occur.

Costs for starting up new activities are included in the profit or loss at the time they occur.

Research expenses are taken into profit or loss in the period in which they arise. Development expenses that meet the severe recognition criteria of IAS 38 are capitalised and amortised over the useful life.

## 6. Goodwill

Goodwill arising from a business combination is recognised as an asset on the date on which control was obtained (the acquisition date). Goodwill is measured at cost being the excess of the consideration transferred, the non-controlling interests in the acquired company and the fair value of the stake already owned by the Group in the acquired company (if any) over the net amount of identifiable assets acquired and liabilities assumed on the acquisition date.

Non-controlling interests are initially measured either at fair value, or at the non-controlling interests' share of the acquiree's recognised identifiable net assets. The basis of measurement is selected on a transaction-by-transaction basis.

If, after reassessment, the net balance, at the acquisition date, of identifiable assets acquired and liabilities assumed is higher than the sum of the consideration transferred, non-controlling interests in the acquiree and the fair value of the stake in the acquiree previously owned by the Group (if any), the surplus is recognised immediately in the income statement as a gain from a bargain purchase.

Goodwill is not amortised but is subject to impairment tests taking place annually or more frequently if there is an indication that the cash-generating unit to which it is allocated could have suffered a loss of value. Goodwill is stated on the balance sheet at cost less accumulated impairment losses, if any. Impairment of goodwill is not reversed in future periods.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, noncontrolling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

## 7. Tangible fixed assets

Tangible fixed assets are carried at cost or production cost less accumulated amortisations and any impairments.

Tangible fixed assets are amortised on a straight-line basis over the useful economic life. The useful life is reviewed on a yearly basis and this is also the case for any residual value.

The depreciation periods as defined by DEME of the floating and other construction materials range from 3 years (such as for pipelines) to 21 years. The principal component of trailing suction hopper dredgers and cutter suction dredgers is depreciated over a period of 18 years. For new hopper dredgers, cutter suction dredgers, cable lay vessels and DP3 Offshore crane vessels in production since

2019 the principal component is depreciated over a period of 20 years and a second component is depreciated over a period of 10 years. For major jack-up vessels this depreciation rule was already applicable. The principal component mainly includes the hull and machinery and the second component relates to parts of a vessel for which the lifespan is shorter than the economic life cycle of the vessel.

Repair and maintenance expenses for tangible assets are recognized as an expense in the period in which they occur, unless they result in an increase of the future economic benefit of the respective tangible fixed assets, which justifies their capitalisation.

Assets under construction are amortised as from the time they are taken into use.

## 8. Impairment of fixed assets

On each closing date, the group verifies whether there are indications that an asset is subject to an impairment. In the event that such indications are present, an estimation is made of the recoverable amount. When the carrying amount of an asset is higher than the recoverable amount, an impairment is recorded in order to bring the carrying amount of the asset back to the recoverable amount.

The recoverable amount of an asset is defined as the higher of the fair value minus costs to sell (assuming a voluntary sale) and the value in use (based upon the net present value of the estimated future cash flows). Any resulting impairments are charged to the profit and loss account.

Previously recorded impairments, except on goodwill, are reversed through the profit and loss account when they are no longer valid.

## 9. Leases

### 9.1 Lessor accounting

When the Group acts as a lessor, it determines at lease inception whether a lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is considered a finance lease. As part of the assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

If the lease agreement contains both lease and non-lease components, the Group applies IFRS 15 to allocate the consideration in the contract.

### 9.2 Lessee accounting

Under IFRS 16, a contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognises a right-of-use asset and a corresponding lease liability at the lease commencement date. Assets and liabilities arising from a lease are initially measured on a present value basis, discounted using the incremental borrowing rate of the lessee. The right-of-use asset is subsequently depreciated and/or impaired when deemed necessary. The right-of-use asset is also adjusted for certain remeasurements of the lease liability.

The lease liability is subsequently increased by the interest cost on the lease liability and reduced by lease payment made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable, or a change in the reassessment of whether a purchase or extension option is reasonably certain to be exercised (or a termination option curtailed not to be exercised). The Group has applied judgement to determine the lease term for lease contracts containing renewal options.

In accordance with the standard on lease contracts, the Group elected to use following exemptions when applying IFRS 16 accounting for:

- short-term leases, i.e. contracts with a duration of less than one year;
- leases for which the underlying asset is of low value;

- intangible assets.

The most important judgements and assumptions in determining the lease asset and liability are as follows:

- The lease payments are discounted using the interest rate implicit in the lease agreement. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee has used judgement to determine its incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.
- In determining the lease term, management considers all facts and circumstances that create an incentive to exercise an extension option, (or not exercise a termination option). Extension options (or periods after termination options) are only included in the lease term if the lease agreement is reasonably certain to be extended (or not terminated).

## 10. Investment property - leased buildings and project developments

These investments cover buildings which are ready to be leased (real estate investments) as well as buildings under construction or being developed for future use as operative real estate investments (project development).

Investment property is measured at fair value through profit or loss. On a yearly basis, the fair value of the leased buildings is determined based upon valuation reports.

## 11. Financial instruments

### 11.1 Recognition and derecognition of financial instruments

- Financial assets and liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument. Financial assets bought and sold in accordance with standard market conventions are recognized on the transaction date.
- Financial assets are derecognized when the contractual rights to receive cash flows from the assets have expired or have been transferred and the Group has transferred all risks and rewards of ownership of those assets.
- Financial liabilities are derecognized when the obligation specified in the contract is discharged, cancelled, or expires.

### 11.2 Classification and measurement of financial assets

When another financial asset is acquired or invested in, the contractual terms determine whether it is an equity instrument or a debt instrument.

Equity instruments give entitlement to the remaining interest in the net assets of another entity.

#### Classification and measurement of debt instruments

The assessment of the contractual cash flow characteristics or SPPI test is carried out per product group (financial assets with similar cash flow characteristics) or, where necessary, on an individual basis. It is assessed whether the instrument generates cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding (SPPI: solely payments of principal and interest). It is also investigated how these cash flows fit in with the business model of the entity in question.

The relevant classification and measurement method follows from those assessments:

- measured at amortised cost (AC):** debt instruments that pass the SPPI test and are held under an HTC business model (Held-to-collect). At initial recognition, they are measured at fair value plus transaction costs that are directly attributable to their acquisition. Subsequently, the effective interest rate method is applied where the difference between the measurement at initial recognition and the repayment value is recognized pro rata temporis in profit or loss on the basis of the effective interest rate.

ii) **fair value measurement with value changes recognized in other comprehensive income (FVOCI):** debt instruments that pass the SPPI test and are held under an HTC&S business model (Held-to-collect & sell). On disposal, the cumulative fair value changes are reclassified to profit or loss.

iii) **fair value measurement with value changes recognized in profit or loss (FVPL):** debt instruments that fail the SPPI test and/or are not held under an HTC or HTC&S model must mandatorily be measured in this way.

Irrespective of these assessments, one can make an irrevocable election to designate, at initial recognition, a financial asset as measured at FVTPL (fair value option) if doing so eliminates or significantly reduces a measurement or recognition inconsistency ('accounting mismatch').

For the aforementioned financial assets that are measured at amortised cost and at fair value with value changes recognized in other comprehensive income, a loss allowance for expected credit losses is required (see section 6. Impairment of financial assets).

#### Classification and measurement of equity instruments

Equity instruments held for trading must mandatorily be measured at fair value with value changes recognized in profit or loss (FVTPL).

For other equity instruments, the Group can make an irrevocable election, at initial recognition, to measure those instruments at fair value with value changes recognized in other comprehensive income (FVTOCI). This election can be made instrument by instrument (per share). On disposal, the cumulative fair value changes must not be reclassified to profit or loss. Only dividend income may be recognized in profit or loss.

For equity instruments, no loss allowance is required for expected credit losses.

### 11.3 Classification and measurement of financial liabilities

For the classification and measurement of financial liabilities, other than derivatives, there are the following possibilities:

- fair value measurement with value changes recognized in profit or loss (FVTPL):
  - if the financial liability is held for trading;
  - if the Group opts for this method (fair value option), more specific regarding Bank Van Breda)
- measurement at amortised cost: at initial recognition, they are measured at fair value, less transaction costs that are directly attributable to their issue.

### 11.4 Derivative financial instruments

The operational subsidiaries belonging to the AvH-group are responsible for their risk management, such as exchange risk, interest risk, credit risk, commodity risk, etc. The risks vary according to the particular business where the subsidiaries are active and therefore they are not managed centrally at group level. The respective executive committees report to their board of directors or audit committee regarding their hedging policy.

Derivative instruments are recorded in the balance sheet at their fair value; the changes in fair value are reported in the income statement unless these instruments are part of hedging transactions.

The recognition of derivative instruments is in accordance with IFRS 9, except for macro hedge accounting for which IAS 39 is applied.

#### Cash flow hedges

The value fluctuations of a derivative financial instrument that complies with the strict conditions for recognition as a cash flow hedge are recorded in other comprehensive income for the effective part. The ineffective part is recorded directly in the profit and loss account. The hedging results are transferred from 'other comprehensive income' into the profit and loss account at the same moment the hedged transaction has impact on the result.

#### Fair value hedges

Changes in fair value of a derivative instrument that is formally allocated to hedge the changes of fair value of recorded assets and liabilities, are recognized in the profit and loss account together with the profits and losses caused by the fair value revaluation of the hedged component. The value fluctuations of derivative financial

instruments, which do not meet the criteria for fair value hedge or cash flow hedge are recorded directly in the profit and loss account.

### 11.5 Cash and cash equivalents

Cash and cash equivalents consist of cash and short-term investments and are recorded on the balance sheet at nominal value.

### 11.6 Impairment of financial assets

Under IFRS 9, a loss allowance is made at initial recognition for expected credit losses (ECLs) for:

- financial assets measured at amortised cost;
  - debt instruments measured at fair value with value changes recognized in other comprehensive income;
  - finance lease receivables;
  - loan commitments and financial guarantee contracts.
- for the purpose of determining the loss allowance for expected credit losses, the financial assets are classified in three stages:
- Stage 1: performing assets, for which at initial recognition a one-year expected credit loss allowance is made based on the probability that events will occur within 12 months that give rise to default;
  - Stage 2: underperforming assets for which a lifetime expected credit loss allowance is made if there has been a significant increase in credit risk since initial recognition;
  - Stage 3: for non-performing assets an estimate is made of the recoverable amount. When the carrying amount of an asset is higher than the recoverable amount, an impairment is recorded in order to bring the carrying amount of the asset back to the recoverable amount.

Changes in loss allowances are recognized under the item 'Impairment losses' in profit and loss. The loss allowance for expected credit losses is presented:

- as deducted from the gross carrying amount of financial assets that are measured at amortised cost (incl. lease receivables);
- as a loss allowance in other comprehensive income for debt instruments measured at fair value with value changes recognized in other comprehensive income;
- as a loss allowance under obligations resulting from loan commitments and financial guarantee contracts.

The staging in the event of a significant increase (or decrease) in credit risk is done on an individual contract level ('bottom-up' staging) based on certain criteria such as payment arrears, renegotiations, and rating category. The internal credit rating is used for the individual staging of loans. As this is a criterion based on past history, a distinct 'collective staging' logic is used as well to take into account the macroeconomic outlook.

For the bond portfolio, the 'low credit risk exemption' is applied: as long as bonds retain their investment grade rating category, they remain in stage 1. On the basis of the low credit risk at the reporting date it may be concluded that there has been no significant increase in credit risk. Should a bond migrate to a non-investment grade rating category, the bank will either sell the bond or transfer it to stage 2 and determine an appropriate lifetime ECL.

A valuation model calculates the expected credit losses for contracts in stages 1 and 2 in line with the literature on IFRS9 ECL modelling. They are determined without any deliberate optimistic or conservative bias, and are based on all reasonable and substantiated information available by justifiable cost or effort. This includes information about past history, present circumstances and future projections. They also reflect the expected value that the bank deems possible in the foreseeable future.

These one-year expected credit losses and lifetime expected credit losses are calculated for each individual contract on the basis of the future cash flows and the following model parameters:

- PD stands for 'Probability of Default' in a given period. The PD modelling has been set up using migration matrices based on existing internal credit ratings for loans and supplied by rating agency DBRS for the bond portfolio.
- Loss Given Default (LGD) stands for expected loss in the event of default. The LGD figure is obtained from the 'exposure at default' and the pledged collateral.
- 'Survival Probability' is the probability that a contract is still liable to credit losses. The Survival Probability is determined on the basis of:

- the probability that a contract has not disappeared from the balance sheet following an earlier default, and
- the probability that a contract has not yet disappeared from the balance sheet following full early repayment.
- Effective Interest Rate' (EIR) is the effective interest rate at which the losses are discounted. For fixed-rate contracts this is the contractual effective interest rate; for variable-rate contracts, the most recent fixing is used.

On each closing date, an investigation is performed whether there are objective indications that a financial asset is becoming non-performing and therefore transfers to stage 3, based on one of the following objectively observable events:

- major financial difficulties at the borrower;
- breach of contract, including failure to meet due dates for principal and/or interest repayments;
- the granting by the bank of certain terms, for economic or legal reasons, which the Group under normal circumstances would not grant to the borrower;
- the likelihood of the borrower going bankrupt or being restructured;
- for bonds, the extinction of an active market due to financial difficulties or other indications threatening the recoverability of the acquisition value;
- objective criteria showing a measurable deterioration of the expected future cash flows from a collective group of financial assets, even though such deterioration cannot be detected on an individual basis, or criteria indicating a deterioration of the creditworthiness or financial capacity of the borrowers of the group, or national or economic circumstances specific to that group of borrowers.

For stage 3 contracts, an estimate is made of the recoverable amount. When the carrying amount of an asset is higher than the recoverable amount, an impairment is recorded in order to bring the carrying amount of the asset back to the recoverable amount.

The net recoverable amount of an asset is defined as the higher of the following values:

- the net sale price (assuming a voluntary sale), and
- the value in use (based on the present value of the expected future cash flows).

## 12. Inventories / construction contracts

Inventories are valued at cost (purchase or production cost) or at net realisable value when this is lower. The production cost comprises all direct and indirect costs incurred in bringing the inventories to their completion at balance sheet date and this corresponds with the estimated sales prices in normal circumstances, minus the handling, marketing and distribution costs (net realizable value). Construction contracts are valued according to the Percentage of Completion method whereby the result is recognized in accordance with progress of the works. Expected losses are immediately recognized as an expense.

## 13. Capital and reserves

Costs which are related to a capital transaction are deducted from the capital.

The purchase of treasury shares is deducted from equity at purchase price. Subsequent sale or cancellation at a later date does not affect the result. Profits and losses with regard to treasury shares are recorded directly in equity.

## 14. Translation differences

Transactions in foreign currency are recorded at the exchange rate on the date of the transaction. Positive and negative unrealised translation differences, resulting from the calculation of monetary assets and liabilities at closing rate on balance sheet date, are recorded as income or cost respectively in the profit and loss account.

Based upon the closing rate method, assets and liabilities of the consolidated subsidiary are converted at closing rate, while the income statement is converted at the average rate of the period, which results in translation differences included in the consolidated 'other comprehensive income'.

## 15. Provisions

A provision is recognized if a company belonging to the group has a (legal or constructive) obligation as a result of a past event, and it is probable that the settlement of this obligation will require an outflow and the amount of this obligation can be determined in a reliable manner. In the event that the difference between the nominal and discounted value is significant, a provision is recorded for the amount of the discounted value of the estimated expenses. The resulting increase of the provision in proportion to the time is recorded as an interest charge.

### Restructuring

Provisions for restructuring costs are only recognized when the group already has a detailed and approved restructuring plan and the planned restructuring has already started or been announced to the relevant staff members. No provisions are made for costs relating to the normal activities of the group.

### Guarantees

A provision is made for warranty obligations relating to delivered products, services and contracts, based upon statistical data from the past.

## 16. Contingent assets and liabilities

Contingent assets and liabilities are mentioned in the note "Rights and commitments not reflected in the balance sheet", if their impact is important.

## 17. Taxes

Taxes concern both current taxes on the result as deferred taxes. Both types of taxes are recorded in the profit and loss accounts except when they relate to components being part of the equity and therefore allocated to the equity. Deferred taxes are based upon the balance sheet method applied on temporary differences between the carrying amount of the assets and liabilities of the balance sheet and their tax base. The main temporary differences consist of different amortisation percentages of tangible fixed assets, provisions for pensions, carry-forward tax losses and tax credits.

Deferred tax liabilities are recognized for all taxable temporary differences:

- except when the deferred tax liability arises from the original recognition of goodwill or the initial recording of assets and liabilities in a transaction that is not a business combination and that at the time of the transaction has no impact on the taxable profit;
- except with regard to investments in subsidiaries, joint and associated companies, where the group is able to control the date when the temporary difference will be reversed, and it is not likely that the temporary difference will be reversed in the foreseeable future.

Deferred tax assets are recorded for all deductible temporary differences and on carry-forward tax credits and tax losses that can be recovered, to the extent that it is probable that there will be taxable profits in the near future in order to be able to enjoy the tax benefit. The carrying amount of the deferred tax assets is verified on every balance sheet date and impaired to the extent that it is no longer probable that sufficient taxable profit will be available to credit all or part of the deferred taxes. Deferred tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

IFRIC 23, which became effective as from January 1, 2019 onwards, clarifies how to apply the recognition and measurement requirements in IAS 12 income taxes when an uncertainty over current and deferred income tax treatments exists. The acceptability of a particular tax treatment under tax law may not be known until the relevant taxation authority or a court takes a decision in the future. In assessing whether and how an uncertain tax treatment affects the determination of taxable results, the Group assumes that a taxation authority will examine amounts it has a right to examine and has full knowledge of all related information when making those examinations. If the Group concludes it is probable that the taxation authority will accept an uncertain tax treatment, it determines the taxable result consistently with the tax treatment used or planned to be used in its income tax filings. If the Group concludes that it is not probable that a taxation authority will accept an uncertain tax treatment, it reflects the effect of uncertainty in

determining its accounting tax position. If the possible outcomes are binary or concentrated to one value, the uncertain tax position is measured using the most likely amount. In case there exists a range of possible outcomes that are neither binary nor concentrated on one value, the sum of the weighted amounts in a range of possible outcomes might best predict the resolution of the uncertainty.

## 18. Employee benefits

Employee benefits consist of short-term employee benefits, postemployment benefits, other long-term employee benefits, redundancy pay and rewards in equity instruments. The post-employment benefits include the pension plans, life insurance policies and insurance policies for medical assistance. Pension plans with fixed contribution or defined benefit plans are provided through separate funds or insurance plans. In addition, employee benefits consisting of equity instruments also exist.

### Pension plans

#### Defined Contribution Plans

Several subsidiaries within the group have taken out group insurance policies for the benefit of their employees. Since Belgian subsidiaries are obliged to make additional payments if the average return on the employers' contributions and on the employees' contributions is not attained, those plans should be treated as "defined benefit" plans in accordance with IAS19 (Revised).

#### Defined Benefit Plans

The group has a number of defined benefit pension plans. The costs of the defined benefit pension plans are actuarially determined using the 'projected unit credit' method.

Remeasurements, composed of actuarial gains and losses, the effect of changes to the asset ceiling and the return on plan assets, are directly recognized in the balance sheet; a corresponding amount is credited or charged to retained earnings through other comprehensive income in the period in which they arise.

Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the effective date of the change or restriction of the pension plan or the date on which the group accounts for reorganization costs, whichever occurs first.

Net interest is calculated by applying the discount rate to the net defined benefit asset or liability and is recognized in consolidated profit or loss.

#### Employee benefits in equity instruments

On different levels stock option plans exist within the AvH, giving employees the right to buy AvH shares or the shares of some subsidiary at a predefined price. This price is determined at the time when the options are granted and it is based on the market price or the intrinsic value.

The performance of the beneficiary is measured (at the moment of granting) on the basis of the fair value of the granted options and warrants and recognized in profit and loss when the services are rendered during the vesting period.

## 19. Revenue recognition (IFRS 15)

Revenue is recognised in accordance with the IFRS standards, taking into account the specific activities of each segment.

### Revenue recognition

Revenue is recognised when or as each performance obligation is satisfied, at the amount of the transaction price allocated to that performance obligation. Control of an asset refers to the ability to direct the use of and obtain substantially all the remaining benefits from the asset.

When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or before payment is due, the Group presents the contract as a contract asset, unless the Group's rights to that amount of consideration are unconditional, in which case the Group recognises a receivable.

When an amount of consideration is received from a customer prior to the Group transferring a good or service to the customer, the Group presents the contract as a contract liability.

The main streams of revenue are recognised if it meets the criteria outlined below.

### Identifying the separate performance obligations in a contract with a customer

Most of the revenue recognised by the construction companies in the group relates to contracts with customers for the sale of properties and services revenue generated from construction, project management and selling activities. In accounting for these contracts, the Group is required to identify which goods or services are distinct and therefore represent separate performance obligations to which revenue can be assigned.

Management uses judgement to determine whether a promised good or service is distinct by assessing if the customer can benefit from the good or service on its own or together with other resources that are readily available to the customer and by ascertaining whether the Group's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract.

### Determination of transaction prices for revenue recognition

The Group is required to determine the transaction price in respect of each of its contracts with customers. Where consideration is variable due to a performance bonus, the Group estimates the amount of variable consideration to be included in the transaction price.

### Allocation of transaction price to performance obligations in contracts with customers

The Group uses the stand-alone selling price of the distinct goods and services underlying each performance obligation to apportion the transaction price to identified performance obligations. This occurs for a limited number of EPCI contracts in the "Marine Engineering & Contracting" segment, where the multiple performance obligations (procurement activities and installation activities) give rise to a separate revenue recognition pattern.

### Satisfaction of performance obligations for revenue recognition

The Group assesses each of its customer contracts to determine whether performance obligations are satisfied over time or at a point in time in order to determine when revenue is recognised. For sales of properties under development the Group recognises revenue over time, according to the percentage of completion method, because control transfers over time. Its performance creates an asset that the customer controls as the asset is created. It does not create an asset with alternative use as the Group has an enforceable right to payment for performance completed to date. For the EPCI contracts, revenue on the procurement activities are recognised at a point in time and the installation activities are recognised over time.

### Method of measuring progress of completion of performance obligations and recognition of revenue

For performance obligations satisfied over time, contract revenue is recognized according to the percentage of completion of the contract activity at the closing date by using an input method calculated as the proportion of contract costs at the closing date and the estimated total contract costs. An expected loss on a construction contract is immediately recognized.

### Other

Contracts for the sale of properties contain certain warranties covering a period of up to ten years after completion of the property. The Group assessed that these conditions represent 'assurance-type' warranties that are legally required to be provided as quality guarantees and will continue to be accounted for under IAS 37, consistent with its current practice.

A variation may lead to an increase or a decrease in contract revenue. A variation is an instruction by the customer for a change in the scope of the work to be performed under the contract. These contract modifications form typically part of the performance obligation that is partially satisfied at the date of the contract modification, hence the effect is recognised as an adjustment to revenue.

Dividend revenue is recognised when the Group's right to receive the payment is established.

Other revenue is recognised when it is received or when the right to receive payment is established.

## 20. Assets held for sale and discontinued operations

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

## 21. Events after balance sheet date

Events may occur after the balance sheet date which provide additional information with regard to the financial situation of the company at balance sheet date (adjusting events). This information allows the adjustment of estimations and a better reflection of the actual situation on the balance sheet date. These events require an adjustment of the balance sheet and the profit and loss account. Other events after balance sheet date are mentioned in the notes if they have a significant impact.

## 22. Earnings per share

The group calculates both the basic earnings per share and the diluted earnings per share in accordance with IAS 33. The basic earnings per share are calculated on the basis of the weighted average number of outstanding shares during the period. Diluted earnings per share are calculated according to the average number of shares outstanding during the period plus the diluted effect of the warrants and stock options outstanding during the period.

## 23. Segment reporting

AvH is a diversified group which is active in the following core sectors:

1. **Marine Engineering & Contracting** with DEME, one of the largest dredging companies in the world, CFE a construction group with headquarters in Belgium, Deep C Holding and Green Offshore.
2. **Private Banking** with Delen Private Bank, one of the largest independent private asset managers in Belgium and asset manager JM Finn in the UK and Bank Van Breda, a niche-bank for entrepreneurs and liberal professions in Belgium.
3. **Real Estate** with Nextensa, a listed integrated real estate group.
4. **Energy & Resources**, SIPEF, an agro-industrial group in tropical agriculture, Verdant Bioscience and Sagar Cements.
5. **AvH & Growth Capital** with AvH Growth Capital and their respective Growth Capital participations.

The segment information in the financial statements of AvH is published in line with IFRS 8.

## Note 2: subsidiaries and jointly controlled subsidiaries

## 1. Fully consolidated subsidiaries

Name of subsidiary	Registration nr	Registered office	Beneficial interest % 2023	Beneficial interest % 2022	Minority interest % 2023	Minority interest % 2022
<b>Marine Engineering &amp; Contracting</b>						
<b>DEME Group (1)</b>	<b>0787.829.347</b>	<b>Belgium</b>	<b>62.12%</b>	<b>62.12%</b>	<b>37.88%</b>	<b>37.88%</b>
<b>CFE (1)</b>	<b>0400.464.795</b>	<b>Belgium</b>	<b>62.12%</b>	<b>62.12%</b>	<b>37.88%</b>	<b>37.88%</b>
<b>Deep C Holding (Rent-A-Port) (2)</b>	<b>0885.565.854</b>	<b>Belgium</b>	<b>81.06%</b>	<b>81.06%</b>	<b>18.94%</b>	<b>18.94%</b>
International Port Engineering and Management (IPEM)	0441.086.318	Belgium	81.06%	81.06%	18.94%	18.94%
Infra Asia Consultancy and Project Management	0891.321.320	Belgium	81.06%	81.06%	18.94%	18.94%
IPEM Holdings		Cyprus	81.06%	81.06%	18.94%	18.94%
<b>Deep C (Infra Asia Investments) (3)</b>						
IPEM Reclamation		Cyprus	68.09%	76.20%	31.91%	23.80%
Infra Asia Consultancy		Hong Kong	68.09%	81.06%	31.91%	18.94%
Rent-A-Port Reclamation		Hong Kong	68.09%	76.20%	31.91%	23.80%
Infra Asia Investment Green Utilities		Hong Kong	68.09%	76.20%	31.91%	23.80%
Infra Asia Investment HK		Hong Kong	68.09%	76.20%	31.91%	23.80%
Warehousing Workshop Worldwide		Hong Kong	61.28%	68.58%	38.72%	31.42%
Deep C Blue (Hong Kong)		Hong Kong	68.09%	76.20%	31.91%	23.80%
IPEM Vietnam		Hong Kong	68.09%	76.20%	31.91%	23.80%
Dinh Vu Industrial Zone jsc		Vietnam	52.43%	57.61%	47.57%	42.39%
Hong Duc Industrial Zone jsc		Vietnam	68.09%	76.30%	31.91%	23.70%
Hai Phong Industrial Park jsc		Vietnam	68.09%	76.25%	31.91%	23.75%
Deep C Blue Hai Phong Company		Vietnam	68.09%	76.20%	31.91%	23.80%
DC Red Hai Phong		Vietnam	61.28%	68.58%	38.72%	31.42%
Deep C Management		Vietnam	68.09%	76.20%	31.91%	23.80%
<b>Green Offshore</b>	<b>0832.273.757</b>	<b>Belgium</b>	<b>81.06%</b>	<b>81.06%</b>	<b>18.94%</b>	<b>18.94%</b>
<b>Private Banking</b>						
<b>Bank Van Breda</b>	<b>0404.055.577</b>	<b>Belgium</b>	<b>78.75%</b>	<b>78.75%</b>	<b>21.25%</b>	<b>21.25%</b>
Van Breda Immo Consult	0726.963.530	Belgium	78.75%	78.75%	21.25%	21.25%
<b>FinAx (4)</b>	<b>0718.694.279</b>	<b>Belgium</b>	<b>100.00%</b>	<b>100.00%</b>		
<b>Real Estate</b>						
<b>Nextensa (1) (5)</b>	<b>0436.323.915</b>	<b>Belgium</b>	<b>61.66%</b>	<b>58.53%</b>	<b>38.34%</b>	<b>41.47%</b>

(1) For an overview of the participations held by the listed companies DEME Group, CFE and Nextensa, we refer to their respective annual reports.

(2) Rent-A-Port changed its name in DEEP C Holding, confirming its focus on the developments of DEEP C ('Infra Asia Investments') in Vietnam.

(3) In April, RG International Limited acquired a 10% stake in DEEP C through a capital increase. RG International is controlled by Mr Horst Geicke, a German investor based in Hong Kong. The participation in DEEP C of DEEP C Holding, which did not take part in the capital increase of 23.8 million USD, has decreased from 94% to 84%.

(4) AvH has, through its 100% subsidiary FinAx, a direct 78.75% stake in Delen Private Bank and Bank Van Breda.

(5) AvH increased its participation in Nextensa from 58.53% to 61.66%.

Name of subsidiary	Registration nr	Registered office	Beneficial interest % 2023	Beneficial interest % 2022	Minority interest % 2023	Minority interest % 2022
<b>Energy &amp; Resources</b>						
<b>AvH Resources India</b>	U74300DL2001 PTC111685	India	100.00%	100.00%		
<b>AvH &amp; Growth Capital</b>						
<b>AvH Growth Capital</b>	0434.330.168	Belgium	100.00%	100.00%		
Sofinim Luxembourg	2003.2218.661	Luxembourg	100.00%	100.00%		
<b>Agidens International</b>	<b>0468.070.629</b>	<b>Belgium</b>	<b>84.98%</b>	<b>84.98%</b>	<b>15.02%</b>	<b>15.02%</b>
Agidens Life Sciences	0411.592.279	Belgium	84.98%	84.98%	15.02%	15.02%
Agidens Proces Automation	0465.624.744	Belgium	84.98%	84.98%	15.02%	15.02%
Agidens Proces Automation BV	005469272B01	The Netherlands	84.98%	84.98%	15.02%	15.02%
Agidens Life Sciences BV	850983411B01	The Netherlands	84.98%	84.98%	15.02%	15.02%
Agidens Inc	32.067.705.379	USA	84.98%	84.98%	15.02%	15.02%
Agidens SAS (liquidated)	10.813.818.424	France		84.98%		15.02%
Agidens GmbH (liquidated)	76301	Germany		84.98%		15.02%
Agidens AG	539301	Switzerland	84.98%	84.98%	15.02%	15.02%
Argus Technologies (merger with Agidens Process Automation)	0844.260.284	Belgium		84.98%		15.02%
Baarbeek Immo	651.662.133	Belgium	84.98%	84.98%	15.02%	15.02%
<b>Bioelectric Group</b>	<b>0422.609.402</b>	<b>Belgium</b>	<b>55.83%</b>	<b>55.83%</b>	<b>44.17%</b>	<b>44.17%</b>
Bioelectric	0879.126.440	Belgium	55.83%	55.83%	44.17%	44.17%
Bioelectric Ltd		UK	55.83%	55.83%	44.17%	44.17%
<b>Subholdings AvH</b>						
Anfima	0426.265.213	Belgium	100.00%	100.00%		
AvH Singapore	202118768G	Singapore	100.00%	100.00%		
Brinvest	0431.697.411	Belgium	100.00%	100.00%		
Profimolux	1992.2213.650	Luxembourg	100.00%	100.00%		

## 2. Jointly controlled subsidiaries accounted for using the equity method – 2023

(€ 1,000) Name of subsidiary	Registration nr	Registered office	Beneficial interest % 2023	Minority interest % 2023	Activity report	Total assets	Total liabilities	Turnover	Net result
<b>Marine Engineering &amp; Contracting</b>									
<b>Deep C Holding <sup>(1)</sup></b>									
Deep C (subgroup Deep C Holding) <sup>(2)</sup>									
Euro Jetty (Hong Kong)		Hong Kong	34.05%	15.95%		16,751	10	444	-73
Deep C Green Energy (Hong Kong)		Hong Kong	34.05%	15.95%		16,462	217	444	769
Deep C Green Energy (Vietnam)		Vietnam	34.05%	15.95%		21,041	17,743	41,012	953
Euro Jetty (Vietnam) Company		Vietnam	34.05%	15.95%		7,025	1,189	4,819	2,743
Tien Phong Industrial Zone		Vietnam	34.05%	15.95%		35,610	17,337	6,843	1,327
Bac Tien Phong Industrial Zone		Vietnam	34.05%	15.95%		94,495	39,294	68,339	17,060
Hateco Deep C Port		Vietnam	34.05%	15.95%		6	8	0	-4
<b>GreenStor <sup>(3)</sup></b>	<b>0803.082.794</b>	<b>Belgium</b>	<b>50.00%</b>			4,716	1,628	0	-12
<b>Private Banking</b>									
<b>Delen Private Bank <sup>(4)</sup></b>	<b>0453.076.211</b>	<b>Belgium</b>	<b>78.75%</b>		<b>p. 88</b>	<b>2,784,479</b>	<b>1,599,604</b>	<b>565,895</b>	<b>179,490</b>
<b>Energy &amp; Resources</b>									
<b>SIPEF (USD 1.000) <sup>(5)</sup></b>	<b>0404.491.285</b>	<b>Belgium</b>	<b>38.53%</b>		<b>p. 104</b>	<b>1,080,242</b>	<b>226,465</b>	<b>443,886</b>	<b>72,735</b>
<b>Verdant Bioscience (USD 1.000) <sup>(6)</sup></b>		<b>Singapore</b>	<b>42.00%</b>		<b>p. 108</b>	<b>32,291</b>	<b>25,699</b>	<b>5,315</b>	<b>-3,310</b>
<b>AvH &amp; Growth Capital</b>									
<b>Amsteddijk Beheer</b>	<b>33.080.456</b>	<b>The Netherlands</b>	<b>50.00%</b>			<b>5,396</b>	<b>4,738</b>	<b>631</b>	<b>19</b>
<b>Turbo's Hoet Groep</b>	<b>0881.774.936</b>	<b>Belgium</b>	<b>50.00%</b>		<b>p. 121</b>	<b>491,702</b>	<b>328,931</b>	<b>757,970</b>	<b>19,416</b>
<b>Telemond <sup>(7)</sup></b>	<b>0893.552.617</b>	<b>Belgium</b>							

<sup>(1)</sup> Rent-A-Port changed its name in DEEP C Holding, confirming its focus on the developments of DEEP C ('Infra Asia Investments') in Vietnam.

<sup>(2)</sup> In April, RG International Limited acquired a 10% stake in DEEP C through a capital increase. RG International is controlled by Mr Horst Geicke, a German investor based in Hong Kong. The participation in DEEP C of DEEP C Holding, which did not take part in the capital increase of 23.8 million USD, has decreased from 94% to 84%.

<sup>(3)</sup> DEEP C Holding sold its 38% participation in BStor to a newly created company GreenStor, that is a 50/50 joint venture between AvH and CFE. This transaction had no impact on the economic interests (beneficial%) of AvH in BStor (see note 3).

<sup>(4)</sup> FinAx holds a 78.75% stake in Delen Private Bank NV. The shareholder agreements between AvH and the Jacques Delen family, which holds a 21.25% stake through Promofi NV, include, among other things, agreements concerning representation on the board of directors and decision-making at the level of the board of directors and the shareholders' meeting. The special majority requirements specified for certain key decisions lead to joint control.

<sup>(5)</sup> The shareholders' agreement between the Baron Bracht family and AvH results in joint control of SIPEF. AvH's stake in SIPEF increased from 36.81% to 38.53% in 2023.

<sup>(6)</sup> AvH holds 42% in Verdant Bioscience, a strategic investment in line with its 38.53% interest in SIPEF. SIPEF holds a 38% interest in VBS.

<sup>(7)</sup> Early February 2023, after a successful collaboration of more than 30 years, AvH sold its 50% participation in Telemond to the German family Maas, its long-term partner. This participation was already reclassified to 'Assets held for sale' at year-end 2022.

## 3. Jointly controlled subsidiaries accounted for using the equity method – 2022

(€ 1,000) Name of subsidiary	Registration nr	Registered office	Beneficial interest % 2022	Minority interest % 2022	Activity report	Total assets	Total liabilities	Turnover	Net result
<b>Marine Engineering &amp; Contracting</b>									
<b>Deep C Holding</b>									
Infra Asia Investments (subgroup Deep C Holding)									
Euro Jetty (Hong Kong)		Hong Kong	38.10%	11.90%		17,401	10	455	2,435
Deep C Green Energy (Hong Kong)		Hong Kong	38.10%	11.90%		16,251	224	455	720
Deep C Green Energy (Vietnam)		Vietnam	38.10%	11.90%		19,896	17,367	35,635	582
Euro Jetty (Vietnam) Company		Vietnam	38.10%	11.90%		4,612	1,214	4,846	2,648
Tien Phong Industrial Zone		Vietnam	38.10%	11.90%		27,988	8,857	0	-1,206
Bac Tien Phong Industrial Zone		Vietnam	38.10%	11.90%		83,859	36,248	17,286	3,774
Hateco Deep C Port		Vietnam	38.10%	11.90%		6	4	0	-9
<b>Private Banking</b>									
<b>Delen Private Bank</b>	0453.076.211	Belgium	78.75%		p. 88	2,582,456	1,503,860	512,143	160,623
<b>Energy &amp; Resources</b>									
<b>SIPEF (USD 1.000)</b>	0404.491.285	Belgium	36.81%		p. 104	1,062,223	244,420	527,460	108,157
<b>Verdant Bioscience (USD 1.000)</b>		Singapore	42.00%		p. 108	32,989	23,087	5,905	-1,288
<b>AvH &amp; Growth Capital</b>									
<b>Amsteddijk Beheer</b>	33.080.456	The Netherlands	50.00%			5,349	4,711	592	-56
<b>Turbo's Hoet Groep</b>	0881.774.936	Belgium	50.00%		p. 121	399,859	247,563	653,767	24,826
<b>Telemond</b>	0893.552.617	Belgium	50.00%			99,490	30,051	128,408	15,156

## Note 3: associated and non-consolidated participations

## 1. Associated participating interests accounted for using the equity method - 2023

(€ 1,000) Name of associated participating interest	Registration nr	Registered office	Beneficial interest % 2023	Minority interest % 2023	Activity report	Total assets	Total liabilities	Turnover	Net result
<b>Marine Engineering &amp; Contracting</b>									
<b>GreenStor <sup>(1)</sup></b>									
BSTOR	0648.717.687	Belgium	19.00%			7,866	4,307	1,089	98
ESTOR-LUX	0749.614.317	Belgium	14.25%			9,906	5,469	2,232	1,041
ESTOR-LUX II	0791.483.574	Belgium	14.25%			460	278	0	-319
<b>Green Offshore <sup>(2)</sup></b>									
Rentel	0700.246.364	Belgium	10.13%	2.37%	p. 83	880,089	699,139	207,645	72,482
SeaMade	0543.401.324	Belgium	7.09%	1.66%	p. 83	1,277,421	1,054,090	332,503	120,525
Otary RS	0833.507.538	Belgium	10.13%	2.37%		84,028	4,072	14,157	43,531
Otary BIS	0842.251.889	Belgium	10.13%	2.37%		56,734	4	0	40,619
<b>Energy &amp; Resources</b>									
<b>Sagar Cements (INR million)</b>	L26942AP19 81PLC002887	India	19.64%		p. 109	39,780	23,598	24,174	460
<b>AvH &amp; Growth Capital</b>									
<b>Axe Investments</b>	419,822,730	Belgium	48.34%		p. 115	15,505	26	450	913
<b>Camlin Fine Sciences (31-03-2023 INR million) <sup>(3)</sup></b>	L74100MH1993PLC075361	India	6.60%		p. 117	20,601	12,360	16,816	398
<b>Financière EMG <sup>(4)</sup></b>	801.720.343	France	22.74%		p. 118	338,726	286,993	331,708	-20,819
<b>Mediahuis <sup>(5)</sup></b>	439.849.666	Belgium	13.93%		p. 119	1,234,560	715,670	1,230,590	72,210
<b>OM Partners</b>	428.328.442	Belgium	20.01%		p. 120	196,377	54,810	190,843	33,155
<b>Van Moer Group</b>	885.987.706	Belgium	21.74%		p. 122	186,289	137,335	327,125	6,875

<sup>(1)</sup> Deep C Holding sold its 38% participation in BStor to a newly created company GreenStor, that is a 50/50 joint venture between AvH and CFE. This transaction had no impact on the economic interests (beneficial%) of AvH in BStor. BStor is the developer and owner of a 75% share of Estor-Lux, Belgian's first large scale battery park connected to the High Voltage Grid.

<sup>(2)</sup> The stakes in the offshore wind farms Rentel and SeaMade (and the intermediate holdings Otary RS and Otary BIS) are held through Green Offshore, which is a 50/50 investment vehicle of AvH and CFE. AvH has a (transitive) participation of 10.13% in Rentel and 7.09% in SeaMade. When DEME's interests in Rentel and SeaMade are also taken into account, the (beneficial) interests of AvH amount to 21.9% and 15.3% respectively.

<sup>(3)</sup> AvH invested 20 million euros in Camlin Fine Sciences (CFS), a listed specialty chemicals company headquartered in Mumbai, India. The investment was made following the completion of an open offer on 26% of CFS's shares at a share price of 160 INR. A total of 9.9% of CFS's shares were tendered, of which 6.6% was acquired by AvH and 3.3% by a fund advised by Convergent Finance. In the context of this transaction, both AvH and Convergent joined Camlin's existing promoter Ashish Dandekar as part of the promoter group, now together representing 48% of CFS's shares.

<sup>(4)</sup> All figures prior to the business combination between Financière EMG and Gravity Media Group.

<sup>(5)</sup> AvH has at the end of 2023 a 49.9% stake in Mediaco, the controlling shareholder (53,5%) in Mediahuis Partners. Mediahuis Partners has a controlling share of 52.14% in Mediahuis. The participation percentage of AvH in Mediahuis is therefore 13.93%.

## 2. Associated participating interests accounted for using the equity method - 2022

(€ 1,000) Name of associated participating interest	Registration nr	Registered office	Beneficial interest % 2022	Minority interest % 2022	Activity report	Total assets	Total liabilities	Turnover	Net result
<b>Marine Engineering &amp; Contracting</b>									
<b>Deep C Holding</b>									
BSTOR	0648.717.687	Belgium	30.80%			5,200	1,739	499	-413
ESTOR-LUX	0749.614.317	Belgium	23.10%			13,402	8,456	5,010	3,031
ESTOR-LUX II	0791.483.574	Belgium	23.10%			684	192	0	-8
<b>Green Offshore</b>									
Rentel	0700.246.364	Belgium	10.13%	2.37%	p. 83	903,397	728,235	123,211	20,366
SeaMade	0543.401.324	Belgium	7.09%	1.66%	p. 83	1,255,529	1,062,860	140,683	11,296
Otary RS	0833.507.538	Belgium	10.13%	2.37%		86,158	7,848	13,246	20,352
Otary BIS	0842.251.889	Belgium	10.13%	2.37%		54,530	12	0	6,271
<b>Energy &amp; Resources</b>									
<b>Sagar Cements (INR million)</b>	<b>L26942AP19 81PLC002887</b>	<b>India</b>	<b>19.64%</b>		<b>p. 109</b>	<b>36,535</b>	<b>21,358</b>	<b>21,097</b>	<b>-830</b>
<b>AvH &amp; Growth Capital</b>									
<b>Axe Investments</b>	<b>419,822,730</b>	<b>Belgium</b>	<b>48.34%</b>		<b>p. 115</b>	<b>14,622</b>	<b>56</b>	<b>503</b>	<b>403</b>
<b>Financière EMG</b>	<b>801.720.343</b>	<b>France</b>	<b>22.73%</b>		<b>p. 118</b>	<b>352,915</b>	<b>281,128</b>	<b>359,128</b>	<b>4,232</b>
<b>Mediahuis</b>	<b>439.849.666</b>	<b>Belgium</b>	<b>13.93%</b>		<b>p. 119</b>	<b>1,179,890</b>	<b>696,270</b>	<b>1,222,960</b>	<b>65,264</b>
<b>OM Partners</b>	<b>428.328.442</b>	<b>Belgium</b>	<b>20.01%</b>		<b>p. 120</b>	<b>162,491</b>	<b>47,363</b>	<b>166,657</b>	<b>35,519</b>
<b>Van Moer Group</b>	<b>885.987.706</b>	<b>Belgium</b>	<b>21.74%</b>		<b>p. 122</b>	<b>163,800</b>	<b>121,694</b>	<b>310,267</b>	<b>5,754</b>

## 3. Non-consolidated participations at fair value

(€ 1,000) Name of the participation	Registration nr	Registered office	Activity report	Interest% 2023 (fully diluted)	Interest% 2022 (fully diluted)
<b>AvH &amp; Growth Capital</b>					
<b>Life Sciences</b>					
AstriVax <sup>(1)</sup>	0787.990.881	Belgium	p. 123	7.1%	5.8%
Biotals <sup>(2)</sup>	0508.931.185	Belgium	p. 124	11.4%	11.9%
Bio Cap Invest (Epics Therapeutics)	0719.433.261	Belgium		29.5%	29.5%
Indigo Diabetes	0666.442.557	Belgium	p. 125	11.9%	11.9%
MRM Health	0742.910.132	Belgium	p. 126	15.9%	15.9%
OncoDNA	0501.631.837	Belgium	p. 127	10.4%	9.8%
Vico Therapeutics International <sup>(3)</sup>	0746.929.395	Belgium	p. 128	3.8%	
<b>India / South-East Asia</b>					
Convergent Finance <sup>(4)</sup>	160130	Mauritius	p. 129	6.8%	3.1%
HealthQuad Fund I	U74999DL2019PTC352056	India	p. 130	36.3%	36.3%
HealthQuad Fund II	U74999DL2019PTC352056	India	p. 130	11.0%	11.0%
Medikabazaar (direct)	U51397MH2013PTC245092	India	p. 131	8.9%	8.9%
Venturi Fund I	T21VC0008K-SF001	Singapore	p. 132	11.1%	11.1%
Venturi Partners / Venturi I Capital	201906515N	Singapore	p. 132	10.0%	10.0%

<sup>(1)</sup> In August 2022, AvH announced its investment in AstriVax (AvH 5.8%), as part of the capital round that was organised by the spin-off from KU Leuven. Over time, AvH will acquire a shareholding of 7.7% in AstriVax.

<sup>(2)</sup> In June, Biotals successfully obtained subscription commitments for an amount of 7 million euros following a private placement of new shares. As a result, the shareholding of AvH slightly decreased.

<sup>(3)</sup> Vico Therapeutics (AvH 3.8%), a Dutch biotech company developing novel Antisense-Oligonucleotide therapies for rare diseases, closed a 54 million euros Series B which was co-led by AvH. AvH initially holds 3.8% of the shares of Vico Therapeutics, with its shareholding further increasing when the full amount of AvH's 7.5 million euros commitment is called by the company after achieving certain milestones.

<sup>(4)</sup> Convergent and AvH strengthened their strategic partnership, with AvH committing an additional 9 million USD to Infinity Holdings (Convergent's flagship fund). AvH's cumulative investment in Infinity Holdings now stands at 15.0 million USD.

## Note 4: business combinations and disposals

### 1. Business combinations

No business combinations took place in 2023.

### 2. Business disposals

No business disposals took place in 2023.

In 2022 AvH and the management of Anima transferred 100% of the Anima shares to AG.

(€ 1,000)	Anima
<b>Balance sheet</b>	<b>30-06-2022</b>
Goodwill and intangible assets	38,830
Tangible assets	211,722
Cash and cash equivalents	4,861
Other assets	29,928
<b>Total assets</b>	<b>285,340</b>
Equity (group share AvH)	68,235
Minority interests	5,734
Current and non-current financial debts	164,690
Other liabilities	46,682
<b>Total equity and liabilities</b>	<b>285,340</b>
Total assets	285,340
Total liabilities	-211,372
Minority interests	-5,734
<b>Net assets (91.8%)</b>	<b>68,235</b>
<b>Sales price</b>	<b>308,163</b>
Provision - Reps & Warranties	-3,052
<b>Capital gain</b>	<b>236,876</b>
<b>Income statement</b>	<b>30-06-2022</b>
Revenue	60,127
Operating expenses (-)	-54,271
Profit (loss) on disposal of assets	-245
<b>Profit (loss) from operating activities</b>	<b>5,611</b>
Financial result	-1,442
<b>Profit (loss) before tax</b>	<b>4,169</b>
Income taxes	-1,118
<b>Profit (loss) of the period</b>	<b>3,050</b>
Minority interests	-229
<b>Share of the group</b>	<b>2,822</b>
<b>Cash flow statement</b>	<b>30-06-2022</b>
<b>Cash and cash equivalents - opening balance on January 1, 2022</b>	<b>6,067</b>
Cash flow from operating activities	6,695
Cash flow from investing activities	-8,174
Cash flow from financial activities	273
<b>Cash and cash equivalents - ending balance on June 30, 2022</b>	<b>4,861</b>

## Note 5: Assets and liabilities held for sale

The main asset held for sale at year end 2023 is a retail property of Nextensa in Luxembourg, that has been sold early February 2024 at a price in line with the valuation in this balance sheet.

At year-end 2022, 62.5 million euros in assets held for sale were recognised. Approximately half of that amount related to one of DEME's vessels (Groenewind) that was sold in July 2023 (Segment Marine Engineering & Contracting), while the balance represented the carrying amount of AvH's 50% participation in Telemond, which was sold in Q1 2023 (Segment AvH & Growth Capital).

## Note 6: Segment information

### Segment 1

#### Marine Engineering & Contracting:

DEME Group (full consolidation 62.12%), CFE (full consolidation 62.12%), Rent-A-Port (full consolidation 81.06%) and Green Offshore (full consolidation 81.06%).

Rent-A-Port changed its name in Deep C Holding, confirming its focus on the developments of Deep C in Vietnam. Deep C Holding sold its 38% participation in BStor to a newly created company GreenStor, that is a 50/50 joint venture between AvH and CFE. This transaction had no impact on the economic interests (beneficial%) of AvH in BStor. BStor is the developer and owner of a 75% share of Estor-Lux, Belgian's first large scale battery park connected to the High Voltage Grid. The 50% stake of AvH in GreenStor is included in the AvH & Growth Capital segment.

### Segment 2

#### Private Banking:

Delen Private Bank (equity method 78.75%), Bank Van Breda (full consolidation 78.75%) and FinAx (full consolidation 100%).

### Segment 3

#### Real Estate:

Nextensa (full consolidation 61.66%)

In 2023, AvH increased its participation in Nextensa from 58.53% to 61.66%.

### Segment 4

#### Energy & Resources:

SIPEF (equity method 38.53%), Verdant Bioscience (equity method 42%), AvH India Resources (full consolidation 100%) and Sagar Cements (equity method 19.64%).

In 2023, AvH increased its participation in SIPEF from 36.81% to 38.53%, without this having an impact on the way in which this participation is reported in the consolidated financial statements.

AvH India Resources holds no other participations than in Sagar Cements.

### Segment 5

#### AvH & Growth Capital:

- AvH, AvH Growth Capital & subholdings (full consolidation 100%)
- Participations fully consolidated: Agidens (85.0%) and Bioelectric Group (55.8%)
- Participations accounted for using the equity method: Amsteldijk Beheer (50%), Axe Investments (48.3%), Financière EMG (22.7%), GreenStor (50%), Mediahuis Partners (26.7%), Mediahuis (13.9%), MediaCore (49.9%), OM Partners (20.0%), Turbo's Hoet Groep (50%), Van Moer Logistics (21.7%) and Camlin Fine Sciences (6.6%).
- Non-consolidated participations:
  - Life Science: Astrivax (7.1%), Biotalys (11.4%), Bio Cap Invest (29.5%), Indigo Diabetes (11.9%), MRM Health (15.9%), OncoDNA (10.4%) and Vico Therapeutics International (3.8%).
  - India / South-East Asia: HealthQuad Fund I (36.3%), HealthQuad Fund II (11.0%), Medikabazaar (8.9%), Venturi Partners Fund I (11.1%) and Convergent Finance (6.8%).

Early February 2023, after a successful collaboration of more than 30 years, AvH sold its 50% participation in **Telemond** to the German family Maas, its long-term partner. This sale earned AvH a cash revenue of 55 million euros and a capital gain of 19.2 million euros.

AvH invested 20 million euros in **Camlin Fine Sciences (CFS)**, a listed specialty chemicals company headquartered in Mumbai, India. The investment was made following the completion of an open offer on 26% of CFS's shares at a share price of 160 INR. A total of 9.9% of CFS's shares were tendered, of which 6.6% was acquired by AvH and 3.3% by a fund advised by Convergent Finance. In the context of this transaction, both AvH and Convergent joined Camlin's existing promoter Ashish Dandekar as part of the promoter group, now together representing 48% of CFS's shares.

**Convergent** and AvH strengthened their strategic partnership, with AvH committing an additional 9 million USD to Infinity Holdings (Convergent's flagship fund). AvH's cumulative investment in Infinity Holdings now stands at 15.0 million USD.

**Vico Therapeutics** (AvH 3.8%), a Dutch biotech company developing novel Antisense-Oligonucleotide therapies for rare diseases, closed a 54 million euros Series B which was co-led by AvH. AvH initially holds 3.8% of the shares of Vico Therapeutics, with its shareholding further increasing when the full amount of AvH's 7.5 million euros commitment is called by the company after achieving certain milestones.

## Note 6: Segment information – income statement 2023

(€ 1,000)	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5		
	Marine Engineering & Contracting	Private Banking	Real Estate	Energy & Resources	AvH & Growth Capital	Eliminations between segments	Total 2023
<b>Revenue</b>	<b>4,653,743</b>	<b>346,559</b>	<b>127,883</b>	<b>41</b>	<b>95,358</b>	<b>-2,031</b>	<b>5,221,553</b>
Rendering of services	0	0	0	0	1,971	-1,945	26
Real estate revenue	157,696	0	126,405	0	0		284,101
Interest income - banking activities	0	233,068	0	0	0		233,068
Fees and commissions - banking activities	0	106,367	0	0	0		106,367
Revenue from construction contracts	4,419,090	0	0	0	89,557	-87	4,508,561
Other operating revenue	76,957	7,125	1,478	41	3,830	0	89,431
<b>Operating expenses (-)</b>	<b>-4,414,970</b>	<b>-215,420</b>	<b>-72,196</b>	<b>-120</b>	<b>-119,405</b>	<b>2,700</b>	<b>-4,819,411</b>
Raw materials, consumables, services and subcontracted work (-)	-3,175,930	-32,531	-65,444	-120	-66,950	2,700	-3,338,275
Interest expenses Bank J.Van Breda & C° (-)	0	-92,370	0	0	0		-92,370
Employee expenses (-)	-825,173	-68,148	-5,651	0	-45,779		-944,751
Depreciation (-)	-370,868	-7,673	-1,060	0	-5,686		-385,286
Impairment losses (-)	-18,342	-872	3	0	-345		-19,556
Other operating expenses (-)	-27,543	-13,933	-44	0	-615	0	-42,136
Provisions	2,888	106	0	0	-31		2,964
<b>Profit (loss) on assets/liabilities designated at fair value through profit and loss</b>	<b>0</b>	<b>0</b>	<b>-7,689</b>	<b>0</b>	<b>-15,690</b>	<b>0</b>	<b>-23,379</b>
Financial assets - Fair value through P/L (FVPL)	0	0	3,513	0	-15,690		-12,177
Investment property	0	0	-11,202	0	0		-11,202
<b>Profit (loss) on disposal of assets</b>	<b>36,830</b>	<b>-15,308</b>	<b>2,074</b>	<b>0</b>	<b>25,771</b>	<b>0</b>	<b>49,367</b>
Realised gain (loss) on intangible and tangible assets	19,472	0	0	0	61		19,534
Realised gain (loss) on investment property	0	0	2,074	0	0		2,074
Realised gain (loss) on financial fixed assets	17,357	0	0	0	25,710		43,067
Realised gain (loss) on other assets	0	-15,308	0	0	0		-15,308
<b>Profit (loss) from operating activities</b>	<b>275,603</b>	<b>115,831</b>	<b>50,072</b>	<b>-79</b>	<b>-13,966</b>	<b>669</b>	<b>428,130</b>
<b>Financial result</b>	<b>-31,026</b>	<b>1,566</b>	<b>-24,972</b>	<b>-16</b>	<b>13,193</b>	<b>-669</b>	<b>-41,924</b>
Interest income	20,198	902	4,459	0	13,830	-2,430	36,959
Interest expenses (-)	-36,121	-1	-23,664	0	-1,187	2,430	-58,544
(Un)realised foreign currency results	-10,843	0	0	-16	-358		-11,217
Other financial income (expenses)	-4,261	125	4,873	0	908	-669	976
Derivative financial instruments designated at fair value through profit and loss	0	541	-10,639	0	0		-10,098
<b>Share of profit (loss) from equity accounted investments</b>	<b>23,288</b>	<b>141,349</b>	<b>9,599</b>	<b>25,612</b>	<b>23,531</b>		<b>223,378</b>
<b>Other non-operating income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>
<b>Other non-operating expenses (-)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>
<b>Profit (loss) before tax</b>	<b>267,865</b>	<b>258,746</b>	<b>34,699</b>	<b>25,516</b>	<b>22,758</b>	<b>0</b>	<b>609,585</b>
<b>Income taxes</b>	<b>-58,717</b>	<b>-33,480</b>	<b>-9,529</b>	<b>-95</b>	<b>-663</b>	<b>0</b>	<b>-102,483</b>
Deferred taxes	6,761	-632	5,771	0	464		12,365
Current taxes	-65,478	-32,848	-15,300	-95	-1,127		-114,848
<b>Profit (loss) after tax from continuing operations</b>	<b>209,148</b>	<b>225,266</b>	<b>25,170</b>	<b>25,421</b>	<b>22,095</b>	<b>0</b>	<b>507,101</b>
<b>Profit (loss) after tax from discontinued operations</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>
<b>Profit (loss) of the period</b>	<b>209,148</b>	<b>225,266</b>	<b>25,170</b>	<b>25,421</b>	<b>22,095</b>	<b>0</b>	<b>507,101</b>
Minority interests	80,646	16,543	9,588	780	350		107,908
Share of the group	128,503	208,723	15,582	24,641	21,745		399,194

## Comments on the segment information - income statement

Compared to last year, AvH's **consolidation scope** has remained largely unchanged. Early 2023 AvH sold its 50%-stake in Telemond Holding, but as that company was equity accounted for, this doesn't affect comparability of the figures in a significant way. And as the result of the disinvestment of Anima in Q3 2022, the latter had already been transferred to "discontinued" in the 2022 financial statements. Therefore, the **comparability** of the income statement 2023 with the one of last year is not meaningfully complicated by perimeter changes.

Consolidated **revenues** increased by 820.1 million euros (+19%). The major part of this extra turnover is explained by the strong growth at DEME (+630.7 million euros) surpassing the 3 billion euros turnover threshold for the first time. The very strong commercial performances at Bank Van Breda explain the growth in fees and commission income by 6%, while interest income roughly doubled thanks to the general rise in interest rates compared to last year. As the latter also affected Bank Van Breda's interest charges, its net interest margin grew by a very impressive 48%. While CFE's real estate development turnover increased by 85%, its other activities (contracting, multitechnics) remained stable (+1%). Indexation and improved occupancy resulted in a like-for-like growth of 12% of Nextensa's rental income (+5% year on year), while sales revenues from its development projects decreased by 14.2 million euros (-22%). Both Agidens and Bioelectric, the two participations fully consolidated within "AvH Growth Capital", realized strong turnover growth.

The 820.1 million euros higher revenues required 711.3 million euros **higher operating expenses** (+17%). Costs of raw materials, services and subcontracting were up year on year by 17%, personnel charges with 15% and depreciation by 7%. The major part of the higher depreciation charges comes from DEME, as a result of the further expansion of the fleet with a new cable laying vessel Yellowstone and the effect of offshore installation vessel Orion being depreciated for a full year in 2023. DEME impaired its idle cutter suction dredger Al Jarraf for an amount of 13.1 million euros.

**Fair value adjustments recorded through P&L** had a total negative impact of 23.4 million euros in 2023. This is 6.5 million euros more negative than last year. The main components of these negative fair value fluctuations in 2023 were: a positive 3.5 million euros effect on the 1,351,320 shares Retail Estates held by Nextensa, a net negative evolution of 11.2 million euros in the fair value of

Nextensa's investment portfolio and a negative evolution amounting to 15.7 million euros on AvH's non-consolidated Growth Capital participations and on its treasury portfolio.

**Disposal of assets** contributed 49.4 million euros to the profit in 2023. DEME realized in total 18.6 million euros capital gains on disposal of assets, including 13.0 million euros on the sale of its offshore service operation vessel Groenewind. CFE realized 17.4 million euros profit on the disposal of subsidiaries and development companies, including 50% of its Polish project Chmielna to Compagnie du Bois Sauvage. Rebalancing by Bank Van Breda of its bond portfolio led to a loss of 15.3 million euros. As a result of the lower activity in the institutional real estate market, Nextensa only sold its "Treesquare" office building in Brussels in April 2023. The sale by AvH of its 50% stake in the Polish Telemond Group resulted in a capital gain of 19.1 million euros at the level of AvH and an extra profit (earn out) of 6.1 million euros was recognized on the disposal (in 2017) of AvH's participation in Ogeda.

The global **financial result** was 41.9 million euros negative. Net interest expenses however, came in only 1.8 million euros more negative than in 2022, as some group companies benefited from the higher market interest rates, while others incurred higher borrowing costs. The main variation explaining the 31.8 million euros additional negative financial result is at the level of the fair value adjustments of hedging instruments at Nextensa: while this had a negative effect of 10.6 million euros in 2023, it had been a positive of 27.7 million euros the year before.

The **share of profit from equity accounted participations** amounted to 223.4 million euros. This very significant contribution includes AvH's share in the net profit of a.o. Delen Private Bank, SIPEF, the offshore windfarms Rentel and SeaMade, Sagar Cements and of several Growth Capital-participations. The full list of companies included in this category can be found in note 6. Segment reporting.

**Income taxes** represented a cost of 102.5 million euros in 2023. It should be noted that the contribution from the equity accounted participations is already reported on a post-tax basis. The income tax charge of 102.5 million euros in 2023 therefore corresponded to a tax rate of 26.5% of the profit before tax (minus contribution from equity companies) of 386.2 million euros (609.6 million euros - 223.4 million euros).

## Note 6: Segment information – assets 2023

(€ 1,000)	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5		
	Marine Engineering & Contracting	Private Banking	Real Estate	Energy & Resources	AvH & Growth Capital	Eliminations between segments	Total 2023
<b>I. Non-current assets</b>	<b>3,870,602</b>	<b>6,175,212</b>	<b>1,480,596</b>	<b>353,632</b>	<b>488,361</b>	<b>-25,236</b>	<b>12,343,167</b>
<b>Intangible assets</b>	<b>115,407</b>	<b>267</b>	<b>889</b>	<b>0</b>	<b>2,243</b>		<b>118,806</b>
<b>Goodwill</b>	<b>174,150</b>	<b>134,247</b>	<b>0</b>	<b>0</b>	<b>11,727</b>		<b>320,123</b>
<b>Tangible assets</b>	<b>2,817,276</b>	<b>54,478</b>	<b>8,697</b>	<b>0</b>	<b>28,961</b>		<b>2,909,412</b>
Land and buildings	216,797	44,832	0	0	17,725		279,354
Plant, machinery and equipment	2,233,197	2,665	1,899	0	3,378		2,241,138
Furniture and vehicles	53,106	5,284	697	0	6,644		65,730
Other tangible assets	3,621	816	6,101	0	1,215		11,753
Assets under construction	310,555	882	0	0	0		311,437
<b>Investment property</b>	<b>0</b>	<b>0</b>	<b>1,288,844</b>	<b>0</b>	<b>0</b>		<b>1,288,844</b>
<b>Participations accounted for using the equity method</b>	<b>397,890</b>	<b>933,089</b>	<b>64,238</b>	<b>353,632</b>	<b>273,242</b>		<b>2,022,091</b>
<b>Non-current financial assets</b>	<b>208,600</b>	<b>3,177</b>	<b>93,546</b>	<b>0</b>	<b>169,954</b>	<b>-25,236</b>	<b>450,040</b>
Financial assets : shares - Fair value through P/L (FVPL)	4,547	0	87,296	0	131,173		223,016
Receivables and warranties	204,053	3,177	6,250	0	38,781	-25,236	227,024
<b>Non-current hedging instruments</b>	<b>22,630</b>	<b>45,965</b>	<b>20,633</b>	<b>0</b>	<b>0</b>		<b>89,227</b>
<b>Deferred tax assets</b>	<b>134,649</b>	<b>9,808</b>	<b>3,750</b>	<b>0</b>	<b>2,235</b>		<b>150,442</b>
<b>Banks - receivables from credit institutions and clients after one year</b>	<b>0</b>	<b>4,994,181</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>4,994,181</b>
Banks - loans and receivables to clients	0	5,029,531	0	0	0		5,029,531
Banks - changes in fair value of the hedged credit portfolio	0	-35,350	0	0	0		-35,350
<b>II. Current assets</b>	<b>2,531,650</b>	<b>3,388,815</b>	<b>284,367</b>	<b>736</b>	<b>464,778</b>	<b>-3,990</b>	<b>6,666,355</b>
<b>Inventories</b>	<b>312,041</b>	<b>0</b>	<b>102,079</b>	<b>0</b>	<b>1,659</b>		<b>415,779</b>
<b>Amounts due from customers under construction contracts</b>	<b>701,437</b>	<b>0</b>	<b>73,490</b>	<b>0</b>	<b>5,295</b>		<b>780,222</b>
<b>Investments</b>	<b>2</b>	<b>545,039</b>	<b>0</b>	<b>0</b>	<b>44,912</b>		<b>589,954</b>
Financial assets : shares - Fair value through P/L (FVPL)	2	0	0	0	44,912		44,914
Financial assets : bonds - Fair value through OCI (FVOCI)	0	501,037	0	0	0		501,037
Financial assets : shares - Fair value through OCI (FVOCI)	0	58	0	0	0		58
Financial assets - at amortised cost	0	43,944	0	0	0		43,944
<b>Current hedging instruments</b>	<b>16,161</b>	<b>3,918</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>20,079</b>
<b>Amounts receivable within one year</b>	<b>808,989</b>	<b>5,601</b>	<b>81,908</b>	<b>3</b>	<b>42,813</b>	<b>-1,343</b>	<b>937,971</b>
Trade debtors	745,140	56	22,777	0	22,738	-1,343	789,368
Other receivables	63,848	5,545	59,131	3	20,076	0	148,603
<b>Current tax receivables</b>	<b>33,758</b>	<b>1</b>	<b>12,505</b>	<b>43</b>	<b>544</b>		<b>46,851</b>
<b>Banks - receivables from credit institutions and clients within one year</b>	<b>0</b>	<b>2,791,806</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>2,791,806</b>
Banks - loans and advances to banks	0	102,073	0	0	0		102,073
Banks - loans and receivables to clients	0	1,218,593	0	0	0		1,218,593
Banks - changes in fair value of the hedged credit portfolio	0	-1,402	0	0	0		-1,402
Banks - cash balances with central banks	0	1,472,542	0	0	0		1,472,542
<b>Cash and cash equivalents</b>	<b>583,759</b>	<b>29,339</b>	<b>11,129</b>	<b>689</b>	<b>364,894</b>		<b>989,810</b>
<b>Deferred charges, accrued income and other current assets</b>	<b>75,502</b>	<b>13,110</b>	<b>3,257</b>	<b>0</b>	<b>4,661</b>	<b>-2,647</b>	<b>93,885</b>
<b>III. Assets held for sale</b>	<b>1,630</b>	<b>138</b>	<b>9,230</b>	<b>0</b>	<b>0</b>		<b>10,998</b>
<b>Total assets</b>	<b>6,403,881</b>	<b>9,564,165</b>	<b>1,774,194</b>	<b>354,368</b>	<b>953,139</b>	<b>-29,226</b>	<b>19,020,522</b>

(€ 1,000)	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5		
	Marine Engineering & Contracting	Private Banking	Real Estate	Energy & Resources	AvH & Growth Capital	Eliminations between segments	Total 2023
Segment information - pro forma turnover							
Turnover EU member states	2,812,244	707,191	126,405	14,479	741,108	-1,888	4,399,538
Other European countries	490,085	78,805	0	59,393	58,304		686,587
Rest of the world	1,277,587	0	0	139,329	17,029		1,433,946
<b>Total</b>	<b>4,579,917</b>	<b>785,995</b>	<b>126,405</b>	<b>213,201</b>	<b>816,441</b>	<b>-1,888</b>	<b>6,520,071</b>

The pro forma turnover comprises the turnover of all participations held by the AvH group, and therefore deviates from the turnover as reported in the legal IFRS consolidation drawn up on the basis of the consolidation scope reported in Note 2 and 3. In this pro forma presentation, all exclusive control interests are incorporated in full and the jointly controlled and associated interests proportionally.

## Note 6: Segment information – equity and liabilities 2023

(€ 1,000)	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5		
	Marine Engineering & Contracting	Private Banking	Real Estate	Energy & Resources	AvH & Growth Capital	Eliminations between segments	Total 2023
<b>I. Total equity</b>	<b>2,488,966</b>	<b>1,806,327</b>	<b>837,420</b>	<b>354,333</b>	<b>890,018</b>		<b>6,377,063</b>
<b>Shareholders' equity - group share</b>	<b>1,523,953</b>	<b>1,646,827</b>	<b>507,192</b>	<b>354,333</b>	<b>881,646</b>		<b>4,913,951</b>
<b>Issued capital</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>113,907</b>		<b>113,907</b>
Share capital	0	0	0	0	2,295		2,295
Share premium	0	0	0	0	111,612		111,612
<b>Consolidated reserves</b>	<b>1,532,617</b>	<b>1,658,844</b>	<b>505,355</b>	<b>339,566</b>	<b>871,330</b>		<b>4,907,712</b>
<b>Revaluation reserves</b>	<b>-8,664</b>	<b>-12,017</b>	<b>1,837</b>	<b>14,767</b>	<b>-3,518</b>		<b>-7,594</b>
Financial assets : bonds - Fair value through OCI (FVOCI)	0	-11,313	0	0	3		-11,310
Financial assets : shares - Fair value through OCI (FVOCI)	0	697	0	0	0		697
Hedging reserves	30,815	0	1,665	134	4		32,617
Actuarial gains (losses) defined benefit pension plans	-22,724	-4,357	0	-1,782	4,699		-24,164
Translation differences	-16,755	2,956	172	16,415	-8,223		-5,434
<b>Treasury shares (-)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-100,074</b>		<b>-100,074</b>
<b>Minority interests</b>	<b>965,013</b>	<b>159,500</b>	<b>330,228</b>	<b>0</b>	<b>8,372</b>		<b>1,463,112</b>
<b>II. Non-current liabilities</b>	<b>1,215,006</b>	<b>974,601</b>	<b>618,568</b>	<b>0</b>	<b>20,510</b>	<b>-25,236</b>	<b>2,803,449</b>
<b>Provisions</b>	<b>101,519</b>	<b>3,693</b>	<b>2,264</b>	<b>0</b>	<b>10,828</b>		<b>118,304</b>
<b>Pension liabilities</b>	<b>64,211</b>	<b>7,458</b>	<b>0</b>	<b>0</b>	<b>452</b>		<b>72,121</b>
<b>Deferred tax liabilities</b>	<b>84,616</b>	<b>0</b>	<b>53,709</b>	<b>0</b>	<b>385</b>		<b>138,710</b>
<b>Financial debts</b>	<b>914,291</b>	<b>5,726</b>	<b>562,159</b>	<b>0</b>	<b>8,713</b>	<b>-25,236</b>	<b>1,465,653</b>
Bank loans	756,115	0	457,345	0	5,800		1,219,260
Bonds	0	0	99,613	0	0		99,613
Subordinated loans	677	0	0	0	0		677
Lease debts	123,012	5,726	2,318	0	2,913		133,969
Other financial debts	34,487	0	2,884	0	0	-25,236	12,135
<b>Non-current hedging instruments</b>	<b>23,078</b>	<b>12,355</b>	<b>436</b>	<b>0</b>	<b>0</b>		<b>35,869</b>
<b>Other amounts payable</b>	<b>27,291</b>	<b>19,331</b>	<b>0</b>	<b>0</b>	<b>132</b>		<b>46,754</b>
<b>Banks - debts to credit institutions, clients &amp; securities</b>	<b>0</b>	<b>926,038</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>926,038</b>
Banks - deposits from credit institutions	0	0	0	0	0		0
Banks - deposits from clients	0	926,038	0	0	0		926,038
Banks - debt certificates including bonds	0	0	0	0	0		0
Banks - changes in fair value of the hedged credit portfolio	0	0	0	0	0		0
<b>III. Current liabilities</b>	<b>2,699,910</b>	<b>6,783,238</b>	<b>318,205</b>	<b>35</b>	<b>42,612</b>	<b>-3,990</b>	<b>9,840,010</b>
<b>Provisions</b>	<b>29,319</b>	<b>5</b>	<b>350</b>	<b>0</b>	<b>681</b>		<b>30,356</b>
<b>Pension liabilities</b>	<b>0</b>	<b>136</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>136</b>
<b>Financial debts</b>	<b>308,416</b>	<b>2,955</b>	<b>235,790</b>	<b>0</b>	<b>3,512</b>	<b>0</b>	<b>550,672</b>
Bank loans	226,926	0	109,493	0	1,651		338,070
Bonds	0	0	40,000	0	0		40,000
Subordinated loans	0	0	0	0	0		0
Lease debts	38,240	2,955	0	0	1,861		43,055
Other financial debts	43,250	0	86,297	0	0	0	129,547
<b>Current hedging instruments</b>	<b>20,324</b>	<b>-149</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>20,175</b>
<b>Amounts due to customers under construction contracts</b>	<b>648,981</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11,873</b>		<b>660,854</b>
<b>Other amounts payable within one year</b>	<b>1,576,528</b>	<b>41,927</b>	<b>42,881</b>	<b>5</b>	<b>23,851</b>	<b>-1,343</b>	<b>1,683,849</b>
Trade payables	1,231,371	47	26,046	5	10,651	-1,343	1,266,776
Advances received	84,486	0	0	0	0		84,486
Amounts payable regarding remuneration and social security	184,774	16,954	5,265	0	11,732		218,725
Other amounts payable	75,897	24,927	11,570	0	1,469	0	113,863
<b>Current tax payables</b>	<b>79,274</b>	<b>3,676</b>	<b>8,254</b>	<b>30</b>	<b>776</b>		<b>92,010</b>
<b>Banks - debts to credit institutions, clients &amp; securities</b>	<b>0</b>	<b>6,725,882</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>6,725,882</b>
Banks - deposits from credit institutions	0	49,604	0	0	0		49,604
Banks - deposits from clients	0	6,564,963	0	0	0		6,564,963
Banks - debt certificates including bonds	0	111,315	0	0	0		111,315
Banks - changes in fair value of the hedged credit portfolio	0	0	0	0	0		0
<b>Accrued charges and deferred income</b>	<b>37,068</b>	<b>8,806</b>	<b>30,930</b>	<b>0</b>	<b>1,918</b>	<b>-2,647</b>	<b>76,075</b>
<b>IV. Liabilities held for sale</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>
<b>Total equity and liabilities</b>	<b>6,403,881</b>	<b>9,564,165</b>	<b>1,774,194</b>	<b>354,368</b>	<b>953,139</b>	<b>-29,226</b>	<b>19,020,522</b>

## Comments on the segment information - balance sheet

AvH's consolidated balance sheet total has further increased to 19,020.5 million euros (+8%). Except for "AvH & Growth Capital", all segments contribute to this growth. But the main variations come from "Private Banking" (+927.3 million euros) and from "Marine Engineering & Contracting" (+396.0 million euros).

The full consolidation of Bank Van Breda continues to have a major impact on both the size and the composition of AvH's balance sheet. Due to the specific nature of its banking activities, Bank Van Breda has a significantly larger balance sheet than the other group companies. The full consolidation of Bank Van Breda alone accounts for 8,500.2 million euros in the balance sheet total (45%) and its structure is specific to its banking operations. And although Bank Van Breda continues to be part of the best capitalised financial institutions in Belgium, it clearly has very different balance sheet ratios from other (non-banking) group companies. A number of balance sheet items from Bank Van Breda have been grouped under separate headings to enable an easier understanding. As in previous periods, the 78.75%-participation in Delen Private Bank has been accounted for using the equity method.

**Intangible assets and goodwill** have remained largely unchanged compared to previous year.

**Tangible fixed assets** have increased with 188.7 million euros (+7%), almost completely related to DEME. In 2023 DEME welcomed a new cable laying vessel Viking Neptune and an ultra-deepwater drilling vessel Olympia in its fleet. It is converting a former bulk carrier into a new stone dumping vessel Yellowstone and upgrading the Sea Installer.

The value of the **investment property** portfolio of Nextensa increased to 1,288.8 million euros (+1%), despite the sale of the Treesquare building in 2023. The Montoyer 24 (Brussels) and Monterey 18 (Luxembourg) were added to the portfolio and further investments were made in Luxembourg in the renovation of the Knauf shopping centre in Schmiede and in the conversion of an old office part near Luxembourg Airport into a new project.

**Participations accounted for using the equity method** comprise the interests in jointly controlled participations or in companies in which no controlling interest is held. These include not only direct participations such as a.o. Delen Private Bank, the offshore wind companies Rentel and SeaMade, SIPEF, Sagar Cements and several participations from the Growth Capital portfolio of AvH, but also equity accounted for participations held by fully consolidated group companies. The increase by 176.9 million euros compared to last year illustrates the strong performance of these participations with result contributions outweighing dividend distributions. But it is also impacted by changes in scope: in 2023 Camlin Fine Sciences has been added in "AvH & Growth Capital" and several changes occurred in the jointly controlled entities that are active in real estate development within CFE.

**Non-current financial assets: shares - fair value through P&L** increased by 14.7 million euros in 2023 to 223.0 million euros. The main contributors at year end 2023 were i) the shares in Retail Estates held by Nextensa, ii) the fair-value of the life sciences and Asia investments in the Growth Capital portfolio and iii) other non-consolidated investments at the level of AvH.

**Non-current financial assets: receivables and warranties:** these mainly consist of financings from DEME and CFE to non-consolidated participations and of receivables on consolidated entities reported in different segments (that are eliminated in the consolidated accounts).

The total **credit portfolio** of Bank Van Breda has increased by 59.6 million euros (+1%) to 6,248.1 million euros. Around 20% of this amount has a duration of less than one year.

**Inventories** increased by 26.1 million euros (+7%). They include raw materials at DEME and CFE as well as land positions at CFE, Deep C Holding and Nextensa.

**Receivables from customers under construction contracts** have increased with 247.9 million euros (+47%). This increase is fully explained by projects in execution at DEME.

**Investments** increased by 45.5 million euros to 590.0 million euros. Besides a small portfolio at AvH of 44.9 million euros, this amount is fully explained by the bond portfolio of Bank Van Breda.

**Banks - receivables < 1 year:** the growth of deposits received from clients has been significantly higher than the increase of the credit portfolio. This has further reinforced the liquidity position of Bank Van Breda and explains the 831.6 million euros higher deposits from Bank Van Breda with central banks at year end 2023.

The variations in the **Cash position** are commented in the Cash flow Statement (see Note 6.).

The main **asset held for sale** at year end 2023 is a retail property of Nextensa in Luxembourg, that has been sold early February 2024 at a price in line with the valuation in this balance sheet.

The roll forward of **Equity** is explained in Note "Statement of changes in consolidated equity".

**Non-current liabilities** have in total decreased by 112.7 million euros, this is a combined effect of different underlying evolutions of which the main variations are:

- **Provisions** increased by 23.3 million euros. The main increase within "Marine Engineering & Contracting" is explained by additional provisions for negative equity of participations accounted for under the equity method. Other provisions within the consolidated accounts of CFE have increased by 13.0 million euros, but are largely compensated by a decrease of 13.5 million euros in provisions < 1 year.
- **Financial debts** decreased by 166.2 million euros. DEME slightly improved its overall net financial debt position (by 8.3 million euros) compared to year end 2022. DEME's long term financial debts decreased by 137.4 million euros, its short term by 4.1 million euros, the balance being explained by a lower cash position. CFE's net financial debt position increased compared to last year by 44.4 million euros, including higher financial debts of 36.9 million euros long term and 34.4 million euros short term. Nextensa's net financial debt position increased by 65.3 million euros, including a 72.8 million euros higher long term financial debt.
- **Banks - deposits from clients > 1 year** increased by 189.7 million euros.

**Current liabilities** have increased with 1,082.1 million euros. The main variations are:

- Short term financial debts increased by 148.0 million euros, mainly in "Real Estate" and to a lesser extent in "Marine Engineering & Contracting". The origin of the variations are commented in the cash flow statement in Note 6.7. of this report.
- Amounts due to customers under construction contracts and other amounts payable have increased by respectively 134.5 million euros and by 154.1 million euros, mainly explained by high activity levels in "Marine Engineering & Contracting".
- Banks - <1 year: short term deposits from clients increased by an impressive 747.9 million euros (+13%), while deposits from other banks and debt certificates have been reduced by 80.3 million euros.

## Note 6: Segment information – cash flow statement 2023

(€ 1,000)	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5		
	Marine Engineering & Contracting	Private Banking	Real Estate	Energy & Resources	AvH & Growth Capital	Eliminations between segments	Total 2023
<b>I. Cash and cash equivalents - opening balance</b>	<b>693,990</b>	<b>24,515</b>	<b>31,106</b>	<b>642</b>	<b>410,718</b>	<b>0</b>	<b>1,160,972</b>
Profit (loss) from operating activities	275,603	115,831	50,072	-79	-13,966	669	428,130
Reclassification 'Profit (loss) on disposal of assets' to cash flow from divestments	-36,830	15,308	-2,074	0	-25,771		-49,367
Dividends from participations accounted for using the equity method	52,274	63,226	0	217	19,257		134,974
Other non-operating income (expenses)	0	0	0	0	0		0
Income taxes (paid)	-72,369	-32,848	-15,300	-95	-1,127		-121,739
<b>Non-cash adjustments</b>							
Depreciation	370,868	7,673	1,060	0	5,686		385,286
Impairment losses	18,342	914	-3	0	345		19,598
Share based payment	160	713	0	0	1,953		2,827
Profit (loss) on assets/liabilities designated at fair value through profit and loss	0	0	7,689	0	15,690		23,379
(Decrease) increase of provisions	-6,518	-692	0	0	31		-7,179
Other non-cash expenses (income)	3,250	-1,285	-207	0	1,755		3,513
<b>Cash flow</b>	<b>604,783</b>	<b>168,840</b>	<b>41,236</b>	<b>43</b>	<b>3,853</b>	<b>669</b>	<b>819,423</b>
<b>Decrease (increase) of working capital</b>	<b>-62,784</b>	<b>-52,298</b>	<b>-35,194</b>	<b>43</b>	<b>-18,000</b>	<b>0</b>	<b>-168,234</b>
Decrease (increase) of inventories and construction contracts	37,349	0	6,109	0	261		43,719
Decrease (increase) of amounts receivable	-357,914	5,676	-10,786	65	-17,413	0	-380,371
Decrease (increase) of receivables from credit institutions and clients (banks)	0	-878,853	0	0	0		-878,853
Increase (decrease) of liabilities (other than financial debts)	264,103	13,290	-17,985	-6	-217	0	259,186
Increase (decrease) of debts to credit institutions, clients & securities (banks)	0	774,564	0	0	0		774,564
Decrease (increase) other	-6,322	33,024	-12,531	-17	-632		13,520
<b>Cash flow from operating activities</b>	<b>541,998</b>	<b>116,542</b>	<b>6,041</b>	<b>86</b>	<b>-14,148</b>	<b>669</b>	<b>651,189</b>
<b>Investments</b>	<b>-543,415</b>	<b>-326,820</b>	<b>-74,821</b>	<b>-10,015</b>	<b>-61,512</b>	<b>0</b>	<b>-1,016,584</b>
Acquisition of intangible and tangible assets	-421,496	-4,696	-2,806	0	-4,991		-433,989
Acquisition of investment property	0	0	-72,015	0	0		-72,015
Acquisition of financial fixed assets (business combinations included)	-81,263	0	0	-10,015	-54,000		-145,278
Cash acquired through business combinations	0	0	0	0	0		0
New loans granted	-40,657	-597	0	0	-2,501	0	-43,756
Acquisition of investments	0	-321,527	0	0	-20		-321,547
<b>Divestments</b>	<b>85,384</b>	<b>303,831</b>	<b>43,532</b>	<b>0</b>	<b>72,617</b>	<b>-9,604</b>	<b>495,760</b>
Disposal of intangible and tangible assets	57,229	0	0	0	81		57,310
Disposal of investment property	0	0	43,532	0	0		43,532
Disposal of financial fixed assets (business disposals included)	8,830	0	0	0	62,920		71,750
Cash disposed of through business disposals	0	0	0	0	0		0
Reimbursements of loans	19,325	0	0	0	9,605	-9,604	19,326
Disposal of investments	0	303,831	0	0	12		303,843
<b>Cash flow from investing activities</b>	<b>-458,031</b>	<b>-22,989</b>	<b>-31,289</b>	<b>-10,015</b>	<b>11,105</b>	<b>-9,604</b>	<b>-520,824</b>
<b>Financial operations</b>							
Dividends received	0	1,575	6,621	0	1,481		9,677
Interest received	20,472	902	4,459	0	13,830	-2,430	37,233
Interest paid	-35,333	-1	-23,664	0	-1,187	2,430	-57,755
Other financial income (costs)	-18,147	0	-1,749	-16	-567	-669	-21,148
Decrease (increase) of treasury shares - AvH	0	0	0	0	-58,945		-58,945
Decrease (increase) of treasury shares - affiliates	-835	0	0	0	0		-835
Increase of financial debts	192,983	0	118,122	0	0	0	311,105
(Decrease) of financial debts	-331,473	-3,104	-72,682	0	-4,069	9,604	-401,724
(Investments) and divestments in controlling interests	31,266	0	0	0	-13,052		18,214
Dividends paid by AvH	0	0	0	0	-102,511		-102,511
Dividends paid intra group	-34,829	-82,300	-15,220	0	132,349		0
Dividends paid to minority interests	-18,936	-5,801	-10,617	0	-138		-35,492
<b>Cash flow from financial activities</b>	<b>-194,831</b>	<b>-88,730</b>	<b>5,270</b>	<b>-16</b>	<b>-32,809</b>	<b>8,936</b>	<b>-302,180</b>
<b>II. Net increase (decrease) in cash and cash equivalents</b>	<b>-110,864</b>	<b>4,824</b>	<b>-19,978</b>	<b>-9,945</b>	<b>-35,853</b>	<b>0</b>	<b>-171,816</b>
Transfer between segments	0	0	0	10,015	-10,015		0
Impact of exchange rate changes on cash and cash equivalents	633	0	0	-23	44		654
<b>III. Cash and cash equivalents - ending balance</b>	<b>583,759</b>	<b>29,339</b>	<b>11,129</b>	<b>689</b>	<b>364,894</b>	<b>0</b>	<b>989,810</b>

## Comments on the segment information - cash flow statement

In 2023 AvH realised a **cashflow** of 819.4 million euros. This is 126.3 million euros (+18%) higher than in 2022. The main reconciling items are:

- i) A **profit from operating activities** of 428.1 million euros, which is 227.7 million euros lower than last year.
- ii) Within this profit from operating activities, **capital gains on disposal of assets** represent 49.4 million euros. In 2022 the profit from capital gains on disposal reached 377.8 million euros. In this cash flow statement, the capital gains on disposal of assets are reclassified to "Cash flow from investing activities. The profit from operating activities (excluding capital gains) 2023 exceeds that of 2022 by 101 million euros.
- iii) **Dividends received from participations accounted for using the equity method** increased in 2023 by 12.7 million euros to 135.0 million euros. The highest dividends in this category were received from Delen Private Bank (63.2 million euros), from the offshore wind companies Rentel and SeaMade (26,1 million euros) and from SIPEF (11.9 million euros).
- iv) As a bigger proportion of the profit was from operating activities (excluding capital gains), **income taxes** paid also increased (by 37.4 million euros).
- v) 25.7 million euros higher **depreciation** costs, especially at DEME as a result of the continued fleet expansion.
- vi) **Impairment losses** of 19.6 million euros in 2023 (with a 13.1 million euros impairment by DEME on its cutter dredger Al Jarraf), whereas this was a negative of 1.0 million euros last year.
- vii) The operating profit in 2023 included 23.4 million euros of **negative fair value adjustments** (that have no cash flow impact) compared to only 16.9 million euros last year.
- viii) The operating profit 2023 included 7.2 million euros release of **provisions** that have no cash flow impact, whereas 8.5 million euros extra provisions had been created in 2022.

In comparison with the beginning of the year, the **working capital** need increased by 168.2 million euros. During 2022 working capital had been lowered, releasing cash. Because of these higher working capital requirements in 2023, cash flow from operating activities ended at 651.2 million euros, which is 65.4 million euros lower than last year.

Although all segments of the AvH group required more working capital in 2023, this need was most outspoken in "Marine Engineering & Contracting". At Bank Van Breda the strong growth (with 937.5 million euros) of deposits received from clients served to increase the cash deposited with central banks (+ 831.6 million euros) and the growth of the credit portfolio by 59.6 million euros. Its increased working capital need is therefore explained by the decrease in deposits received from credit institutions and of debt certificates.

**Investments** in 2023 exceeded the 1 billion euros threshold. They increased from 954.1 million euros in 2022 to 1,016.6 million euros. After correction for the acquisition of 321.5 million euros of investments by Bank Van Breda within the context its ALM-management, this amount is reduced to a still impressive 695.1 million euros (2022 comparable: 674.0 million euros).

434.0 million euros was invested in **intangible and tangible fixed assets**, of which 398.9 million euros by DEME, 19.7 million euros by CFE and 4.7 million euros by Bank van Breda. Nextensa invested 72.0 million euros in its **real estate portfolio**, including 17.3 million euros in two new properties to be redeveloped.

**Investments in financial fixed assets** reached 145.3 million euros. In "Marine Engineering & Contracting", CFE invested in several companies that will develop real estate projects, including the Kronos project in Luxembourg. Several smaller transactions in the DEME Group led to a cash out of 8.2 million euros. AvH

increased its participation in SIPEF by 1.72% to 38.53%, participated in a public tender offer for Camlin resulting in a 20 million euros investment and realized a series of other smaller investments.

**New loans** have been granted for an amount of 43.8 million euros: 19.6 million euros by DEME to several non-consolidated entities and 21.0 million euros by CFE primarily to finance real estate development companies.

495.8 million euros was generated by **divestments**. After correction for the sale by Bank Van Breda of 303.8 million euros investments as part of its ALM management, this amount is reduced to 191.9 million euros (comparable for 2022: 711.3 million euros including the proceeds from the sale of Anima and Manuchar).

DEME generated 53.7 million euros cash from the sale of **tangible fixed assets**. Next to the sale of its offshore service vessel Groenewind, several other smaller units and equipment were sold. Nextensa divested in 2023 its Treessquare building.

In 2023 the main divestments of **financial fixed assets** contributing to this cash generation were the sale by CFE of 50% in the project Chmielna in Poland, the sale by Deep C Holding of BStor to GreenStor and the sale for 55 million euros by AvH of its 50% stake in the Telemond Holding to its long-standing partner, the family Maas.

Both CFE and AvH received reimbursement of shareholder **loans** from Deep C Holding, following the successful capital increase at its affiliate Infra Asia Investment and for a smaller amount from Green Offshore. These cashflows are all eliminated in the consolidated accounts. The remaining amounts concern mainly reimbursements by real estate development companies at CFE and by non-consolidated companies at DEME.

The net flow from investments/divestments was in 2023 a cash outflow of 520.8 million euros. After correction for the ALM investments/divestments of Bank Van Breda this amount reached 503.1 million euros.

**Cash flow from financial activities** was 302.2 million euros negative in 2023 (2022: -444.2 million euros).

**Dividends received** from non-consolidated participations are mainly related to the Retail Estates dividend received by Nextensa.

Despite the increase of market interest rates in 2023, the impact on the AvH group remained limited. **Net interest charges** paid amounted to 20.5 million euros, almost equal to 2022 (20,6 million euros).

**Other financial income (charges)** caused a cash out of 21.1 million euros. They include a.o. negative exchange results.

In 2023 AvH finished its 70 million euros buyback programme and held 791.366 **treasury shares** at year end 2023.

During 2023 the AvH group companies have reimbursed 356.1 million euros of **financial debts** and taken up new debt for 311.1 million euros. This resulted in a net reduction of 45.0 million euros, with however different evolutions through the portfolio. While DEME reduced its financial debt by 154.1 million euros, it increased at CFE (+58.3 million euros) and Nextensa (+45.3 million euros). The cash out relating to the IFRS 16 leases amounted to -45.6 million euros (2022: -42.6 million euros).

**Transactions in controlling interests** generated net cash proceeds of 18.2 million euros, thanks to the capital increase of DEME's affiliate GSR by Transocean and of Infra Asia Investments (a Deep C Holding affiliate) by RG International. AvH spent 14.2 million euros in the increase of its participation in Nextensa.

AvH distributed 102.5 million euros of **dividends** to its shareholders, 11.4 million euros more than the year before. Dividends distributed by group companies (DEME, CFE, Bank Van Breda, Nextensa and Agidens) to external shareholders resulted in a cash out of 35.5 million euros, an increase by 19.3 million euros compared to 2022.

## Evolution of the financial debts (cash &amp; non-cash)

(€ 1,000)	
<b>Financial debts at 31-12-2022</b>	<b>2,034,489</b>
Movements in the Cashflow statement (Cash flow from financial activities)	
Increase of financial debts	311,105
(Decrease) of financial debts	-401,724
Non-cash movements	
- Changes in consolidation scope - acquisitions	0
- Changes in consolidation scope - divestments	0
- IFRS 16 Leases - tangible assets	72,638
- IFRS 16 Leases - investment property	0
- Impact of exchange rates	-182
- Others	0
<b>Financial debts at 31-12-2023</b>	<b>2,016,326</b>

Evolution of the cash position of the AvH group 2019 – 2023 <sup>(1)</sup>

€ Millions	2023	2022	2021	2020	2019
Treasury shares (2)	120.7	55.7	46.0	39.6	40.8
Other investments					
- Portfolio shares	44.9	41.3	48.2	51.2	55.7
- Term deposits	278.8	361.1	6.0	0.0	155.9
Cash	73.1	40.7	20.3	8.1	27.0
Financial debts (commercial paper)	0.0	0.0	-42.7	-31.0	-12.0
<b>Net cash position</b>	<b>517.5</b>	<b>498.7</b>	<b>77.7</b>	<b>68.0</b>	<b>267.4</b>

<sup>(1)</sup> Includes treasury shares, the cash and financial debts to credit institutions and to financial markets of the consolidated subholdings recorded in the segment 'AvH & Growth Capital' and the cash of FinAx/Finaxis. To the extent that the treasury shares are held in portfolio to cover outstanding option obligations, the value of the treasury shares is matched to those obligations.

<sup>(2)</sup> According to IFRS, treasury shares are booked at cost and deducted from consolidated equity (we refer to Statement of changes in consolidated equity).

At the end of 2023, AvH had a net cash position of 517.5 million euros, compared to 498.7 million euros at the end of 2022. This position includes an amount of 120.7 million euros of treasury shares. 339,600 treasury shares are held as cover for outstanding option obligations and are valued at the lower of the market price or the exercise price of the corresponding options. All other treasury shares are included at market value. The remaining 396.8 million euros consist of cash, term deposits and a 44.9 million euros portfolio of listed investments at the level of AvH. At year-end 2023, AvH & subholdings had no financial debt outstanding.

On December 31, 2023 AvH owned in total 791,366 treasury shares (2.36% of the share capital):

- 351,839 of these treasury shares are held to cover options in the framework of AvH's stock option plan.
- 31,113 treasury shares are held as a result of the transactions initiated by Kepler Cheuvreux in pursuance of the liquidity agreement. Over 2023, 471,490 AvH shares were purchased and 443,883 were sold. These transactions are initiated entirely autonomously by Kepler Cheuvreux, but as they take place on behalf of AvH, the net purchase of AvH shares has an impact on AvH's equity.
- 408,414 treasury shares resulting from the share buyback programme of 70 million euros that has been completely executed.
- The board of directors has decided to proceed to the cancellation of 335,653 treasury shares (approx. 1% of the outstanding shares).

## Note 6: Segment information – income statement 2022

(€ 1,000)	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5		
	Marine Engineering & Contracting	Private Banking	Real Estate & Senior Care	Energy & Resources	AvH & Growth Capital	Eliminations between segments	Total 2022
<b>Revenue</b>	<b>3,965,083</b>	<b>217,522</b>	<b>145,138</b>	<b>25</b>	<b>75,704</b>	<b>-2,053</b>	<b>4,401,419</b>
Rendering of services	0	0	0	0	2,008	-1,966	42
Real estate revenue	85,392	0	135,999	0	0		221,392
Interest income - banking activities	0	115,243	0	0	0		115,243
Fees and commissions - banking activities	0	100,051	0	0	0		100,051
Revenue from construction contracts	3,793,646	0	0	0	71,330	-87	3,864,890
Other operating revenue	86,044	2,229	9,139	25	2,366	0	99,802
<b>Operating expenses (-)</b>	<b>-3,780,641</b>	<b>-124,820</b>	<b>-98,500</b>	<b>-106</b>	<b>-106,152</b>	<b>2,123</b>	<b>-4,108,096</b>
Raw materials, consumables, services and subcontracted work (-)	-2,690,244	-27,755	-81,129	-106	-52,260	2,123	-2,849,372
Interest expenses Bank J.Van Breda & C° (-)	0	-20,047	0	0	0		-20,047
Employee expenses (-)	-712,607	-58,161	-9,204	0	-40,310		-820,282
Depreciation (-)	-346,405	-7,116	-1,140	0	-4,923		-359,585
Impairment losses (-)	2,388	-925	-409	0	0		1,053
Other operating expenses (-)	-29,818	-13,693	-7,170	0	-774	0	-51,455
Provisions	-3,955	2,878	552	0	-7,884		-8,408
<b>Profit (loss) on assets/liabilities designated at fair value through profit and loss</b>	<b>0</b>	<b>0</b>	<b>-24,017</b>	<b>0</b>	<b>7,164</b>	<b>0</b>	<b>-16,854</b>
Financial assets - Fair value through P/L (FVPL)	0	0	-12,397	0	7,164		-5,234
Investment property	0	0	-11,620	0	0		-11,620
<b>Profit (loss) on disposal of assets</b>	<b>19,181</b>	<b>-2,559</b>	<b>28,346</b>	<b>0</b>	<b>334,433</b>	<b>0</b>	<b>379,402</b>
Realised gain (loss) on intangible and tangible assets	9,433	0	0	0	59		9,491
Realised gain (loss) on investment property	0	0	28,346	0	0		28,346
Realised gain (loss) on financial fixed assets	9,749	0	0	0	334,117		343,866
Realised gain (loss) on other assets	0	-2,559	0	0	257		-2,301
<b>Profit (loss) from operating activities</b>	<b>203,623</b>	<b>90,144</b>	<b>50,966</b>	<b>-81</b>	<b>311,149</b>	<b>70</b>	<b>655,871</b>
<b>Financial result</b>	<b>-31,909</b>	<b>-1,578</b>	<b>19,226</b>	<b>10</b>	<b>4,165</b>	<b>-70</b>	<b>-10,156</b>
Interest income	12,302	17	3,392	0	3,345	-1,436	17,619
Interest expenses (-)	-25,914	0	-12,233	0	-653	1,436	-37,365
(Un)realised foreign currency results	-9,947	0	0	11	716		-9,219
Other financial income (expenses)	-8,350	218	331	0	757	-70	-7,114
Derivative financial instruments designated at fair value through profit and loss	0	-1,814	27,737	0	0		25,923
<b>Share of profit (loss) from equity accounted investments</b>	<b>25,430</b>	<b>126,491</b>	<b>17,417</b>	<b>35,464</b>	<b>39,072</b>		<b>243,874</b>
<b>Other non-operating income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>
<b>Other non-operating expenses (-)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>
<b>Profit (loss) before tax</b>	<b>197,144</b>	<b>215,056</b>	<b>87,610</b>	<b>35,393</b>	<b>354,386</b>	<b>0</b>	<b>889,590</b>
<b>Income taxes</b>	<b>-44,236</b>	<b>-21,723</b>	<b>-15,621</b>	<b>-50</b>	<b>-449</b>	<b>0</b>	<b>-82,078</b>
Deferred taxes	12,349	503	-9,548	0	-54		3,250
Current taxes	-56,585	-22,226	-6,073	-50	-394		-85,328
<b>Profit (loss) after tax from continuing operations</b>	<b>152,908</b>	<b>193,334</b>	<b>71,989</b>	<b>35,343</b>	<b>353,937</b>	<b>0</b>	<b>807,512</b>
<b>Profit (loss) after tax from discontinued operations</b>	<b>0</b>	<b>0</b>	<b>3,050</b>	<b>0</b>	<b>0</b>		<b>3,050</b>
<b>Profit (loss) of the period</b>	<b>152,908</b>	<b>193,334</b>	<b>75,040</b>	<b>35,343</b>	<b>353,937</b>	<b>0</b>	<b>810,562</b>
Minority interests	58,343	13,199	29,702	1,020	-357		101,907
Share of the group	94,565	180,135	45,338	34,323	354,295		708,655

## Note 6: Segment information – cash flow statement 2022

(€ 1,000)	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5		
	Marine Engineering & Contracting	Private Banking	Real Estate & Senior Care	Energy & Resources	AvH & Growth Capital	Eliminations between segments	Total 2022
<b>I. Cash and cash equivalents - opening balance</b>	<b>726,526</b>	<b>45,362</b>	<b>73,327</b>	<b>576</b>	<b>37,938</b>	<b>0</b>	<b>883,730</b>
Profit (loss) from operating activities	203,623	90,144	50,966	-81	311,149	70	655,871
Reclassification 'Profit (loss) on disposal of assets' to cash flow from divestments	-17,569	2,559	-28,346	0	-334,433		-377,790
Dividends from participations accounted for using the equity method	24,826	80,145	0	207	17,068		122,246
Other non-operating income (expenses)	0	0	0	0	0		0
Income taxes (paid)	-55,636	-22,226	-6,073	-50	-394		-84,378
<b>Non-cash adjustments</b>							
Depreciation	346,405	7,116	1,140	0	4,923		359,585
Impairment losses	-2,388	965	409	0	0		-1,014
Share based payment	0	-7,211	0	0	1,377		-5,834
Profit (loss) on assets/liabilities designated at fair value through profit and loss	0	0	24,017	0	-7,164		16,854
(Decrease) increase of provisions	4,597	-3,406	-552	0	7,884		8,523
Other non-cash expenses (income)	1,084	-2,109	-233	0	307		-951
<b>Cash flow</b>	<b>504,942</b>	<b>145,978</b>	<b>41,329</b>	<b>76</b>	<b>717</b>	<b>70</b>	<b>693,111</b>
<b>Decrease (increase) of working capital</b>	<b>50,840</b>	<b>-27,168</b>	<b>2,341</b>	<b>16</b>	<b>-1,755</b>	<b>-750</b>	<b>23,524</b>
Decrease (increase) of inventories and construction contracts	-31,884	0	14,134	0	-1,402		-19,152
Decrease (increase) of amounts receivable	-110,092	-5,612	6,178	7	-5,913	2,500	-112,931
Decrease (increase) of receivables from credit institutions and clients (banks)	0	172,598	0	0	0		172,598
Increase (decrease) of liabilities (other than financial debts)	207,267	11,066	-7,866	8	6,159	-3,250	213,384
Increase (decrease) of debts to credit institutions, clients & securities (banks)	0	-204,306	0	0	0		-204,306
Decrease (increase) other	-14,451	-914	-10,104	0	-600		-26,069
<b>Cash flow from operating activities</b>	<b>555,782</b>	<b>118,810</b>	<b>43,670</b>	<b>91</b>	<b>-1,038</b>	<b>-680</b>	<b>716,635</b>
<b>Investments</b>	<b>-568,506</b>	<b>-284,265</b>	<b>-44,841</b>	<b>-10,605</b>	<b>-65,482</b>	<b>19,569</b>	<b>-954,131</b>
Acquisition of intangible and tangible assets	-505,268	-3,591	-2,683	0	-2,989		-514,530
Acquisition of investment property	0	0	-42,157	0	0		-42,157
Acquisition of financial fixed assets (business combinations included)	-24,484	0	0	-10,605	-24,851		-59,940
Cash acquired through business combinations	4,433	0	0	0	0		4,433
New loans granted	-43,187	-529	0	0	-22,614	19,569	-46,762
Acquisition of investments	0	-280,146	0	0	-15,028		-295,174
<b>Divestments</b>	<b>57,968</b>	<b>245,544</b>	<b>169,036</b>	<b>0</b>	<b>487,979</b>	<b>-3,704</b>	<b>956,824</b>
Disposal of intangible and tangible assets	11,609	7	0	0	500		12,115
Disposal of investment property	0	0	169,036	0	0		169,036
Disposal of financial fixed assets (business disposals included)	20,452	0	0	0	468,256		488,707
Cash disposed of through business disposals	-541	0	0	0	0		-541
Reimbursements of loans	26,449	0	0	0	3,710	-3,704	26,455
Disposal of investments	0	245,537	0	0	15,514		261,051
<b>Cash flow from investing activities</b>	<b>-510,538</b>	<b>-38,722</b>	<b>124,195</b>	<b>-10,605</b>	<b>422,497</b>	<b>15,865</b>	<b>2,693</b>
<b>Financial operations</b>							
Dividends received	0	1,545	6,217	0	1,275		9,037
Interest received	12,302	17	3,392	0	3,345	-1,436	17,619
Interest paid	-26,654	-71	-12,233	0	-653	1,436	-38,175
Other financial income (costs)	-18,296	-7	-7,920	10	-484	-70	-26,767
Decrease (increase) of treasury shares - AvH	0	0	0	0	-8,550		-8,550
Decrease (increase) of treasury shares - affiliates	-11,686	0	-3,974	0	0		-15,661
Increase of financial debts	523,535	0	75,888	0	16,503	-22,069	593,858
(Decrease) of financial debts	-525,140	-2,895	-240,542	0	-62,861	6,954	-824,484
(Investments) and divestments in controlling interests	-37,636	0	-6,067	0	-30		-43,733
Dividends paid by AvH	0	0	0	0	-91,085		-91,085
Dividends paid intra group	-4,050	-94,000	-14,635	0	112,685		0
Dividends paid to minority interests	-504	-5,525	-10,212	0	0		-16,241
<b>Cash flow from financial activities</b>	<b>-88,129</b>	<b>-100,935</b>	<b>-210,087</b>	<b>10</b>	<b>-29,856</b>	<b>-15,185</b>	<b>-444,181</b>
<b>II. Net increase (decrease) in cash and cash equivalents</b>	<b>-42,884</b>	<b>-20,847</b>	<b>-42,221</b>	<b>-10,503</b>	<b>391,603</b>	<b>0</b>	<b>275,147</b>
Transfer between segments	8,203	0	0	10,605	-18,808		
Impact of exchange rate changes on cash and cash equivalents	2,145	0	0	-36	-15		2,095
<b>III. Cash and cash equivalents - ending balance</b>	<b>693,990</b>	<b>24,515</b>	<b>31,106</b>	<b>642</b>	<b>410,718</b>	<b>0</b>	<b>1,160,972</b>

## Note 6: Segment information – assets 2022

(€ 1,000)	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5		
	Marine Engineering & Contracting	Private Banking	Real Estate & Senior Care	Energy & Resources	AvH & Growth Capital	Eliminations between segments	Total 2022
<b>I. Non-current assets</b>	<b>3,631,135</b>	<b>6,119,539</b>	<b>1,465,500</b>	<b>341,798</b>	<b>445,377</b>	<b>-34,840</b>	<b>11,968,509</b>
<b>Intangible assets</b>	<b>115,515</b>	<b>396</b>	<b>1,118</b>	<b>0</b>	<b>620</b>		<b>117,649</b>
<b>Goodwill</b>	<b>173,980</b>	<b>134,247</b>	<b>0</b>	<b>0</b>	<b>11,727</b>		<b>319,953</b>
<b>Tangible assets</b>	<b>2,632,211</b>	<b>53,009</b>	<b>6,719</b>	<b>0</b>	<b>28,769</b>		<b>2,720,708</b>
Land and buildings	181,802	45,625	0	0	19,355		246,782
Plant, machinery and equipment	2,176,503	1,720	1,698	0	3,266		2,183,188
Furniture and vehicles	38,826	5,014	730	0	4,726		49,296
Other tangible assets	4,116	449	4,291	0	454		9,310
Assets under construction	230,964	200	0	0	968		232,132
<b>Investment property</b>	<b>0</b>	<b>0</b>	<b>1,278,716</b>	<b>0</b>	<b>0</b>		<b>1,278,716</b>
<b>Participations accounted for using the equity method</b>	<b>362,398</b>	<b>849,394</b>	<b>52,946</b>	<b>341,798</b>	<b>238,701</b>		<b>1,845,237</b>
<b>Non-current financial assets</b>	<b>175,440</b>	<b>2,579</b>	<b>91,692</b>	<b>0</b>	<b>163,331</b>	<b>-34,840</b>	<b>398,203</b>
Financial assets : shares - Fair value through P/L (FVPL)	5,036	0	83,782	0	119,510		208,328
Receivables and warranties	170,404	2,579	7,910	0	43,821	-34,840	189,875
<b>Non-current hedging instruments</b>	<b>40,076</b>	<b>86,120</b>	<b>32,715</b>	<b>0</b>	<b>0</b>		<b>158,911</b>
<b>Deferred tax assets</b>	<b>131,515</b>	<b>19,492</b>	<b>1,592</b>	<b>0</b>	<b>2,230</b>		<b>154,829</b>
<b>Banks - receivables from credit institutions and clients after one year</b>	<b>0</b>	<b>4,974,302</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>4,974,302</b>
Banks - loans and receivables to clients	0	4,974,302	0	0	0		4,974,302
Banks - changes in fair value of the hedged credit portfolio	0	0	0	0	0		0
<b>II. Current assets</b>	<b>2,344,767</b>	<b>2,517,309</b>	<b>294,878</b>	<b>711</b>	<b>490,204</b>	<b>-2,365</b>	<b>5,645,505</b>
<b>Inventories</b>	<b>290,062</b>	<b>0</b>	<b>98,257</b>	<b>0</b>	<b>1,392</b>		<b>389,711</b>
<b>Amounts due from customers under construction contracts</b>	<b>445,465</b>	<b>0</b>	<b>83,186</b>	<b>0</b>	<b>3,638</b>		<b>532,289</b>
<b>Investments</b>	<b>2</b>	<b>503,171</b>	<b>0</b>	<b>0</b>	<b>41,325</b>		<b>544,498</b>
Financial assets : shares - Fair value through P/L (FVPL)	2	0	0	0	41,325		41,328
Financial assets : bonds - Fair value through OCI (FVOCI)	0	502,908	0	0	0		502,908
Financial assets : shares - Fair value through OCI (FVOCI)	0	263	0	0	0		263
Financial assets - at amortised cost	0	0	0	0	0		0
<b>Current hedging instruments</b>	<b>22,228</b>	<b>2,131</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>24,359</b>
<b>Amounts receivable within one year</b>	<b>739,242</b>	<b>11,279</b>	<b>68,220</b>	<b>68</b>	<b>29,538</b>	<b>-1,262</b>	<b>847,085</b>
Trade debtors	683,217	48	15,371	0	21,841	-1,262	719,214
Other receivables	56,026	11,231	52,849	68	7,698	0	127,871
<b>Current tax receivables</b>	<b>25,548</b>	<b>0</b>	<b>11,333</b>	<b>0</b>	<b>499</b>		<b>37,379</b>
<b>Banks - receivables from credit institutions and clients within one year</b>	<b>0</b>	<b>1,965,939</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>1,965,939</b>
Banks - loans and advances to banks	0	110,836	0	0	0		110,836
Banks - loans and receivables to clients	0	1,214,188	0	0	0		1,214,188
Banks - changes in fair value of the hedged credit portfolio	0	0	0	0	0		0
Banks - cash balances with central banks	0	640,916	0	0	0		640,916
<b>Cash and cash equivalents</b>	<b>693,990</b>	<b>24,515</b>	<b>31,106</b>	<b>642</b>	<b>410,718</b>		<b>1,160,972</b>
<b>Deferred charges, accrued income and other current assets</b>	<b>128,230</b>	<b>10,274</b>	<b>2,774</b>	<b>0</b>	<b>3,094</b>	<b>-1,103</b>	<b>143,270</b>
<b>III. Assets held for sale</b>	<b>31,997</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>30,507</b>		<b>62,504</b>
<b>Total assets</b>	<b>6,007,899</b>	<b>8,636,848</b>	<b>1,760,377</b>	<b>342,509</b>	<b>966,089</b>	<b>-37,205</b>	<b>17,676,517</b>

(€ 1,000)	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5		
	Marine Engineering & Contracting	Private Banking	Real Estate & Senior Care	Energy & Resources	AvH & Growth Capital	Eliminations between segments	Total 2022
Segment information - pro forma turnover							
Turnover EU member states	2,793,622	538,551	135,999	56,860	730,256	-1,966	4,253,323
Other European countries	363,593	78,461	0	34,582	63,182		539,818
Rest of the world	722,758	0	0	146,138	13,327		882,223
<b>Total</b>	<b>3,879,973</b>	<b>617,012</b>	<b>135,999</b>	<b>237,580</b>	<b>806,766</b>	<b>-1,966</b>	<b>5,675,363</b>

The pro forma turnover comprises the turnover of all participations held by the AvH group, and therefore deviates from the turnover as reported in the legal IFRS consolidation drawn up on the basis of the consolidation scope reported in Note 2 and 3. In this pro forma presentation, all exclusive control interests are incorporated in full and the jointly controlled and associated interests proportionally.

## Note 6: Segment information – equity and liabilities 2022

(€ 1,000)	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5		Total 2022
	Marine Engineering & Contracting	Private Banking	Real Estate & Senior Care	Energy & Resources	AvH & Growth Capital	Eliminations between segments	
<b>I. Total equity</b>	<b>2,275,511</b>	<b>1,639,351</b>	<b>841,492</b>	<b>342,495</b>	<b>903,607</b>		<b>6,002,456</b>
<b>Shareholders' equity - group share</b>	<b>1,414,303</b>	<b>1,497,979</b>	<b>482,890</b>	<b>342,495</b>	<b>895,966</b>		<b>4,633,633</b>
<b>Issued capital</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>113,907</b>		<b>113,907</b>
Share capital	0	0	0	0	2,295		2,295
Share premium	0	0	0	0	111,612		111,612
<b>Consolidated reserves</b>	<b>1,388,917</b>	<b>1,533,242</b>	<b>479,175</b>	<b>317,111</b>	<b>829,477</b>		<b>4,547,922</b>
<b>Revaluation reserves</b>	<b>25,386</b>	<b>-35,263</b>	<b>3,715</b>	<b>25,383</b>	<b>-6,821</b>		<b>12,401</b>
Financial assets : bonds - Fair value through OCI (FVOCI)	0	-32,964	0	0	0		-32,964
Financial assets : shares - Fair value through OCI (FVOCI)	0	129	0	0	0		129
Hedging reserves	56,043	0	3,549	342	4		59,938
Actuarial gains (losses) defined benefit pension plans	-22,531	-3,866	0	-1,571	4,593		-23,375
Translation differences	-8,127	1,438	166	26,612	-11,417		8,673
<b>Treasury shares (-)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-40,597</b>		<b>-40,597</b>
<b>Minority interests</b>	<b>861,208</b>	<b>141,372</b>	<b>358,602</b>	<b>0</b>	<b>7,641</b>		<b>1,368,824</b>
<b>II. Non-current liabilities</b>	<b>1,337,753</b>	<b>896,493</b>	<b>693,493</b>	<b>0</b>	<b>23,242</b>	<b>-34,840</b>	<b>2,916,141</b>
<b>Provisions</b>	<b>77,330</b>	<b>4,471</b>	<b>1,822</b>	<b>0</b>	<b>11,413</b>		<b>95,036</b>
<b>Pension liabilities</b>	<b>69,049</b>	<b>7,485</b>	<b>0</b>	<b>0</b>	<b>421</b>		<b>76,955</b>
<b>Deferred tax liabilities</b>	<b>94,174</b>	<b>0</b>	<b>56,716</b>	<b>0</b>	<b>745</b>		<b>151,635</b>
<b>Financial debts</b>	<b>1,016,861</b>	<b>4,854</b>	<b>634,932</b>	<b>0</b>	<b>10,026</b>	<b>-34,840</b>	<b>1,631,833</b>
Bank loans	834,277	0	491,538	0	7,360		1,333,174
Bonds	0	0	139,348	0	0		139,348
Subordinated loans	677	0	0	0	0		677
Lease debts	102,413	4,854	2,247	0	2,666		112,180
Other financial debts	79,494	0	1,800	0	0	-34,840	46,453
<b>Non-current hedging instruments</b>	<b>53,661</b>	<b>208</b>	<b>23</b>	<b>0</b>	<b>0</b>		<b>53,892</b>
<b>Other amounts payable</b>	<b>26,678</b>	<b>14,405</b>	<b>0</b>	<b>0</b>	<b>638</b>		<b>41,721</b>
<b>Banks - debts to credit institutions, clients &amp; securities</b>	<b>0</b>	<b>865,069</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>865,069</b>
Banks - deposits from credit institutions	0	0	0	0	0		0
Banks - deposits from clients	0	736,385	0	0	0		736,385
Banks - debt certificates including bonds	0	40,003	0	0	0		40,003
Banks - changes in fair value of the hedged credit portfolio	0	88,681	0	0	0		88,681
<b>III. Current liabilities</b>	<b>2,394,634</b>	<b>6,101,004</b>	<b>225,393</b>	<b>14</b>	<b>39,239</b>	<b>-2,365</b>	<b>8,757,920</b>
<b>Provisions</b>	<b>33,536</b>	<b>22</b>	<b>1,158</b>	<b>0</b>	<b>516</b>		<b>35,232</b>
<b>Pension liabilities</b>	<b>0</b>	<b>248</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>248</b>
<b>Financial debts</b>	<b>278,640</b>	<b>2,613</b>	<b>117,668</b>	<b>0</b>	<b>3,735</b>	<b>0</b>	<b>402,656</b>
Bank loans	234,133	0	44,500	0	2,078		280,710
Bonds	0	0	0	0	0		0
Subordinated loans	0	0	0	0	0		0
Lease debts	35,507	2,613	0	0	1,658		39,778
Other financial debts	9,000	0	73,168	0	0	0	82,168
<b>Current hedging instruments</b>	<b>31,702</b>	<b>191</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>31,893</b>
<b>Amounts due to customers under construction contracts</b>	<b>516,780</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,569</b>		<b>526,349</b>
<b>Other amounts payable within one year</b>	<b>1,419,762</b>	<b>32,313</b>	<b>54,951</b>	<b>11</b>	<b>24,003</b>	<b>-1,262</b>	<b>1,529,778</b>
Trade payables	1,093,327	55	34,841	11	9,269	-1,262	1,136,241
Advances received	72,539	0	0	0	0		72,539
Amounts payable regarding remuneration and social security	176,460	15,824	5,540	0	12,784		210,608
Other amounts payable	77,437	16,434	14,570	0	1,950		110,391
<b>Current tax payables</b>	<b>82,847</b>	<b>0</b>	<b>14,771</b>	<b>3</b>	<b>510</b>		<b>98,131</b>
<b>Banks - debts to credit institutions, clients &amp; securities</b>	<b>0</b>	<b>6,059,308</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>6,059,308</b>
Banks - deposits from credit institutions	0	116,379	0	0	0		116,379
Banks - deposits from clients	0	5,817,110	0	0	0		5,817,110
Banks - debt certificates including bonds	0	124,766	0	0	0		124,766
Banks - changes in fair value of the hedged credit portfolio	0	1,052	0	0	0		1,052
<b>Accrued charges and deferred income</b>	<b>31,367</b>	<b>6,310</b>	<b>36,846</b>	<b>0</b>	<b>906</b>	<b>-1,103</b>	<b>74,326</b>
<b>IV. Liabilities held for sale</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>
<b>Total equity and liabilities</b>	<b>6,007,899</b>	<b>8,636,848</b>	<b>1,760,377</b>	<b>342,509</b>	<b>966,089</b>	<b>-37,205</b>	<b>17,676,517</b>

## Note 7: Intangible assets

(€ 1,000)	Development costs	Concessions, patents & licences	Goodwill	Software	Other intangible assets	Advance payments	Total
<b>Movements in intangible assets - financial year 2022</b>							
<b>Intangible assets, opening balance</b>	<b>78</b>	<b>23,085</b>	<b>29,814</b>	<b>2,603</b>	<b>93,155</b>	<b>657</b>	<b>149,391</b>
Gross amount	5,264	49,179	29,814	26,171	103,966	657	215,051
Cumulative depreciation & impairment (-)	-5,186	-26,095	0	-23,568	-10,811	0	-65,660
Investments	2,242	594	0	1,778	83	146	4,843
Additions through business combinations	0	0	0	0	0	0	0
Disposals (-)	0	0	0	0	0	0	0
Disposals through business disposals (-)	0	-696	-29,814	-222	-1,212	0	-31,945
Depreciations & Impairments (-)	-108	-3,451	0	-1,091	-1,183	0	-5,833
Foreign currency exchange increase (decrease)	0	0	0	0	247	0	248
Transfer from (to) other items	-37	0	0	110	1,411	-539	945
Other increase (decrease)	0	0	0	0	0	0	0
<b>Intangible assets, ending balance</b>	<b>2,175</b>	<b>19,532</b>	<b>0</b>	<b>3,179</b>	<b>92,501</b>	<b>264</b>	<b>117,649</b>
Gross amount	6,794	36,751	0	26,788	102,689	264	173,285
Cumulative depreciation & impairment (-)	-4,619	-17,220	0	-23,610	-10,188	0	-55,636
<b>Movements in intangible assets - financial year 2023</b>							
<b>Intangible assets, opening balance</b>	<b>2,175</b>	<b>19,532</b>	<b>0</b>	<b>3,179</b>	<b>92,501</b>	<b>264</b>	<b>117,649</b>
Gross amount	6,794	36,751	0	26,788	102,689	264	173,285
Cumulative depreciation & impairment (-)	-4,619	-17,220	0	-23,610	-10,188	0	-55,636
Investments	3,110	302	0	1,502	194	1,807	6,915
Additions through business combinations	0	0	0	0	0	0	0
Disposals (-)	0	-32	0	-205	-32	0	-269
Disposals through business disposals (-)	0	0	0	0	0	0	0
Depreciations & Impairments (-)	-509	-3,279	0	-1,448	-1,281	0	-6,518
Foreign currency exchange increase (decrease)	0	0	0	0	-130	0	-131
Transfer from (to) other items	0	4	0	1,153	0	0	1,158
Other increase (decrease)	0	0	0	0	0	2	2
<b>Intangible assets, ending balance</b>	<b>4,775</b>	<b>16,527</b>	<b>0</b>	<b>4,181</b>	<b>91,251</b>	<b>2,073</b>	<b>118,806</b>
Gross amount	9,903	36,847	0	28,865	102,184	2,073	179,872
Cumulative depreciation & impairment (-)	-5,128	-20,320	0	-24,684	-10,934	0	-61,066

Intangible assets have remained largely unchanged compared to previous year. The main evolutions relate to investments in licences and software, capitalised development costs (mainly in DEME's Concessions segment) and depreciation cost.

The intangible assets consist of 15.2 million euros of trade names and 69.3 million euros of databases which were reported in the consolidated balance sheet at year-end 2013 following the acquisition of control over DEME. These intangible assets are not amortised (indefinite life) and are included in the annual impairment test performed on the goodwill following the acquisition of control over DEME at the end of 2013 (see Note 8. Goodwill).

On the acquisition by DEME in 2020 of the Dutch firm SPT Offshore, part of the value was attributed to the special environmentally friendly suction pile technology which can be used to secure both fixed and floating structures to the seabed, with a net book value of 12.6 million euros and depreciated over the economic life time of 10 years.

## Note 8: Goodwill

(€ 1,000)	2023	2022
<b>Movements in goodwill</b>		
<b>Goodwill, opening balance</b>	<b>319,953</b>	<b>327,829</b>
Gross amount - fully consolidated participations	341,531	351,785
Cumulative impairment losses - fully consolidated participations (-)	-21,578	-23,956
Additions through business combinations	0	0
Disposals through business disposals (-)	0	-7,404
Impairments through profit and loss (-)	0	-432
Other increase (decrease)	170	-39
<b>Goodwill, ending balance</b>	<b>320,123</b>	<b>319,953</b>
Gross amount - fully consolidated participations	338,845	341,531
Cumulative impairment losses - fully consolidated participations (-)	-18,722	-21,578

(€ 1,000)	2023	2022
<b>Goodwill per segment</b>		
<b>Marine Engineering &amp; Contracting</b>	<b>174,150</b>	<b>173,980</b>
Goodwill of AvH on DEME	140,764	140,764
Goodwill of DEME on its subsidiaries	13,028	13,028
Goodwill of CFE on its subsidiaries	23,894	23,723
Intercompany eliminations	-3,536	-3,536
<b>Private Banking</b>	<b>134,247</b>	<b>134,247</b>
Goodwill of AvH on FinAx	134,247	134,247
<b>Real Estate</b>	<b>0</b>	<b>0</b>
<b>Energy &amp; Resources</b>	<b>0</b>	<b>0</b>
<b>AvH &amp; Growth Capital</b>	<b>11,727</b>	<b>11,727</b>
Goodwill of Bioelectric Group on its subsidiaries	11,727	11,727
<b>Total</b>	<b>320,123</b>	<b>319,953</b>

(€ 1,000)	Goodwill 2023	Goodwill 2022
Goodwill of AvH on DEME	140,764	140,764
Goodwill of AvH on FinAx	134,247	134,247

Goodwill has remained largely unchanged compared to previous year.

The goodwill is mainly attributable to FinAx, DEME (following the acquisition of control at year-end 2013), Bioelectric Group and to the subsidiaries held by DEME and CFE. It should be pointed out that this does not include the goodwill (clients) of 226.8 million euros in the consolidated balance sheet of Delen Private Bank, as Delen Private Bank is recognized according to the equity method. This goodwill mainly results from the acquisition of Capital & Finance in 2007, JM Finn in 2011, and to a limited extent Oyens & Van Eeghen (end of 2015), Nobel (end of 2019) and Groenstate (2023).

AvH subjects the goodwill on its balance sheet to an impairment test in case of impairment indications and at least annually. This means the goodwill that is reported as such in the consolidated balance sheet under the item 'Goodwill', as well as the goodwill that is contained in the item 'Participations accounted for using the equity method'. Each group company of AvH is treated as a distinct cash generating unit (CGU). As part of the impairment test, a fair value is determined for each CGU on the basis of publicly available market valuations (market price of listed companies / recent transactions / broker reports). If after this first step on the basis of a fair value approach it turns out that additional justification is required, a value in use will also be determined from the perspective of AvH based on a discounted cash flow (DCF) model or market multiples. If, after this second step, still no adequate justification can be given for the goodwill in the balance sheet, an 'impairment' will be recognized.

The impairment test at AvH level did not result in any material impairment loss.

- DEME's share price at December 31, 2023 of 111.40 euros is well above the carrying amount of DEME in the consolidated financial statements of AvH.
- Via its 100% affiliate FinAx, AvH has a direct 78.75% participation in Delen Private Bank and Bank Van Breda through its wholly owned subsidiary FinAx. The goodwill on FinAx is amply underpinned based on market multiples.
- Nextensa's carrying amount at AvH results from the full consolidation of the 61.66% participation in the consolidated shareholders' equity of 834.0 million euros. This represents a net asset value of 83.4 euros per share. Notwithstanding the lower share price at year-end of 48.85 euros per share, this does not imply an indication of impairment as the investment property included in Nextensa's net asset value are measured at fair value based on external valuation reports and the project developments are reported according to the percentage of completion. The capital gains that Nextensa usually reports upon realisation, over and above the fair value measurements already recognised, attest this approach.

Significant judgement by the respective management teams is required to estimate the impact of macroeconomic and other factors on future cash flows, including those related to climate related matters. The group does not foresee activities negatively being impacted by climate related business requirements leading to an impairment loss (climate change risk).

## Note 9: Tangible assets

(€ 1,000)	Land and buildings	Plant, machinery and equipment	Furniture and vehicles	Other tangible assets	Assets under construction & advance payments	Total 2022
<b>I. Movements in tangible assets - financial year 2022</b>						
<b>Tangible assets, opening balance</b>	<b>426,584</b>	<b>1,944,209</b>	<b>55,051</b>	<b>7,009</b>	<b>329,992</b>	<b>2,762,846</b>
Gross amount	624,902	4,504,531	158,421	18,604	329,992	5,636,450
Cumulative depreciation & impairment (-)	-198,318	-2,560,322	-103,370	-11,595	0	-2,873,604
Impact IFRS changes	0	0	0	0	0	0
Investments	41,065	178,776	23,856	1,294	324,441	569,431
Additions through business combinations	0	0	0	0	0	0
Changes in scope	212	0	60	1	0	272
Disposals (-)	-4,791	-3,367	-1,686	-6	-281	-10,131
Disposals through business disposals (-)	-188,391	-3,216	-3,768	-1,935	-12,629	-209,939
Depreciation & impairment (-)	-28,463	-299,912	-24,533	-1,279	0	-354,187
Foreign currency exchange increase (decrease)	-100	-333	55	1	219	-158
Transfer from (to) other items	3,086	367,030	80	4,226	-409,452	-35,030
Other increase (decrease)	-2,421	0	182	0	-158	-2,397
<b>Tangible assets, ending balance</b>	<b>246,782</b>	<b>2,183,188</b>	<b>49,296</b>	<b>9,310</b>	<b>232,132</b>	<b>2,720,708</b>
Gross amount	410,286	4,932,722	150,486	17,405	232,132	5,743,032
Cumulative depreciation & impairment (-)	-163,504	-2,749,534	-101,191	-8,095	0	-3,022,324
<b>II. Other information</b>						
<b>Leases</b>						
Net carrying amount of tangible assets under lease	92,710	17,969	37,495			148,174
Tangible assets acquired under lease	23,887	18,044	17,927			59,857

(€ 1,000)	Land and buildings	Plant, machinery and equipment	Furniture and vehicles	Other tangible assets	Assets under construction & advance payments	Total 2023
<b>I. Movements in tangible assets - financial year 2023</b>						
<b>Tangible assets, opening balance</b>	<b>246,782</b>	<b>2,183,188</b>	<b>49,296</b>	<b>9,310</b>	<b>232,132</b>	<b>2,720,708</b>
Gross amount	410,286	4,932,722	150,486	17,405	232,132	5,743,032
Cumulative depreciation & impairment (-)	-163,504	-2,749,534	-101,191	-8,095	0	-3,022,324
Impact IFRS changes	0	0	0	0	0	0
Investments	46,720	218,305	42,657	3,522	281,879	593,083
Additions through business combinations	0	0	0	0	0	0
Changes in scope	0	0	0	0	0	0
Disposals (-)	-1,555	-4,711	-1,869	0	-148	-8,283
Disposals through business disposals (-)	0	0	0	0	0	0
Depreciation & impairment (-)	-31,249	-333,316	-26,347	-1,000	0	-391,912
Foreign currency exchange increase (decrease)	-488	-1,747	-431	-9	-140	-2,815
Transfer from (to) other items	19,144	179,419	2,425	-70	-202,286	-1,369
Other increase (decrease)	0	0	0	0	0	0
<b>Tangible assets, ending balance</b>	<b>279,354</b>	<b>2,241,138</b>	<b>65,730</b>	<b>11,753</b>	<b>311,437</b>	<b>2,909,412</b>
Gross amount	460,170	5,240,786	173,629	20,767	311,437	6,206,789
Cumulative depreciation & impairment (-)	-180,816	-2,999,648	-107,899	-9,014	0	-3,297,377
<b>II. Other information</b>						
<b>Leases</b>						
Net carrying amount of tangible assets under lease	111,205	12,594	48,844			172,643
Tangible assets acquired under lease	39,995	6,411	30,717			77,122

Tangible fixed assets have increased with 188.7 million euros (+7%) to 2,909,4 million euros at year-end 2023. Of this figure, DEME accounts for 93%, its main assets being its fleet. In addition, this balance sheet item includes the offices, machinery and vehicle fleets of CFE, Bank Van Breda, Deep C Holding, Nextensa, Agidens, Bioelectric and AvH.

In 2023 **DEME** welcomed a new cable laying vessel Viking Neptune and an ultra-deepwater drilling vessel Olympia in its fleet. It is converting a former bulk carrier into a new stone dumping vessel Yellowstone and upgrading the Sea Installer.

In the beginning of 2023, Transocean Ltd, a global leader in the offshore drilling industry, made a non-controlling investment for 15.7% in GSR (deep sea harvesting) through the contribution of an ultra-deepwater drilling vessel and a cash investment. The 'Ocean Rig Olympia' is included within the additions and net book value of 'assets under construction' but the addition of the year is considered as a non-cash item.

In addition to the above contribution in kind of the 'Ocean Rig Olympia', the additions within 'assets under construction' mainly include the amounts invested in 2023 in the 'Yellowstone', in the 'Viking Neptun', in some additional modifications for the 'Orion', in a new offshore service vessel and in a new office building. As of 31 December 2023, the 'Viking Neptun', 'Orion', and the new office building were transferred to 'Property, plant and equipment' and 'land and buildings'. The investments aimed at transitioning the DEME campus into a sustainable and energy-neutral head office have been incorporated into the net book value of 'land and buildings'.

'Depreciation charge and impairment cost of the year' increased to 392 million euros in total compared to 354 million euros in 2022. The higher level of depreciation charges in 2023 is attributed primarily to investments in 'Orion', DEME's largest offshore installation vessel, that was added to the fleet mid 2022, and in 'Viking Neptun', the cable laying vessel that was integrated into the fleet in the first half of 2023. The amount also includes a 13 million euros impairment for 'Al Jarraf', one of DEME's cutter suction dredger vessels.

A workshop in Zeebrugge, included within 'land and buildings' and with a net book value of 1.6 million euro, was transferred to 'assets held for sale' (Note 5).

At 31 December 2023, DEME made commitments for investments in coming years for 37.5 million euros, mainly relating to upgrades of vessels 'Yellowstone', 'Viking Neptun' and for an offshore service vessel.

AvH's group companies have a significant potential to make a positive impact on climate change. AvH's strong **EU Taxonomy alignment** underscores its positive impact. The AvH group stands out thanks to the substantial portion of its turnover (27%) and investments (43%) which is already 'aligned' with this framework. These figures show the financial impact of initiatives taken by the AvH group from an ecological perspective, whereby the Capex figure clearly demonstrates its commitments to, and belief in, the future.

DEME's activities in offshore wind are considered both eligible and largely aligned. Rail infrastructure projects were screened as well. DEME's eligible activities expanded in 2023 to also include parts of its environmental activities. CFE's eligible activities primarily relate to construction and renovation, electrical installation, rail infrastructure and real estate development. The aligned turnover mainly relates to BPI's project development and CFE's construction projects. Nextensa's eligible activities are primarily related to real estate development and the letting of real estate from its own investment portfolio.

## Note 10: Investment property at fair value

(€ 1,000)	Leased buildings	Development projects	Assets held for sale	Total
<b>I. Movement in investment property at fair value - financial year 2022</b>				
<b>Investment property, opening balance</b>	<b>1,226,963</b>	<b>40,187</b>	<b>141,259</b>	<b>1,408,409</b>
Gross amount	1,226,963	40,187	141,259	1,408,409
Investments	34,870	7,264	23	42,157
Additions through business combinations	0	0	0	0
Disposals (-)	-1,848	0	-140,691	-142,538
Disposals through business disposals (-)	0	0	-490	-490
Gains (losses) from fair value adjustments	-11,729	199	-91	-11,620
Transfer from (to) other items	0	-17,190	0	-17,190
Other increase (decrease)	0	0	-11	-11
<b>Investment property, ending balance</b>	<b>1,248,256</b>	<b>30,460</b>	<b>0</b>	<b>1,278,716</b>
Gross amount	1,248,256	30,460	0	1,278,716
<b>I. Movement in investment property at fair value - financial year 2023</b>				
<b>Investment property, opening balance</b>	<b>1,248,256</b>	<b>30,460</b>	<b>0</b>	<b>1,278,716</b>
Gross amount	1,248,256	30,460	0	1,278,716
Investments	37,341	34,674	0	72,015
Additions through business combinations	0	0	0	0
Disposals (-)	-41,458	0	0	-41,458
Disposals through business disposals (-)	0	0	0	0
Gains (losses) from fair value adjustments	-11,357	855	-700	-11,202
Transfer from (to) other items	-75,750	65,820	9,930	0
Other increase (decrease)	0	2	0	2
<b>Investment property, ending balance</b>	<b>1,157,032</b>	<b>131,811</b>	<b>9,230</b>	<b>1,298,074</b>
Gross amount	1,157,032	131,811	9,230	1,298,074

(€ 1,000)	2023	2022
<b>Key figures</b>		
Rental income	70,522	67,400
Rental yield (%)	5.74%	5.30%
Occupancy rate (%)	91.10%	88.48%

The value of the investment property portfolio of Nextensa increased to 1,298.1 million euros (+1%):

- Nextensa invested 72.0 million euros in its real estate portfolio, including 17.3 million euros in two new properties to be redeveloped. The Montoyer 24 (Brussels) and Monterey 18 (Luxembourg) were added to the portfolio and further investments were made in Luxembourg in the renovation of the Knauf shopping centre in Schmiede and in the conversion of an old office part near Luxembourg Airport into a new project.
- As a result of the lower activity in the institutional real estate market, Nextensa only sold its “Treesquare” office building in Brussels in April 2023, with a profit of 2.1 million euros.
- The main asset held for sale at year end 2023 is a retail property of Nextensa in Luxembourg, that has been sold early February 2024 at a price in line with the valuation in this balance sheet.
- Nextensa recorded a net negative evolution of 11.2 million euros in the fair value of its investment portfolio (0.9%).

Nextensa realised a higher rental income in 2023 compared to 2022, i.e. a like-for-like rental growth of +12%. Property costs decreased due to higher occupancy rate.

The average rental yield on the investment property increased from 5.30% at year-end 2022 to 5.74% at year-end 2023.

EU Taxonomy: 32% of Nextensa’s turnover and 20% of Nextensa’s capex are aligned with the EU Taxonomy. In 2023, the decision was taken to align new developments going forward with the criteria of the EU taxonomy (within the climate mitigation objective) and an action plan was drawn up to move towards a fossil-free portfolio.

### Valuation of investment properties – Nextensa

Nextensa uses the following methods to define the fair value according to IFRS 13:

- **Net present value of estimated rental income**

The fair value is the result of the yield applied on the estimated rental value (capitalisation method or market approach) corrected by the net present value of the difference between the current rent and the estimated rental value at the valuation date, and this, for the period till the next break possibility of the current rental contracts.

- **Discounted cash flow method**

The DCF method consists in defining the present value of the future cash flows. The future rental income is estimated on the basis of the existing contractual rents and the real estate market outlook for each building in the following periods. Moreover, the future maintenance costs are also estimated and taken into account. The actualisation rate applied takes into account the risk premium for the object defined by the market. The obtained value is also compared to the market on the basis of the definition of the residual land value.

- **Residual valuation**

Buildings to renovate or in the course of renovation, or planned projects are valued based on the value after renovation, under deduction of the amount for the remainder of the work to be carried out, including costs, interests, vacancy and risk premium.

Assets and liabilities valued at fair value after their initial booking can be presented in three levels (1-3):

- **Level 1** inputs are quoted prices in active markets for identical assets or liabilities.
- **Level 2** inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. deducted from prices).
- **Level 3** inputs are unobservable inputs for the asset or liability based on valuations techniques comprising data for the asset or liability.

The investment properties of Nextensa fall under level 3. The valuations at the end of 2023 were carried out by external parties: Cushman & Wakefield, Stadim (Belux) and Oerag (Austria). The table below provides an overview of the valuation techniques applied per asset class.

Asset class	Fair value 2023 (€ 1,000)	Fair value 2022 (€ 1,000)	Valuation technique	Important input data	31/12/2023 Min-Max (weighted average)	31/12/2022 Min-Max (weighted average)
Retail Grand Duchy of Luxembourg & Belgium	373,924	377,629	Actualization of estimated rental income	a) Estimated rental value spread b) Average weighted estimated rental value c) Capitalization rate spread d) Weighted average cap. rate e) Remaining duration f) Number m <sup>2</sup>	a) [0.34 €/m <sup>2</sup> - 20.59 €/m <sup>2</sup> ] b) [13.69 €/m <sup>2</sup> ] c) [1.82% - 15.09%] d) [6.93%] e) 4.17 years f) 166 950 m <sup>2</sup>	a) [0.34 €/m <sup>2</sup> - 18.66 €/m <sup>2</sup> ] b) [13.72 €/m <sup>2</sup> ] c) [0.90% - 11.58%] d) [6.51%] e) 3.62 years f) 166 950 m <sup>2</sup>
Retail Austria	190,926	189,581	DCF (discounted cash flow)	a) Estimated rental value spread b) Average weighted estimated rental value c) Capitalization rate spread d) Weighted average cap. rate e) Remaining duration f) Number m <sup>2</sup>	a) [12.38 €/m <sup>2</sup> - 15.87 €/m <sup>2</sup> ] b) [13.77 €/m <sup>2</sup> ] c) [5.22% - 6.54%] d) [5.62%] e) 5.62 years f) 69 219 m <sup>2</sup>	a) [8.79 €/m <sup>2</sup> - 15.09 €/m <sup>2</sup> ] b) [12.71 €/m <sup>2</sup> ] c) [3.70% - 6.11%] d) [5.38%] e) 5.21 years f) 69 219 m <sup>2</sup>
Offices Grand Duchy of Luxembourg	136,330	186,660	Actualization of estimated rental income	a) Estimated rental value spread b) Average weighted estimated rental value c) Capitalization rate spread d) Weighted average cap. rate e) Remaining duration f) Number m <sup>2</sup>	a) [35.41 €/m <sup>2</sup> - 61.07 €/m <sup>2</sup> ] b) [42.44 €/m <sup>2</sup> ] c) [1.61% - 5.93%] d) [4.30%] e) 3.34 years f) 29 605 m <sup>2</sup>	a) [22.57 €/m <sup>2</sup> - 46.58 €/m <sup>2</sup> ] b) [26.71 €/m <sup>2</sup> ] c) [0.58% - 6.75%] d) [4.74%] e) 1.46 years f) 35 550 m <sup>2</sup>
Offices Belgium	367,357	409,511	Actualization of estimated rental income	a) Estimated rental value spread b) Average weighted estimated rental value c) Capitalization rate spread d) Weighted average cap. rate e) Remaining duration f) Number m <sup>2</sup>	a) [13.12 €/m <sup>2</sup> - 26.55 €/m <sup>2</sup> ] b) [16.36 €/m <sup>2</sup> ] c) [4.54% - 8.32%] d) [5.14%] e) 6.10 years f) 107 658 m <sup>2</sup>	a) [11.68 €/m <sup>2</sup> - 25.18 €/m <sup>2</sup> ] b) [17.03 €/m <sup>2</sup> ] c) [3.78% - 8.80%] d) [4.93%] e) 6.68 years f) 112 891 m <sup>2</sup>
Other	229,537	115,335	DCF (discounted cash flow or net present value of cash-flows at discount rate)	a) Estimated rental value spread b) Average weighted estimated rental value c) Average discount rate d) Economic life e) Remaining duration f) Number m <sup>2</sup>	a) Not applicable b) Not applicable c) Not applicable d) 30 years e) 1.17 years f) 32 629 m <sup>2</sup>	a) Not applicable b) Not applicable c) Not applicable d) 30 years e) 3.41 years f) 32 629 m <sup>2</sup>
<b>Total</b>	<b>1,298,074</b>	<b>1,278,716</b>				

Nextensa's investment portfolio was valued at 1.3 billion euros on December 31, 2023 and is divided over Belgium (42%), Luxembourg (43%) and Austria (15%). According to the type of properties, the portfolio comprises 38% offices and 44% retail. The remaining 18% represents 'Other' real estate, such as car parks and real estate for events.

## Note 11: Participations accounted for using the equity method

(€ 1,000)	2023	2022
<b>Participations accounted for using the equity method</b>		
Marine Engineering & Contracting	397,890	362,398
Private Banking	933,089	849,394
Real Estate	64,238	52,946
Energy & Resources	353,632	341,798
AvH & Growth Capital	273,242	238,701
<b>Total</b>	<b>2,022,091</b>	<b>1,845,237</b>

(€ 1,000)	Equity value	Goodwill allocated	Total 2023	Total 2022
<b>Movements in participations accounted for using the equity method</b>				
<b>Participations accounted for using the equity method: opening balance</b>	<b>1,757,711</b>	<b>87,526</b>	<b>1,845,237</b>	<b>1,647,196</b>
Additions	105,599	11,149	116,748	35,171
Additions through business combinations	0	0	0	0
Disposals (-)	-2,996	0	-2,996	-19,389
Disposals through business disposals (-)	0	0	0	0
Share of profit (loss) from equity accounted investments	223,378	0	223,378	243,874
Impairments through profit and loss	0	0	0	0
Foreign currency exchange increase (decrease)	-18,244	0	-18,244	11,746
Impact of dividends distributed by the participations (-)	-134,974	0	-134,974	-122,246
Transfers (to) from other items	11,192	0	11,192	-25,928
Other increase (decrease)	-18,249	0	-18,249	74,812
<b>Participations accounted for using the equity method: ending balance</b>	<b>1,923,417</b>	<b>98,675</b>	<b>2,022,091</b>	<b>1,845,237</b>

## General evolution

Participations accounted for using the equity method comprise the interests in jointly controlled participations or in companies in which no controlling interest is held. These include not only direct participations such as a.o. Delen Private Bank, the offshore wind companies Rentel and SeaMade, SIPEF, Sagar Cements and several participations from the Growth Capital portfolio of AvH, but also equity accounted for participations held by fully consolidated group companies. The increase by 176.9 million euros compared to last year illustrates the strong performance of these participations with result contributions outweighing dividend distributions. But it is also impacted by changes in scope: in 2023 Camlin Fine Sciences has been added in "AvH & Growth Capital" and several changes occurred in the jointly controlled entities that are active in real estate development within CFE.

During the past year 2023, the group invested 116,8 million euros:

- In "Marine Engineering & Contracting", CFE invested in several companies that will develop real estate projects, including the Kronos project in Luxembourg, while investments by DEME were limited to a number of smaller transactions.
- AvH increased its participation in SIPEF by 1.72% to 38.53%, participated in a public tender offer for Camlin resulting in a 20 million euros investment and realized a series of other smaller investments.

There were no noteworthy disposals in 2023. The sale of Telemond is not included in this scheme, as the 50% stake in Telemond had already been recognised as 'Asset held for sale' in the 2022 financial statements (see Note 5).

The share of profit from equity accounted participations amounted to 223.4 million euros. This very significant contribution includes AvH's share in the net profit of a.o. Delen Private Bank, SIPEF, the offshore windfarms Rentel and SeaMade, Sagar Cements and of several Growth Capital-participations.

Dividends received from participations accounted for using the equity method increased in 2023 by 12.7 million euros to 135.0 million euros. The highest dividends in this category were received from Delen Private Bank (63.2 million euros), from the offshore wind companies Rentel and SeaMade (26,1 million euros) and from SIPEF (11.9 million euros).

The 'Transfer (to) from other items' is primarily explained by the reclassification to (from) provisions of negative equity accounted participations.

The 'Other increase (decrease)' item reflects movements in the equity of the participations, with a decreased fair value of the cash flow hedges at the participations of DEME and Green Offshore in the Rentel and SeaMade offshore wind farms, having the greatest impact. Other movements in the equity of the participations include a.o. the eliminations of results on sales of treasury shares, the impact of the buy-out of minority interests, and the impact of the measurement of the purchase obligation resting on certain shares.

## Directly held participations accounted for using the equity method

AvH applies the equity method to the jointly controlled subsidiaries Delen Private Bank (78.75%), SIPEF (38.5%), Verdant Bioscience (42%), Amstedijk Beheer (50%), Turbo's Hoet Groep (50%) and GreenStor (50%). This balance sheet item also comprises the associated interests in Sagar Cements (19.6%), Axe Investments (48.3%), Financière EMG (22.7%), Mediahuis (13.9%), OM Partners (20%), Van Moer Logistics (21.7%) and Camlin Fine Sciences (6.6%). For a more detailed description of the changes in the scope, see Note 6. Segment information.

Some of the group companies mentioned above are listed on the stock market. If the interests in SIPEF, Sagar Cements and Camlin FS were to be valued at the market price at year-end 2023 those companies would represent stock market values of 216,0 million euros, 73.2 million euros and 16.9 million euros respectively. If the stock market value at the end of the year was lower than the consolidated equity method value, other elements were considered in the assessment as to whether an impairment was necessary. This was not the case at the end of 2023.

## Indirectly held participations accounted for using the equity method

The full consolidation of CFE, DEME, Deep C Holding, Green Offshore and Nextensa gives rise to the recognition of their jointly controlled subsidiaries and associated participating interests for a total amount of 462.1 million euros, the main interests being those of DEME in C-Power (6.5%), of DEME/Green Offshore in Rentel (18.9% and 12.5% respectively) and in SeaMade (13.2% and 8.75% respectively), of DEME in CDWE Taiwan, Deeprock and GEM/EMW, as well as the real estate and PPP projects set up by CFE and Nextensa together with partners and port-related partnerships at Deep C Holding.

## Note 12: Financial risk management and financial derivatives

### 1. Credit risk

Both **CFE** and **DEME** have set up procedures to limit the risk of their trade receivables. To limit the credit risk, both participations constantly monitor their outstanding trade receivables and adjust their positions if necessary. For the purposes of major foreign contracts, for instance, DEME regularly uses the services of the Credendo Group insofar as the country concerned qualifies for this service and the risk can be covered by credit insurance. A large part of the consolidated turnover is realized through public or semi-public sector customers. The level of counterparty risk is limited by the large number of customers. For large-scale infrastructure contracts, DEME is dependent on the ability of customers to obtain financing and can, if necessary, help to organize project financing. Although the credit risk cannot be ruled out altogether, it is still limited. Moreover, as a worldwide player, DEME is exposed to political risks and negative developments that may manifest themselves at the macroeconomic level.

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

For the credit risk regarding the loan portfolio of **Bank Van Breda** we refer to the credit risk policy as described in Note 14.

**Nextensa** aims at a good spread both in terms of the number of tenants and the sectors in which these tenants are active in order to limit the risk of bad debts and bankruptcies by tenants. Furthermore, the solvency of the tenants is screened on a regular basis by an external rating agency, and long-term lease agreements are sought to ensure a recurrent rental income flow and increase the duration of the lease agreements. In the real estate development activity an extensive analysis of the related technical, legal and financial risks is made, prior to the signing of a new project.

**Agidens** manages its debtor risk in accordance with the relevant policy, procedures and checks that have been set out by the group. Outstanding receivables are periodically monitored, and large-scale projects are generally covered by bank or other similar guarantees. The same applies to **Bioelectric**.

In the **AvH & Growth Capital** segment the group invests for the long term in companies with international growth potential. The diversified character of these investments contributes to a balanced spread of the economic and financial risks. Furthermore, AvH usually finances these investments with shareholders' equity.

(€ 1,000)	Segment 1 Marine Engineering & Contracting	Segment 2 Private Banking	Segment 3 Real Estate	Segment 4 Energy & Resources	Segment 5 AvH & Growth Capital	Eliminations between segments	Total 2022
Financial fixed assets - receivables and warranties	170,404	2,579	7,910	0	43,821	-34,840	<b>189,875</b>
Other receivables	56,026	11,231	52,849	68	7,698	0	<b>127,871</b>
Trade debtors	683,217	48	15,371	0	21,841	-1,262	<b>719,214</b>
<b>Total (net - accumulated impairments included)</b>	<b>909,646</b>	<b>13,858</b>	<b>76,131</b>	<b>68</b>	<b>73,359</b>	<b>-36,102</b>	<b>1,036,960</b>
%	<b>88%</b>	<b>1%</b>	<b>7%</b>	<b>0%</b>	<b>7%</b>	<b>-3%</b>	<b>100%</b>
not expired	721,903	13,858	73,268	68	68,541	-36,102	<b>841,536</b>
expired < 30 d	48,354	0	650	0	3,017	0	<b>52,021</b>
expired < 60 d	51,388	0	405	0	497	0	<b>52,290</b>
expired < 120 d	40,792	0	1,457	0	438	0	<b>42,688</b>
expired > 120 d	47,210	0	350	0	866	0	<b>48,425</b>
<b>Total (net - accumulated impairments included)</b>	<b>909,646</b>	<b>13,858</b>	<b>76,131</b>	<b>68</b>	<b>73,359</b>	<b>-36,102</b>	<b>1,036,960</b>
%	<b>88%</b>	<b>1%</b>	<b>7%</b>	<b>0%</b>	<b>7%</b>	<b>-3%</b>	<b>100%</b>
<b>Accumulated impairments</b>							
Financial fixed assets - receivables and warranties (impairments)	-5,229	0	0	0	-10,985	0	-16,213
Other receivables (impairments)	-212	0	0	0	-1,981	0	-2,192
Trade debtors (impairments)	-36,203	0	-821	0	-50	0	-37,074
	<b>-41,644</b>	<b>0</b>	<b>-821</b>	<b>0</b>	<b>-13,016</b>	<b>0</b>	<b>-55,480</b>

(€ 1,000)	Segment 1 Marine Engineering & Contracting	Segment 2 Private Banking	Segment 3 Real Estate	Segment 4 Energy & Resources	Segment 5 AvH & Growth Capital	Eliminations between segments	Total 2023
Financial fixed assets - receivables and warranties	204,053	3,177	6,250	0	38,781	-25,236	227,024
Other receivables	63,848	5,545	59,131	3	20,076	0	148,603
Trade debtors	745,140	56	22,777	0	22,738	-1,343	789,368
<b>Total (net - accumulated impairments included)</b>	<b>1,013,042</b>	<b>8,778</b>	<b>88,158</b>	<b>3</b>	<b>81,594</b>	<b>-26,579</b>	<b>1,164,996</b>
%	87%	1%	8%	0%	7%	-2%	100%
not expired	787,884	8,778	77,795	3	76,984	-26,579	924,864
expired < 30 d	80,750	0	5,680	0	2,404	0	88,834
expired < 60 d	46,251	0	1,117	0	566	0	47,934
expired < 120 d	48,102	0	686	0	434	0	49,223
expired > 120 d	50,054	0	2,879	0	1,206	0	54,140
<b>Total (net - accumulated impairments included)</b>	<b>1,013,042</b>	<b>8,778</b>	<b>88,158</b>	<b>3</b>	<b>81,594</b>	<b>-26,579</b>	<b>1,164,996</b>
%	87%	1%	8%	0%	7%	-2%	100%
<b>Accumulated impairments</b>							
Financial fixed assets - receivables and warranties (impairments)	-7,156	0	0	0	-11,285	0	-18,441
Other receivables (impairments)	0	0	0	0	-1,981	0	-1,981
Trade debtors (impairments)	-36,267	0	-845	0	-50	0	-37,162
	<b>-43,423</b>	<b>0</b>	<b>-845</b>	<b>0</b>	<b>-13,316</b>	<b>0</b>	<b>-57,584</b>

### Marine Engineering & Contracting

- Financial fixed assets: receivables and warranties: loans granted to participating interests include a.o. financing granted by DEME and Green Offshore to their respective participating interests active in the development/operation of the Rentel and SeaMade wind farms, and by CFE to real estate project companies.
- Trade debtors in this segment account for 94% of total trade receivables.

Overdue receivables in contracting mainly relate to settlements and additional charges, but which still have to be included in the budgets or are to be covered by an overall agreement. CFE and DEME have a number of negotiations and/or procedures pending. Overdue receivables (mostly attributable to DEME) are mainly covered by Credendo. Expected losses on construction contracts are adequately recorded in the balance sheet item 'Construction contracts' (Note 15).

The turnover of Deep C Holding, primarily active in Vietnam, derives from (i) the sale of acquired rights over developed sites (industrial zones), (ii) the provision of utilities (electricity and water) and (iii) of maintenance and management services in those industrial zones:

- The compensation for the sale of acquired rights over developed sites, usually varying from 40 to 50 years, is largely paid in advance (80% to 100%) by the customers of the Deep C Holding group. Once the land is delivered to the customer, the risks and rewards of the land use rights are transferred.
- The charges for the provision of utilities, maintenance and management services are invoiced on a monthly basis, and given the wide spread of customers, the credit risk is fairly limited.

### Private Banking

We refer to Note 14 for more details regarding the credit risk of Bank Van Breda.

### Real Estate

- The other receivables relate to the advances that Nextensa grants to its real estate project companies.
- Referring to the above description of the credit risk management, under normal circumstances the impairments on trade receivables are limited at Nextensa.

### AvH & Growth Capital and Intercompany eliminations

- the full consolidation of Agidens and Bioelectric Group with their respective trade receivables.
- financing provided by AvH & subholdings to, among others, Green Offshore in the context of the development of the Rentel and SeaMade wind farms and to Deep C Holding (development of port-related industrial zones in Vietnam) has been eliminated in the consolidation.

In 2023, no customer accounted for more than 10% of group revenue.

## 2. Liquidity risk and capital management

The financial debts, after intercompany elimination, relate to the following segments:

(€ 1,000)	2023			2022		
	Financial debt - ST	Financial debt - LT	Net financial debt	Financial debt - ST	Financial debt - LT	Net financial debt
Marine Engineering & Contracting	308,416	914,291	638,947	278,640	1,016,861	601,511
Private Banking (IFRS 16 leases)	2,955	5,726	-20,658	2,613	4,854	-17,048
Real Estate	235,790	562,159	786,820	117,668	634,932	721,493
Energy & Resources	0	0	-689	0	0	-642
AvH & Growth Capital	3,512	8,713	-352,669	3,735	10,026	-396,956
Intercompany	0	-25,236	-25,236	0	-34,840	-34,840
<b>Total</b>	<b>550,672</b>	<b>1,465,653</b>	<b>1,026,515</b>	<b>402,656</b>	<b>1,631,833</b>	<b>873,517</b>

**DEME's** liquidity risk is limited by spreading the financing over several banks and by preference over the long term. DEME has major credit and guarantee lines with a whole string of international banks. Certain ratios (covenants) were agreed in the loan agreements with the relevant banks which DEME must observe. This was the case at year end 2023. In addition, it has a commercial paper programme to cover short-term financial needs. DEME predominantly invests in equipment with a long life which is depreciated over several years. For that reason, DEME seeks to schedule a substantial part of its debts over a long term. DEME converted all its long-term financing into sustainability-linked loans in February 2022.

**CFE** finances its construction and real estate development activities with bank loans, medium term notes and commercial paper. In 2022, CFE has set up new credit lines that incorporate sustainability criteria.

Both DEME and CFE had a substantial cash position (cash and cash equivalents) at year-end 2023.

The **Deep C Holding** group is financed primarily by equity, bank and shareholder loans. Following the successful capital increase at its affiliate Infra Asia Investment in 2023, Deep C Holding partially reimbursed shareholder loans. Infra Asia Investment disposes of 55 million USD credit facilities of which 20 million USD are undrawn.

**Nextensa** has the necessary long-term credit facilities and backup lines for its commercial paper to cover present and future investment needs. Those credit facilities and backup lines serve to hedge the financing risk. The liquidity risk is limited by having the financing spread over several financial counterparties and by tapping various sources of funding, as well as by diversifying the expiration dates of the credit facilities. Nextensa finances its operations through bank financing and bond financing. As of 31 December 2023, Nextensa had confirmed credit lines of 871 million euros, of which 164 million euros were undrawn. The average duration of the credit lines relating the investment portfolio was 2.08 years at 31 December 2023 and 1.31 years for the financing related to the development portfolio.

The financial debts reported by the AvH & Growth Capital segment are entirely attributable to **Agidens** and **Bioelectric Group**. The debts of Agidens relate to the financing of the main building, the leases of cars and a straight loan regarding working capital management. The financial debts of Bioelectric relate to its headquarters, the acquisition loan, its working capital and the biogas installations that remain in ownership of Bioelectric so to operate them and to sell the electricity produced to farmers.

**AvH (and subholdings)** has a net cash position of 517,5 million euros (see Note 6. Segment information Cash flow statement for more details). AvH disposes of confirmed credit lines (280 million euros), spread over different banks.

Several fully consolidated companies have agreed on certain ratios (covenants) in their credit agreements and these were respected end on December, 31 2023.

The evolution of the financial debts and the net financial debt position is further explained in Note 19 Financial debts.

### 3. Financial derivatives for hedging the interest rate risk, currency risk and commodity risk

(€ 1,000)	Notional amount 2023	Book value 2023	Notional amount 2022	Book value 2022
<b>I. Interest rate hedges</b>				
<b>Assets</b>				
Fair value hedges - Bank Van Breda	785,000	49,883	870,000	88,251
Cash flow hedges	880,521	35,500	1,269,235	82,695
Hedging instruments that do not meet the requirements of cash flow hedging	570,000	16,490	185,000	7,732
Accrued interest		0		0
<b>Total</b>		<b>101,873</b>		<b>178,677</b>
<b>Liabilities</b>				
Fair value hedges - Bank Van Breda	265,000	-12,206	25,000	-399
Cash flow hedges	32,416	-125	0	0
Hedging instruments that do not meet the requirements of cash flow hedging	50,000	-436	15,000	-23
Accrued interest		0		0
<b>Total</b>		<b>-12,767</b>		<b>-422</b>
<b>II. Currency hedges</b>				
Assets	179,146	7,054	198,298	2,549
Liabilities	1,021,518	-43,276	1,148,935	-84,188
		<b>-36,223</b>		<b>-81,639</b>
<b>III. Commodity risks</b>				
Assets		380		2,044
Liabilities		0		-1,175
		<b>380</b>		<b>869</b>
<b>Reconciliation with consolidated balance sheet</b>		<b>Asset side</b>		<b>Asset side</b>
Non-current hedging instruments		89,227		158,911
Current hedging instruments		20,079		24,359
		<b>109,306</b>		<b>183,270</b>
		<b>Liability side</b>		<b>Liability side</b>
Non-current hedging instruments		-35,869		-53,892
Current hedging instruments		-20,175		-31,893
		<b>-56,043</b>		<b>-85,785</b>

### 3.1 Interest rate risk

The interest rate risk within the **CFE** group is managed according to the type of activity. The Contracting activities are characterized by an excess of cash which partially compensates the real estate commitments. Cash management is mainly centralized through the cash pooling. **DEME** enters into substantial financing for the acquisition of dredging vessels. DEME uses interest rate swaps to achieve the best possible balance between financing costs and the volatility of the financial results.

The **Deep C Holding** group is financed primarily by equity, bank and shareholder loans. Following the successful capital increase at its affiliate Infra Asia Investment in 2023, Deep C Holding partially reimbursed shareholder loans. Infra Asia Investment disposes of 55 million USD credit facilities of which 20 million USD are undrawn. 50% of the interest rate risk on this credit facility is hedged by a forward interest rate swap.

The hedging policy of **Nextensa** is to ringfence the interest rate risks for approximately 75% of the financial debt for a period of 4-5 years and approximately 50% for the following 5 years. The hedge ratio for the investment portfolio at year-end 2023 is 79%, compared to 74% at year-end 2022. As of December 31, 2023, the weighted residual maturity of the loan portfolio allocated to the investment property evolved from 2.85 years at year-end 2022 to 2.31 years at year-end 2023. The weighted residual maturity of the hedging products decreased from 3.52 years (year-end 2022) to 2.95 years at year-end 2023.

The financial debts of the **AvH & Growth Capital** segment entirely consist of the debt entered into by Agidens and Bioelectric regarding offices, the car park and the funding of working capital. No interest hedging contracts were outstanding at the 2023 year end.

#### Sensitivity analysis for the interest rate risk

If Euribor rises by 50 base points this will mean an interest charge increase of 1.2 million euros (CFE), negligible due to almost 100% hedge ratio (DEME), 0.7 million euros (Nextensa), 0.0 million euros (Agidens) and 0.1 million euros (Bioelectric). AvH (& subholdings) is debt-free. However, this does not take into account the impact we would observe on the assets.

### 3.2 Exchange risk

Given the international character of its business operations and the execution of contracts in foreign currency, **DEME** is exposed to currency risks. DEME's transactional foreign currency risk arises from commercial flows denominated in currencies other than the euro. However, 65% of DEME's revenues (2022: 79%) related to transactions expressed in euros and, as such, represented the largest portion of DEME's revenues realised. Turnover in foreign currency related to a.o.: US dollar, Singapore dollar, Indian rupee, British pound, Danish krone, Mexican Peso and the Papua New Guinea kina. DEME's expenses are also predominantly in euro, except for contracts that are carried out in non-euro countries. The residual foreign currency risk is assessed on a case-by-case basis and, if necessary, DEME uses forward-exchange contracts to hedge its residual foreign currency risk on projected net commercial flows denominated in currencies other than the euro.

In the case of **CFE**, most operations take place within the eurozone; nevertheless, exposure to foreign currency fluctuations (mainly Polish Zloty) is limited as much as possible.

**Deep C Holding** primarily operates in Southeast Asia and is essentially exposed to an exchange rate risk relating to the US dollar and the Vietnamese dong. Since the subsidiaries of Deep C Holding mainly effect purchases and sales in local currencies, the group's exposure to exchange rate fluctuations in commercial transactions is limited in a natural way. The translation of the functional currency (USD) into euros upon consolidation embodies an exchange rate risk.

**Nextensa** operates in Belgium, Luxembourg and Austria, and is therefore not subject to exchange risks.

The exchange rate risk of **Bank Van Breda** is limited, as the bank only operates in Belgium and the nature of its clients is such that it does not hold any significant own currency position.

**Agidens**, with its worldwide operations, has a (limited) exchange rate exposure to the US dollar and Swiss franc, and hedges its currency risk by using the same currency as much as possible for the income and expenses in question (natural hedging). If necessary, a currency swap is concluded with approved and reputable counterparties. **Bioelectric** has a limited GBP exposure through its branch in the United Kingdom.

The strategy of **AvH** to look towards emerging markets resulted in investments in Indian rupees (Sagar Cements, the Healthquad I and II Funds, Medikabazaar and Camlin Fine Sciences) and in US Dollar (the Venturi Partners Fund I and Convergent Finance). This risk is not hedged as it concerns long term investments.

The remaining fully consolidated participations are not subject to significant exchange rate risks since they mainly operate in the eurozone.

Various non-fully consolidated participations such as Delen Private Bank, SIPEF and Verdant Bioscience, as well as Turbo's Hoet Groep and others, operate to a significant extent outside the eurozone. This may give rise to greater risks as a result of geopolitical developments or events.

The exchange rate risk in each of these cases is followed up and controlled at the level of the participation itself.

The exchange rate risk at **Delen Private Bank** is limited to the foreign currency subsidiaries (JM Finn and to a lesser extent Delen Suisse). The net exposure to the British Pound is currently limited as the impact of any exchange rate fluctuation on the JM Finn equity is neutralized by an opposite impact on the liquidity obligation on the remaining 8% minority stake in JM Finn. At **SIPEF** the majority of the costs are incurred abroad (in Indonesia and Papua New Guinea), whereas sales are realised in USD. This is a structural risk that is not hedged by the company and is therefore considered as a general business risk. Transactional risks are generally limited by short payment terms, and translation differences are limited by making the functional currency and reporting currency the same as much as possible. **Turbo's Hoet Groep**, finally has developed a significant level of activity in Eastern Europe. Turbo's Hoet Groep realizes its turnover in those markets on the basis of local currency. Although Turbo's Hoet Groep tries to pass on the impact of any depreciations in those local currencies to the final customer, market conditions do not always allow it.



## Note 13: Financial assets and liabilities

## 1. Financial assets and liabilities per category

(€ 1,000)	Fair value		Book value	
	2023	2022	2023	2022
<b>Financial assets</b>				
Financial assets : shares - Fair value through P/L (FVPL)	267,930	249,656	267,930	249,656
Financial assets : bonds - Fair value through OCI (FVOCI)	501,037	502,908	501,037	502,908
Financial assets : shares - Fair value through OCI (FVOCI)	58	263	58	263
Financial assets - at amortised cost	44,560	0	43,944	0
<b>Receivables and cash</b>				
Financial fixed assets - receivables and warranties	227,024	189,875	227,024	189,875
Other receivables	148,603	127,871	148,603	127,871
Trade debtors	789,368	719,214	789,368	719,214
Cash and cash equivalents	989,810	1,160,972	989,810	1,160,972
Banks - receivables from credit institutions & clients	7,836,913	6,780,990	7,822,739	6,940,242
Banks - changes in fair value of the hedged credit portfolio	-36,752	-89,733	-36,752	-89,733
<b>Hedging instruments</b>	109,306	183,270	109,306	183,270

(€ 1,000)	Fair value		Book value	
	2023	2022	2023	2022
<b>Financial liabilities</b>				
<b>Financial liabilities valued at amortised cost</b>				
<b>Financial debts</b>				
Bank loans	1,545,623	1,577,488	1,557,330	1,613,885
Bonds	139,613	139,348	139,613	139,348
Subordinated loans	677	677	677	677
Lease debts	177,024	151,959	177,024	151,959
Other financial debts	141,681	128,621	141,681	128,621
<b>Other debts</b>				
Trade payables	1,266,776	1,136,241	1,266,776	1,136,241
Advances received	84,486	72,539	84,486	72,539
Amounts payable regarding remuneration and social security	218,725	210,608	218,725	210,608
Other amounts payable	113,863	110,391	113,863	110,391
<b>Banks - debts to credit institutions, clients &amp; securities</b>	7,630,595	6,792,663	7,651,919	6,834,644
<b>Hedging instruments</b>	56,043	85,785	56,043	85,785

(€ 1,000)	2023			2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial assets</b>						
Financial assets : shares - Fair value through P/L (FVPL)	161,684		106,245	152,405		97,251
Financial assets : bonds - Fair value through OCI (FVOCI)	501,037			502,908		
Financial assets : shares - Fair value through OCI (FVOCI)			58			263
Financial assets - at amortised cost	44,560					
<b>Receivables and cash</b>						
Banks - receivables from credit institutions & clients		1,574,684	6,262,229		751,761	6,029,229
Banks - changes in fair value of the hedged credit portfolio			-36,752			-89,733
<b>Hedging instruments</b>		109,306			183,270	
<b>Financial liabilities</b>						
<b>Financial debts</b>						
Bank loans		1,545,623			1,577,488	
Bonds		139,613			139,348	
Subordinated loans		677			677	
Lease debts		177,024			151,959	
<b>Banks - debts to credit institutions, clients &amp; securities</b>		7,630,595			6,792,663	
<b>Hedging instruments</b>		56,043			85,785	

The fair values must be classified in three levels according to the valuation hierarchy of IFRS 13, depending on the type of input used for the valuation of financial instruments:

- Parameters for **level 1 instruments** are unadjusted quoted prices in active markets for identical assets and liabilities. No valuation technique (model) is used. In level 1, we find all financial assets (valued at fair value, with incorporation of value changes in the unrealised results) with a public listing in an active market.

- Parameters for **level 2 instruments** are prices quoted for similar assets and liabilities in active markets, or data based on or supported by observable market data. A valuation technique (model) is used, based on observable parameters such as:
  - the actual value of the future cashflows (discounted cashflow model)
  - the comparison with the current or recent fair value from another similar instrument
  - the determination of prices by third parties, provided that the price is in line with alternative observable parameters.

We find the following financial assets and liabilities in level 2:

- Cash and assets with central banks: because these assets have a very short term, the fair value is equated with the book value.
- Receivables from credit institutions and financial liabilities valued at amortised cost: the fair value of the above financial instruments is determined as the current value of future cash flows based on the applicable swap interest rate and the assumptions below:
  - Commercial margins are taken into account when repricing;
  - No account is taken of a percentage of credit losses.
- Derivatives held for trading purposes and for hedging purposes: the fair value of these instruments is also determined as the current value of future cash flows based on the applicable swap interest rate.
- Parameters for **level 3 instruments** are non-observable data for determining the fair value of an asset or liability. In this case, use is made of a valuation technique (model) with (partly) non-observable parameters.

We find the following financial assets in level 3:

- Some financial assets (valued at fair value with value changes included in the unrealised results) for which no public listing is available.
- Loans and advances to customers, valued at amortised cost: the fair value thereof is determined as the current value of future cash flows based on the applicable swap interest rate and the assumptions below:
  - Commercial margins are taken into account when repricing;
  - A percentage of early repayments and cap options is taken into account;
  - No account is taken of a percentage of credit losses.

The fair value of the securities in the **investment portfolio** of the Group is determined on the basis of the listing on the public market (level 1). The bonds issued by Nextensa are reported under level 2.

The above table gives no fair value information for financial assets and liabilities that are not measured at fair value, such as receivables and warranties, other receivables and payables, trade receivables and trade payables, advance payments, amounts payable regarding remuneration and social security, and cash and cash equivalents, since their carrying amount is a reasonable approximation of their fair value.

## 2. Financial assets: at fair value through OCI or through P/L

(€ 1,000)	Financial fixed assets - FVPL	Investments - FVPL	Investments - FVOCI	Investments - at amortised cost	Investments - Total
<b>Financial assets : at fair value through OCI or through P/L - financial year 2022</b>					
<b>Financial assets: opening balance at fair value</b>	<b>177,351</b>	<b>48,190</b>	<b>507,788</b>	<b>20,005</b>	<b>575,982</b>
Financial assets - carrying amount (including accumulated fair value adjustments through P/L - FVPL)	177,351	48,190	504,139	20,005	572,334
Financial assets - adjustment to fair value			2,895		2,895
Financial assets - accrued interest			753		753
<b>Additions</b>	<b>33,058</b>	<b>15,028</b>	<b>172,660</b>	<b>107,486</b>	<b>295,174</b>
Additions through business combinations	0	0	0	0	0
Actuarial return			-731	0	-731
Disposals (-)	-618	-15,254	-120,595	-127,500	-263,349
Disposals through business disposals (-)	0	0	0	0	0
Increase (decrease) through changes in fair value (FVPL)	1,399	-6,636		0	-6,636
Increase (decrease) through changes in fair value (FVOCI)			-58,551		-58,551
Impairment losses recognized in the income statement (-)			0		0
Foreign currency exchange increase (decrease)	11	0	2,173	0	2,173
Transfer from (to) other items	-2,872	0	0	0	0
Other increase (decrease)	0	0	427	10	437
<b>Financial assets: ending balance at fair value</b>	<b>208,328</b>	<b>41,328</b>	<b>503,171</b>	<b>0</b>	<b>544,498</b>
Financial assets - carrying amount (including accumulated fair value adjustments through P/L - FVPL)	208,328	41,328	557,646	0	598,974
Financial assets - adjustment to fair value (FVOCI)			-55,655		-55,655
Financial assets - accrued interest			1,180		1,180

(€ 1,000)	Financial fixed assets - FVPL	Investments - FVPL	Investments - FVOCI	Investments - at amortised cost	Investments - Total
<b>Financial assets : at fair value through OCI or through P/L - financial year 2023</b>					
<b>Financial assets: opening balance at fair value</b>	<b>208,328</b>	<b>41,328</b>	<b>503,171</b>	<b>0</b>	<b>544,498</b>
Financial assets - carrying amount (including accumulated fair value adjustments through P/L - FVPL)	208,328	41,328	557,646	0	598,974
Financial assets - adjustment to fair value			-55,655		-55,655
Financial assets - accrued interest			1,180		1,180
Additions	32,428	20	140,444	181,083	321,547
Additions through business combinations	0	0	0	0	0
Actuarial return			1,242	791	2,033
Disposals (-)	-379	-12	-165,681	-138,150	-303,843
Disposals through business disposals (-)	0	0	0	0	0
Increase (decrease) through changes in fair value (FVPL)	-15,752	3,576		0	3,576
Increase (decrease) through changes in fair value (FVOCI)			21,349		21,349
Impairment losses recognized in the income statement (-)			0		0
Foreign currency exchange increase (decrease)	0	0	-717	0	-717
Transfer from (to) other items	206	0	-157	0	-157
Other increase (decrease)	-1,815	3	1,444	220	1,667
<b>Financial assets: ending balance at fair value</b>	<b>223,016</b>	<b>44,914</b>	<b>501,096</b>	<b>43,944</b>	<b>589,954</b>
Financial assets - carrying amount (including accumulated fair value adjustments through P/L - FVPL)	223,016	44,914	517,626	43,724	606,264
Financial assets - adjustment to fair value (FVOCI)			-19,155		-19,155
Financial assets - accrued interest			2,624	220	2,844

The **Financial fixed assets at fair value through Profit&Loss** increased by 14.7 million euros in 2023 to 223.0 million euros. The main contributors at year end 2023 were i) the shares in Retail Estates held by Nextensa, ii) the fair-value of the life sciences and Asia investments in the Growth Capital portfolio and iii) other non-consolidated investments at the level of AvH.

During 2023, AvH invested 32.4 million euros in the further expansion of its "Growth Capital" portfolio with focus on Life Sciences and India/Southeast Asia. AvH and Convergent strengthened their strategic partnership, with AvH committing an additional 9 million USD to Infinity Holdings (Convergent's flagship fund). AvH's cumulative investment in Infinity Holdings now stands at 15.0 million USD. AvH invested in Vico Therapeutics (AvH 3.8%), a Dutch biotech company developing novel Antisense-Oligonucleotide therapies for rare diseases. AvH initially holds 3.8% of the shares of Vico Therapeutics, with its shareholding further increasing when the full amount of AvH's 7.5 million euros commitment is called by the company after achieving certain milestones.

The Fair value adjustments recorded through P&L had a total negative impact of 15.8 million euros in 2023. The main components of these negative fair value fluctuations in 2023 were: a positive 3.5 million euros effect on the 1,351,320 shares Retail Estates held by Nextensa and a negative evolution amounting to 19.3 million euros on AvH's non-consolidated Growth Capital participations.

The **investments** increased by 45.5 million euros to 590.0 million euros. Besides a small portfolio at AvH of 44.9 million euros, this amount is fully explained by the bond portfolio of Bank Van Breda. The additions and disposals of investments are largely attributable to Bank Van Breda, and relate to transactions realized as part of its Asset & Liability management (ALM).

(€ 1,000) Financial fixed assets at Fair value through P/L	Interest% 2023 (fully diluted)	Interest% 2022 (fully diluted)	Valuation - Level	Fair value in Profit & Loss 2023	Fair value in Profit & Loss 2022
<b>Marine Engineering &amp; Contracting</b>					
Small stakes			Level 3		
<b>Fair value</b>	<b>4,547</b>	<b>5,036</b>		<b>0</b>	<b>0</b>
<b>Real Estate</b>					
Retail Estates	9.4%	9.6%	Level 1	3,513	-12,702
Small stakes			Level 3	0	305
<b>Fair value</b>	<b>87,296</b>	<b>83,782</b>		<b>3,513</b>	<b>-12,397</b>
<b>AvH &amp; Growth Capital</b>					
<b>Life Sciences</b>					
AstriVax	7.1%	5.8%	Level 3		
Biotalys	11.4%	11.9%	Level 1		
Epics Therapeutics (Bio Cap Invest)	29.5%	29.5%	Level 3		
Indigo Diabetes	11.9%	11.9%	Level 3		
MRM Health	15.9%	15.9%	Level 3		
OncoDNA	10.4%	9.8%	Level 3		
Vico Therapeutics International	3.8%		Level 3		
<b>Life Sciences - Fair value</b>	<b>30,282</b>	<b>40,150</b>		<b>-14,855</b>	<b>-5,383</b>
<b>India / South-East Asia</b>					
Convergent Finance	6.8%	3.1%	Level 3		
HealthQuad Fund I	36.3%	36.3%	Level 3		
HealthQuad Fund II	11.0%	11.0%	Level 3		
Medikabazaar (direct)	8.9%	8.9%	Level 3		
Venturi Fund I	11.1%	11.1%	Level 3		
Venturi Partners / Venturi I Capital	10.0%	10.0%	Level 3		
<b>India / South-East Asia - Fair value</b>	<b>80,143</b>	<b>69,346</b>		<b>1,737</b>	<b>19,183</b>
<b>Other - Fair value</b>	<b>20,748</b>	<b>10,014</b>	Level 3	<b>-6,148</b>	<b>0</b>
<b>Subtotal AvH &amp; Growth Capital</b>	<b>131,173</b>	<b>119,510</b>		<b>-19,266</b>	<b>13,800</b>
<b>Fair value - Total</b>	<b>223,016</b>	<b>208,328</b>		<b>-15,753</b>	<b>1,402</b>

The investments consist of (€ 1,000):	Number of shares	Fair value
Investment portfolio Bank Van Breda		545,039
Funds managed by Delen Private Bank		33,689
Ageas	278,284	10,939
Other		286
		<b>589,954</b>

The breakdown per segment of the fair value of the investments is as follows (€ 1,000):	Fair value
Private Banking (Bank Van Breda)	545,039
AvH & Growth Capital	44,912
Marine Engineering & Contracting	2
Real Estate	0
Energy & Resources	0
	<b>589,954</b>

#### Credit risk of the investment portfolio Bank Van Breda

The risk profile of the investment portfolio has for years now deliberately been kept very low. The investment portfolio at year-end 2023 contains 99% government and government-guaranteed bonds with a minimum Aa3 rating (Moody's rating) and less than 1% shares.

The investment framework that is submitted annually for the approval of the board of directors of Bank Van Breda determines which investments can be made and the limits that apply. The following table shows the composition of the consolidated investment portfolio by rating and maturity.

Composition of the investment portfolio 31/12/2023	Rating		Remaining duration
Government bonds Aaa	39%	2024	14%
Government bonds Aa1	19%	2025	12%
Government bonds Aa2	9%	2026	17%
Government bonds Aa3	32%	2027	10%
Government bonds A2	0%	2028	11%
Equity instruments	1%	> 2028	35%
		indefinite	1%

## Note 14: Banks – receivable from credit institutions and clients

(€ 1,000)		Fair value		Book value
	2023	2022	2023	2022
Loans and receivables to clients	6,262,228	5,939,496	6,248,124	6,188,490
Changes in fair value of the hedged credit portfolio	-36,752	0	-36,752	0
Loans and advances to banks	102,142	110,845	102,073	110,836
Cash balances with central banks	1,472,542	640,916	1,472,542	640,916
	<b>7,800,160</b>	<b>6,691,257</b>	<b>7,785,987</b>	<b>6,940,242</b>

(€ 1,000)		2023	2022
<b>Loans and receivables to clients</b>			
Finance lease		470,530	366,374
Investment credits and financing		2,796,995	2,815,391
Mortgage loans		2,603,891	2,617,715
Operating appropriations		387,292	404,040
Other		15,157	12,373
<b>Subtotal - Gross loans and advances</b>		<b>6,273,865</b>	<b>6,215,893</b>
Provisions Expected Credit Losses/write-offs		-25,741	-27,403
<b>Loans and receivables to clients</b>		<b>6,248,124</b>	<b>6,188,490</b>

The full consolidation of Bank Van Breda results in the inclusion of the specific banking receivables and debts in the balance sheet of AvH. These items have been grouped in order to keep the balance sheet as transparent as possible.

The loans and advances to clients comprise the following:

- loans granted to family entrepreneurs and the liberal professions at Bank Van Breda. The many entrepreneurs and practitioners of liberal professions who have become clients in previous years entrust an ever increasing share of their banking business to the bank;
- car financing provided by Van Breda Car Finance, a division of the bank.

The strong commercial performance of the bank explains the significant increase of loans and advances to clients.

### Credit risk

The credit portfolio of Bank Van Breda is very widely spread throughout the local economic fabric of family businesses and liberal professions. The bank applies concentration limits per sector and maximum credit amounts per client. The credit portfolio of the Van Breda Car Finance division consists of car loans and car finance leases, and is very widely spread. Constant fine-tuning of the acceptance criteria and proactive debtor monitoring also give this portfolio a low risk profile.

The credit portfolio is divided into risk categories, each of which is monitored in its own specific way. The board of directors of Bank Van Breda periodically receives a report on credit facilities in the highest risk category.

Debts which become doubtful are transferred to the Litigation department. There are specific criteria for mandatory transfer when specific events arise with clients, borrowers or guarantors. For credit facilities in the highest risk category and for debts that become doubtful, it will be determined whether impairments are required.

The valuation rules (Note 1) offer an explanation of the methodology which Bank Van Breda uses under normal circumstances to determine the **expected credit losses (stage 1 and stage 2)** and the **impairments (stage 3)** for the whole credit portfolio.

Despite the very challenging environment for its clients due to the geopolitical tensions and the sharply increased inflation, Bank Van Breda did not report any significant losses on loans in 2023. The total provision for credit losses (including Expected Credit Losses or ECL) remains low at +0.01% of the average loan portfolio. This proves the strong quality of the bank's credit portfolio as well as the resilience of its clients.

## Internal rating per category – loans and advances to clients

Loans and advances to clients - internal rating per category (€ 1,000)	Stage 1		Stage 2		Stage 3	2023
	Individual	Collective	Individual	Collective		
<b>Performing</b>						
Low risk	2,822,405	0	17,124	41,939	0	2,881,467
Medium risk	2,113,606	0	337,877	153,717	0	2,605,200
High risk	292,386	0	339,944	56,292	0	688,622
Overdue	36,837	0	17,167	2,492	0	56,496
<b>Non-performing</b>						
Submitted to write off	0	0	0	0	42,080	42,080
<b>Total</b>	<b>5,265,233</b>	<b>0</b>	<b>712,112</b>	<b>254,440</b>	<b>42,080</b>	<b>6,273,865</b>

Loans and advances to clients - internal rating per category (€ 1,000)	Stage 1		Stage 2		Stage 3	2022
	Individual	Collective	Individual	Collective		
<b>Performing</b>						
Low risk	2,599,257	0	19,099	15,313	0	2,633,669
Medium risk	2,348,294	0	361,644	59,268	0	2,769,205
High risk	328,614	0	372,495	19,408	0	720,516
Overdue	33,343	0	14,523	222	0	48,088
<b>Non-performing</b>						
Submitted to write off	0	0	0	0	44,416	44,416
<b>Total</b>	<b>5,309,507</b>	<b>0</b>	<b>767,760</b>	<b>94,210</b>	<b>44,416</b>	<b>6,215,893</b>

Loans and advances to clients - evolution in 2023 (€ 1,000)	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
<b>31/12/2022</b>	<b>5,309,507</b>	<b>0</b>	<b>767,760</b>	<b>94,210</b>	<b>44,416</b>	<b>6,215,893</b>
Impact from collective staging	-146,948	146,948	-21,744	21,744	0	0
Recognition	1,274,081	0	124,394	27,256	4,380	1,430,111
Derecognition	-767,904	0	-127,844	-13,159	-7,944	-916,852
Repayments	-374,231	0	-46,232	-23,041	-8,630	-452,135
Transfers to stage 1	192,768	0	-192,327	0	-441	0
Transfers to stage 2	-213,174	-146,948	215,862	147,586	-3,326	0
Transfers to stage 3	-8,628	0	-7,249	0	15,877	0
Methodology modifications	-238	0	-506	-156	-1	-901
Write offs	0	0	0	0	-2,251	-2,251
<b>31/12/2023</b>	<b>5,265,233</b>	<b>0</b>	<b>712,112</b>	<b>254,440</b>	<b>42,080</b>	<b>6,273,865</b>

Accumulated impairments (€ 1,000)	Stage 1		Stage 2		Stage 3	Total
	Individual	Collective	Individual	Collective		
<b>31/12/2022</b>	<b>-4,805</b>	<b>0</b>	<b>-2,045</b>	<b>-176</b>	<b>-20,377</b>	<b>-27,403</b>
Impact from collective staging	78	-78	323	-323	0	0
Recognition	-4,202	-29	-891	-48	-811	-5,981
Derecognition	1,439	1	751	0	2,146	4,336
Repayments	1,836	43	318	146	0	2,343
Transfers to Stage 1	-698	-520	638	515	65	0
Transfers to Stage 2	94	119	-253	-334	374	0
Transfers to Stage 3	24	0	201	0	-225	0
Impact on ECL by Stage Transfer	602	460	-979	-906	-3,084	-3,907
Other adjustments to credit risk	531	4	198	314	1,243	2,291
Methodology modifications	3	0	-24	0	-139	-159
Model modifications	447	0	40	0	0	487
Write-offs	0	0	0	0	2,252	2,252
<b>31/12/2023</b>	<b>-4,651</b>	<b>0</b>	<b>-1,722</b>	<b>-812</b>	<b>-18,557</b>	<b>-25,741</b>

## Note 15: Inventories and construction contracts

(€ 1,000)	2023	2022
<b>I. Inventories, net amount</b>	<b>415,779</b>	<b>389,711</b>
<b>Gross carrying amount</b>	<b>418,266</b>	<b>391,376</b>
Raw materials and consumables	65,180	62,879
Goods in progress	86,756	63,361
Finished products	9,775	5,213
Goods purchased for sale	1,779	1,468
Immovable property acquired or constructed for resale	254,776	258,453
Prepayments	0	0
<b>Depreciation and impairments (-)</b>	<b>-2,488</b>	<b>-1,664</b>
Impairment on inventory through income statement during the financial year	452	38
Impairment on inventory reversed in the income statement during the financial year	387	185
<b>II. Construction contracts</b>		
<b>Amounts due from (to) customers under construction contracts, net</b>	<b>119,367</b>	<b>5,940</b>
Amounts due from customers under construction contracts	780,222	532,289
Amounts due to customers under construction contracts	-660,854	-526,349
<b>Prepayments received (CFE-DEME)</b>	<b>-94,859</b>	<b>-79,734</b>

CFE's real estate development projects, Nextensa's landholdings, and the port-related developments in Vietnam by Deep C Holding are the main components within 'Inventories'.

- CFE's inventories are essentially real estate projects developed by BPI and its fully consolidated participations.
- The inventory of Nextensa consists mainly of the land bank of Tour & Taxis on which about 130,000 m<sup>2</sup> of mixed residential/offices can still be developed in the future on Zone A and B.
- In 2023, Deep C Holding accelerated the development of the DEEP C Industrial Zones in Haiphong (Vietnam). At present its affiliate Infra Asia Investments already owns a land portfolio of approximately 3,400 hectares near the new deep-sea port of Lach Huyen. This represents around 21% of all the available industrial land in northern Vietnam.

The **construction & project contracts** of CFE, DEME and Agidens are valued according to the 'Percentage of Completion'-method, whereby results are recognized in accordance with the progress of the work. Expected losses are immediately recognized as an expense through in the income statement.

The execution of projects always entails a certain operational risk, but also means that certain estimates of profitability need to be made at the end of such a project. This risk is inherent to the activity, as well as the risk of disagreements with customers over divergent costs or changes in execution and the collection of these receivables. DEME is involved, both as claimant and as defendant, in discussions with customers about the financial consequences of deviations in the execution of contracting projects. In a small number of cases they may result in lawsuits. In so far as the consequences of such lawsuits can be reliably estimated, provisions are made for this in the accounts.

The increase in construction contracts is entirely attributable to DEME and in line with its increased level of activity. This increase was not impacted by business combinations. DEME estimates the pace of execution of its current contracts as follows: 58% in 2024, followed by 29% in 2025, 9% in 2026 and 4% beyond. The current construction contracts of CFE will generate a turnover of 1.032 million euros in the next years, of which 519 million euros is estimated in 2024.

Nextensa's real estate development projects are also contained in this balance sheet item, as the results of the pre-sold entities that are still under construction are also recognized according to the 'Percentage of Completion' method. On the Tour & Taxis site, the Park Lane II project consists of 11 compact buildings and 346 flats. More than 215 flats of this project have already been reserved or sold.

The progress of the work is defined based on the expenditures versus the estimated cost price of the entire project.

## Note 16: Minorities

(€ 1,000)	Minority %		Minority share in the AvH balance sheet		Minority share in the profit for the period	
	2023	2022	2023	2022	2023	2022
<b>I. Marine Engineering &amp; Contracting</b>						
DEME Group	37.88%	37.88%	855,362	769,598	68,938	43,831
CFE	37.88%	37.88%	70,284	68,995	4,161	10,648
Deep C Holding (Infra Asia Investments) (1)	18.94%	18.94%	35,304	20,365	3,795	3,164
<b>II. Private Banking</b>						
Bank Van Breda (2)	21.25%	21.25%	159,500	141,372	16,543	13,199
<b>III. Real Estate</b>						
Nextensa (3)	38.34%	41.47%	330,228	358,602	9,588	29,473
<b>IV. AvH &amp; Growth Capital</b>						
Agidens	15.02%	15.02%	3,748	3,392	1	-74
<b>Other</b>			8,686	6,499	4,881	1,666
<b>Total</b>			<b>1,463,112</b>	<b>1,368,824</b>	<b>107,908</b>	<b>101,907</b>

(1) In April, RG International Limited acquired a 10% stake in DEEP C ('Infra Asia Investments') through a capital increase. RG International is controlled by Mr Horst Geicke, a German investor based in Hong Kong. The participation in DEEP C of DEEP C Holding, which did not take part in the capital increase of 23.8 million USD, has decreased from 94% to 84%. AvH/CFE's direct stake in Deep C Holding remained unchanged.

(2) In 2018 the shareholder structure of Delen Private Bank and Bank Van Breda was simplified. AvH now holds, via the 100%-affiliate FinAx, a direct stake of 78.75% in Delen Private Bank, equity accounted directly.

(3) In 2023, AvH increased its participation in Nextensa from 58.53% to 61.66%.

## Summarized income statement – 2023

(€ 1,000)	DEME Group	CFE	Bank Van Breda	Deep C Holding	Nextensa	Agidens
Revenue	3,285,422	1,248,470	240,942	46,025	126,405	70,584
Profit (loss) from operating activities	241,263	28,201	118,155	9,020	49,839	839
Finance result	-23,269	-2,010		-5,741	-14,333	-156
Profit (loss) before tax	221,211	31,031	118,155	13,815	33,771	684
Profit (loss) of the period	171,593	22,726	84,675	11,782	24,242	5
<b>At the level of the individual company</b>	<b>171,593</b>	<b>22,726</b>	<b>84,675</b>	<b>11,782</b>	<b>24,242</b>	<b>5</b>
- Minority interests	8,831	-53	0	2,142	-249	0
- Share of the group	162,762	22,779	84,675	9,640	24,492	5
<b>At the level of AvH (a)</b>	<b>167,514</b>	<b>10,959</b>	<b>83,225</b>	<b>10,868</b>	<b>25,170</b>	<b>5</b>
- Minority interests	68,938	4,161	16,543	3,795	9,588	1
- Share of the group	98,576	6,798	66,682	7,074	15,582	5

(a) Including a limited number of consolidation adjustments

## Summarized income statement – 2022

(€ 1,000)	DEME Group	CFE	Bank Van Breda	Deep C Holding	Nextensa	Agidens
Revenue	2,654,725	1,167,221	194,602	58,027	135,999	59,745
Profit (loss) from operating activities	155,236	42,358	90,048	14,827	51,165	487
Finance result	-24,311	-217		-3,822	-8,511	-444
Profit (loss) before tax	146,752	47,359	90,048	14,885	86,828	43
Profit (loss) of the period	115,391	38,398	68,325	9,732	71,208	-492
<b>At the level of the individual company</b>	<b>115,391</b>	<b>38,398</b>	<b>68,325</b>	<b>9,732</b>	<b>71,208</b>	<b>-492</b>
- Minority interests	2,671	-36	0	1,629	-102	0
- Share of the group	112,720	38,434	68,325	8,104	71,310	-492
<b>At the level of AvH (a)</b>	<b>111,313</b>	<b>28,166</b>	<b>67,005</b>	<b>9,732</b>	<b>71,989</b>	<b>-492</b>
- Minority interests	43,831	10,648	13,199	3,164	29,473	-74
- Share of the group	67,482	17,518	53,806	6,569	42,516	-418

(a) Including a limited number of consolidation adjustments

## Summarized statement of comprehensive income – 2023

(€ 1,000)	DEME Group	CFE	Bank Van Breda	Deep C Holding	Nextensa	Agidens
<b>At the level of the individual company</b>	<b>134,323</b>	<b>18,340</b>	<b>112,205</b>	<b>4,999</b>	<b>20,875</b>	<b>43</b>
Profit (loss) of the period	171,593	22,726	84,675	11,782	24,242	5
- Minority interests	8,831	-53	0	2,142	-249	0
- Share of the group	162,762	22,779	84,675	9,640	24,492	5
Other comprehensive income	-37,270	-4,386	27,530	-6,783	-3,368	38
- Minority interests	-316					
- Share of the group	-36,954	-4,386	27,530	-6,783	-3,368	38
<b>At the level of AvH</b>	<b>130,560</b>	<b>9,304</b>	<b>110,226</b>	<b>4,085</b>	<b>21,803</b>	<b>43</b>
Profit (loss) of the period	167,514	10,959	83,225	10,868	25,170	5
- Minority interests	68,938	4,161	16,543	3,795	9,588	1
- Share of the group	98,576	6,798	66,682	7,074	15,582	5
Other comprehensive income	-36,954	-1,655	27,001	-6,783	-3,368	38
- Minority interests	-13,998	-627	5,738	-1,285	-1,490	6
- Share of the group	-22,956	-1,028	21,263	-5,499	-1,878	32

## Summarized statement of comprehensive income – 2022

(€ 1,000)	DEME Group	CFE	Bank Van Breda	Deep C Holding	Nextensa	Agidens
<b>At the level of the individual company</b>	<b>218,416</b>	<b>54,249</b>	<b>22,374</b>	<b>12,095</b>	<b>87,639</b>	<b>-504</b>
Profit (loss) of the period	115,391	38,398	68,325	9,732	71,208	-492
- Minority interests	2,671	-36	0	1,629	-102	0
- Share of the group	112,720	38,434	68,325	8,104	71,310	-492
Other comprehensive income	103,025	15,851	-45,951	2,363	16,431	-12
- Minority interests	498					
- Share of the group	102,527	15,851	-45,951	2,363	16,431	-12
<b>At the level of AvH</b>	<b>213,840</b>	<b>33,651</b>	<b>20,365</b>	<b>12,095</b>	<b>88,420</b>	<b>-504</b>
Profit (loss) of the period	111,313	28,166	67,005	9,732	71,989	-492
- Minority interests	43,831	10,648	13,199	3,164	29,473	-74
- Share of the group	67,482	17,518	53,806	6,569	42,516	-418
Other comprehensive income	102,528	5,485	-46,640	2,363	16,431	-12
- Minority interests	38,850	2,080	-9,911	448	6,815	-2
- Share of the group	63,678	3,405	-36,729	1,915	9,617	-10

## Summarized balance sheet – 2023

(€ 1,000)	DEME Group	CFE	Bank Van Breda	Deep C Holding	Nextensa	Agidens
Non-current assets	3,106,348	471,203	5,106,337	115,241	1,486,064	20,129
Current assets	1,653,710	709,383	3,393,884	164,915	295,225	35,616
Non-current liabilities	835,687	272,184	955,270	93,889	618,568	6,780
Current liabilities	1,963,561	672,009	6,783,011	66,555	318,204	24,004
Equity	1,960,810	236,393	761,940	119,712	844,516	24,961
- Group Share	1,910,473	236,770	761,940	89,406	834,048	24,961
- Minority interests	50,337	-377	0	30,306	10,468	0
Dividend distributed to minority interests	-15,257	-3,679	-5,801	0	-10,617	-138

## Summarized balance sheet – 2022

(€ 1,000)	DEME Group	CFE	Bank Van Breda	Deep C Holding	Nextensa	Agidens
Non-current assets	2,969,289	372,143	5,134,536	109,734	1,471,663	18,529
Current assets	1,540,489	685,936	2,522,491	150,831	296,738	28,784
Non-current liabilities	1,015,460	209,731	882,087	104,858	693,493	6,895
Current liabilities	1,718,053	623,822	6,100,799	55,709	225,393	17,830
Equity	1,776,265	224,526	674,141	99,998	849,516	22,589
- Group Share	1,753,947	224,653	674,141	83,514	838,798	22,589
- Minority interests	22,318	-127	0	16,483	10,718	0
Dividend distributed to minority interests	-504	0	-5,525	0	-10,212	0

## Note 17: Lease

### 1. Lessor

Bank Van Breda is active in the sector of car finance and finance leasing of cars via its division Van Breda Car Finance. We refer to Note 14 for more information.

### 2. Lessee

(€ 1,000)	2023	2022
<b>Assets</b>		
<b>Tangible assets</b>	<b>172,643</b>	<b>148,174</b>
Land and buildings	111,205	92,710
Plant, machinery and equipment	12,594	17,969
Furniture and vehicles	48,844	37,495
<b>Investment property</b>	<b>2,284</b>	<b>2,309</b>
<b>Total - Assets</b>	<b>174,927</b>	<b>150,483</b>
<b>Liabilities</b>		
<b>Equity - group share</b>	<b>-2,097</b>	<b>-1,476</b>
<b>Financial debts</b>	<b>177,024</b>	<b>151,959</b>
Non-current lease debts	133,969	112,180
Current lease debts	43,055	39,778
<b>Total - Liabilities</b>	<b>174,927</b>	<b>150,483</b>

As a result of the application of IFRS 16 Leases, the group recognized on December 31, 2023 a right-of-use asset of 174.9 million euros and a lease obligation of 177.0 million euros, of which 92% is attributable to DEME and CFE. The increase on assets of 24 million euros is mainly explained by investments (77 million euros) on the one hand and depreciation expense (49 million euros) and divestments (3 million euros) on the other.

We refer to:

- Acquisitions of right-of-use assets during 2023 amounted to 77.1 million euros (Note 9 Tangible assets).
- Cashflow statement (Note 6. Segment information).

There are no material leases concluded at reporting date that did not commence as of December 31, 2023. The amount of renewal options and termination options not reflected in the lease liabilities is immaterial.

(€ 1,000)	2023	2022
<b>Income statement</b>		
Reversal of rental charges	48,614	44,588
Depreciation	-46,269	-43,995
Interest expenses	-2,971	-2,036

The depreciation cost primarily relates to land and buildings. The expenses related to short-term lease contracts and low value lease contracts are considered immaterial. There are no expenses incurred which relate to variable lease payments. Income derived from sub-leasing right-of-use assets is considered immaterial.

## Note 18: Provisions

(€ 1,000)	Warranty provisions	Legal proceeding provisions	Environmental provisions	Provisions for restructuring	Provisions for contractual obligations	Provisions for negative equity method values	Other provisions	Total
<b>Provisions - financial year 2022</b>								
<b>Provisions, opening balance</b>	<b>16,012</b>	<b>6,349</b>	<b>0</b>	<b>1,933</b>	<b>5,768</b>	<b>12,595</b>	<b>38,162</b>	<b>80,819</b>
Additional provisions	6,545	1,480	0	659	11,342	0	1,448	21,475
Increase of existing provisions	670	10	0	0	0	0	0	679
Increase through business combinations	0	0	0	0	0	0	0	0
Amounts of provisions used (-)	-1,884	-733	0	-155	-4,142	0	-3,461	-10,373
Reversal of unused amounts of provisions (-)	0	-13	0	0	-552	0	-2,945	-3,510
Decrease through business disposals (-)	0	-42	0	0	0	0	-25	-67
Foreign currency exchange increase (decrease)	-33	0	0	0	0	0	-107	-140
Transfer from (to) other items	37,378	0	0	0	0	4,080	2,754	44,212
Other increase (decrease)	0	0	0	0	0	0	-2,827	-2,827
<b>Provisions, ending balance</b>	<b>58,688</b>	<b>7,051</b>	<b>0</b>	<b>2,437</b>	<b>12,416</b>	<b>16,675</b>	<b>33,000</b>	<b>130,268</b>

(€ 1,000)	Warranty provisions	Legal proceeding provisions	Environmental provisions	Provisions for restructuring	Provisions for contractual obligations	Provisions for negative equity method values	Other provisions	Total
<b>Provisions - financial year 2023</b>								
<b>Provisions, opening balance</b>	<b>58,688</b>	<b>7,051</b>	<b>0</b>	<b>2,437</b>	<b>12,416</b>	<b>16,675</b>	<b>33,000</b>	<b>130,268</b>
Additional provisions	14,392	2,861	0	780	912	0	1,622	20,567
Increase of existing provisions	0	0	0	0	0	0	0	0
Increase through business combinations	0	0	0	0	0	0	0	0
Amounts of provisions used (-)	-2,612	-3,316	0	-1,275	-722	0	-2,273	-10,198
Reversal of unused amounts of provisions (-)	-1,139	-72	0	0	-808	0	-2,500	-4,519
Decrease through business disposals (-)	0	0	0	0	0	0	-21	-21
Foreign currency exchange increase (decrease)	146	0	0	0	0	0	347	493
Transfer from (to) other items	0	2,624	0	-1,000	0	10,197	143	11,963
Other increase (decrease)	0	0	0	0	0	0	106	106
<b>Provisions, ending balance</b>	<b>69,474</b>	<b>9,147</b>	<b>0</b>	<b>942</b>	<b>11,798</b>	<b>26,872</b>	<b>30,425</b>	<b>148,659</b>

Provisions increased by 18.4 million euros; mainly within the segment "Marine Engineering & Contracting" and a.o. due to 10.2 million euros of additional provisions for negative equity of participations accounted for under the equity method. Other LT provisions within the consolidated accounts of CFE have increased by 13.0 million euros, but are largely compensated by a decrease of 13.5 million euros in provisions < 1 year.

The acquisition of control over CFE at year-end 2013 gave rise to the recognition of a contingent liability for risks of 60.3 million euros in connection with CFE's construction and real estate development activities. In the course of 2014-2022, 47.8 million euros (group share 28.9 million euros) was reversed because the risks in question at CFE were either no longer present or were reported in CFE's own financial statements. In 2023, AvH further reduced the provision for contingent liabilities by 2.5 million euros (AvH share: 1.5 million euros) to 10 million euros (AvH share: 6.0 million euros). This reversal is justified by the disappearance of the underlying risks for which the provision had been constituted at year-end 2013.

When disposing of participating interests and/or activities, AvH and its subholdings are regularly required to provide certain warranties and representations. These may give rise to claims - legitimate or otherwise - from buyers for compensation on that basis. AvH and its subholdings received no such claims in 2023.

Several group companies of AvH (such as DEME, CFE, Agidens...) are actively involved in the execution of projects. This always entails a certain operational risk, but also means that certain estimates of profitability need to be made at the end of such a project. This risk is inherent to the activity, as well as the risk of disagreements with customers over divergent costs or changes in execution and the collection of these receivables. DEME is involved, both as claimant and as defendant, in discussions with customers about the financial consequences of deviations in the execution of contracting projects. In a small number of cases they may result in lawsuits. In so far as the consequences of such lawsuits can be reliably estimated, provisions are made for this in the accounts.

At current no contingent liabilities are recorded related to the impact of climate change.

Following contingent assets and liabilities are related to DEME:

- Since 2018, DEME has been involved in discussions with Rijkswaterstaat in the Netherlands related to the execution by one of its subsidiaries of the Juliana Canal widening project. Following intense discussions, a settlement (included in the H1 2023 result of DEME) has been reached. As such this matter can be closed.

- In September 2023, certain companies of the DEME-group were summoned to appear before the criminal court in Ghent. This decision follows a judicial investigation carried out in respect of the circumstances in which a contract was awarded in April 2014 by negotiated procedure to Mordraga, a former Russian joint venture company of the DEME group, for the execution of dredging works in the port of Sabetta (Russia). The works were carried out in the summer months of 2014 and 2015. The investigation was launched following a complaint lodged by a competitor, to whom said contract was not granted by negotiated procedure and is based solely on selective information provided by this competitor. Said competitor has meanwhile definitely waived its civil complaint in the dispute. At the introductory hearing on 6 December 2023, the Court of First Instance Oost-Vlaanderen, Ghent Division, has set a calendar for exchange of submissions. The DEME companies will now, for the first time, have the chance to submit substantive arguments regarding the charges brought by the Public Prosecutor. This means that so far, there has been no assessment of the case on the merits, which will require extensive debate, both in written submissions and oral arguments. In the current circumstances, it is therefore premature to speculate on the outcome of these proceedings. It is however clear that there is no longer any risk of payment of civil damages against the Claimant, which, as stated above, has definitively waived its civil complaint.

## Note 19: Financial debts

(€ 1,000)	< 1 year	1 year < 5 years	> 5 years	Total 2023	< 1 year	1 year < 5 years	> 5 years	Total 2022
				Remaining term				Remaining term
<b>I. Financial debts</b>								
Bank loans	338,070	1,050,634	168,625	<b>1,557,330</b>	280,710	1,134,375	198,800	<b>1,613,885</b>
Bonds	40,000	99,613	0	<b>139,613</b>	0	139,348	0	<b>139,348</b>
Subordinated loans	0	677	0	<b>677</b>	0	677	0	<b>677</b>
Lease debts	43,055	78,948	55,021	<b>177,024</b>	39,778	67,946	44,234	<b>151,959</b>
Other financial debts	129,547	12,135	0	<b>141,681</b>	82,168	46,453	0	<b>128,621</b>
<b>Financial debts - Total</b>	<b>550,672</b>	<b>1,242,007</b>	<b>223,646</b>	<b>2,016,326</b>	<b>402,656</b>	<b>1,388,799</b>	<b>243,034</b>	<b>2,034,489</b>
Cash and cash equivalents				<b>-989,810</b>				<b>-1,160,972</b>
<b>Net financial debt</b>	<b>550,672</b>	<b>1,242,007</b>	<b>223,646</b>	<b>1,026,515</b>	<b>402,656</b>	<b>1,388,799</b>	<b>243,034</b>	<b>873,517</b>

(€ 1,000)	2023			2022		
	Financial debt - ST	Financial debt - LT	Net financial debt	Financial debt - ST	Financial debt - LT	Net financial debt
Marine Engineering & Contracting	308,416	914,291	638,947	278,640	1,016,861	601,511
Private Banking (IFRS 16 leases)	2,955	5,726	-20,658	2,613	4,854	-17,048
Real Estate	235,790	562,159	786,820	117,668	634,932	721,493
Energy & Resources	0	0	-689	0	0	-642
AvH & Growth Capital	3,512	8,713	-352,669	3,735	10,026	-396,956
Intercompany	0	-25,236	-25,236	0	-34,840	-34,840
<b>Total</b>	<b>550,672</b>	<b>1,465,653</b>	<b>1,026,515</b>	<b>402,656</b>	<b>1,631,833</b>	<b>873,517</b>

(€ 1,000)	
<b>Financial debts at 31-12-2022</b>	<b>2,034,489</b>
Movements in the Cashflow statement (Cash flow from financial activities)	
Increase of financial debts	311,105
(Decrease) of financial debts	-401,724
Non-cash movements	
- Changes in consolidation scope - acquisitions	0
- Changes in consolidation scope - divestments	0
- IFRS 16 Leases - tangible assets	72,638
- IFRS 16 Leases - investment property	0
- Impact of exchange rates	-182
- Others	0
<b>Financial debts at 31-12-2023</b>	<b>2,016,326</b>

We refer to 'Note 12. Financial risk management and financial derivatives' for more details regarding the liquidity risk and capital management of the fully consolidated subsidiaries.

The financial debts are attributable to the fully consolidated participations. Those participations are, taking into account their own creditworthiness, responsible for obtaining market terms from lenders. The participation should also assess on a case-by-case basis whether debt instruments, subject to variable interest rates and/or foreign currency fluctuations, require hedging so as to retain an acceptable residual risk.

The **financial debts** decreased by 18 million euros. During 2023 the AvH group companies have reimbursed 356.1 million euros of financial debts and taken up new debt for 311.1 million euros. This resulted in a net reduction of 45.0 million euros, with however different evolutions through the portfolio. While DEME reduced its financial debt by 154.1 million euros, it increased at CFE (+58.3 million euros) and Nextensa (+45.3 million euros). The cash out relating to the IFRS 16 leases amounted to -45.6 million euros (2022: -42.6 million euros).

When cash and cash equivalents are taken into account, the **net financial debt position** actually increased by 153.0 million euros:

- DEME's financial position decreased by 9 million euros and remains healthy with a net financial debt of 512 million euro (or 0.9 times EBITDA) compared to 521 million euro (or 1.1 times EBITDA) at the end of 2022.
- The net financial debt of CFE increased by 44.4 million euros compared to 31 December 2022. The debt ratio was 28%, well below the historical average of recent years. If CFE's injection into the Kronos project (64 million euros) is excluded, net financial debt would have decreased by 20 million euros in 2023.
- Although Deep C Holding reimbursed partially its shareholder loans, following the successful capital increase at its affiliate Infra Asia Investment, the net financial debt remained almost unchanged as a result of investments and working capital needs.
- As the real estate market largely came to a standstill during 2023, Nextensa sold fewer buildings than desired. This led to an increase by 26.6 million euros in the net debt position amounting 786.8 million euros.

## Financial covenants

**DEME:** bilateral loans and long term credit facilities are subject to specific covenants. At December 31, 2023 DEME complied with the solvency ratio (>25%), the debt/EBITDA ratio (<3), and the interest cover ratio (>3), that were agreed upon within the contractual terms of the loans received.

**CFE:** the credit facilities are subject to specific covenants that take into account criteria such as financial debt and the ratio of debt to equity or fixed assets, as well as cash flow. These covenants were fully honoured as of December 31, 2023.

**Deep C Holding:** the credit facilities are subject to specific covenants that take into account criteria such as financial debt and the ratio of debt to equity or total assets. These covenants were fully honoured as of December 31, 2023.

**Nextensa:** the financial institutions grant loans to Nextensa on the basis of the company's reputation and various financial and other covenants. Failure to honour these covenants may result in the early cancellation of these loans. The loans received contain conventional covenants. The company was in compliance with all covenants as of year-end 2023.

(€ 1,000)	2023	2022
<b>II. Amounts payable (or the portion thereof), which are guaranteed by real guarantees given or irrevocably promised on the assets of the enterprises included in the consolidation</b>		
Bank loans	237,341	230,604
Bonds	0	0
Lease debts	0	0
Other financial debts	0	0
<b>Total</b>	<b>237,341</b>	<b>230,604</b>

The debts guaranteed by real guarantees given mainly relate to the concessions-activity of Deep C Holding and the real estate projects by Nextensa. In the context of various development projects, Nextensa provided pledges as security for financial debt amounting to 181.7 million euros.

## Note 20: Banks – debts to credit institutions, clients and securities

(€ 1,000)	Fair value		Book value	
	2023	2022	2023	2022
<b>Debts to credit institutions and central banks</b>	<b>49,601</b>	<b>116,334</b>	<b>49,604</b>	<b>116,379</b>
<b>Debts to clients</b>	<b>7,469,535</b>	<b>6,504,730</b>	<b>7,491,001</b>	<b>6,553,495</b>
- of which subordinated	0	560	0	560
<b>Securities including bonds</b>	<b>111,459</b>	<b>171,599</b>	<b>111,315</b>	<b>164,769</b>
- of which subordinated	0	47,155	0	40,236
<b>Banks - changes in fair value of the hedged credit portfolio</b>	<b>0</b>	<b>89,733</b>	<b>0</b>	<b>89,733</b>
	<b>7,630,595</b>	<b>6,882,396</b>	<b>7,651,919</b>	<b>6,924,377</b>

(€ 1,000)	2023	2022
<b>Debts to credit institutions and central banks</b>		
Current accounts / overnight deposits	46,067	104,845
Deposits with agreed maturity	3,537	11,534
Accrued interests	0	0
<b>Total</b>	<b>49,604</b>	<b>116,379</b>
<b>Debts to clients</b>		
Current accounts / overnight deposits	3,151,095	4,197,238
Deposits with agreed maturity	3,506,038	1,248,652
Special deposits	45,805	56,798
Regulated deposits	788,063	1,050,247
Subordinated certificates	0	560
<b>Total</b>	<b>7,491,001</b>	<b>6,553,495</b>
<b>Securities including bonds</b>		
Debt certificates	111,315	124,533
Subordinated bonds	0	40,236
<b>Total</b>	<b>111,315</b>	<b>164,769</b>
<b>Banks - changes in fair value of the hedged credit portfolio</b>	<b>0</b>	<b>89,733</b>
<b>Total debts to credit institutions, clients and securities</b>	<b>7,651,919</b>	<b>6,924,377</b>

The full consolidation of Bank Van Breda results in the recording of specific bank receivables and debts in the balance sheet of AvH. These items were grouped for maximum transparency of the balance sheet.

### Liquidity risk Bank Van Breda

Liquidity risk is the risk that the bank has insufficient funds available, or is unable to release funds quickly enough and at a reasonable cost to meet its short-term commitments. The commercial banking activities are the main source of liquidity risk. A bank's sources of funding traditionally have a shorter maturity than the financed assets, resulting in a maturity mismatch. The liquidity management of Bank Van Breda constantly monitors this mismatch and works out a financing strategy to confine it within the guidelines that are set out in a liquidity control framework. In this area, too, the bank pursues a deliberately low risk profile. Bank Van Breda maintains a solid and high-quality liquidity buffer to absorb fluctuations in the treasury position. This buffer stood at 2,113 million euros at year end 2023 and consists primarily of cash, placed at the ECB, and a highly liquid portfolio of bonds.

The bank's financing mix is very stable, with the deposits of the core clients as the main source of funding. The core clients use the bank for their investments and everyday banking transactions. The bank also closely watches the loan-to-deposit ratio and applies strict limits to this ratio between client credit portfolio and client deposits, which at year-end 2023 stood at 84%. Dependence on external institutional financing accounted for only 1.4% of total assets in 2023.

Two liquidity ratios were introduced in the Basel regulations and the CRR/CRD IV directive:

- The LCR (Liquidity Coverage Ratio) is a criterion for the liquidity position under an acute stress scenario over 30 days. It requires financial institutions to hold sufficient high-quality liquid assets. The regulator imposes a limit of at least 100%.
- The NSFR (Net Stable Funding Ratio) contrasts the available amount of stable funding with the required amount of stable funding over a one-year period. The Basel III-guidelines impose a limit of at least 100% as from 2018.

At year-end 2023, those ratios stood at 304% and 150% respectively. Both ratios are well above the lower limit of 100% that is imposed by the regulatory authority.

The bank's liquidity risk is monitored constantly by means of proactive treasury management, within the lines defined by the Asset & Liability Management and the investment framework. For its liquidity management, the bank uses, among other things, liquidity gap reports, ratio analysis and short- and long-term volume prognoses.

In the following table the assets and liabilities are grouped by maturity period and internal assumptions for deposits without maturity date were taken into account.

(€ 1,000)	< 1 month	1-3 months	3-12 months	1-5 years	5-10 years	> 10 years	Indefinite
<b>31/12/2023</b>							
Assets	1,911,000	186,000	872,000	3,020,000	1,782,000	625,000	43,000
Liabilities	-1,435,000	-1,359,000	-2,207,000	-1,532,000	-831,000	-241,000	-64,000
Derivatives	3,000	4,000	14,000	14,000	5,000	0	0
<b>Liquidity Gap</b>	<b>479,000</b>	<b>-1,169,000</b>	<b>-1,321,000</b>	<b>1,502,000</b>	<b>956,000</b>	<b>384,000</b>	<b>-21,000</b>
<b>31/12/2022</b>							
Assets	1,078,000	161,000	900,000	2,903,000	1,816,000	652,000	39,000
Liabilities	-1,000,000	-790,000	-1,925,000	-1,675,000	-1,101,000	-343,000	-51,000
Derivatives	1,000	2,000	16,000	55,000	23,000	0	0
<b>Liquidity Gap</b>	<b>79,000</b>	<b>-627,000</b>	<b>-1,009,000</b>	<b>1,283,000</b>	<b>738,000</b>	<b>309,000</b>	<b>-12,000</b>

## Interest rate risk Bank Van Breda

Interest rate risk can be defined as the extent to which the results or value of a financial transaction are affected by a change in market interest rates. Applied to a financial institution, interest rate risk is the extent to which the (interest) earnings and/or fair value of this institution is liable to be adversely affected by a change in market interest rates.

The bank opts to keep the interest rate risk at a relatively low level:

- The bank uses hedging instruments to correct the mismatch. This is done with a combination of interest rate swaps (which convert variable interest rate commitments into fixed rate commitments) and options (which provide protection against a rise in interest rates above given levels).
- Equity value sensitivity is the exposure of the company's economic value to unfavourable interest rate fluctuations. Earnings sensitivity is the exposure of the bank's (interest) earnings to those same unfavourable interest rate fluctuations. Its intensity can be seen in the duration gap. By this is meant the difference in duration of all assets and duration of all liabilities (mismatch), the duration being the weighted average of the maturities of a set of fixed-interest securities.

Equity value sensitivity and earnings sensitivity are monitored by means of scenario analyses that take account of changing market conditions, enabling the impact of stress scenarios to be analysed. This equity value and earnings sensitivity is measured using the Basis Point Value (BPV) methodology which shows the value change of the portfolio being analyzed when confronted with an increase in interest rates over the entire curve.

Impact of an immediate increase of the yield curve with 100 base points (1%) on:	2023	2022
The interest result (earnings sensitivity)	-920	2,827
The fair value of the equity (equity value sensitivity) (= BPV)	-63,586	-53,698

For the interest gap analysis both balance sheet and off balance sheet products are grouped together per period of maturity. In this way the mismatch structure becomes visible.

(€ 1,000)	≤ 1 month	1-3 months	3-12 months	1-5 years	5-10 years	> 10 years	Indefinite
<b>31/12/2023</b>							
Assets	1,985,000	365,000	992,000	2,953,000	1,575,000	521,000	43,000
Liabilities	-1,435,000	-1,359,000	-2,206,000	-1,532,000	-831,000	-241,000	-64,000
Derivatives	375,000	665,000	-60,000	-370,000	-570,000	-40,000	0
<b>Interest Gap</b>	<b>925,000</b>	<b>-329,000</b>	<b>-1,274,000</b>	<b>1,051,000</b>	<b>174,000</b>	<b>240,000</b>	<b>-21,000</b>
<b>31/12/2022</b>							
Assets	1,143,000	307,000	957,000	2,916,000	1,625,000	546,000	48,000
Liabilities	-1,045,000	-789,000	-1,943,000	-1,662,000	-1,056,000	-338,000	-38,000
Derivatives	325,000	570,000	-60,000	-370,000	-410,000	-55,000	0
<b>Interest Gap</b>	<b>423,000</b>	<b>88,000</b>	<b>-1,046,000</b>	<b>884,000</b>	<b>159,000</b>	<b>153,000</b>	<b>10,000</b>

## Note 21: Taxes

### 1. Recognized deferred tax assets and liabilities

(€ 1,000)	Assets 2023	Liabilities 2023	Net 2023	Assets 2022	Liabilities 2022	Net 2022
Intangible assets	0	21,132	-21,132	0	21,132	-21,132
Tangible assets	24,494	37,410	-12,916	23,365	37,683	-14,318
Investment property	0	34,127	-34,127	0	33,726	-33,726
Financial fixed assets	0	7,358	-7,358	0	1,626	-1,626
Investments	4,789	0	4,789	13,953	0	13,953
Employee benefits	14,857	343	14,514	17,648	705	16,943
Provisions	8,839	3,711	5,129	4,878	464	4,414
Financial derivative instruments	524	7,863	-7,338	1,057	21,216	-20,159
Working capital items	45,047	48,963	-3,916	43,099	65,556	-22,457
Tax losses and tax credits / deduction for investment	74,087	0	74,087	71,450	-9,852	81,302
Set-off	-22,196	-22,196	0	-20,621	-20,621	0
<b>Total</b>	<b>150,442</b>	<b>138,710</b>	<b>11,732</b>	<b>154,829</b>	<b>151,635</b>	<b>3,195</b>

Deferred taxes are mainly due to the revaluation of assets and liabilities as a result of business combinations. The Group regularly assesses its uncertain tax positions. In accordance with IFRIC 23, and where appropriate, provisions are made which are recorded under the deferred tax liabilities.

DEME operates in multiple jurisdictions with often complex legal and tax regulatory environments. DEME engages constructively with the tax authorities and where needed asks support from local advisors and counsels to obtain the most correct position on tax legislation and principles. However it is acknowledged that some of the positions are uncertain and include interpretation of complex tax laws as well as transfer pricing considerations. A deferred tax liability is recorded for each item that is not probable of being sustained on examination by the tax authorities and after using all legal remedies of defending the position before Court. The estimates are based on an approach which provides the best prediction of the resolution of the uncertainties with the tax authorities and is calculated using the most likely single amount or expected value method following IFRIC 23. The

estimates are based on facts and circumstances existing at the end of the reporting period. At the end of 2023, deferred tax liabilities relating to uncertain tax positions (UTP) amount to 22.6 million euros and the major UTP relate to ongoing potential tax litigations in the Philippines, Belgium, the Netherlands and India.

The item 'Set-off' reflects the set-off between deferred tax assets and liabilities per entity at DEME.

## 2. Unrecognized deferred tax assets

(€ 1,000)	2023	2022
Unrecognized receivables following tax losses	215,255	118,286
Tax credits	7,443	
Deferred depreciations	5,495	
Investment deductions	2,787	
Other unrecognized deferred tax assets	0	0
<b>Total</b>	<b>230,980</b>	<b>118,286</b>

On December 31, 2023, unrecognized deferred tax assets were extended to include dividend received deductions, tax credits, deferred depreciations and investment deductions. The unrecognized receivables following tax losses consist of 86 million euros of tax losses and 129 million euros of dividend received deductions.

Unrecognized deferred tax assets are largely attributable to DEME and CFE.

## 3. Current and deferred tax expenses (income)

(€ 1,000)	2023	2022
<b>Current income tax expense, net</b>		
Current period tax expense	-120,291	-89,723
Adjustments to current tax of prior periods	5,443	4,395
<b>Total</b>	<b>-114,848</b>	<b>-85,328</b>
<b>Deferred taxes, net</b>		
Origination and reversal of temporary differences	12,672	3,154
Additions (use) of tax losses	-186	245
Other deferred taxes	-121	-150
<b>Total</b>	<b>12,365</b>	<b>3,250</b>
<b>Total current and deferred tax (expenses) income</b>	<b>-102,483</b>	<b>-82,078</b>

## 4. Reconciliation of statutory tax to effective tax

(€ 1,000)	2023	2022
Profit (loss) before taxes	609,585	889,590
Profit (loss) of participations accounted for using the equity method (-)	-223,378	-243,874
Profit (loss) before taxes, excluding result from participations accounted for using the equity method	386,207	645,716
Statutory tax rate (%)	25.00%	25.00%
<b>Tax expense using the statutory tax rate</b>	<b>-96,552</b>	<b>-161,429</b>
Tax effect of rates in other jurisdictions	10,866	427
Tax effect of tax-exempt revenues	35,957	99,041
Tax effect of non-deductible expenses	-18,445	-15,029
Tax effect of tax losses	-28,748	-4,930
Tax effect from (under) or over provisions in prior periods	230	-2,847
Other increase (decrease)	-5,792	2,689
<b>Tax expense using the effective tax rate</b>	<b>-102,483</b>	<b>-82,078</b>
Profit (loss) before taxes	609,585	889,590
Profit (loss) of participations accounted for using the equity method (-)	-223,378	-243,874
Profit (loss) before taxes, excluding result from participations accounted for using the equity method	386,207	645,716
<b>Effective tax rate (%)</b>	<b>26.54%</b>	<b>12.71%</b>

Income taxes represented a cost of 102.5 million euros in 2023. It should be noted that the contribution from the equity accounted participations is already reported on a post-tax basis. The income tax charge of 102.5 million euros in 2023 therefore corresponded to a tax rate of 26.5% of the profit before tax (minus contribution from equity companies) of 386.2 million euros (609.6 million euros - 223.4 million euros). In 2022, a substantial part of the result consisted of gains on the disposal of participations which AvH held over the long term and are exempt from tax.

## 5. Pillar Two

Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions in which the AvH Group operates (ao. Belgium). The legislation will be effective for the AvH Group's financial year beginning 1 January 2024.

The AvH Group is in scope of the enacted or substantively enacted legislation and has performed an assessment of the AvH Group's potential exposure to Pillar Two top-up-taxes.

The assessment of the potential exposure to Pillar Two top-up-taxes is based on the most recent tax filings, country-by-country reporting and financial information for the constituent entities in the Group. Based on the assessment, the Transitional Safe Harbour relief will be applicable up to 80% of the jurisdictions in scope.

Based on the assessment, the AVH Group has identified potential exposure to Pillar Two top-up-taxes in certain jurisdictions. The exact exposure can currently not reasonably be estimated, a.o. since the outcome of the assessment will still be influenced by the outcome of the expected OECD Administrative Guidance to be published in the course of 2024. However, based on historical data, the AvH Group currently does not expect that such exposure may be significant in view of the consolidated financial statements.

The Group has applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar two income taxes.

## Note 22: share based payment

### 1. Equity settled stock option plan AvH as of 31 December 2023

Grant date	Number options accepted	Number options exercised	Number options expired	Balance	Exercise price (€)	Exercise period
2015	50,500	-50,500		0	100.23	01/01/2019 - 05/01/2023
2016	40,500	-40,500		0	130.95	01/01/2020 - 03/01/2024
2017	46,000	-8,000		38,000	128.30	01/01/2021 - 12/01/2025
2018	46,000	0	-500	45,500	148.64	01/01/2022 - 11/01/2026
2019	46,000	-8,000		38,000	132.52	01/01/2023 - 14/01/2027
2020	23,750	0		23,750	141.09	01/01/2024 - 13/01/2028
2021	55,000	0		55,000	124.67	01/01/2025 - 14/01/2029
2022	59,350	0		59,350	166.35	01/01/2026 - 13/01/2030
2023	80,000	0		80,000	160.91	01/01/2027 - 13/01/2031
	<b>447,100</b>	<b>-107,000</b>	<b>-500</b>	<b>339,600</b>		

AvH's stock option plan, which was approved in March 1999, is intended to provide long-term motivation for executive directors, members of the executive committee and management whose activities are essential to the success of the group. The options give them the right to acquire a corresponding number of shares in Ackermans & van Haaren.

The remuneration committee is responsible for monitoring this plan and selecting the beneficiaries. The options are provided free of charge and their exercise period is 8 years.

The total value of the outstanding options of 2017-2023 (measured at the fair value when granted) amounts to 10.9 million euros and is calculated by an external party according to an adjusted Black & Scholes model of which the main components are:

Year of grant	Share price (€)	Dividend yield	Volatility	Interest rate	Estimated expected lifetime	Black & Scholes Value (€)
2015	101.35	2.19%	19.00%	0.47%	7.79	13.76
2016	131.95	1.28%	23.00%	0.59%	7.79	27.72
2017	129.40	1.40%	23.00%	0.34%	7.79	25.70
2018	149.20	1.30%	20.00%	0.68%	7.79	27.32
2019	135.50	1.43%	20.40%	0.52%	7.90	24.92
2020	141.80	1.77%	21.00%	-0.01%	7.90	22.43
2021	129.50	1.35%	24.00%	-0.36%	7.90	26.59
2022	174.30	1.00%	22.00%	0.25%	7.90	38.20
2023	163.90	1.31%	22.00%	2.66%	7.90	42.93

Movement schedule - Stock options	2023	2022
<b>Opening balance</b>	<b>317,100</b>	<b>306,250</b>
Number of options accepted	80,000	59,350
Number of options exercised	-57,500	-48,500
Number of options expired	0	0
<b>Ending balance</b>	<b>339,600</b>	<b>317,100</b>

In 2023, 80,000 new stock options were granted with an exercise price of 160.91 euros per share. The fair value when granted was fixed at 3.4 million euros and is recorded in the profit and loss account over the vesting period of 4 years. In 2023 57,500 options were exercised (weighted average stock price of 158.24 euros).

At the end of 2023, the total number of outstanding stock options was 339,600. To hedge the current (and future) obligations AvH had a total of 351,839 shares in portfolio at the end of 2022.

## 2. Cash settled stock option plans at consolidated subsidiaries of AvH

The beneficiaries of the option plans of Delen Private Bank, Bank Van Breda, Agidens, Bioelectric and Turbo's Hoet Groep have a put option on the respective parent companies FinAx/Promofi and AvH Growth Capital (these companies have call options and a pre-emption right to prevent the shares from being transferred to third parties).

These option plans concern shares which are not listed on a stock exchange and whose value is determined in the option plan. The valuation of the option price is (depending on the option plan) based on the growth of the equity, a multiple on the growth of the consolidated profit or a market valuation of the company.

These option plans are accounted for in accordance with IFRS 2, and as such a liability is recorded in the balance sheet. The liabilities are reviewed as a result of an exercise, a regrating or modification of the parameters. These in- or decreases of the liability result respectively in a loss or profit in the income statement.

The total liability of the option plans of the fully consolidated subsidiaries as of 31 December 2023 amounts to 19.5 million euros, included in the other non-current liabilities.

## 3. Treasury share

Treasury shares as part of the stock option plan	2023	2022
<b>Opening balance</b>	<b>317,100</b>	<b>345,250</b>
Acquisition of treasury shares	12,239	20,350
Transfer from the share buyback programme	80,000	0
Disposal of treasury shares as a result of exercise of options	-57,500	-48,500
<b>Ending balance</b>	<b>351,839</b>	<b>317,100</b>

Treasury shares as part of the liquidity contract	2023	2022
<b>Opening balance</b>	<b>3,506</b>	<b>1,842</b>
Acquisition of treasury shares	471,490	347,174
Disposal of treasury shares	-443,883	-345,510
<b>Ending balance</b>	<b>31,113</b>	<b>3,506</b>

Treasury shares as part of the share buyback programme	2023	2022
<b>Opening balance</b>	<b>70,633</b>	<b>0</b>
Acquisition of treasury shares	417,781	70,633
Transfer to cover of stock option plan	-80,000	0
Disposal of treasury shares	0	0
<b>Ending balance</b>	<b>408,414</b>	<b>70,633</b>

In October 2022, AvH announced the start of a share buyback programme of up to 70.0 million euros. The programme started on October 5, 2022 and its duration was extended by the Board of Directors until year end 2023. Since the start of this programme, 488,414 treasury shares have been bought, for a total amount of 70 million euros. Meanwhile 80,000 of these shares have been allocated to cover stock option plan obligations. On December 31, 2023, 339,600 options were outstanding on AvH shares. In order to hedge these (and future) obligations, AvH owned 351,839 treasury shares on that date.

In addition, 471,490 AvH shares were purchased and 443,883 shares were sold in 2023 in the context of the contract that AvH entered into with Kepler Cheuvreux in order to support the liquidity of the AvH share. These transactions are initiated autonomously by Kepler Cheuvreux, but as they take place on behalf of AvH, the net purchase of 27,607 AvH shares has an impact on AvH's equity. On December 31, 2023, the number of treasury shares in the portfolio in the context of this liquidity agreement amounts to 31,113.

In total, on December 31, 2023, the total number of treasury shares amounts to 791,366 (2.36% of the shares issued). In accordance with IFRS, the carrying amount of these treasury shares of 59.5 million euros additionally for 2023 is deducted from equity (see Statement of changes in consolidated equity).

The board of directors has decided to proceed to the cancellation of 335,653 treasury shares (roughly 1% of the outstanding shares).

## Note 23: Rights and commitments not reflected in the balance sheet

### 1. Rights and commitments not reflected in the balance sheet, excluding CFE-DEME

(€ 1,000)	2023	2022
Amount of personal guarantees, given or irrevocably promised by the enterprises included in the consolidation, as security for debts or commitments	685,432	635,278
Amount of real guarantees, given or irrevocably promised by the enterprises included in the consolidation on their own assets, as security for debts and commitments of enterprises included in the consolidation	302,949	303,463
Goods and values, not disclosed in the balance sheet, held by third parties in their own name but at risk to and for the benefit of the enterprise	0	0
Commitments to acquire fixed assets	115,804	96,816
Commitments to dispose of fixed assets	303,084	312,230
Rights and commitments not reflected in the balance sheet of banks (Bank Van Breda)		
- Loan commitments	454,939	610,220
- Financial guarantees	49,100	49,465
- Repo transactions + collateral	0	2,000

The personal guarantees in 2023 are represented by 108.8 million euros in guarantees for Nextensa real estate projects and 1.1 million euros in guarantees for Agidens projects. The balance of 575.6 million euros mainly concerns guarantees entered into by AvH & subholdings relating to the sale of participations.

The real guarantees concern 181.7 million euros in guarantees put up by Nextensa regarding the financing of its activities in land and real estate development and 113.2 million euros in the scope of Deep C Holding development projects. On balance, there remains 3.4 million euros from Agidens (financing of the headquarter) and 4.7 million euros from Bioelectric (regarding the acquisition loan).

The commitments to acquire fixed assets concern options as part of stock option plans or options as part of shareholders' agreements for a total of 115.8 million euros.

The commitments to dispose of fixed assets are for call options (including conditional options) on the assets of AvH & Growth Capital for the amount of 303.1 million euros.

The off-balance-sheet commitments of Bank Van Breda consist primarily of the unused part of loans/credit lines granted. Bank guarantees, security loans and documentary credits have also been granted to clients. These off-balance-sheet commitments are also taken into account in the assessment of the credit risk.

## 2. Rights and commitments not reflected in the balance sheet CFE-DEME

(€ 1,000)	2023	2022
<b>Commitments</b>		
Amount of real guarantees, given or irrevocably promised by the enterprises included in the consolidation on their own assets, as security for debts and commitments of enterprises included in the consolidation	0	0
Bank and insurance guarantees for commitments of enterprises included in the consolidation	2,011,504	1,623,964
Other commitments given	92,828	35,869
<b>Total</b>	<b>2,104,332</b>	<b>1,659,833</b>
<b>Rights</b>		
Bank guarantees received as security for commitments to enterprises included in the consolidation	104,990	180,335
Other commitments received	5,414	4,308
<b>Total</b>	<b>110,404</b>	<b>184,643</b>

Bank and insurance guarantees relate to guarantees given in connection with the performance of construction contracts. Guarantees are also given in the context of tenders. The 'Other commitments given' refer to the 'progress guarantee' (Breyné Act) at CFE.

## Note 24: Employment

### 1. Average number of persons employed

	2023	2022
Employees	5,973	5,732
Workers	3,642	3,771

### 2. Personnel charges

(€ 1,000)	2023	2022
Remuneration and social charges	-914,575	-795,125
Pension expenses (defined contribution and defined benefit plans)	-25,358	-23,112
Share based payment	-4,818	-2,045
<b>Total</b>	<b>-944,751</b>	<b>-820,282</b>

In 2023 the headcount increased by 1%, mainly at DEME, while personnel charges increased by 15%, mainly driven by the higher inflation, the increased pension expenses and higher share based payment valuations.

AvH, AvH Growth Capital en AvH Singapore count for 49 employees. A pro forma headcount of 21,887 is cited in the section '2023 at a glance' (page 8). This pro forma figure comprises the staff of all participations held by the AvH group, and therefore deviates from the average headcount reported above which is based on the IFRS consolidation, which was drawn up on the basis of the consolidation scope reported in Note 2 and 3. In this pro forma presentation, all exclusive control interests are incorporated in full and the jointly controlled and associated interests proportionally.

## Note 25: Raw materials, consumables, services and subcontracted work

(€ 1,000)	2023	2022
Raw materials and consumables used	-2,708,475	-2,260,861
Changes in inventories of finished goods, raw materials & consumables	27,944	48,720
General and administrative expenses, including subcontracted work	-657,745	-637,231
<b>Total</b>	<b>-3,338,275</b>	<b>-2,849,372</b>

These costs vary according to the turnover, but also depend on a number of other factors, including and more specifically in the case of DEME/CFE, the nature of the work performed (execution only, EPC, ...) and its contractual structure (subcontractors, sole contractor or joint ventures, ...).

## Note 26: Pension liabilities

(€ 1,000)	2023	2022
Defined benefit pension plans	-68,226	-72,038
Other pension obligations (early retirement)	-4,032	-5,164
<b>Total pension obligations</b>	<b>-72,257</b>	<b>-77,202</b>
<b>Total pension assets</b>	<b>1,371</b>	<b>2,820</b>

### Defined benefit pension plans

(€ 1,000)	2023	2022
<b>1. Amounts as recorded in the balance sheet</b>		
Net funded defined benefit plan (obligation) asset	-66,855	-69,218
<i>Present value of wholly or partially funded obligations (-)</i>	<i>-291,577</i>	<i>-289,860</i>
<i>Fair value of plan assets</i>	<i>224,722</i>	<i>220,642</i>
<b>Defined benefit plan (obligation) asset, total</b>	<b>-66,855</b>	<b>-69,218</b>
Liabilities (-)	-68,226	-72,038
Assets	1,371	2,820

<b>Movements in plan assets (obligations) as recorded in the balance sheet</b>		
Net defined benefit plan asset (obligation) recorded in the balance sheet, opening balance	-69,218	-73,201
Increase (decrease) from business combinations/disposals	0	0
Net defined benefit cost recorded in the income statement	-21,021	-22,034
Net defined benefit cost recorded in 'Other Comprehensive Income'	-901	3,338
Contributions from employer / employee	25,898	22,515
Other increase (decrease)	-1,613	164
Net defined benefit plan asset (obligation) recorded in the balance sheet, ending balance	-66,855	-69,218

<b>2a. Net cost recorded in the income statement</b>	<b>-21,021</b>	<b>-22,034</b>
Current service cost	-19,436	-21,659
Interest cost	-9,827	-3,269
Interest income on plan assets (-)	8,105	2,679
Past service cost	137	216

<b>2b. Net cost recorded in 'Other Comprehensive Income'</b>	<b>-901</b>	<b>3,338</b>
Actuarial gains/(losses) recognised in 'Other Comprehensive Income'	8,536	80,252
Return on plan assets, excluding interest income (-)	-9,546	-75,978
Exchange differences	12	0
Other	97	-935

<b>3a. Movements in defined benefit plan obligations</b>		
Defined benefit plan obligations recorded in the balance sheet, opening balance	<b>-289,861</b>	<b>-358,746</b>
Increase as a result of business combinations	0	0
Decrease as a result of business disposals	0	0
Current service cost	-19,436	-21,659
Interest cost	-9,827	-3,269
Contributions from employee	-833	-922
Benefit payments (-)	17,248	11,900
Remeasurement (gains)/losses (net)	8,536	80,252
<i>of which: actuarial (gains)/losses on DBO arising from changes in demographic assumptions</i>	<i>2,394</i>	<i>325</i>
<i>of which: actuarial (gains)/losses on DBO arising from changes in financial assumptions</i>	<i>3,388</i>	<i>102,473</i>
<i>of which: actuarial (gains)/losses on DBO arising from experience</i>	<i>2,754</i>	<i>-22,546</i>
Past service cost	0	0
Exchange differences	0	170
Other increase (decrease)	2,596	2,414
Defined benefit plan obligations recorded in the balance sheet, ending balance	<b>-291,577</b>	<b>-289,861</b>
<b>3b. Movements in plan assets</b>		
Fair value of the plan assets, opening balance	<b>220,642</b>	<b>285,545</b>
Increase as a result of business combinations	0	0
Decrease through business disposals	0	0
Return on plan assets excluding interest income	-9,546	-75,978
Interest income on plan assets	8,105	2,679
Contributions from employer / employee	26,889	23,327
Benefit payments (-)	-17,248	-11,900
Exchange differences	0	-170
Other increase (decrease)	-4,121	-2,860
Fair value of the plan assets, ending balance	<b>224,722</b>	<b>220,642</b>
<b>4. Principal actuarial assumptions</b>		
Discount rate used	3.4%	3.5%
Expected rate of salary increase	3.7%	3.7%
Inflation	2.2%	2.2%
Mortality tables	MR/FR	MR/FR
<b>5. Other information</b>		
Term (in years)	11.98	13.84
Average actual return on plan assets	-0.60%	-25.16%
Expected contribution in next financial year	20,687	20,534
<b>6. Sensitivity analysis</b>		
<b>Discount rate</b>		
25 base point increase	-5.8%	-3.8%
25 base point decrease	3.8%	2.4%
<b>Expected rate of salary increase</b>		
25 base point increase	0.3%	1.0%
25 base point decrease	-2.4%	-2.1%

AvH took out 'defined benefit' as well as 'defined contribution' pension plans. These plans are underwritten by insurers in class 21 (life insurance policies with guaranteed interest rate).

Belgian law requires that employers guarantee a minimum yield of 3.25% on their own contributions to defined contribution plans; this applies to all payments made up to 31/12/2015 and until retirement age. On January 1, 2016, the Act of December 18, 2015 came into effect. The WAP (Law on Supplementary Pensions) yield guaranteed by the employer is a 'variable' interest rate, linked to the yield on the bond market which will be defined each year as of January 1 on the basis of a formula specified in the Law on Supplementary Pensions. For the periods 2017 up to 2023, the guaranteed yield was 1.75%.

The guarantee which the employer offers under the Law on Supplementary Pensions is a secondary guarantee: the employer only has to make up the difference if the yield guaranteed by the insurer on plan assets is lower than the legally guaranteed yield.

In accordance with IAS 19R, an actuarial calculation is carried out according to the Projected Unit Credit method for the defined benefit plans. The plan assets are measured at the discounted value of the reserves, taking into account the interest rates guaranteed by the insurers. Actuarial gains and losses are reported as other comprehensive income in the equity (see the item 'Actuarial gains and losses on defined benefit pension plans' in the statement of changes in consolidated equity).

## Note 27: Related parties

## 1. Related parties, excluding CFE – DEME

(€ 1,000)	Financial year 2023				Financial year 2022			
	Subsidiaries	Associated participations	Other related parties	TOTAL 2023	Subsidiaries	Associated participations	Other related parties	TOTAL 2022
<b>I. Assets with related parties - balance sheet</b>								
<b>Financial fixed assets</b>	<b>0</b>	<b>3,938</b>	<b>0</b>	<b>3,938</b>	<b>0</b>	<b>4,128</b>	<b>0</b>	<b>4,128</b>
Receivables and warranties: gross amount	0	3,938	0	3,938	0	4,128	0	4,128
Receivables and warranties: impairments	0	0	0	0	0	0	0	0
<b>Amounts receivable</b>	<b>37,240</b>	<b>10,292</b>	<b>4</b>	<b>47,535</b>	<b>21,705</b>	<b>11,966</b>	<b>4</b>	<b>33,675</b>
Trade debtors	615	0	4	619	17	0	4	20
Other receivables: gross amount	36,624	10,292	0	46,916	21,689	11,966	0	33,654
Other receivables: impairments	0	0	0	0	0	0	0	0
<b>Banks - receivables from credit institutions &amp; clients</b>	<b>91</b>	<b>0</b>	<b>0</b>	<b>91</b>	<b>5,091</b>	<b>0</b>	<b>0</b>	<b>5,091</b>
<b>Deferred charges &amp; accrued income</b>	<b>8,142</b>	<b>83</b>	<b>0</b>	<b>8,225</b>	<b>6,819</b>	<b>390</b>	<b>0</b>	<b>7,209</b>
<b>Total</b>	<b>45,473</b>	<b>14,313</b>	<b>4</b>	<b>59,789</b>	<b>33,616</b>	<b>16,484</b>	<b>4</b>	<b>50,103</b>
<b>II. Liabilities with related parties - balance sheet</b>								
<b>Financial debts</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Subordinated loans	0	0	0	0	0	0	0	0
Other financial debts	0	0	0	0	0	0	0	0
<b>Other debts</b>	<b>19,347</b>	<b>150</b>	<b>0</b>	<b>19,497</b>	<b>155</b>	<b>150</b>	<b>0</b>	<b>305</b>
Trade payables	243	0	0	243	152	0	0	152
Other amounts payable	19,104	150	0	19,254	3	150	0	153
<b>Banks - debts to credit institutions, clients &amp; securities</b>	<b>77,179</b>	<b>0</b>	<b>0</b>	<b>77,179</b>	<b>79,614</b>	<b>0</b>	<b>0</b>	<b>79,614</b>
<b>Accrued charges and deferred income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>96,526</b>	<b>150</b>	<b>0</b>	<b>96,676</b>	<b>79,769</b>	<b>150</b>	<b>0</b>	<b>79,919</b>
<b>III. Transactions with related parties - income statement</b>								
<b>Revenue</b>	<b>73,792</b>	<b>113</b>	<b>3</b>	<b>73,908</b>	<b>65,972</b>	<b>125</b>	<b>3</b>	<b>66,100</b>
Rendering of services	3,794	23	3	3,820	2,887	35	3	2,925
Real estate revenue	10	0	0	10	20	0	0	20
Interest income of banking activities	0	0	0	0	0	0	0	0
Commissions receivable of banking activities	69,925	0	0	69,925	63,040	0	0	63,040
Revenue from construction contracts	0	0	0	0	0	0	0	0
Other operating revenue	64	90	0	153	25	90	0	115
<b>Operating expenses (-)</b>	<b>-634</b>	<b>0</b>	<b>0</b>	<b>-634</b>	<b>-173</b>	<b>0</b>	<b>0</b>	<b>-173</b>
Raw materials, consum., services & subcontracted work (-)	-634	0	0	-634	-173	0	0	-173
Interest expenses Bank Van Breda (-)	0	0	0	0	0	0	0	0
Impairment losses (-)	0	0	0	0	0	0	0	0
<b>Financial result</b>	<b>4,251</b>	<b>832</b>	<b>0</b>	<b>5,083</b>	<b>3,689</b>	<b>996</b>	<b>0</b>	<b>4,685</b>
Interest income	4,251	832	0	5,083	3,689	996	0	4,685
Interest expenses	0	0	0	0	0	0	0	0

The loans that AvH (and subholdings) have granted to participations that are not fully consolidated are included in the above table. The interest rate charged for these intra-group loans is at arm's length. The same applies for financing loans that Nextensa, Deep C Holding and Green Offshore grant to their equity-method participations, reported as 'other receivables'. The advances received by Nextensa on developments at Cloche d'Or are included in the 'Other amounts payable'.

Through the full consolidation of Bank Van Breda and the inclusion of Delen Private Bank using the equity method, the commercial paper of Bank Van Breda held by Delen Private Bank (71.2 million euros) and the term deposits (6.0 million euros) are reported as a debt of Bank Van Breda to a related party.

## 2. Transactions with related parties – CFE – DEME

- Ackermans & van Haaren (AvH) owns 15,725,684 shares of CFE and DEME Group as a result is the primary shareholder of both companies with 62.12% of the total number of shares.
- Under the service contracts which DEME and CFE concluded with AvH (in 2001 and 2015 respectively), amounts were paid of 1.4 million euros and 0.4 million euros respectively.
- Transactions with related parties concerned mainly transactions with companies in which CFE and DEME have a joint control or a significative influence. These transactions are concluded at arm's length.

(€ 1,000)	2023	2022
<b>Assets with related parties CFE-DEME</b>	<b>271,678</b>	<b>213,973</b>
Non current financial assets	184,255	162,467
Trade and other receivables	80,553	45,190
Other current assets	6,870	6,316
<b>Liabilities with related parties CFE-DEME</b>	<b>64,842</b>	<b>48,296</b>
Other non current liabilities	14,936	13,666
Trade and other liabilities	49,906	34,630

(€ 1,000)	2023	2022
<b>Revenues and expenses with related parties CFE-DEME</b>	<b>334,534</b>	<b>281,050</b>
Revenue and revenue from auxiliary activities	329,651	303,068
Purchases and other operating expenses	-5,719	-28,822
Net financial income/(expense)	10,602	6,804

## 3. Remuneration

(€ 1,000)	2023	2022
<b>Remuneration of the directors</b>		
Tantièmes at the expense of AvH	836	630
<b>Remuneration of the members of the executive committee</b>		
Fixed remuneration	3,045	3,548
Variable remuneration	3,015	6,798
Share based payment	2,468	1,862
Group and hospitalisation insurance	871	572
Benefits in kind (company car)	30	38

## 4. The auditor EY received following fees related to:

(€ 1,000)	AvH	Subsidiaries (1)	Total 2023	AvH	Subsidiaries (1)	Total 2022
The statutory mandate	79	3,517	3,595	71	3,227	3,298
Special missions						
- Other control missions		271	271	0	331	331
- Tax advice	34	334	369	6	416	422
- Other missions than statutory	10	132	141	9	86	95
<b>Total</b>	<b>123</b>	<b>4,254</b>	<b>4,376</b>	<b>86</b>	<b>4,060</b>	<b>4,146</b>

<sup>(1)</sup> Including jointly controlled subsidiaries accounted for using the equity method.

## Note 28: Earnings per share

### 1. Continued and discontinued operations

(€ 1,000)	2023	2022
Net consolidated result, group share (€ 1,000)	399,194	708,655
Weighted average number of shares (1)	32,905,602	33,127,739
<b>Earnings per share (€)</b>	<b>12.13</b>	<b>21.39</b>
Net consolidated result, group share (€ 1,000)	399,194	708,655
Weighted average number of shares (1)	32,905,602	33,127,739
Impact stock options	19,903	34,772
Adjusted weighted average number of shares	32,925,504	33,162,510
<b>Diluted earnings per share (€)</b>	<b>12.12</b>	<b>21.37</b>

### 2. Continued activities

(€ 1,000)	2023	2022
Net consolidated result from continuing operations, group share (€ 1,000)	399,194	705,834
Weighted average number of shares (1)	32,905,602	33,127,739
<b>Earnings per share (€)</b>	<b>12.13</b>	<b>21.31</b>
Net consolidated result from continuing operations, group share (€ 1,000)	399,194	705,834
Weighted average number of shares (1)	32,905,602	33,127,739
Impact stock options	19,903	34,772
Adjusted weighted average number of shares	32,925,504	33,162,510
<b>Diluted earnings per share (€)</b>	<b>12.12</b>	<b>21.28</b>

<sup>(1)</sup> Based on number of shares issued, adjusted for treasury shares in portfolio

## Note 29: Proposed and distributed dividends

A dividend of EUR 3.40 per share will be proposed for approval to the ordinary general meeting of shareholders which will take place on 27 May 2024.

### 1. Determined and paid out during the year

(€ 1,000)	2023	2022
Dividend on ordinary shares distributed in:		
- Final dividend 2022: 3.10 euros per share	-102,511	-91,085

### 2. Proposed for approval by the general meeting of May 27, 2024

(€ 1,000)		
Dividend on ordinary shares:		
- Final dividend 2023: 3.40 euros per share (1)		-113,889

<sup>(1)</sup> Maximum amount of dividend, based upon the total number of shares, without taking into account the treasury shares.

### 3. Dividend per share (€)

	2023	2022
Gross	3.4000	3.1000
Net (withholding tax 30%)	2.3800	2.1700

## Note 30: Major events after balance sheet date

In January 2024, **EMG** (AvH 22.74%), one of the leading global providers of broadcast services and media solutions for live sports, entertainment and events and Gravity Media, a global provider of complex live creative production and media services combined their businesses to create one of the world's largest and most significant broadcast technology and production companies. The new venture, which will be formally named in due course, will have significant global capability, including more than 100 outside broadcast trucks and fly packs and 40 studios and production facilities across Europe, the Middle East, United States, and Australia, which will be part of the new global business. The business will have 30 offices across 12 countries, with a total of 2,000 permanent employees and access to a global network of freelance personnel. The business combination didn't lead to additional investments from AvH, nor is it expected to have an immediate impact on AvH's results, but it diluted AvH's participation to 15.8%.

**Van Moer Logistics** has ambitious plans to continue its growth. To finance this, AvH Growth Capital and the founding couple Jo Van Moer – Anne Verstraeten have together implemented a capital increase in March 2024, totalling 25 million euros. Following this operation, AvH Growth Capital's stake in Van Moer Logistics increased to 32.4%. Simultaneously with this capital increase, AvH Growth Capital acquired 33.3% in the capital of Blue Real Estate.

Also in March 2024, **Delen Private Bank** has reached an agreement with the shareholders of Box Consultants (the Netherlands) to acquire 100% of the shares. With this acquisition, Delen Private Bank Nederland will more than double its assets under management.

# Statutory Auditor's report

Independent auditor's report to the general meeting of Ackermans & van Haaren NV for the year ended 31 December 2023.

In the context of the statutory audit of the Consolidated Financial Statements of Ackermans & van Haaren NV (the "Company") and its subsidiaries (together the "Group"), we report to you as statutory auditor. This report includes our opinion on the consolidated statement of the financial position as at 31 December 2023, the consolidated statement of income and consolidated statement of comprehensive income, the realized and un-realized results, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended 31 December 2023 and the disclosures including material accounting policy information (all elements together the "Consolidated Financial Statements") and includes as well our report on other legal and regulatory requirements. These two reports are considered as one report and are inseparable.

We have been appointed as statutory auditor by the shareholders' meeting of 23 May 2022, in accordance with the proposition by the Board of Directors following recommendation of the Audit Committee. Our mandate expires at the shareholders' meeting that will deliberate on the Consolidated Financial Statements for the year ending 31 December 2024. We performed the audit of the Consolidated Financial Statements of the Group during 23 consecutive years. As a result of the legislation regarding the rotation of audit firms, we need to resign as statutory auditor of the company after the audit of the accounting year ending on 31 December 2023.

## Report on the audit of the Consolidated Financial Statements 2023

### Unqualified opinion

We have audited the Consolidated Financial Statements of Ackermans & van Haaren NV, that comprise of the consolidated statement of the financial position as at 31 December 2023, the consolidated statement of income and consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended for the year ended 31 December 2023 and the disclosures including material accounting policy information, which show a consolidated balance sheet total of € 19,020,522,(000) and of which the consolidated income statement shows a profit for the year (attributable to the owners of the Company) of € 399,194,(000).

In our opinion, the Consolidated Financial Statements give a true and fair view of the consolidated net equity and financial position as at 31 December 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 ("ISAs") 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 of independence.

We have obtained from the Board of Directors and the officials of the Company the explanations and information necessary for the performance of our audit and we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current reporting period.

These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole and in forming our opinion thereon, and consequently we do not provide a separate opinion on these matters.

#### 1. Revenue recognition and contract accounting (Marine Engineering & Contracting)

Companies concerned: DEME and CFE

- Description of the key audit matter

For the majority of its contracts (hereafter the "contracts" or the "projects"), the Group recognizes revenue and profit on the stage of completion based on the proportion of contract costs incurred for the work performed to the balance sheet date, relative to the estimated total costs of the contract at completion. The recognition of revenue and profit therefore relies on estimates in relation to the forecast total costs on each contract. Cost contingencies may also be included in these estimates to take account of specific uncertain risks, or disputed claims against the Group, arising within each contract. The revenue on contracts may also include variations and claims, which are recognized on a contract-by-contract basis when the additional contract revenue can be measured reliably in line with the IFRS.

Revenue recognition and contract accounting often involves a high degree of judgment due to the complexity of projects, uncertainty about costs to complete and uncertainty about the outcome of discussions with clients on variation orders and claims. This is a key audit matter because there is a high degree of risk and related management judgement in estimating the amount of revenue and associated profit or loss to be recognized, and changes to these estimates could give rise to important variances.

- Summary of audit procedures performed

- We obtained an understanding of the process related to the contract follow up, the revenue and margin recognition and when applicable the provisions for losses at completion, and we assessed the design and the implementation of the related key internal controls, including management review controls.

- Based on quantitative and qualitative criteria, we selected a sample of contracts has been selected to challenge the most significant and complex project estimates. For this testing we gained an understanding of the current status and history of the projects and discussed the judgments inherent to these projects with senior executive and financial management. We analyzed the differences with prior project estimates and assessed consistency of reporting of the status of the project with the actual developments of the project during the year.
- We determined the proper calculation of the percentage of completion and the related revenue and margin recognized for a sample of projects.
- We compared the financial performance of projects against budget and historical trends.
- We completed site visits for certain projects observed the stage of completion of these projects and discusses with site personnel the status and complexities of the project that could impact it's total forecasted cost.
- We analyzed correspondence with customers : around variations and claims and assessed whether this information is consistent with the estimates made by the management.
- We inspected selected contracts for key clauses. We identified relevant contractual clauses impacting the (un)bundling of contracts, delay penalties, bonuses or success fees and we assessed whether these key clauses have been appropriately reflected in the amounts recognized in the Consolidated Financial Statements.

- [Reference to information or notes in the Consolidated Financial Statements](#)

The methodology applied in recognizing revenue and contract accounting is set out in note 1 (IFRS valuation rules) and note 15 (Inventories and construction contracts) to the Consolidated Financial Statements.

## 2. Uncertain tax positions (Marine Engineering & Contracting)

Company concerned: DEME

- [Description of the key audit matter](#)

DEME operates its global business across a variety of countries subject to different tax regimes. The taxation of its operations can be subject to judgements and might result in diverging views of local tax authorities and that may span multiple years to get resolved. Where the amount of tax payable is uncertain, management establishes an accrual based on its best estimate of the probable amount to settle the liability. Management exercises significant judgement in assessing the liability for uncertain tax positions at balance sheet date and changes to these estimates could give rise to important variances.

- [Summary of audit procedures performed](#)

- We obtained an understanding of the process in respect of accounting for (deferred) taxes and assessed the design and the implementation of the related controls.
- We assessed the estimated probability of the identified tax risk and challenged management's estimate of the potential outflows through management inquiry and inspection of a review of the supporting documentation (changes in tax legislation, correspondence with tax authorities and tax advisors, available rulings).
- We involved our tax professionals to assist us to evaluate management's assumptions and application of relevant tax laws and regulations in assessing of the Group's uncertain tax positions.

- [Reference to information or notes in the Consolidated Financial statements](#)

Refer to note 1 (IFRS valuation rules) and note 21 (Taxes).

## 3. Revenue recognition and valuation of inventories and construction contracts (Marine Engineering & Contracting, Real Estate)

Companies concerned: CFE and Nextensa

- [Description of the key audit matter](#)

The valuation of the land positions and the incurred constructions costs for residential property developments are based on the historical cost or lower net realizable value. The assessment of the net realizable values involves assumptions relating to future market developments, permit decisions of governmental bodies, discount rates and future changes in costs and selling prices. These estimates involve various terms and are sensitive to scenarios and assumptions used and involve as such significant management judgement. Risk exists that potential impairments of inventories are not appropriately accounted for in the Consolidated Financial Statements.

Revenues and results are recognized to the extent that components (housing units) have been sold and based on the percentage of completion of the development. The recognition of revenue and profit therefore relies on estimates in relation to the forecasted total costs on each project.

This often involves a high degree of judgement due to the complexity of projects and uncertainty about costs to complete. This is a key audit matter because there is a high degree of risk associated with estimating the amount of revenue and related profit to be recognized for the period and changes to these estimates could give rise to important variances.

- [Summary of audit procedures performed](#)

- We obtained an understanding of the process related to the contract follow up, the revenue and margin recognition, and we considered the design and the implementation of the related key internal controls, including management review controls.
- We have selected a sample of project developments and verified the costs incurred to date, relating to land purchases and work in progress. We also recalculated the percentage of completion at balance sheet date, agreed sales values to contracts, and verified the accuracy of the revenue recognition formula.
- We performed an assessment of the calculations of net realizable values and challenged the reasonableness and consistency of the assumptions and model used by management.
- We evaluated the financial performance of specific projects against budget and historical trends, specifically in view of assessing the reasonableness of the costs to complete

- [Reference to information or notes in the Consolidated Financial statements](#)

Refer to note 1 (IFRS valuation rules) and note 15 (inventories and construction contracts)

## 4. Specific allowances for loans and advances to customers (Private banking)

Company concerned: Bank Van Breda

- [Description of the key audit matter](#)

The net portfolio of loans and advances to customers amounted to € 6,248 million as at 31 December 2023. Loans and advances to customers are measured at amortized cost, net of the allowance for loan losses (€ 26.5 million, including committed loans not (yet) recognised in the balance sheet).

Certain aspects of the accounting for allowance for loan losses require significant judgement by management, such as the identification of loans and advances to customers that are deteriorating, the assessment of objective evidence for impairment, the value of collateral and the estimation of the recoverable amount.

The use of different modeling techniques and assumptions can lead to considerably different estimates of impairments for credit losses.

Due to the significance of loans and advances to customers and the related estimation uncertainty, the valuation of loans and advances to customers is considered as a key audit matter.

#### • Summary of audit procedures performed

The following audit procedures were performed, amongst others:

- Assessing the design and evaluation of the operating effectiveness of controls around the valuation and accuracy of loans and advances and collateral data, the determination of risk ratings and the process for identifying arrears and the management thereof.
- Performing risk assessment aimed at identifying higher risk portfolios, including an assessment of management's own portfolio stress tests.
- Credit file reviews on a sample basis to test the recoverability of loans and advances to customers. By doing so, challenging the probability of realization, and valuation of collateral and other possible sources of repayment.
- Evaluation of the most important input variables and assumptions for the models used for the determination of impairment of loans and advances to customers calculated on a collective basis and testing of the arithmetic accuracy of the models.
- Comparing Management's key assumptions against the understanding of the relevant industries and business environments.
- Assessing whether disclosures appropriately reflected the exposure to credit risk, including controls over identification and disclosure of forborne loans, collateral valuation and sensitivity of key assumptions.

#### • Reference to information or notes in the Consolidated Financial statements

Refer to note 1 (IFRS valuation rules) and note 14 (Banks – receivables from credit institutions and clients)

## 5. Valuation of the investment properties (Real Estate)

Companies concerned: Nextensa

#### • Description of the key audit matter

As per 31 December 2023 the Group presents Investment property for a total amount of € 1,289 million on its balance sheet.

In accordance with the accounting policies and IAS 40 standard "Investment property", investment property is valued at fair value, and the changes in the fair value of investment property are recognized in the income statement.

The fair value of investment properties belongs to the level 3 of the fair value hierarchy defined within the IFRS 13 standard "Fair Value Measurement". Some parameters used for valuation purposes are based on data that can be observed to a limited extent (discount rate, future occupancy rate, ...) and therefore require judgment of management.

The audit risk appears in the valuation of these investment properties and is therefore a key audit matter.

#### • Summary of audit procedures performed

The group uses external appraisers to make an estimate of the fair value of the investment properties of the Group, with the support of internal real estate valuation specialists, the valuation reports were evaluated. More precisely we have:

- assessed the objectivity, the independence and the competence of the external appraisers,
- tested the integrity of source data (contractual rentals, maturities of the rental contracts, ...) used in their calculations and reconciled with underlying contracts for a sample,
- and assessed the models and assumptions used in their reports (discount rates, future occupancy rates, ...) for a sample.

#### • Reference to information or notes in the Consolidated Financial statements

Assessment of the appropriateness of the information on the fair value of the investment properties disclosed in note 1 (IFRS valuation rules) and note 10 (Investment property at fair value) of the Consolidated Financial Statements.

## 6. Valuation of financial instruments (multiple segments)

#### • Description of the key audit matter

Different companies within the group use interest rate swaps (IRS) to hedge its interest rate risk on its variable rate debts. The measurement of the derivatives at fair value is an important source of volatility of the result and/or the shareholders' equity. As a matter of fact. In accordance with IFRS 9 "Financial Instruments: Recognition and Measurement", these derivatives are valued at fair value (considered to belong to the level 2 of the fair value hierarchy defined by IFRS 13 "Fair Value Measurement"). The changes in fair value are recognized in the income statements except for those IRS for which the Company applies hedge accounting ("cash-flow hedging"), which allows to classify most of the changes in fair value in the caption of the shareholders' equity ("Hedge reserves"). The audit risk appears on the one hand in the complexities involved in determining the fair value of these derivatives and on the other hand in the correct application of hedge accounting for the IRS contracts that were classified by the Group as cash flow hedges and are therefore a key audit matter.

#### • Summary of audit procedures performed

- We have compared the fair values of the derivatives with the values communicated by the counterparties and the credit risk adjustments.
- We have assessed the most important assumptions and the calculations performed by this external specialist in this respect.
- Regarding the correct application of hedge accounting, we have evaluated the effectiveness tests performed by the external specialist involved by the Group and we have compared the volume of derivatives subject to hedge accounting with the volume of the variable rate debts projected on the future accounting years in order to identify any potential over hedging any potential overhedging which could potentially jeopardize the application of hedge accounting.

#### • Reference to information or notes in the Consolidated Financial statements

Assessment of the appropriateness of the information on the financial instruments disclosed in note 12 (Financial risk management and financial derivatives) to the Consolidated Financial Statements.

## 7. Goodwill

#### • Description of the key audit matter

As per 31 December 2023 the Group presents goodwill for a total amount of € 320 million on its balance sheet.

The impairment analysis is yearly performed by management based on different factors such as (i) stock exchange share prices, (ii) equity values, (iii) discounted cash flow analysis ("DCF analysis") of the underlying participations based on forecasts approved by the board of directors of the companies and (iv) sales prices based on ongoing negotiations. This requires assessment and valuation of the assumptions used by management, such as the underlying recoverable value of the participation. The determination of the future cash flows of the cash generating units ("CGU") and of the used discount rate is complex and subjective. Changes in these assumptions can result in material deviations in the value-in-use calculations, which influences the potential impairment loss to be recorded on goodwill.

#### • Summary of audit procedures performed

- Review of management's process to identify the impairment indicators.

- Assessing management's method to determine the recoverable value of each of the investments, along with the related goodwill to ensure this follows the IFRS guidelines.
- Assessing the appropriateness of the assumptions used by management to determine the recoverable value (with the help of internal specialists).
- Comparison of the operational cash flows with historical figures and trends.
- Assessing the reasonableness of future cash flows used in the valuation exercise on goodwill based on the historical results, the business plan available and the evaluation of the historical accuracy of the assumptions used by management.
- Checking whether the future cash flows were based on a business plan approved by the board of directors.
- Performing of mathematical accuracy checks of the valuation model.
- Assessment of the sensitivity analysis performed by management.

#### • Reference to information or notes in the Consolidated Financial statements

Assessment of the appropriateness of the information on the financial instruments disclosed in note 1 (IFRS valuation rules – principles of consolidation) and note 8 (Goodwill) to the Consolidated Financial Statements.

## 8. Risks of the companies accounted for under the equity method

### • Description of the key audit matter

A large number of companies are accounted for using the equity method in the Consolidated Financial Statements of the Group. Per 31 December 2023 this amounts to € 2,022 million in the balance sheet and they contribute for € 223 million in the consolidated result of the year. The information on participations accounted for using the equity method is included in note 11 to the Consolidated Financial Statements.

The risks exist that key audit matters are related to those companies which are significant to the Consolidated Financial Statements of the Group.

Delen Private Bank has acquired clientele, as a result of several acquisitions, which are included under intangible fixed assets, the majority of the purchased clientele is considered as intangible assets with an indefinite useful life. The statistical data from the past show that only a limited part of the purchased clientele has a definite useful life. With each acquisition of clientele, on the basis of the statistics, it is determined how much of the purchased clientele is to be considered as an intangible fixed asset with a certain useful life, which is amortized pro rata over this useful life. The remainder is not amortized. Management conducts an annual impairment analysis on the basis of its own developed model for both clientele with a definite and indefinite useful life, whereby the purchased clientele is subdivided per group office.

The valuation of the purchased clientele is complex and requires estimates from the management. The valuation of the clientele is based on the assets entrusted by the clientele (Assets under management, hereinafter "AuMs") that represents the purchased clientele on which a factor is applied.

A change in these parameters or the use of erroneous data would have an important impact on the valuation of the purchased clientele.

For these reasons, the valuation of the activated, acquired clientele is a key audit matter.

### • Summary of the procedures performed

With regard to the valuation of the activated, acquired clientele of Delen Private Bank, the following audit procedures were carried out:

- Assessment of the division of the existing clientele within the group per office and discussion of any changes in relation to previous periods.
- Assessment of the parameters used (such as AuMs and factors), the methodology and the model used in accordance with IAS 36.
- Analysis of the breakdown of purchased customers per office.
- Verification of the factors used in the model with market data and reconciliation of the AuMs with the accounting inventories and of the applied market value with the market data.
- Sensitivity analysis on the most important assumptions, which is mainly the cost-income ratio.

- Recalculation of the recorded depreciation on the clientele with a certain useful life.
- Assessment of the adequacy and completeness of note 11 (companies accounted for using the equity method) of the Consolidated Financial Statements.

With respect to the key audit matters in the balance sheets of the companies accounted for using the equity method, the following audit procedures were performed, amongst others:

- Communication of clear audit instructions to the component auditors indicating the possible key audit matters, specific audit risks, audit procedures to be performed according to the materiality levels determined.
- Detailed review of the reported deliverables by the component auditors.
- Critical evaluation of the used audit approach in accordance with the international auditing standards.
- Discussion on the key audit matters with the component auditor and assessment of the reported clarifications.
- Assessment of the adequacy and completeness of note 11 (companies accounted for using the equity method) of the Consolidated Financial Statements.

## Responsibilities of the Board of Directors for the preparation of the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of the Consolidated Financial Statements that give a true and fair view in accordance with IFRS and with applicable legal and regulatory requirements in Belgium and for such internal controls relevant to the preparation of the Consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of Consolidated Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, and provide, if applicable, information on matters impacting going concern. The Board of Directors should prepare the financial statements using the going concern basis of accounting, unless the Board of Directors either intends to liquidate the Company or to cease business operations, or has no realistic alternative but to do so.

## Our responsibilities for the audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance whether the Consolidated Financial Statements are free from material misstatement, whether due to fraud or error, and to express an opinion on these Consolidated Financial Statements based on our audit. Reasonable assurance is a high level of assurance, but not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

In performing our audit, we comply with the legal, regulatory and normative framework that applies to the audit of the Consolidated Financial Statements in Belgium. However, a statutory audit does not provide assurance about the future viability of the Company and the Group, nor about the efficiency or effectiveness with which the board of directors has taken or will undertake the Company's and the Group's business operations. Our responsibilities with regards to the going concern assumption used by the board of directors are described below.

As part of an audit in accordance with ISAs, we exercise professional judgment and we maintain professional skepticism throughout the audit. We also perform the following tasks:

- identification and assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, the planning and execution of audit procedures to respond to these risks and obtain audit evidence which is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material misstatements resulting from fraud is higher than when such misstatements result from errors, since fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- obtaining insight in the system of internal controls that are relevant for the audit and with the objective to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluating the selected and applied accounting policies, and evaluating the reasonability of the accounting estimates and related disclosures made by the Board of Directors as well as the underlying information given by the Board of Directors;
- conclude on the appropriateness of the Board of Directors' use of the going-concern basis of accounting, and based on the audit evidence obtained, whether or not a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's or Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going-concern;
- evaluating the overall presentation, structure and content of the Consolidated Financial Statements, and evaluating whether the Consolidated Financial Statements reflect a true and fair view of the underlying transactions and events.

We communicate with the 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, the non-financial information attached to the Board of Directors' report, and other information included in the annual report.

### Responsibilities of the auditor

In the context of our mandate and in accordance with the additional standard to the ISAs applicable in Belgium, it is our responsibility to verify, in all material respects, the Board of Directors' report on the Consolidated Financial Statements, the non-financial information attached to the Board of Directors' report, and other information included in the annual report, as well as to report on these matters.

### Aspects relating to Board of Director's report and other information included in the annual report

In our opinion, after carrying out specific procedures on the Board of Directors' report, the Board of Directors' report is consistent with the Consolidated Financial Statements and has been prepared in accordance with article 3:32 of the Code of companies and associations.

In the context of our audit of the Consolidated Financial Statements, we are also responsible to consider whether, based on the information that we became aware of during the performance of our audit, the Board of Directors' report and other information included in the annual report, being:

- 2023 at a glance - page 8;
- Activity report - page 70;
- Key figures 2023 – appendix

contain any material inconsistencies or contains information that is inaccurate or otherwise misleading. In light of the work performed, there are no material inconsistencies to be reported.

The non-financial information required by article 3:32, § 2, of the Code of companies and associations has been included in the Board of Directors' report on the Consolidated Financial Statements. The Company has prepared this non-financial information based on the Global Reporting Initiative ("GRI") reporting framework. However, we do not comment on whether this non-financial information has been prepared, in all material respects, in accordance with the GRI reporting framework.

### Independence matters

Our audit firm and our network have not performed any services that are not compatible with the audit of the Consolidated Financial Statements and have remained independent of the Company during the course of our mandate.

The fees related to additional services which are compatible with the audit of the Consolidated Financial Statements as referred to in article 3:65 of the Code of companies and associations were duly itemized and valued in the notes to the Consolidated Financial Statements.

### 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 (hereinafter 'the digital consolidated financial statements') included in the annual financial report available on the portal of the FSMA (<https://www.fsma.be/en/stori>).

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 Ackermans & van Haaren NV per 31 December 2023 included in the annual financial report available on the portal of the FSMA (<https://www.fsma.be/en/stori>) are, in all material respects, in accordance with the ESEF requirements under the Delegated Regulation.

Due to the technical limitations inherent in the tagging of consolidated financial statements using the ESEF format, it is possible that the content of certain tags in the accompanying notes is not reproduced in an identical manner as in the consolidated financial statements attached to this report.

**Other communications**

This report is consistent with our supplementary declaration to the audit committee as specified in article 11 of the regulation (EU) nr. 537/2014.

Diegem, March 28, 2024

EY Bedrijfsrevisoren BV

Statutory auditor, Represented by

Christel Weymeersch - Partner\*

*\* Acting on behalf of a BV/SRL*

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# Statutory Annual Accounts

In accordance with article 3:17 CCA, the statutory annual accounts of Ackermans & van Haaren, are presented in short form. In accordance with article 3:10 and 3:12 CCA, the full annual accounts, the annual report of the board of directors and the report of the statutory auditor are filed with the National Bank of Belgium.

The statutory auditor has given an unqualified opinion regarding the statutory accounts.

The annual accounts, the annual report of the board of directors and the report of the statutory auditor are available at the registered office of the company upon simple request.

The statutory annual accounts are prepared in accordance with the Belgian General Accounting Principles.

Address: Begijnenvest 113 - 2000 Antwerp, Belgium  
Phone: +32 3 231 87 70 - E-mail: info@avh.be

## Balance sheet - assets

(€ 1,000)	Note	2023	2022	2021
<b>Fixed assets</b>		<b>2,172,105</b>	<b>2,091,261</b>	<b>2,076,142</b>
<b>I. Formation expenses</b>				
<b>II. Intangible assets</b>		<b>41</b>	<b>64</b>	<b>28</b>
<b>III. Tangible assets</b>	(1)	<b>9,224</b>	<b>8,861</b>	<b>8,994</b>
A. Land and buildings		7,118	7,227	7,559
C. Furniture and vehicles		2,106	1,634	1,435
D. Leasing and other similar rights		0	0	1
E. Other tangible assets		0	0	0
F. Assets under construction and advanced payments				
<b>IV. Financial assets</b>		<b>2,162,840</b>	<b>2,082,336</b>	<b>2,067,120</b>
A. Affiliated enterprises	(2)	1,814,656	1,769,748	1,781,619
1. Participating interests		1,771,612	1,734,908	1,762,644
2. Amounts receivable		43,044	34,840	18,976
B. Other enterprises linked by participating interests	(3)	283,354	271,112	259,568
1. Participating interests		281,354	271,112	259,568
2. Amounts receivable		2,000	0	0
C. Other financial assets		64,830	41,476	25,933
1. Shares		64,828	41,474	25,925
2. Amounts receivable and cash guarantees		2	2	8
<b>Current assets</b>		<b>492,452</b>	<b>476,316</b>	<b>138,067</b>
<b>V. Amounts receivable after more than one year</b>		<b>3,825</b>	<b>0</b>	<b>0</b>
A. Trade receivables				
B. Other amounts receivable		3,825	0	0
<b>VI. Stocks and contracts in progress</b>				
A. Stocks				
1. Raw materials and consumables				
2. Work in progress				
3. Finished goods				
4. Goods purchased for sale				
5. Immovable property acquired or constructed for resale				
6. Advance payments				
B. Contracts in progress				
<b>VII. Amounts receivable within one year</b>		<b>28,142</b>	<b>14,535</b>	<b>63,986</b>
A. Trade receivables		1,335	1,235	1,224
B. Other amounts receivable	(4)	26,807	13,300	62,762
<b>VIII. Investments</b>	(5)	<b>386,240</b>	<b>420,823</b>	<b>54,975</b>
A. Treasury shares		107,208	47,731	40,385
B. Other investments and deposits		279,032	373,092	14,590
<b>IX. Cash at bank and in hand</b>		<b>69,467</b>	<b>38,259</b>	<b>17,882</b>
<b>X. Deferred charges and accrued income</b>		<b>4,778</b>	<b>2,699</b>	<b>1,224</b>
<b>Total assets</b>		<b>2,664,557</b>	<b>2,567,577</b>	<b>2,214,209</b>

## Balance sheet - liabilities

(€ 1,000)	Note	2023	2022	2021
<b>Equity</b>	(6)	<b>2,481,211</b>	<b>2,329,974</b>	<b>2,062,930</b>
<b>I. Capital</b>		<b>2,295</b>	<b>2,295</b>	<b>2,295</b>
A. Issued capital		2,295	2,295	2,295
B. Uncalled capital (-)				
<b>II. Share premium account</b>		<b>111,612</b>	<b>111,612</b>	<b>111,612</b>
<b>III. Revaluation surplus</b>				
<b>IV. Reserves</b>		<b>203,091</b>	<b>136,656</b>	<b>123,576</b>
A. Legal reserve		248	248	248
B. Reserves not available for distribution		107,243	47,766	40,420
1. Own shares		107,208	47,731	40,385
2. Other		35	35	35
C. Untaxed reserves				
D. Reserves available for distribution		95,600	88,642	82,908
<b>V. Profit carried forward</b>		<b>2,164,213</b>	<b>2,079,410</b>	<b>1,825,447</b>
Loss carried forward (-)				
<b>VI. Investment grants</b>				
<b>Provisions and deferred taxation</b>		<b>10,742</b>	<b>10,742</b>	<b>0</b>
<b>VII. A. Provisions for liabilities and charges</b>		<b>10,742</b>	<b>10,742</b>	<b>0</b>
1. Pensions and similar obligations		0	0	0
2. Taxation				
3. Major repairs and maintenance				
4. Other liabilities and charges	(7)	10,742	10,742	
<b>B. Deferred taxation</b>				
<b>Creditors</b>		<b>172,603</b>	<b>228,191</b>	<b>151,279</b>
<b>VIII. Amounts payable after more than one year</b>		<b>0</b>	<b>0</b>	<b>0</b>
A. Financial debts		0	0	0
B. Trade debts				
C. Advances received on contracts in progress				
D. Other amounts payable				
<b>IX. Amounts payable within one year</b>		<b>168,950</b>	<b>227,571</b>	<b>150,979</b>
A. Current portion of amounts payable after more than one year		0	0	1
B. Financial debts	(8)	48,755	113,857	53,506
1. Credit institutions				
2. Other loans		48,755	113,857	53,506
C. Trade debts		838	1,162	727
1. Suppliers		838	1,162	727
E. Taxes, remuneration and social security		3,634	6,586	3,868
1. Taxes		0	53	73
2. Remuneration and social security		3,634	6,533	3,795
F. Other amounts payable	(9)	115,723	104,636	92,878
<b>X. Accrued charges and deferred income</b>		<b>3,654</b>	<b>620</b>	<b>300</b>
<b>Total liabilities</b>		<b>2,664,557</b>	<b>2,567,577</b>	<b>2,214,209</b>

## Income statement

(€ 1,000)	Note	2023	2022	2021
<b>Charges</b>				
A. Interests and other debt charges		3,701	218	36
B. Other financial charges		1,313	1,023	1,067
C. Services and other goods		12,554	14,748	10,350
D. Remuneration, social security costs and pensions		3,965	3,017	2,585
E. Other operating charges		362	282	259
F. Depreciation of and other amounts written off on formation expenses, intangible and tangible assets		783	692	682
G. Amounts written off	(10)	8,237	1,355	11,011
1. Financial assets		7,716	0	0
2. Current assets		521	1,355	11,011
H. Provisions for liabilities and charges	(7)	0	10,742	0
I. Loss on disposal of	(11)	565	2,316	46,479
1. Intangible and tangible assets		0	8	0
2. Financial assets		0	0	18,469
3. Current assets		565	2,307	28,010
J. Extraordinary charges		0	0	0
K. Income taxes		127	96	84
L. Profit for the period		266,431	370,748	234,382
M. Transfer to the untaxed reserves				
N. Profit for the period available for appropriation		266,431	370,748	234,382
<b>Appropriation account</b>				
A. Profit to be appropriated		2,345,841	2,196,195	1,925,781
1. Profit for the period available for appropriation		266,431	370,748	234,382
2. Profit brought forward		2,079,410	1,825,447	1,691,399
<b>Total</b>		<b>2,345,841</b>	<b>2,196,195</b>	<b>1,925,781</b>

## Income statement

(€ 1,000)	Note	2023	2022	2021
<b>Income</b>				
A. Income from financial assets		198,878	127,759	116,124
1. Dividends	(12)	196,008	126,035	114,687
2. Interests		2,113	1,230	599
3. Tantièmes		758	493	838
B. Income from current assets		11,851	2,461	2,191
C. Other financial income		1	119	0
D. Income from services rendered		1,845	1,938	2,030
E. Other operating income		382	198	359
F. Write back to depreciation of and to other amounts written off intangible and tangible assets				
G. Write back to amounts written off	(10)	40,000	701	46,764
1. Financial assets		40,000	0	20,004
2. Current assets		0	701	26,760
H. Write back to provisions for liabilities and charges		0	0	0
I. Gain on disposal of	(13)	45,079	271,777	139,467
1. Tangible and intangible assets		44	27	14
2. Financial assets		43,938	271,350	139,022
3. Current assets		1,097	399	431
J. Extraordinary income		0	275	0
K. Regularisation of income taxes and write back to tax provisions		0	11	
L. Loss for the period		0	0	0
M. Transfer from untaxed reserves				
N. Loss for the period available for appropriation		0	0	0
<b>Appropriation account</b>				
C. Transfers to capital and reserves		66,436	13,080	8,317
3. To other reserves		66,436	13,080	8,317
D. Result to be carried forward		2,164,213	2,079,410	1,825,447
1. Profit to be carried forward		2,164,213	2,079,410	1,825,447
F. Distribution of profit		115,193	103,705	92,017
1. Dividends		113,889	102,511	91,085
2. Tantièmes		870	836	630
3. Profit premium for employees		433	358	302
<b>Total</b>		<b>2,345,841</b>	<b>2,196,195</b>	<b>1,925,781</b>

## Balance sheet

### Assets

1. Tangible assets mainly comprise the buildings and furnishing of the real estate located in Antwerp at Begijnenvest 113 and at Schermersstraat 42-44, where Ackermans & van Haaren has its registered office.
2. Financial fixed assets - Affiliated enterprises: the increase of Financial Fixed Assets – Affiliated enterprises by 36.7 mio is mainly explained by a reversal of a value reduction recorded in previous years on AvH Growth Capital, by the increase of the participation in Nextensa, by the acquisition of a 50% stake in Greenstor as well as by the disposal of the Telemond participation.
3. Financial fixed assets - Other enterprises linked by participating interests: in 2023, 10.2 million euros was invested in increasing the participation in SIPEF to 38.53%.
4. The other amounts receivable within one year consist mainly of recoverable taxes and short-term financing to group companies.
5. The movements in the item 'Investments' are explained by the investments in other financial assets, the movement in treasury shares and the value adjustments on the investment portfolio of AvH.

### Liabilities

6. AvH's shareholders' equity increased by 151.2 million euros compared to year-end 2022 (both figures include the dividend proposed to the general meeting of shareholders). This increase is primarily the result of the profit for the year of 266.4 million euros less a proposed dividend of 3.40 euros gross per share, to a total (maximum) amount of 113.9 million euros. These statutory financial statements already take account of the maximum amount of payable dividend (see other amounts payable). The final dividend amount will be determined on the basis of the number of shares that are entitled to a dividend, i.e. without the treasury shares.
7. There has been no movement in 2023 in the provisions as part of the warranties and representations provided by AvH in 2022. AvH constituted provisions totalling 10.7 million euros for two cases. Although AvH believes that in both instances it has a solid case, the maximum amount that might be claimed was provided.
8. AvH had no external short-term financial debt as of December 31, 2023. The balance corresponds to deposits received from subholdings.
9. The other amounts payable as at December 31, 2023 include the (maximum) dividend payment proposed to the general meeting of shareholders of 113.9 million euros.

## Income statement

### Charges

10. The impairment losses on financial assets primarily relate to adjustments made in order to align the carrying value of the investment portfolio to its market value at December 31, 2023. On the income side there is a write back of an impairment loss recorded in previous years.
11. Capital losses were recorded on the sale of treasury shares under the stock option plan and as part of the liquidity programme. Capital gains on the disposal of treasury shares are reported separately in income.

### Income

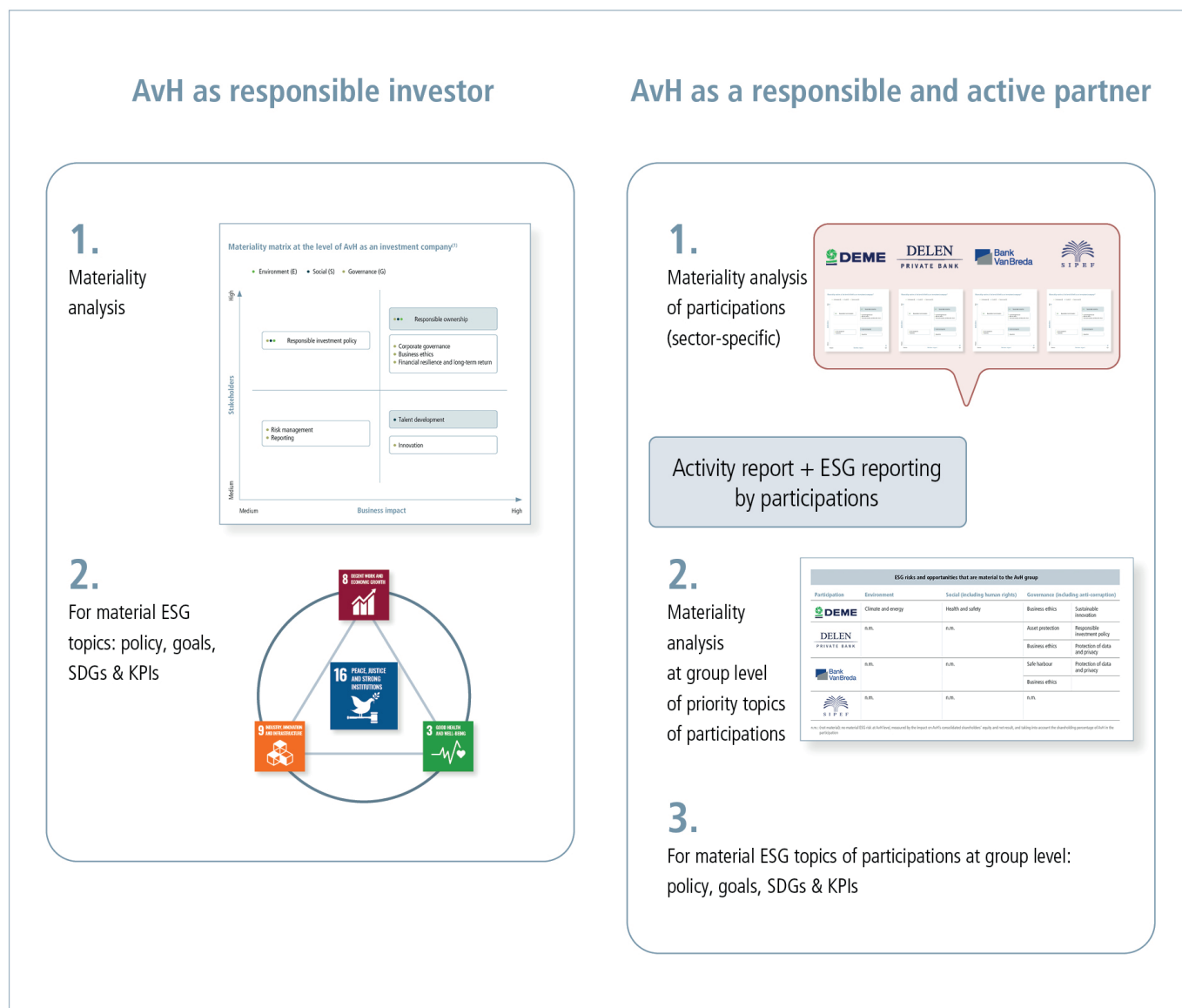
12. AvH received 196.0 million euros in dividends from its direct participations. The increase in 2023 is explained a.o. by a dividend received from DEME (previously held through CFE) and a significant distribution by AvH Growth Capital.
13. A capital gain of 36.9 million euros was realised on the disposal of Telemond Holding and an extra profit (earn out) of 6.1 million euros was recognized on the disposal (in 2017) of AvH's participation in Ogeda. In 2022, a significant capital gain had been realised on the disposal of Anima.

# Sustainability report: annex

## 1. AvH's ESG policy and methodology

Within AvH, materiality operates on two levels: (1) AvH as a responsible investor, and (2) AvH as a responsible and active partner. The interaction between the two levels is shown in the visual below. The material topics were established as cornerstones of AvH's ESG policy and methodology. 'Responsible investment policy', 'Responsible ownership' and 'Corporate governance' determine the

strategy and control. AvH rolls out the necessary actions through the right culture or 'Business ethics' and the attraction and training of the right talent ('Talent development'), supported by 'Innovation' and operational efficiency. This leads to 'Financial resilience and long-term return'.



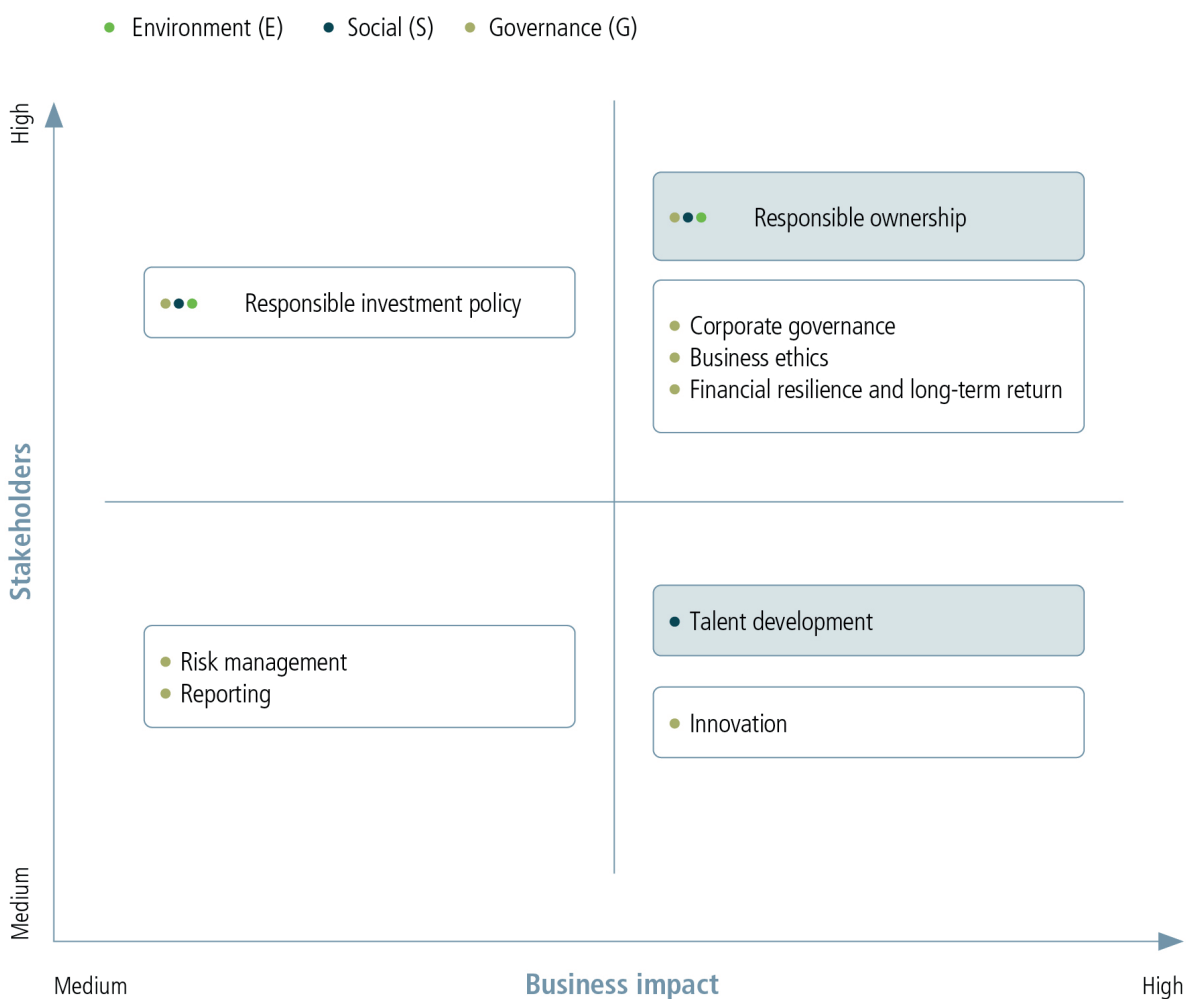
### AvH as a responsible investor

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

The business impact (X axis) is measured by the impact on the shareholders' equity, and recurring impact on the result over a period of 3 to 5 years. A new stakeholder

survey (Y axis) was launched at the end of 2021. The stakeholders are shown in the table below. AvH broadened the range of stakeholders in the survey in order to capture even better their views. The response rate of the survey was 77%, which gives an indication of the good relations with the stakeholders.

### Materiality matrix at the level of AvH as an investment company<sup>(1)</sup>



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

Stakeholder survey (2021/2022):





Stakeholders	Dialogue
Participations	<ul style="list-style-type: none"> <li>Involved in AvH’s ESG stakeholder consultation</li> <li>CEO sounding boards</li> <li>HR sounding boards, innovation, ESG, legal and finance workshops</li> <li>ESG questionnaire (annual) for all participations</li> <li>ESG strategic sessions with participations</li> <li>ESG sector initiatives for real estate and financial institutions</li> </ul>
Investment team (including executive committee)	<ul style="list-style-type: none"> <li>Involved in AvH’s ESG stakeholder consultation (investment team)</li> <li>Annual ESG training and awareness sessions</li> <li>Bimonthly information sessions (AvH What’s Up)</li> </ul>
Board of directors	<ul style="list-style-type: none"> <li>Involved in AvH’s ESG stakeholder consultation</li> <li>ESG explained annually in the audit committee and discussed and approved by the board of directors</li> </ul>
Shareholders	<ul style="list-style-type: none"> <li>Selection involved in AvH’s ESG stakeholder consultation</li> <li>Feedback to broader shareholder groups</li> </ul>
Investors	<ul style="list-style-type: none"> <li>Financial institutions (bankers and analysts) involved in AvH’s ESG stakeholder consultation</li> <li>AvH presentations to investors</li> </ul>

### AvH as a responsible and active partner

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

The table below summarises the results of this risk analysis (taking into account the shareholding percentage and the asset value managed (AuM approach)). The results of these analyses revealed that three participations have a potential material ESG risk as regards corporate governance, but that only DEME has a potential ESG risk and opportunity regarding the environment and a risk regarding social aspects. As for SIPEF, the analyses do not reveal any material issues for AvH group from an ESG perspective. Participations as well as ESG risks and opportunities other than those mentioned are included in the analyses. Based on current insights, they are not deemed to have a material impact on the AvH group.

### ESG risks and opportunities that are material to the AvH group

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

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

## 1. Sustainable Development Goals (SDGs)

AvH uses the international ESG standard 'Sustainable Developments Goals' (SDGs) of the United Nations to structure its sustainability reporting. Based on the materiality analyses that was performed, AvH focuses, as an investment company, on 4 SDGs, in particular SDGs 3 (good health & well-being), 8 (decent work & economic growth, 9 (industry, innovation and infrastructure) and 16 (peace, justice

and strong institutions). The participations were also asked to map their ESG policies to the SDGs and 4 SDGs were identified as common ground over the participations: 3 (good health & well-being), 8 (decent work & economic growth, 13 (climate action) and 16 (peace, justice and strong institutions).

### Sustainable Development Goals (SDGs) at the participations

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



## 2. GRI content index

AvH has reported the information cited in this GRI content index for the period January 1, 2023 to December 31, 2023 with reference to the GRI Standards (cfr. GRI 1: Foundation 2021).

GRI standard	Disclosure	Location
<b>GRI 2: General Disclosures (edition 2021)</b>	2-1 Organizational details	<u>Legal name</u> : Ackermans & van Haaren (See 'Cover') <u>Nature of ownership</u> : listed on Euronext Brussels (BEL20) and with solid family ties (See 'Mission') <u>Legal status</u> : Public limited company (See 'Cover' at the back – reference to 'NV') <u>Location head office</u> : Antwerp (See 'Cover' at the back) <u>Countries of operation</u> : See '2023 at a glance - Economic footprint of the AvH group', operations in Europe, India and Southeast Asia
	2-2 Entities included in the organization's sustainability reporting	<u>Reporting perimeter</u> : See 'Sustainability report: 1.4 Reporting scope and reference frameworks'
	2-3 Reporting period, frequency and contact point	<u>Reporting period</u> : identical to financial reporting (= 2023, See 'Cover') <u>Frequency</u> : annually <u>Contact person</u> : See 'contact' on last page
	2-4 Restatements of information	No 'restatements' for the previous reporting period
	2-5 External assurance	No
	2-6 Activities, value chain and other business relationships	<u>Sector</u> : independent, diversified group (See 'Mission') <u>Description value chain</u> : - See 'Sustainability report: 1. Your partner for sustainable growth' - See 'Activity report' with overview per segment and company - See 'Note 2 from the Financial Statements: Subsidiaries and jointly controlled subsidiaries' - See 'Note 3 from the Financial Statements: Associated participating interests' <u>Other business relations</u> : See 'Note 27 Related parties' <u>Significant changes compared to previous reporting period</u> : See 'Note 4 from the Financial Statements: Business combinations & disposals'
	2-7 Employees	See 'Sustainability report: 4. AvH as a sustainable company' (total headcount at end of the reporting period, by region & m/f)
	2-8 Workers who are not employees	- Members of the executive committee have a status as self-employed - Two consultants (Filip Portael & Jan Suykens) work on an independent basis
	2-9 Governance structure and composition	See 'Corporate governance statement: 1. General information and 2. Board of Directors'. There is no presence of underrepresented social groups on the Board of Directors.
	2-10 Nomination and selection of the highest governance body	See 'Corporate governance charter: 2.3.2. (Re)nomination procedure': <a href="https://www.avh.be/sites/avh/files/2023-05/avh-corporate-governance-charter-2022-uk.pdf">https://www.avh.be/sites/avh/files/2023-05/avh-corporate-governance-charter-2022-uk.pdf</a> See 'Corporate governance statement: 5. Nomination committee' See 'Corporate governance statement: 2. Board of Directors - 7. Diversity policy'
	2-11 Chair of the highest governance body	See 'Corporate governance statement: 2. Board of Directors - 2.1 Composition'
	2-12 Role of the highest governance body in overseeing the management of impacts	See 'Corporate governance statement: 2. Board of Directors - 2.4 Activity report'
	2-13 Delegation of responsibility for managing impacts	Not applicable
	2-14 Role of the highest governance body in sustainability reporting	See 'Sustainability report: 4.1 Corporate governance'
	2-15 Conflicts of interest	See 'Corporate governance statement: 2. Board of Directors - 2.5. Code of conduct regarding conflicts of interest'






	2-16 Communication of critical concerns ('whistleblower')	See 'Corporate governance statement: 2. Board of Directors - 8.3.1 Control assessment'
	2-17 Collective knowledge of the highest governance body	See 'Sustainability report: 4.1. Corporate governance'
	2-18 Evaluation of the performance of the highest governance body	See 'Corporate governance charter: 2.10. Assessment': <a href="https://www.avh.be/sites/avh/files/2023-05/avh-corporate-governance-charter-2022-uk.pdf">https://www.avh.be/sites/avh/files/2023-05/avh-corporate-governance-charter-2022-uk.pdf</a> See 'Corporate governance statement: 2. Board of Directors'
	2-19 Remuneration policies	See 'Remuneration report: 7.4. Pay gap and 7.5. Gender pay gap'
	2-20 Process to determine remuneration	See 'Corporate governance charter: 2.9 Remuneration policy, 3.3. Remuneration committee and 4.6. Remuneration policy executive committee': <a href="https://www.avh.be/sites/avh/files/2023-05/avh-corporate-governance-charter-2022-uk.pdf">https://www.avh.be/sites/avh/files/2023-05/avh-corporate-governance-charter-2022-uk.pdf</a> See 'Remuneration report' See minutes 'Annual General Meeting'
	2-21 Annual total compensation ratio	See 'Remuneration report'
	2-22 Statement on sustainable development strategy	See 'Sustainability report: 1. Your partner for sustainable growth'
	2-23 Policy commitments	The following policy commitments have been approved at board level: - Investment exclusion policy: See 'Sustainability report: 2.3. Responsible investment policy – Exclusion policy' and link: <a href="https://www.avh.be/sites/avh/files/2023-02/avh-exclusion-policy-uk.pdf">https://www.avh.be/sites/avh/files/2023-02/avh-exclusion-policy-uk.pdf</a> - Integrity code: See 'Sustainability report: 4.3. Integrity' and link: <a href="https://www.avh.be/sites/avh/files/2023-02/avh-integriteitscode-2022-uk.pdf">https://www.avh.be/sites/avh/files/2023-02/avh-integriteitscode-2022-uk.pdf</a> - ESG policy: See 'Sustainability report: Annex 1. ESG policy and methodology of AvH'
	2-24 Embedding policy commitments	Idem 2-23
	2-25 Processes to remediate negative impacts	See Integrity policy: <a href="https://www.avh.be/sites/avh/files/2023-02/avh-integriteitscode-2022-uk.pdf">https://www.avh.be/sites/avh/files/2023-02/avh-integriteitscode-2022-uk.pdf</a>
	2-26 Mechanisms for seeking advice and raising concerns	See Integrity policy: <a href="https://www.avh.be/sites/avh/files/2023-02/avh-integriteitscode-2022-uk.pdf">https://www.avh.be/sites/avh/files/2023-02/avh-integriteitscode-2022-uk.pdf</a>
	2-27 Compliance with laws and regulations	No fines or non-monetary sanctions
	2-28 Membership associations	Belgian Venture Capital & Private Equity Association (BVA), Invest Europe and UN PRI (AvH NV)
	2-29 Approach to stakeholder engagement	See 'Sustainability report: Annex 1. AvH's ESG policy and methodology'
	2-30 Collective bargaining agreements	See 'Sustainability report: 4.2. Talent development': AvH complies with the applicable sectoral CLAs and even goes further in certain respects
<b>GRI 3: Material Topics (edition 2021)</b>	3-1 Process to determine material topics	See 'Sustainability report: 1.2 Integration of ESG factors into the business model, 1.3 'Focused approach based on materiality and annex 1. 'AvH's ESG policy and methodology'
	3-2 List of material topics	See 'Sustainability report: 1.2 Integration of ESG factors into the business model, 1.3 'Focused approach based on materiality and annex 1. 'AvH's ESG policy and methodology'
	3-3 Management of material topics	See 'Sustainability report: 1.2 Integration of ESG factors into the business model, 1.3 'Focused approach based on materiality and annex 1. 'AvH's ESG policy and methodology'
<b>Material topic - Responsible ownership</b>		
<b>ESG policy at portfolio companies</b>	No relevant GRI indicators	See 'Sustainability report: 3. AvH as a responsible and active partner'
<b>GRI 305: Emissions (edition 2016)</b>	305-3 Other indirect (Scope 3) CO <sub>2</sub> emissions (= companies in investment portfolio)	See 'Sustainability report: 3.3. CO <sub>2</sub> emissions'
	305-5 Reduction of CO <sub>2</sub> emissions	Idem 305-3
<b>Material topic - Corporate governance</b>		
<b>Corporate governance charters and relevant portfolio companies</b>	No relevant GRI indicators	See 'Sustainability report: 3.1 Governance'
<b>Corporate governance AvH NV and subholdings</b>	See GRI indicators 2-9 to 2-18 above	Idem 2-9 till 2-18

Material topic - Business ethics		
<b>GRI 205: Anti-corruption (edition 2016)</b>	205-2 Communication and training about anti-corruption policies and procedures	See 'Sustainability report: 4.3 Integrity'
Material topic - Financial resilience and long-term return		
<b>GRI 201: Economic Performance (edition 2016)</b>	201-1 Direct economic value generated and distributed	See 'Sustainability report: 2. AvH as a responsible investor'
	201-2 Financial implications and other risks and opportunities due to climate change	See 'Annual report of the Board of Directors - II. Consolidated annual accounts – Risks at the level of Ackermans & van Haaren'
Material topic - Talent development		
<b>GRI 401: Employment (edition 2016)</b>	401-1 New employee hires and employee turnover	See 'Sustainability report: 4. AvH as a sustainable company' See 'Sustainability report: 4.2 Talent development'
<b>GRI 404: Training and Education (edition 2016)</b>	404-1 Average hours of training per year per employee	See 'Sustainability report: 4. AvH as a sustainable company' (expressed in days) See 'Sustainability report: 4.2 Talent development'
	404-2 Programs for upgrading employee skills and transition assistance programs	See 'Sustainability report: 4. AvH as a sustainable company' See 'Sustainability report: 4.2 Talent development'
	404-3 Percentage of employees receiving regular performance and career development reviews	See 'Sustainability report: 4. AvH as a sustainable company' See 'Sustainability report: 4.2 Talent development'
<b>GRI 405: Diversity and Equal Opportunity (edition 2016)</b>	405-1 Diversity of governance bodies and employees	- See 'Corporate governance statement: 7. Diversity policy' - See 'Sustainability report: 4.2 Talent development'
Material topic - Innovation		
<b>Innovation policy at portfolio companies</b>	No relevant GRI indicators	See 'Sustainability report: 3.1 Innovation'
Other		
<b>GRI 305: Emissions (edition 2016)</b>	305-1 Direct (Scope 1) CO <sub>2</sub> emissions	See 'Sustainability report: 4. AvH as a sustainable company' See 'Sustainability report: 4.4 Direct impact on environment and social aspects'
	305-2 Energy indirect (Scope 2) CO <sub>2</sub> emissions	See 'Sustainability report: 4. AvH as a sustainable company' See 'Sustainability report: 4.4 Direct impact on environment and social aspects'
	305-5 Reduction of CO <sub>2</sub> emissions	See 'Sustainability report: 4.4 Direct impact on environment and social aspects'

### 3. CO<sub>2</sub>-footprint

The table below summarizes AvH's CO<sub>2</sub> footprint according to the accounting consolidation perimeter. This includes AvH (including its sub holdings) and the fully

consolidated participations. For more information, see Note 2 to the Consolidated Financial Statements - section 1 Fully consolidated subsidiaries.

CO <sub>2</sub> footprint scope 1 & 2 (in ton CO <sub>2</sub> eq) - Based on the accounting consolidation scope									
	2023			2022			2021		
	Scope 1	Scope 2	Total	Scope 1	Scope 2	Total	Scope 1	Scope 2	Total
	183	3	186	202	57	259	197	32	229
	733,000	500	733,500	652,000	1,000	653,000	832,000	800	832,800
	14,055	1,228	15,283	13,914	1,395	15,309	14,570	1,919	16,489
	1,336	40	1,376	1,455	15	1,470	1,372	16	1,388
	105	2	107	110	6	116	128	0	128
Other	2,338	1,960	4,298	1,848	790	2,638	1,323	66	1,389
Total CO <sub>2</sub> emissions	751,016	3,733	754,749	669,529	3,263	672,792	849,590	2,833	852,423

## 4. EU Taxonomy

The tables below show the information to be disclosed in the context of the EU Taxonomy reporting obligation according to the accounting consolidation

perimeter. Turnover, Capex and Opex were determined according to generally accepted accounting principles.

### 4.1 Turnover

Economic activities (€ 1,000)	Codes	Absolute turnover	Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')												
			Proportion of turnover	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned % of turnover, year N	Taxonomy-aligned % of turnover, year N-1	Category (enabling activity or)	Category (transitional activity)	
2023			%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%			
<b>A. Taxonomy-eligible activities</b>																					
<b>A.1. Environmentally sustainable activities (Taxonomy-aligned)</b>																					
Electricity generation from wind power	D35.11	1,008,819	19.7	19.7	0.0						Y	Y	Y	Y	Y	Y	Y	19.7	15.1		
Construction of new buildings	F41.1	230,147	4.5	4.5	0.0						Y	Y	Y	Y	Y	Y	Y	4.5	3.6		
Infrastructure for rail transport	F42.12	59,719	1.2	1.2	0.0						Y	Y	Y	Y	Y	Y	Y	1.2	0.9	E	
Electricity generation from bioenergy	D35.11	18,974	0.4	0.4	0.0						Y	Y	Y	Y	Y	Y	Y	0.4	0.3		
Renovation of existing buildings	F41	18,477	0.4	0.4	0.0						Y	Y	Y	Y	Y	Y	Y	0.4	0.2		T
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	F42	16,968	0.3	0.3	0.0						Y	Y	Y	Y	Y	Y	Y	0.3	0.4	E	
Acquisition and ownership of buildings	L68	12,553	0.2	0.2	0.0						Y	Y	Y	Y	Y	Y	Y	0.2	0.1		
Installation, maintenance and repair of renewable energy technologies	F42	7,057	0.1	0.1	0.0						Y	Y	Y	Y	Y	Y	Y	0.1	0.1	E	
Installation, maintenance and repair of energy efficiency equipment	F42	3,619	0.1	0.1	0.0						Y	Y	Y	Y	Y	Y	Y	0.1	0.1	E	
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	F42	1,103	0.0	0.0	0.0						Y	Y	Y	Y	Y	Y	Y	0.0	0.0	E	
<b>Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)</b>		<b>1,377,436</b>	<b>26.8</b>	<b>26.8</b>	<b>0.0</b>													<b>26.8</b>	<b>20.7</b>		

Economic activities (€ 1,000)	Codes	Absolute turnover	Substantial contribution criteria							DNSH criteria ('Does Not Significantly Harm')									
			Proportion of turnover	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy- aligned % of turnover, year N	Taxonomy- aligned % of turnover, year N-1	Category (enabling activity or)
2023			%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	☐	☐
<b>A. Taxonomy-eligible activities</b>																			
<b>A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</b>																			
Construction of new buildings	F41.1	569,662	11.1																
Remediation of contaminated sites and areas		127,091	2.5																
Renovation of existing buildings	F41	107,480	2.1																
Electricity generation from wind power	D35.11	90,589	1.8																
Sorting and material recovery of non-hazardous waste	E38.32	77,440	1.5																
Infrastructure for rail transport	F42.12	59,767	1.2																
Acquisition and ownership of buildings	L68	49,475	1.0																
Computer programming activities	J62.01	25,307	0.5																
Transmission and Distribution of Electricity	D35.12	7,180	0.1																
<b>Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)</b>		<b>1,113,991</b>	<b>21.7</b>																
<b>Total (A.1 + A.2)</b>		<b>2,491,427</b>	<b>48.5</b>													<b>26.8</b>	<b>20.7</b>	<b>1.7</b>	<b>0.4</b>
<b>B. Taxonomy - non-eligible activities</b>																			
<b>Turnover of Taxonomy-non-eligible activities (B)</b>		<b>2,640,696</b>	<b>51.5</b>																
<b>Total (A + B)</b>		<b>5,132,122</b>	<b>100.0</b>																

## 4.2 Capex

Economic activities (€ 1,000)	Codes	Absolute capex	Substantial contribution criteria							DNSH criteria ('Does Not Significantly Harm')							% Taxonomy-aligned % of capex, year N	% Taxonomy-aligned % of capex, year N-1	E Category (enabling activity or)	T Category (transitional activity)	
			% Proportion of capex	% Climate change mitigation	% Climate change adaptation	% Water and marine resources	% Circular economy	% Pollution	% Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards					
2023																					
<b>A. Taxonomy-eligible activities</b>																					
<b>A.1. Environmentally sustainable activities (Taxonomy-aligned)</b>																					
Electricity generation from wind power	D35.11	252,961	38	38	0							Y	Y	Y	Y	Y	Y	38	45		
Renovation of existing buildings	F41	10,707	2	2	0							Y	Y	Y	Y	Y	Y	2	0	T	
Infrastructure for rail transport	F42.12	9,886	1	1	0							Y	Y	Y	Y	Y	Y	1	0	E	
Construction of new buildings	F41.1	6,988	1	1	0							Y	Y	Y	Y	Y	Y	1	1		
Acquisition and ownership of buildings	L68	3,809	1	1	0							Y	Y	Y	Y	Y	Y	1	1		
Electricity generation from bioenergy	D35.11	837	0	0	0							Y	Y	Y	Y	Y	Y	0	0		
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	F42	397	0	0	0							Y	Y	Y	Y	Y	Y	0	0	E	
Installation, maintenance and repair of renewable energy technologies	F42	165	0	0	0							Y	Y	Y	Y	Y	Y	0	0	E	
Installation, maintenance and repair of energy efficiency equipment	F42	85	0	0	0							Y	Y	Y	Y	Y	Y	0	0	E	
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	F42	26	0	0	0							Y	Y	Y	Y	Y	Y	0	0	E	
<b>Capex of environmentally sustainable activities (Taxonomy-aligned) (A.1)</b>		<b>285,861</b>	<b>42.6</b>	<b>42.6</b>	<b>0.0</b>													<b>42.6</b>	<b>47.4</b>		
<b>A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)</b>																					
Acquisition and ownership of buildings	L68	36,545	5.4																		
Renovation of existing buildings	F41	24,440	3.6																		
Construction of new buildings	F41.1	14,959	2.2																		
Infrastructure for rail transport	F42.12	5,589	0.8																		
Computer programming activities	J62.01	4,494	0.7																		
Sorting and material recovery of non-hazardous waste	E38.32	724	0.1																		
Transmission and Distribution of Electricity	J62.01	363	0.1																		
<b>Capex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)</b>		<b>87,114</b>	<b>13.0</b>																		
<b>Total (A.1 + A.2)</b>		<b>372,975</b>	<b>55.5</b>															<b>42.6</b>	<b>47.4</b>	<b>1.6</b>	<b>1.6</b>
<b>B. Taxonomy - non-eligible activities</b>																					
<b>Capex of Taxonomy-non-eligible activities (B)</b>		<b>298,551</b>	<b>44.5</b>																		
<b>Total (A + B)</b>		<b>671,526</b>	<b>100.0</b>																		



# Lexicon

## ESG terminology

- **BACA (Belgian Alliance for Climate Action):** a platform for Belgian organisations that want to reduce their CO2 emissions, show climate ambition and use SBTi (Science Based Targets initiative) to define their goals.
- **BREEAM** (Building Research Establishment Environmental Assessment Method): international sustainability benchmark and standard for the optimal realisation (new construction) or renovation (buildings in use) and exploitation of buildings with a minimal environmental impact, based on scientifically substantiated sustainability metrics and indices encompassing a range of environmental issues, such as energy and water use assessment, the impact on health and well-being, pollution, transport, materials, waste, ecology and management processes.
- **Circularity:** the reuse of raw materials, components and products after their useful life so that their value can be preserved.
- **CSRD** (corporate sustainability reporting directive): EU ESG disclosure legislation that enters into force as of 2024. This directive modernises and strengthens the rules concerning the social and environmental information that companies have to report. The new rules will ensure that investors and other stakeholders have access to the information they need to assess the impact of companies on people and the environment to assess financial risks and opportunities arising from climate change and other sustainability issues.
- **CO2 emissions – scope 1:** all direct emissions from sources that are owned or controlled by the company (e.g. combustion of fuel and natural gas).
- **CO2 emissions – scope 2:** all indirect emissions from the production of electricity that is purchased by the company. Scope 2 emissions physically occur in the installation where the electricity is generated.
- **CO2 emissions – scope 3:** indirect emissions from activities of a company, such as emissions from the production of sourced products (upstream) or from products, services or projects sold by the company (downstream).
- **Contributed capacity (DEME):** calculated counting total number of foundations installed by DEME during the reporting period (between January 1 and December 31), and multiplying by the corresponding turbine capacity. The turbine capacity is also called the rated power of the turbine. It is the power that the turbine generates for wind speeds above the 'rated' level. Each installed turbine has a specific rated power, expressed as a number of MW.
- **Corporate governance:** organisation & processes of the managing bodies that define the strategy and monitor its implementation.
- **Diversity, equity & inclusion or DEI:** this relates to the involvement of different views and avoiding discrimination, by promoting diversity in various areas, such as gender, religious beliefs or background, and to the implementation of a policy of inclusion.
- **DNSH (Do No Significant Harm):** the concept of 'avoiding significant harm' that is used in the EU Taxonomy as one of the conditions to classify an activity as 'green'.
- **ESG:** Environment, Social & Governance.
- **ESG policy:** statement setting out the company's approach to environmental, social and governance aspects, along with the plan to accomplish this mission, as well as the indicators used to measure progress made.
- **ESG material participation:** there are four ESG material participations (DEME, Delen Private Bank, Bank Van Breda and SIPEF) which are closely monitored from an ESG perspective within the ESG policy pursued by AvH.
- **ESG stewardship:** the influence that investors exert on participations to maximise the overall long-term economic, social and environmental value.
- **ESRS (European sustainability reporting standards):** Companies subject to the CSRD will have to report according to European Sustainability Reporting Standards (ESRS). The standards are tailored to EU policies, while building on and contributing to international standardisation initiatives.
- **EU Taxonomy:** regulations that determine which investments can be classified as 'green' and which contribute to the realisation of the EU Green Deal. The classification is based on technical screening criteria (TSC) and minimum criteria for the avoidance of significant harm (DNSH).
- **Financial resilience and long term return:** healthy balance sheet structures, with business plans and strategies that make it possible to achieve a fair return in the long term and enable the investments required for that purpose.
- **GRI (Global Reporting Initiative):** an international organisation that draws up guidelines for sustainability reporting.
- **Human rights:** the rights as defined in the Universal Declaration of Human Rights.
- **Innovation strategy:** statement setting out a company's innovation approach, and how it seeks to achieve objectives, taking into account their long-term impact on profitability.
- **Integrity code:** statement that may comprise the following integrity aspects: anti-corruption policy and procedures, human rights policy, whistle-blower policy and procedures, compliance policy and practices (e.g. where relevant antimoney-laundering, know your customer (KYC), etc.).
- **KPI:** Key Performance Indicator.
- **Low carbon fuels:** combine the fuels for which the CO2 emissions are lower compared to conventional fuel (marine gas oil). This category includes fuels such as LNG (Liquefied Natural Gas) and blended biofuels.
- **Material** (in materiality matrix): an aspect that (i) can have a significant positive or negative financial impact on the activities or the shareholders' equity of a company, of which (ii) a stakeholder expects that it is carefully managed with high priority.
- **NPS (Net Promoter Score):** this can be determined by putting one question to the client: How likely are you to recommend us to a friend or colleague? The respondent can reply by assigning a score from 0 to 10. The scores are divided into three groups: Promoters: respondents who gave a score of 9 or 10; Neutrals: respondents who gave a score of 7 or 8; Critics: respondents who gave a score of 0 to 6. The score is calculated as follows:  $NPS = \% \text{ promoters} - \% \text{ critics}$ .
- **Reporting:** relates to financial and non-financial reporting, with emphasis on material aspects.
- **Responsible investment policy:** investing with a view to a sustainable mix of activities. This means that investments are first examined in terms of whether

the company is active in a sector that AvH wishes to invest in, whether in sensitive sectors it scores well on relevant ESG aspects, and whether it is active in a sector that has a positive impact on ESG goals. It may also lead to divestments from companies.

- **Responsible shareholding:** structured monitoring as a shareholder of ESG aspects in participations (e.g. defining and monitoring an ESG strategy and related processes).
- **Risk management:** structured handling of risks (by audit & control, procedures, manuals, committees, etc.).
- **RSPO (Roundtable on Sustainable Palm Oil):** an independent organisation that develops global standards for the production of sustainable palm oil.
- **SASB (Sustainability Accounting Standards Board):** an international organisation that sets guidelines for businesses on relevant sustainability reporting to investors
- **SBTi (Science Based Targets initiative):** an initiative that defines best practices in the area of CO2 emission reductions and targets in line with the goals of the Paris Climate Agreement.
- **SDGs (Sustainable Development Goals):** Sustainable Development Goals of the United Nations that constitute a call for action to promote prosperity and at the same time protect the planet against climate change. They encompass strategies that support economic growth and address social needs (education, health, social protection and employment, etc.).
- **SFDR (Sustainable Finance Disclosure Regulation):** regulation concerning the disclosure of information on sustainability in the financial sector. The idea is to improve the disclosure of information to investors on the sustainability impact of investment policies and investment decisions.

## Financial and legal terminology

- **Cost-income ratio:** the relative cost efficiency (cost versus income) of the banking activities (EBA definition).
- **Common Equity Tier1 capital ratio (CET1):** the regulatory core capital buffer held by banks to offset any losses.
- **EBIT:** Earnings before interest and taxes.
- **EBITDA:** EBIT plus depreciation and amortisation on fixed assets
- **ESEF:** the European Single Electronic Format is an electronic reporting format in which issuers on EU regulated markets must prepare their annual financial reports.
- **Rental yield based on fair value:** rental yield is only calculated on buildings in operation, excluding the projects and the assets held for sale.
- **Net financial position:** cash & cash equivalents and short-term investments minus short- and long-term financial debt.
- **Net result:** Net result (group share)
- **(% of) Shareholders' equity:** calculation method to indicate what percentage of the assets managed by AvH meet certain standards of the ESG policy. It involves determining what share the assets in question represent in the consolidated shareholders' equity of AvH (group share).
- **Talent development:** taking care of the human capital needed for the proper functioning of the company concerned (recruitment, training, personal development, appraisal, well-being, etc.), where the talents of staff members can emerge and be used in the best possible way.
- **TSC (Technical Screening Criteria):** technical screening criteria defined for each economic activity in the EU Taxonomy, and used to determine whether a particular activity can be classified as 'green'.
- **UN PRI (United Nations Principles of Responsible Investment):** framework of the United Nations that focuses on a responsible investment policy as shareholder, where ESG factors are taken into account in order to achieve proper returns by managing risks and opportunities.
- **Value creation:** the average growth (CAGR) of the consolidated shareholders' equity (group share), including dividends, measured over a certain period of time (i.e. in case of AvH 10 years)
- **Worldwide LTIFR (DEME):** The Worldwide Lost Time Injury Frequency Rate is the metric reflecting accidents of DEME employees and DEME temporary employees involving work incapacity ( $\geq 24$  hours or  $\geq 1$  shift) multiplied by 200,000 and divided by the number of hours worked. The 'Worldwide' method is a risk-based method that combines 'risk level rate' (= event that resulted in the injury) and 'injury rate' (= type of injury). To determine if an incident scores as 'Worldwide', the 'risk level rate' and 'injury rate' are multiplied.
- **Return on equity (ROE):** the relative profitability of the group, more particularly the amount of net income returned as a percentage of shareholders' equity.
- **SPV (Special Purpose Vehicle):** a company in which a project or part of a project is contained.
- **TLTRO (Targeted longer-term refinancing operations):** an ECB instrument that encourages banks to provide loans to businesses and consumers.
- **Real estate portfolio:** the outstanding capital employed equals the sum of the shareholders' equity and the net financial debt of the real estate division.
- **CCA:** Code of Companies and Associations.
- **XBRL:** An electronic language, specifically designed for the exchange of financial reporting over the Internet.

# General information regarding the company and the capital

## General information regarding the company

### Registered office - registration details

Begijnvest 113, 2000 Antwerp, Belgium  
0404.616.494  
RPR Antwerp - Department Antwerp  
Email address : info@avh.be  
Website : <https://www.avh.be>

### Incorporation date, last amendment bylaws

The company was incorporated on 30 December 1924 by notarial deed, published in full in the Annexes to the Belgian Official Gazette of 15 January 1925 under number 566. The bylaws have been modified several times and for the last time by notarial deed of 9 November 2020, published by excerpt in the Annexes to the Belgian Official Gazette of 25 November 2020, under number 20356891, with a supplementary excerpt published in the Annexes to the Belgian Official Gazette of 16 December 2020, under number 20361786.

### Duration of the company

Indefinite

### Legal form, applicable law

Limited liability company under Belgian law.

### Statutory purpose

The statutory purpose of the company includes the following:

- (a) the project study, supervision and management of all kinds of public and private works, mainly in the field of construction in general, as well as the organization and administration of all companies or businesses and assistance to them in all forms;
- (b) the contracting of all sea- and land based public or private works in the area of construction and, in particular, all kinds of sea- and river-based works, major irrigation activities and the canalization of waterways, major dewatering and pumping works, dredging, drilling, sounding, wellsinking, drainage, the building of permanent structures, digging, and the general contracting of construction works, as well as the re-floating of boats and ships;
- (c) sea- and land-based prospecting for industrial extraction, mainly of crude oil or natural gas, as well as mineral products in general;
- (d) the operation, production, processing, distribution, purchase, sale and transport of all products derived from industrial extraction;
- (e) the acquisition, operation, development and transfer of land, real estate and any property entitlement;

- (f) the acquisition, the operation and the realization, in any form whatever, of intellectual property rights, licenses and concessions;
- (g) the acquisition of an interest or participation, by way of subscription, contribution, merger, cooperation, financial intervention or in any other way, in any company, enterprise, operation or association in Belgium or abroad, already existing or still to be incorporated;
- (h) the management, development and realization of these interests or participations;
- (i) involvement, directly or indirectly, in the management, control or dissolution of any company, enterprise, business or association in which it has an interest or participation;
- (j) providing assistance and support in all possible management matters to the board of directors and the management of companies, enterprises, businesses or associations in which it has an interest or participation, and in general, performing all acts constituting entirely or partially, directly or indirectly, holding activities.

The company may carry out all civil, commercial, industrial and financial activities as well as activities relating to real and movable property that are linked, directly or indirectly, to its statutory purpose or that may enhance the realization thereof. The company may provide securities or guarantee in favor of companies, enterprises, businesses or associations in which it has an interest or participation, act as representative or agent, provide advances, credit facilities and mortgages or other securities. The company's activities may be carried out both abroad and in Belgium.

### Consultation of documents regarding the company

The statutory and consolidated annual accounts of the company are deposited with the National Bank of Belgium. A coordinated version of the company bylaws can be consulted with the clerk of the Business Court of Antwerp - Division Antwerp. The annual financial report is sent to the registered shareholders and to anyone who so requests. The coordinated version of the company bylaws and the annual financial report are also available on the company's website ([www.avh.be](http://www.avh.be)).

## General information regarding the company's capital

### Subscribed capital

The subscribed capital is 2,295,277.90 euros. The capital is fully paid-up and is represented by 33,496,904 shares without nominal value.

### Capital increases

The most recent capital increase was decided upon on 11 October 1999, as part of the merger through acquisition of Belcofi NV by Ackermans & van Haaren NV.

### Authorized capital

In accordance with the decision of the extraordinary general meeting dated 20 October 2023, the board of directors is authorized to increase the capital in one or more instalments with a maximum (aggregate) amount of 500,000 euros (excluding issuance premium) and this in accordance with the terms and conditions set forth in the special report of the board of directors prepared in accordance with article 7:199 CSA.

The board of directors can use this authorization for a period of five years from 31 October 2023 (the date of publication of the amendment to the articles of association decided by the extraordinary general meeting of 20 October 2023).

The board of directors can also make use of the authorized capital in case of a public takeover bid on securities issued by the company, in accordance with the provisions and within the limits of article 7:202 CSA. The board of directors is allowed to use this authorization in case the notification of a public takeover bid by the FSMA to the company is received not later than three years as from 20 October 2023.

The authorizations can be renewed in accordance with legal provisions.

Capital increases decided pursuant to these authorizations will be carried out in accordance with the modalities specified by the board of directors, including among others by contribution in cash or in kind, with or without share premium,

by incorporation of, distributable or non-distributable, reserves and share premiums and profits carried forward, with or without the issuance of new shares with or without voting rights, below, above or at par value, in accordance with the mandatory rules prescribed by the CCA.

The board of directors may use this authorization to issue, subordinated or non-subordinated, convertible bonds, subscription rights, bonds with subscription rights or other securities, in accordance with the conditions set out in the CCA.

The board of directors is authorized, when exercising its powers under the authorized capital, to limit or cancel the statutory preferential subscription right of the shareholders in the interest of the company, including in favor of one or more specific persons or of members of the personnel of the company or of its subsidiaries.

### Nature of the shares

The fully paid-up shares as well as other securities of the company may exist as registered or dematerialized securities. Each holder may, at any time and at his/her/its own expenses, request the conversion of his/her/its paid in securities into another form, within the limits of the law.

The securities are indivisible vis-à-vis the company which can suspend the rights of any share regarding which disputes would arise as to the ownership, usufruct or naked ownership. Co-owners, usufructuaries and bare-owners must be represented by a common authorized representative and notify the company accordingly.

In case of usufruct, the usufructuary shall exercise all the rights attached to the shares, and the bare-owners of the share shall be represented vis-à-vis the company by the usufructuary, except with respect to (the exercise of) the preferential subscription right, which belongs to the bare owner(s). This rule applies except as otherwise provided in an agreement between the parties or in a will. In that case, the bare owner(s) and the usufructuary(ies) must notify the company in writing of such an arrangement.

## ESEF INFORMATION

Homepage of reporting entity	<a href="http://www.avh.be">www.avh.be</a>
LEI code of reporting entity	5493005E2GHATS0Z6J59
Name of reporting entity or other means of identification	Ackermans van Haaren
Domicile of entity	Belgium
Legal form of entity	Limited liability company
Country of incorporation	Belgium
Address of entity's registered office	2000 Antwerp, Begijnenvest 113
Principal place of business	Worldwide
Description of nature of entity's operations and principal activities	Industrial Group
Name of parent entity	Ackermans van Haaren
Name of ultimate parent of group	Ackermans van Haaren
Explanation of change in name of reporting entity or other means of identification from end of preceding reporting period	N/A
Length of life of limited life entity	N/A
Period covered by financial statements	N/A

### Notes

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## Contact

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Questions can be asked by phone on +32 3 231 87 70 or by e-mail [dirsec@avh.be](mailto:dirsec@avh.be) to the attention of John-Eric Bertrand, Piet Dejonghe or Tom Bamelis.

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RPR Antwerpen  
BTW: BE 0404.616.494

The digital version of this annual report can be consulted at [www.avh.be](http://www.avh.be)  
Dit jaarverslag is ook verkrijgbaar in het Nederlands.

The Dutch version of this document should be considered as the official version.

## Pictures Ackermans & van Haaren

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## Concept and design

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Punta Linea Communications ([www.puntalinea.com](http://www.puntalinea.com))



## Financial calendar

- May 23, 2024 ..... Interim statement Q1 2024
- May 27, 2024 ..... General meeting
- August 30, 2024 ..... Half-year results 2024
- November 22, 2024 ..... Interim statement Q3 2024



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