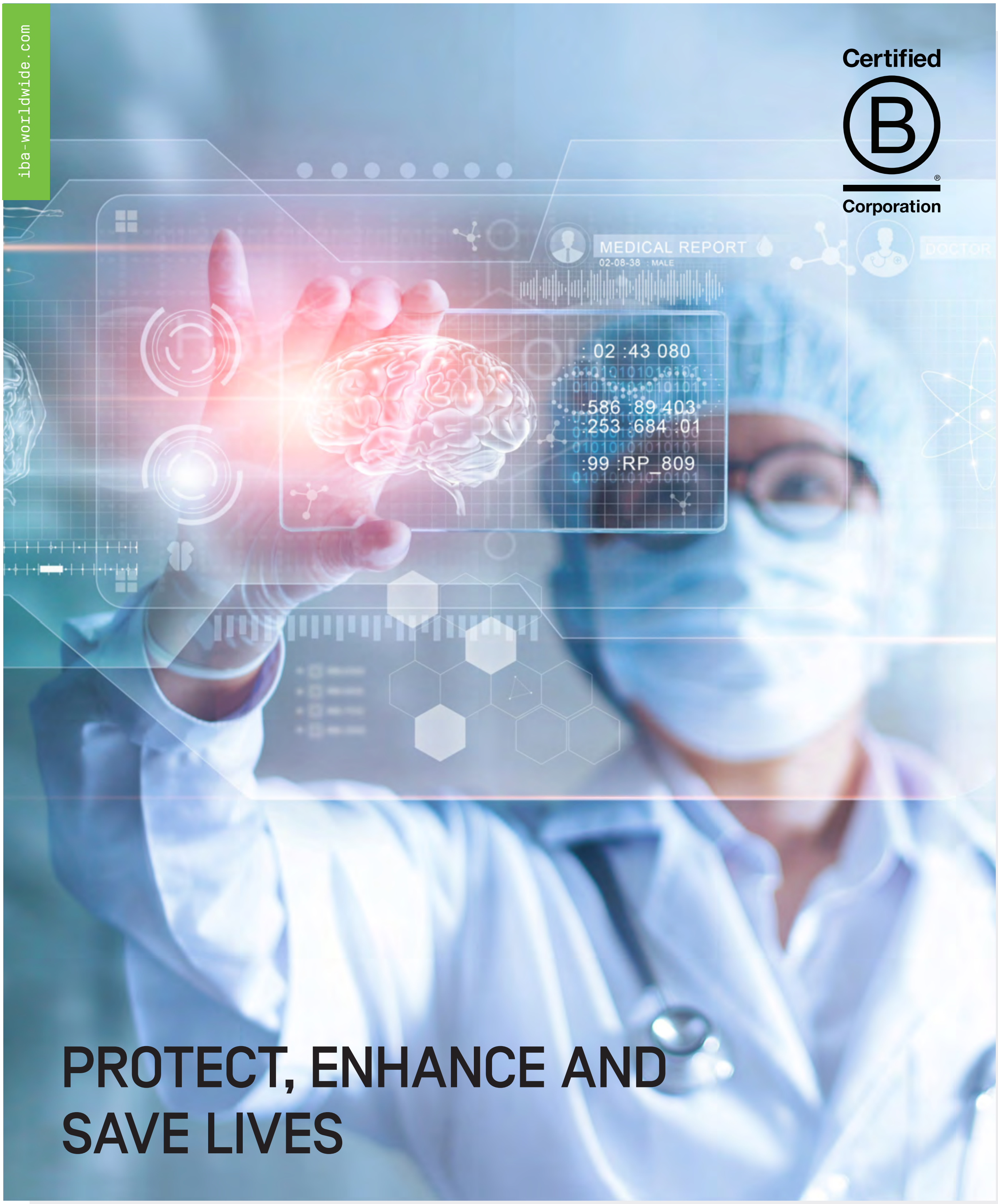
iba-worldwide.com

Certified B Corporation

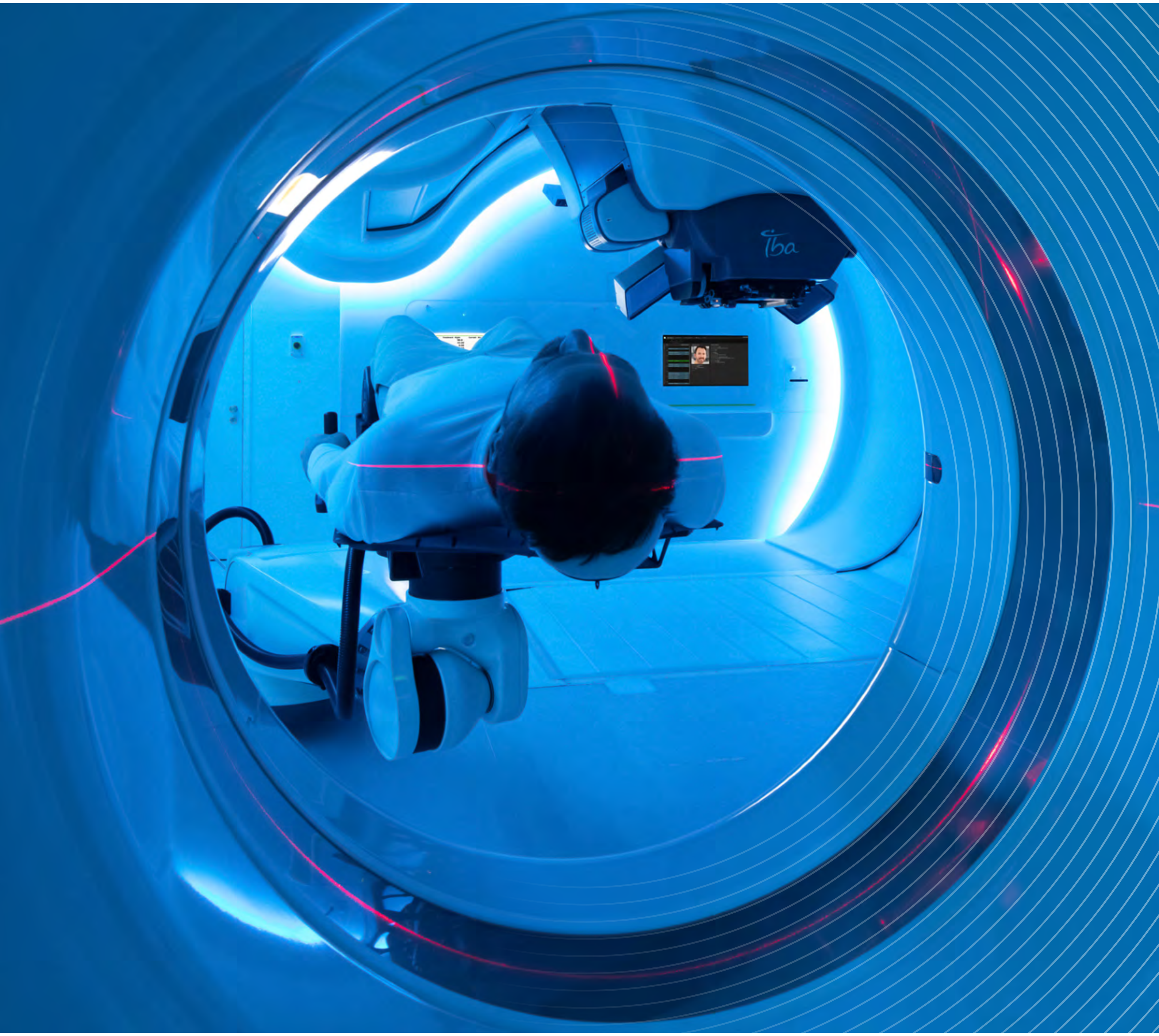


PROTECT, ENHANCE AND SAVE LIVES

ANNUAL REPORT 2022

Life, Science.

iba



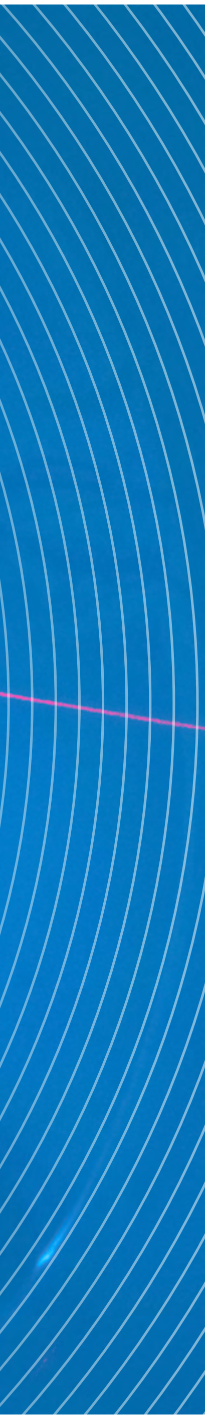


TABLE of contents

IBA World leader

We are a world leader in particle accelerator technology. We design, produce and market innovative solutions for the diagnosis and treatment of cancer and other serious illnesses, and for industrial applications such as the sterilization of medical devices.

Around the world, thousands of hospitals use particle accelerators and dosimetry equipment designed, produced, maintained and upgraded by IBA, making our mission to protect, enhance and save lives true.

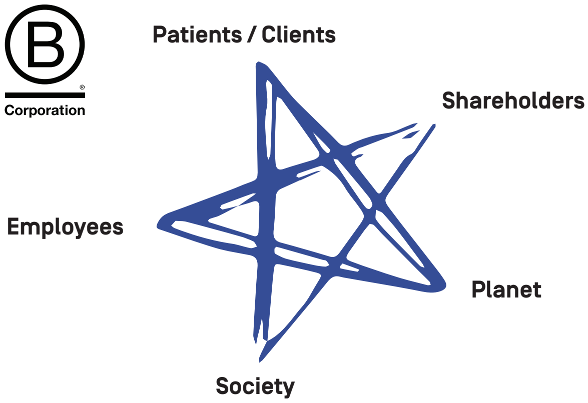
Our life-driven mission and the open relationships we have built with our customers and partners over time, together with our innovative mindset and our willingness to always strive for technological and scientific progress, make IBA a unique scientific company. We are characterized by a deep human connection that is illustrated by: Life, Science.

Through our four core activities: Industrial Solutions, RadioPharma Solutions, Proton Therapy and Dosimetry, we offer health care professionals the solutions that allow them to take a fully integrated approach to their patient care.

How do we work?

At IBA, we believe business has the mission to be a force for good, through creating shared and long-term value for all stakeholders.

Our company is a Certified B Corporation (B Corp)™.



Our customers and their patients: we develop the most effective technology for our customers so they can provide the best available diagnosis and treatment for their patients.

Our employees: we offer them quality jobs in a stimulating, friendly environment guided by ethical values.

Our society: we promote a sustainable entre-preneurial business model that serves society while respecting the limits of our planet.

Our planet: we continually work to reduce the environmental impact of our products and operations.

Our shareholders: we show that we are worthy of their trust by being a sound financial investment and acting in accordance with our values.

Why do we do it?

TO PROTECT, ENHANCE AND SAVE LIVES

For over thirty years, IBA has placed the purpose of the company and its project at the heart of its activities, as expressed in our mission to ''Protect, Enhance and Save Lives''.

All our activities are targeted towards the same objective of making a positive impact on people's health by providing health care professionals with the most effective and accurate solutions for diagnosis and treatment, as well as safe solutions for sterilization. This goal is implemented in different ways that benefit each of the different stakeholders involved.

A FLEXIBLE AND RESILIENT BUSINESS MODEL

In today's global and increasingly volatile economy, we have demonstrated flexibility, adaptability and resilience.

These are fundamental to the continued success of our business activities.

We continue to focus on quality and innovation and, thanks to excellent sales in our businesses (Proton Therapy, Dosimetry, Industrial Solutions and RadioPharma Solutions), we are managing an increasingly larger installed base and are, as a result, focusing more on service and upgrades.

OUR values

We care about the well-being of our clients and patients, our employees, our society, our planet and our shareholders.

Creativity, innovation and passion are mandatory for a company that continually stretches the frontiers of technology. Day after day, we dare to create better results.

We share our ideas and expertise with our stakeholders to create better results.

We implement our mission to protect, enhance and save lives through ethical standards and transparency to remain worthy of our stakeholders' trust.

IBA IN 2022
at a glance

4
business activities

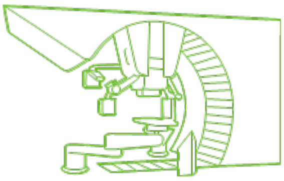
12%
of turnover invested in R&D

40
countries

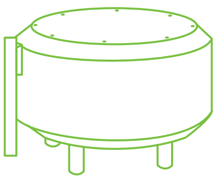
5
continents

73
PT centers sold

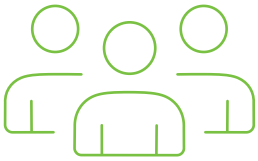
55
proton therapy service contracts



120,000+
patients treated on IBA PT equipment



650+
accelerators sold



1,817
employees

6.1
EUR Million Net Profit

B Corp 97+ pts
score proforma 2022

60
nationalities

42%
proton therapy market share

MESSAGE from Olivier Legrain

IBA has closed a successful year, driven by a significant increase in sales in all of its divisions. Our order book and backlog reached record levels in 2022. With a strong order book, good revenue visibility, and a high cash position, we are confident in the company's prospects for 2023 and beyond. IBA retains its worldwide position as leader of the proton therapy market, and 2022 was a strong year for all of our markets, including a significant growth in sales of our Industrial Solutions division, as well as good performance of our Dosimetry and RadioPharma Solutions divisions.

We have invested in our infrastructure, research, and development to strengthen our position as a leader in the various markets in which IBA operates and the proton therapy market has experienced strong growth in Europe and the United States. A highlight during the year was marked by an agreement with the Spanish Ministry of Health for the purchase of 10 proton therapy systems, the largest order ever received by IBA from a single customer.

Over the past year, we have focused our efforts on ensuring the sustainability of the company. We have continued to invest in low-carbon and low-waste equipment and products. Through various initiatives, we have also strengthened our commitment to providing a fair, diverse, inclusive, and environmentally respectful workplace. The company has improved its CDP score to B- and, according to an external audit, its B Corp score is now estimated at over 97. In 2022, investments were made, among other things, in eco-design and life cycle assessment, green mobility, solar energy, and carbon offsetting. Finally, for the first time, one-third of the variable pay of the company's executives will be based this year on sustainability improvement, estimated based on B Corp criteria.

For the coming year, we expect to continue to have strong order intake in all our activities. Services will continue to provide stable recurring revenues, while the company's strong balance sheet and excellent cash position will enable us to seize growth opportunities that may arise.

Despite the current geopolitical situation and economic uncertainties, we have a clear visibility on our future performance, and we are confident in our ability to grow in the years to come and create value for all our stakeholders.

Assuming a stabilization of global supply chain challenges, a return of inflation to around 3%, as access conditions to certain regions normalize, and based on the prospect of maintaining a high level of order intake, we have issued medium term guidance. Subject to these factors, we expect an average annual revenue growth rate of around 15% between 2022 and 2026, nearly doubling them over the next four years. We project a recurring earnings before interest and taxes (REBIT) equivalent to about 10% of total sales by 2026, progressively delivered and weighted after 2024, as current macroeconomic effects fade and operational leverage accelerates with volume. Finally, we expect capital expenditures (CAPEX) of EUR 10 to 12 million per year until 2026 to support infrastructure development, innovation, sustainability, and digitization, to maintain IBA's cutting-edge offer and foster its future growth.

Following the results of the 2022 fiscal year, the Board of Directors intends to recommend to the Annual General Meeting the payment of a gross dividend of EUR 0.21 per share in 2023. This represents a 10% increase compared to the previous year. If approved, the annual bonus paid to employees will be established at the same level as the dividend, in accordance with the company's initiative to share the value created with all its stakeholders.

Olivier Legrain
Chief Executive Officer

> IBA is a leader in particle accelerator technology. Our purpose, which inspires and motivates our staff, is clear: to protect, improve and save more lives, every day, while creating value for all our stakeholders.

PATIENT CARE
what makes our heart beat

By providing innovative and high-quality solutions, IBA aims to support patients throughout their journey. As such, our mission to protect, enhance and save lives takes them from diagnosis with radiopharmaceuticals to treatment by particle beam therapy, and includes sterilization of medical equipment for safer operations and quality control of equipment.

01 Sterilization

Industrial Solutions mainly focuses on developing solutions for applications such as medical device sterilization. Its innovative E-beam and X-Ray solutions enable the medical industry to be significantly more environment-friendly by avoiding toxic chemicals and radioactive materials, and their associated waste and hazards.

02 Diagnosis

RadioPharma Solutions develops products that are used for producing isotopes and radiopharmaceuticals, vital for use in cancer diagnosis, as well as in the cardiology and neurology fields. We assist hospitals and radiopharmaceutical product distribution centers by helping them design, build and operate their radiopharmacy units.

03 Treatment

IBA is the worldwide technology leader in the field of proton therapy. Proton Therapy is considered to be one of the most advanced forms of radiotherapy in cancer treatments using ionizing rays. Thanks to the unique properties of protons, tumors can be targeted more accurately. In effect, protons deposit the majority of their energy in a controlled zone, limiting exposure of the surrounding healthy tissues to potentially harmful radiation.

04 Quality assurance

The Dosimetry business offers hospitals a comprehensive range of Quality Assurance tools and software, for example, for the calibration and control of their radiotherapy and radiology equipment. This technology is crucial to ensure that the prescribed dose is delivered within a precisely defined area of the patient's body. Precision and control are vital to patient safety and proper dose administration.


01 Sterilization


02 Diagnosis

With courtesy of Philips


03 Treatment

Proteus®ONE


04 Quality assurance

1 | Industrial solutions

Protect, enhance and save lives by contributing to more sustainable ionization solutions for medical device sterilization.

IBA is the world leader in electron-based irradiation solutions for industrial applications. E-beam and X-ray irradiation can be used in a wide range of applications, such as food ionization or polymer cross-linking. However, IBA is more than ever focused on the medical device sterilization market. Today, this market is at a very favorable turning point, mainly due to an increasing scrutiny and scarcity of the two dominant technologies: Gamma and ethylene oxide.

After a slower 2020 due to COVID, which caused logistical issues and a decrease in volumes of regular health care and surgery, the volumes of devices to be sterilized is now rebounding fast and adding to new products needed for the research and production of vaccines, such as bio-reactors. These events led to an increased pressure on the sterilization market in terms of lead-time and costs at the end of 2021. This tense situation persisted in 2022 and was confirmed by a very strong demand for integrated E-beam and X-ray irradiation solutions. It is foreseen to continue until 2025 and beyond.

To capture this growing market, IBA has developed a new portfolio of services and end-to-end solutions powered by the iconic Rhodotron®. These solutions allow in-house customers or contract sterilizers to sterilize medical devices either by E-beam in boxes or X-ray in pallets, or both. they also offer an environmentally friendly and readily available alternative to toxic chemicals such as ethylene oxide and nuclear materials such as cobalt 60.

As the medical device sterilization market is now on a favorable and sustainable track, IBA is leveraging its unique technology to restart the stimulation and exploration of other historical applications, such as food irradiation and environmental applications. To address this market from a new angle, IBA is offering a more complete product offering, coupled with new financing options. In addition, IBA's teams enabled the first worldwide production of radioisotopes with a high energy Rhodotron®, the TT300-HE.

Solution powered by
the iconic Rhodotron®
ONE machine, MANY possibilities

MAKING MORE ECORESPONSIBLE SOLUTIONS: A DAILY MISSION

The Rhodotron® electric accelerator is the most environmentally friendly option as it avoids the use of toxic chemicals and radioactive materials, as well as the pollution and hazards associated with them. And yet, IBA's ambition is to go even further.

We are now deploying more resources and investigating further to ensure that the entire solution offered is part of a more eco-responsible approach.

Coupled with the latest technologies in terms of green energy production, increased efficiency of the ionization process, recovery of fatal calories, co-generation, numerical modelling, digitalization, and product handling developed for the logistics industry, irradiation can be further optimized to reduce the total ecological footprint of the sterilization industry compared to other established technologies. Thanks to collaborations with major players such as Engie-Tractebel, IBA is demonstrating that X-ray will be an increasingly sustainable process in the future.

A NEW EXPERIENCE, A JOURNEY TOGETHER, A RELATIONSHIP FOR LIFE: BEYOND™

Initially focused on the development of performant electron accelerators, IBA is now focusing on developing a wide range of services and products to serve the irradiation industry. Along with the iconic Rhodotron®, prospects and customers are now supported from their first idea to the operation of an efficient, profitable and sustainable ionization facility. This customer experience is named BEYOND™.

In the BEYOND™ experience, customers can rely on digital tools to model and optimize their product design, their future process, and model their center's performance from day one. As an example, IBA and TRAD, a French company specialized in radiation modelling, are collaborating to bring numerical simulation to a wide range of medical device manufacturers and service centers. This type of tools can potentially save months of product testing and tons of CO_2 during production. Customers can also test their products while being trained at our partner site Aerial in Strasbourg, France, which is equipped with a Rhodotron® and all ionization modalities. In addition, all prospects and customers are welcome to experience and be trained on irradiation in our new academy and user experience center, the INDUX, based in Louvain-la-Neuve, Belgium.

To continue raising the bar, in 2022, IBA increased the span of services it offers for an even more integrated irradiation facility. Prospects can now start their projects with a detailed pre-engineering, opt for a customized service for production ramp-up and training, and even choose financing and leasing options.

BEYOND™, FOUR END-TO-END SOLUTIONS THAT REFLECT CUSTOMERS' AMBITION

Solutions powered by the iconic Rhodotron®.

BE EFFICIENT
The solution that takes advantage of the Rhodotron® power and high-end conveying solutions to treat large volumes with the highest efficiency.

BE SOFT
The ideal solution to process fragile and high-value products that require being handled with care.

BE-WIDE
The unique solution to irradiate pallets with X-rays with the guarantee of reaching an optimal Dose Uniformity Ratio.

BE-FLEX
The solution for multi-purpose centers that provides the advantage of having a unique Rhodotron® to produce either E-beam or X-rays, with different energies in one or several treatment rooms.

An experience we live together through the whole journey

INDUX CENTER – PRACTICE MAKES PERFECT

The INDUX center of excellence is a key element in the continuous support we provide to our customers. At any stage of their journey, the center welcomes trainees to offer them an immersive experience in a real industry environment. More than one hundred customers have already benefited from training at INDUX, allowing them to be comfortable with their equipment and optimize their center's uptime. In 2023, the INDUX center offering will be expanded with the creation of a second center in the United States, which will focus on accelerating the training of local field service engineers, as well as existing customers and prospects.

Watch the video: Rigging of the Rhodotron® high-energy.

Discover what the INDUX Center can offer you!

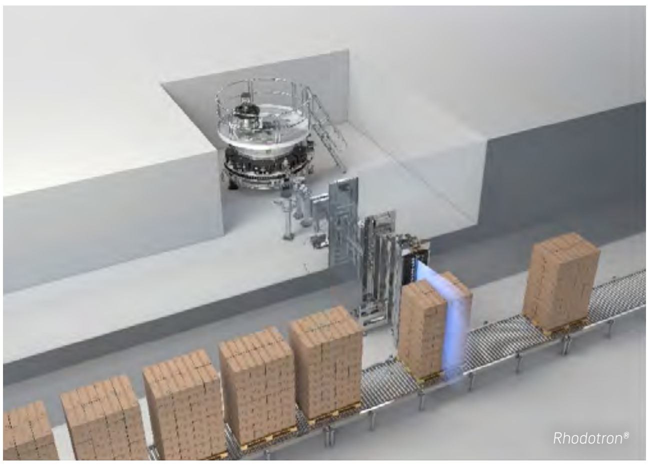
X-RAY IRRADIATION IS RECOGNIZED AS THE SAFEST TECHNOLOGY TO HANDLE THE GROWTH OF THE MEDICAL DEVICE INDUSTRY

The medical devices industry has a wide range of products that enable patient diagnosis and treatment. Within this large multi-segment industry, Disposal Medical Devices (DMD) include all single-use devices e.g., surgical gloves, dialysis tubes, diabetes patches, orthopedic implants, syringes, etc.

In addition to these products and volumes, which grow organically with the population, the COVID-19 pandemic accelerated the growth of new industries related to cell therapies, as well as vaccine research and production: the so-called bio-processing business. With the reopening of regular care, these volumes are adding to requirements for significant sterilization capacities from 2022. Interestingly, the bio-processor volumes are observed to keep growing despite the reduction of the pressure of COVID-19.

Today, Disposal Medical Devices and Bio-Processor sterilization has a year-on-year growth of 7 to 10% and relies for ~85% of its volume on two modalities: ethylene oxide (EtO) (~50%) and Gamma (~35%). Gamma is under supply pressure due to the closure of several nuclear reactors all around the world, resulting in a significant shortage and a strong increase in lead times and prices. Ethylene oxide is adversely affected by toxicity issues and several site closures due to the detection of residues.

These issues have led to a bottleneck in the sterilization market, and have resulted in significant pressure on the supply chain of medical manufacturers. Electron beam and X-ray irradiation offer competitive alternatives to EtO and Gamma irradiation. Both techniques are electricity based and do not present major regulation issues.


Rhodotron®

THE RISE OF X-RAY

Since the 1990s, IBA has been the pioneer of X-ray irradiation and until 2020, only one reference site in Switzerland was operational around the world. Due to the events mentioned above, X-ray technology is now seeing a faster acceptance and utilization in all regions of the world. A second industrial site was commissioned in the Netherlands in 2021, and more than 10 new sites will be available to customers from 2022-2023. X-ray is recognized by major sterilizers and manufacturers as the safest technology to handle the volume growth, both for businesses and for patients.

Thanks to its ambitious R&D program, which was started in 2010, the Rhodotron® based X-ray solutions are recognized as the most high-performing and sustainable product in the field. An IBA X-ray facility can treat up to 100,000 pallets and run 24/7 with a limited number of operators and only a few days of servicing per year. Through strong digitalization and sustainability programs, this performance will continue to advance and lead the market in the coming years.

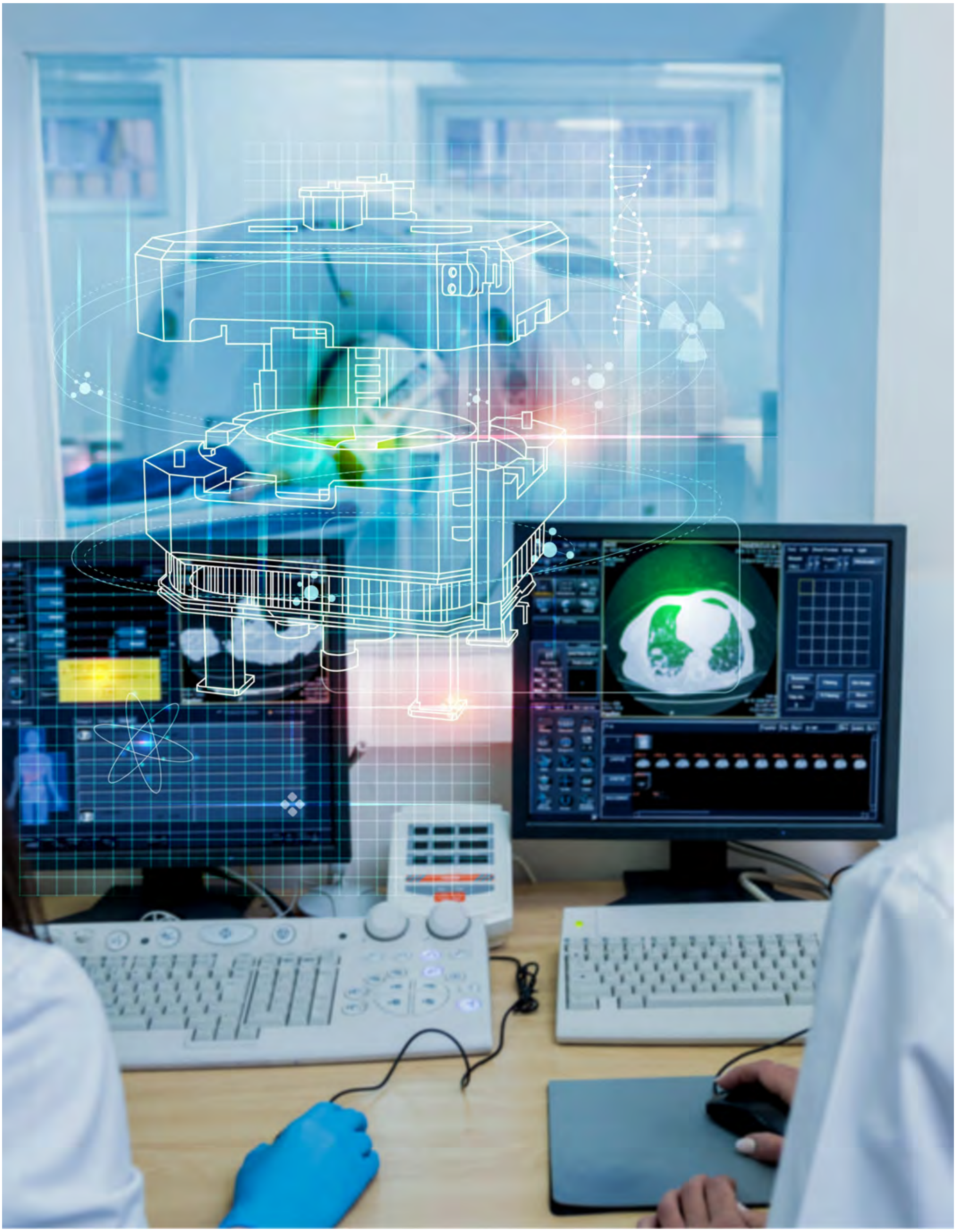
In this context, 2022 was another year of strong demand for X-ray, and IBA announced the signature of two fully integrated X-ray projects. These projects include the Rhodotron®, a new technology of robust and efficient overhead conveyors, the Process Control System, ERP connection, and dosimetry, as well as, for one of the two projects, a fully automated warehouse for more than 1,000 pallets. In parallel, a third X-ray center was commissioned and delivered in Asia as planned.

AN EVEN FASTER GROWTH IN AMERICA AND ASIA

Until recently, reference sites for X-ray and electron beam industrial sterilization were mostly concentrated in central Europe. Today, IBA Industrial sees a strong deployment of the technology in all regions of the world, with remarkable activity in the United States, Southeast Asia, and China. The Company is currently deploying a stronger regionalization plan in those areas where it is already present, including adding resources for installations and services, hubs for parts logistics, and 3rd party suppliers. As announced above, a new training team and US INDUX center are being deployed in the US. Local account management and local conveyor manufacturers are other examples of the fast regionalization of our business. Very soon, customers around the world will enjoy the same BEYOND™ experience and journey wherever they are located, and will be able to interact with experts of their language and culture.

> We are really proud of what IBA has done for us and what was achieved during COVID and that was pretty special... The installation of this site was done seamlessly and completed in due time. The site was full in 6 months, so successful that there is another center being built next door.
>
> **Mr. Mike Eaton**
> CEO of Steris EMEA & APAC

2 | RadioPharma Solutions



Protect, enhance and save lives by contributing to MORE ACCURATE DIAGNOSIS

IBA leverages its extensive knowledge to assist hospitals and radiopharmaceutical distribution centers in two primary ways: by helping them produce radioisotopes in-house and by offering end-to-end solutions that cover everything from project design to facility operation.

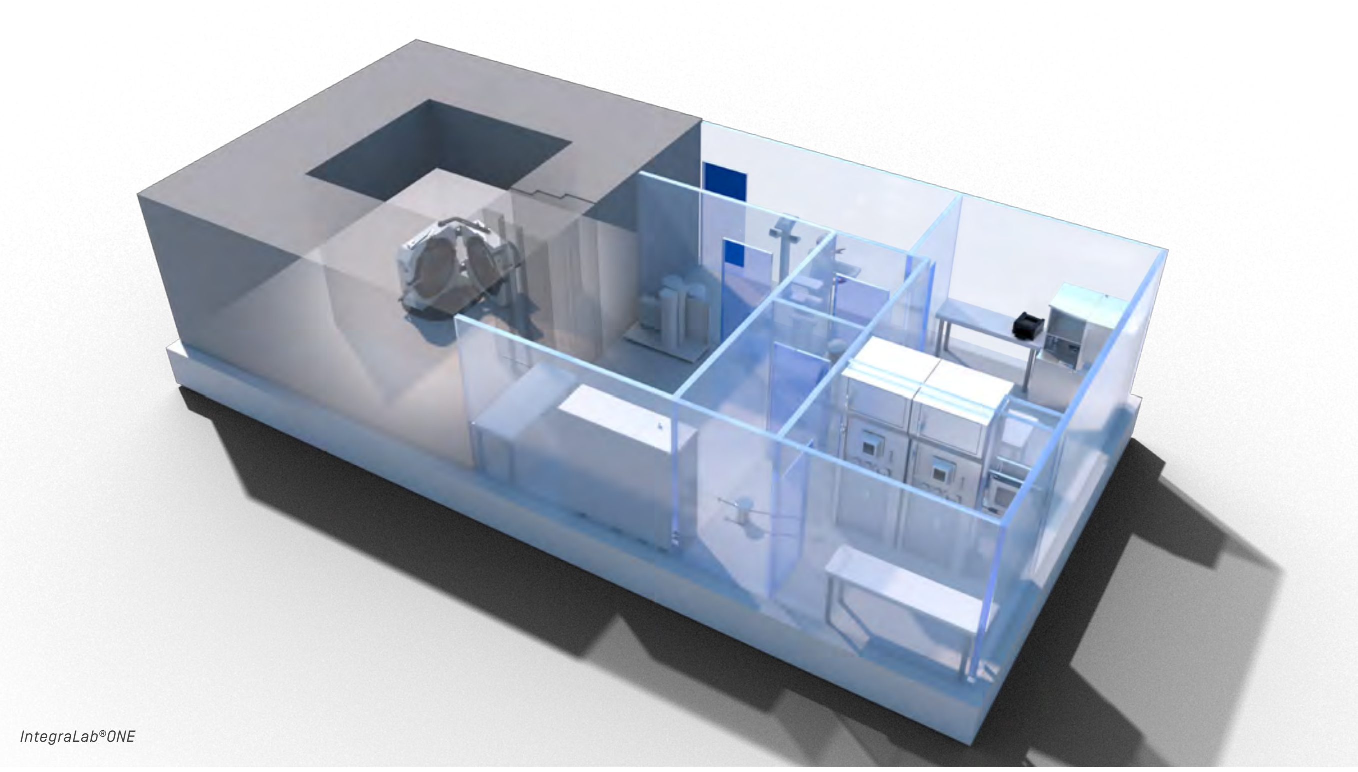
Its product range includes advanced production equipments like cyclotron solutions, targetry systems, synthesizers, control systems, and more. Moreover, IBA has gained considerable expertise in establishing cGMP radiopharmaceutical production centers.

EARLY DETECTION SUBSTANTIALLY INCREASES THE CHANCES OF SURVIVAL

3 million undiagnosed cases of childhood cancer.

A modeling study published in The Lancet Oncology[1] projected cancer incidence for 200 countries worldwide and suggested that the number of undiagnosed cases of childhood cancer could account for more than half of the total in Africa, south-central Asia and the islands of the Pacific. In North America and Europe, by contrast, only 3% of cases are undiagnosed. If there is no improvement, the authors of the study estimated that more than 3 million new cases of childhood cancer would be missed between 2015 and 2030.

1. Zachary J Ward, MPH, Jennifer M Yeh, PhD, Nickhill Bhakta, MD, A Lindsay Frazier, MD, Prof Rifat Atun, FRCP, Estimating the total incidence of global childhood cancer: a simulation-based analysis. 26 February 2019. https://www.thelancet.com/journals/ lanonc/article/PIIS1470-2045(18)30909-4/fulltext



IntegraLab®ONE

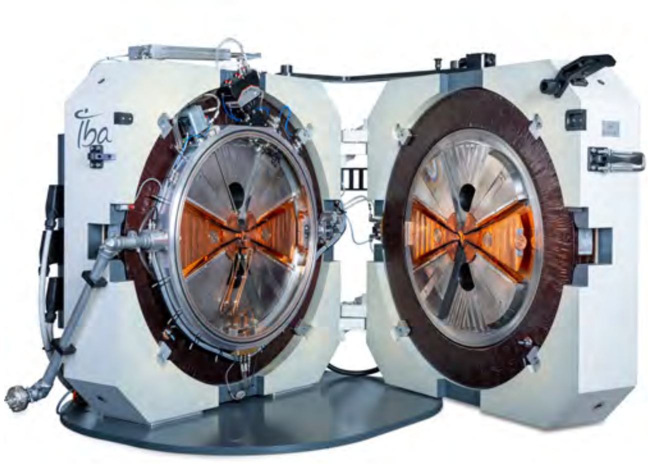
IMPROVED DIAGNOSIS ACCESS

World Health Organization[1] (WHO) figures from 2022 indicate that 10 million people die from cancer each year, and yet patients' lives and chances of survival are significantly improved if the cancer is detected early. In fact, a cancer diagnosed at an earlier stage is more likely to be treated successfully, resulting in a higher likelihood of survival, reduction of morbidity and lower cost of care. Cancer Research UK[2] confirmed that the average cancer survival rate for the 8 most common cancers amongst patients with stage 1 cancer is 90%. However, the survival rate plummets to just 5% when the patient is diagnosed as having stage 4 cancer.

In light of these findings, and in keeping with its mission to protect, enhance and save lives, IBA is committed to making cancer diagnosis more accessible around the world by working on several levels:

1. By reducing the size of the radiopharmacy where the radiopharmaceutical tracers for cancer diagnosis are produced. The IntegraLab®ONE solution is the most compact radiopharmacy solution on the market, facilitating installation and reducing the building cost.
2. By increasing the cyclotron production capacity for the production of isotopes in the radioactive tracers, IBA's Cyclone®KIUBE cyclotron offers the highest production capacity enabling increased diagnostic capabilities.
3. By offering adjustable production solutions, the Cyclone® KIUBE produces the widest range of radioisotopes, enabling it to produce fluorodeoxyglucose (FDG, the most commonly used radiopharmaceutical for cancer diagnosis), Gallium-68 for the diagnosis of neuroendocrine tumors, and Copper-64 for a more accurate diagnosis of prostate cancer.

Watch the video: IBA Cyclone®Key - F-18 access granted!



Cyclone®KEY

> "Cyclone®KEY is giving the opportunity to anyone, anywhere in the word to get access to PET cyclotron technology and PET imaging. It´s also very interesting for inhouse production because the local hospital will not depend on the big suppliers of radio-pharmaceuticals."
>
> **Muhammed Sarfaraz Mirza**
> Business Line Manager, Attieh Medico –Saudi Arabia

1. https://gco.iarc.fr/today/data/factsheets/cancers/39-All-cancers-fact-sheet.pdf
2. https://www.cancerresearchuk.org/about-cancer/cancer-symptoms/why-is-early-diagnosis-important

The IBA Cyclone®KEY cyclotron plays an important role in making Positron Emission Tomography (PET) imaging more widely available worldwide by enabling the production of key medical isotopes used for this imaging technology.

PET imaging is a highly effective medical imaging technique that uses radiotracers to produce detailed images of organs and tissues in the body. It is used in the diagnosis and treatment of a wide range of medical conditions, including cancer, neurological disorders, and cardiovascular disease.

However, the use of PET imaging is limited by the availability of radiotracers, which require the production of medical isotopes. The IBA Cyclone®KEY cyclotron addresses this issue by providing a compact and efficient system for the production of FDG, commonly used in PET imaging.

The Cyclone®KEY's compact size and advanced automation features make it ideal for small to medium-sized radiopharmacies and research institutions, which can use the system to produce their own radiotracers locally. This reduces the need for long-distance transportation of radiotracers, which can be expensive and time-consuming, and enables PET imaging to be more widely available in remote areas or regions where access to radiopharmaceuticals may be limited.

Overall, the IBA Cyclone®KEY cyclotron helps make PET imaging more widely available worldwide by facilitating local production of medical isotopes and reducing the logistical challenges associated with the transportation of radiotracers. This can help improve patient care by allowing more patients to have access to the benefits of PET imaging.

Cyclone®KEY

Cardiology Diagnostic

A PREFERRED MODALITY FOR CARDIAC IMAGING

In cardiology, a Positron Emission Tomography (PET) scan of the heart is a non-invasive nuclear imaging test using radioactive tracers. It is used to diagnose coronary artery disease and damage following a heart attack. PET scans are also used to define the best therapy treatment.

Major technological breakthroughs were achieved in the diagnosis of coronary heart disease through PET. IBA's 70MeV cyclotron enables the production of Rubidium-82, while the Cyclone®KIUBE produces 13N-Ammonia — both are used for non-invasive myocardial perfusion tests.

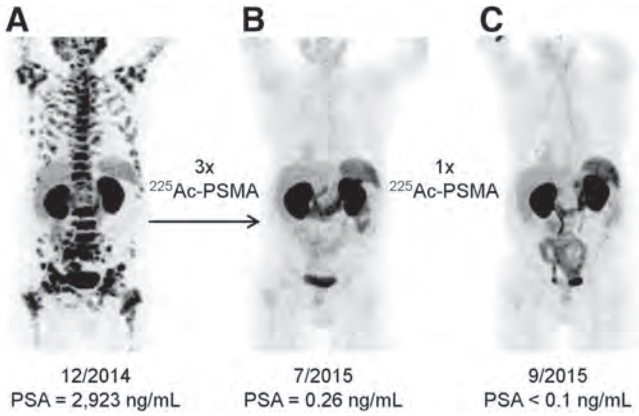
> “Cardiac PET imaging can be very useful for the management of many patients with suspected or known heart disease. Cardiac PET imaging is increasingly used as new centers are established and clinical guidelines incorporate cardiac PET imaging into the management algorithms.”
>
> **Terrence D. Ruddy**
> MD, FRCPC, FACC, FAHA, FCCS Professor of Medicine and Radiology, University of Ottawa, Director of Nuclear Cardiology, University of Ottawa Heart Institute

A COMBINATION OF DIAGNOSIS AND THERAPY: THERANOSTICS

Radiotheranostics is a type of cancer treatment that combines diagnostic imaging with targeted radiation therapy. It involves the use of radiopharmaceuticals, which are compounds that contain both a radioactive isotope and a targeting molecule. These radiopharmaceuticals are injected into the patient's bloodstream and travel to cancer cells, where they can be detected using imaging techniques such as PET or SPECT. Once the cancer cells have been identified, the same radiopharmaceutical can be used to deliver a targeted dose of radiation to the cancer cells, killing them while sparing healthy tissues.

Radiotheranostics is a promising approach to cancer care because it allows for the personalized treatment of individual patients based on the specific characteristics of their cancer cells. This means that patients may experience fewer side effects and better treatment outcomes compared to traditional cancer treatments. Additionally, radiotheranostics can be used to treat a wide range of cancers, including neuroendocrine tumors, prostate cancer, and certain types of breast cancer.

Overall, radiotheranostics represents a promising avenue for cancer care that is gaining increasing attention from health care professionals and researchers alike. As more research is conducted in this area, it is expected that radiotheranostics will continue to play an important role in the fight against cancer.



This theranostic principle has acquired greater importance in personalized medicine in recent years, particularly in oncology, where advanced tumors can potentially be treated effectively with low side effects.

Cyclone®IKON

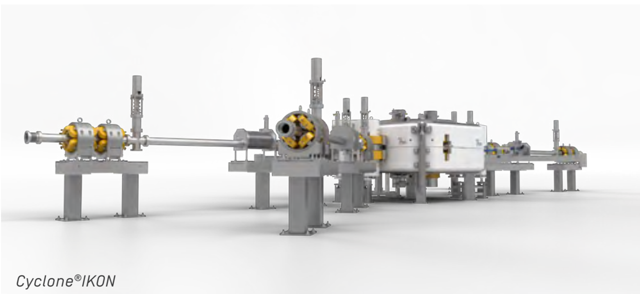
NEW THERANOSTIC RADIOPHARMACEUTICALS PRODUCTION SOLUTIONS

In 2021, IBA introduced its new high energy and high-capacity cyclotron, the Cyclone®IKON, which offers the largest energy spectrum for PET and SPECT isotopes from 13 MeV to 30 MeV.

Currently, there are still a large number of patients for whom cancer treatment fails, despite major scientific advances. Nuclear medicine is emerging as a relevant modality to address this gap by extending overall survival and quality of life for cancer patients. Theranostics and targeted therapies allow the administration of radiation directly to the targeted cells, with minimal toxic side effects to surrounding healthy cells, unlike traditional modalities. The growing number of clinical trials (200+) and ongoing increase of new radiotherapeutic molecule developments support the great potential of radioligand therapy.

To enable this revolution, we must enhance the availability of novel isotopes and boost their production capacity. The cyclotron must play its part as a reliable and sustainable production source of isotopes for the radiopharmaceutical industry. This is particularly the case for Germanium-68 (used for Germanium-68/Gallium-68 generators), Iodine-123 and other radioisotopes such as Copper-64, for which the demand has been consistently expanding year after year.

> “IBA has been a trusted partner of Curium for a long time.
> We selected IBA for its globally recognized expertise and due to the outstanding capabilities and reliability of the Cyclotron.”
>
> **Renaud Dehareng,**
> CEO of Curium Pharma



Cyclone®IKON

Watch the video:
IBA new Cyclone®IKON.

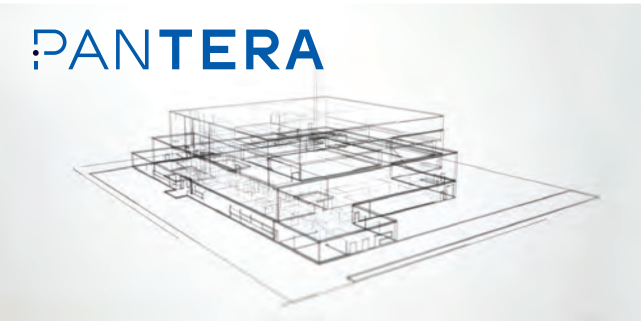
PANTERA

A BETTER FIGHT FOR LIFE

PanTera is a joint-venture created by IBA and the Belgian Nuclear Research Centre SCK CEN, focusing on the development and commercialization of radiopharmaceuticals for cancer diagnosis and therapy. One of its key areas of research is the use of actinium-225, a radioactive isotope that has shown promise in the treatment of several types of cancer. Actinium-225 emits alpha particles, which are highly effective at killing cancer cells while sparing healthy tissues. PanTera is working on developing actinium-225-based radiopharmaceuticals to treat a variety of cancers, including prostate cancer and multiple myeloma.

PanTera's use of actinium-225 is part of its broader mission to bring innovative and effective cancer treatments to patients around the world. By leveraging the expertise of IBA and SCK CEN in radiopharmaceutical development and nuclear medicine, The joint-venture is well positioned to develop innovative therapies that can enhance cancer patients' quality of life.

Capitalizing on the Rhodotron® facility and other advanced technologies, Pantera will develop and manufacture cutting-edge radiopharmaceuticals, including those based on actinium-225, for the diagnosis and treatment of cancer. PanTera's work has the potential to revolutionize cancer care by providing more personalized treatment options and improving treatment outcomes.



> "Actinium-225 offers great promise for the treatment of a large variety of cancers, but only very little of the material is available worldwide today. Once cancer treatments based on actinium-225 receive approval, Pantera will focus on enabling access to a dependable supply of this promising isotope."
>
> **Bruno Scutnaire,**
> President of IBA RadioPharma Solutions and Chairman of the Board of Directors of PanTera

> "Launching Pantera was a natural choice for SCK CEN and IBA, allowing the joint-venture to leverage the innovative capabilities of both organizations, whilst relying on the speed of an autonomous start-up, which is necessary in this fast-evolving field."
>
> **Peter Baeten,**
> Deputy Director General of SCK CEN and Board member of PanTera

Oncidium foundation

IBA SUPPORTS THE ONCIDIUM FOUNDATION

The Oncidium Foundation is a non-profit organization that strives to connect patients, practitioners and experts in the field of nuclear medicine by improving access to cancer treatments based on radiotheranostic treatments.

The Oncidium Foundation is a pioneer in this patient-centered science, supporting the advancement of availability of radiotherapeutic technologies.

More information on Oncidium:

3 | Proton Therapy

Protect, enhance and save lives by contributing to
MORE TARGETED TREATMENTS

Proton therapy is one of the most advanced forms of radiation therapy and a valuable treatment modality for thousands of women, men and children who are diagnosed with cancer.

Proton therapy aims to destroy cancer cells by delivering proton beams to a target tumor. Protons release the maximum energy within the tumor target area while limiting the radiation to the surrounding healthy tissues. This is not the case for photon radiotherapy, the most common type of radiation currently used in cancer therapy.

Moreover, proton therapy can potentially improve local control through dose escalation while limiting side effects and long-term complications. As a consequence, this may enhance the outcome of the treatment and patients' quality of life[1].

Watch the story of Juliann.

300,000 patients

300,000 patients treated with PT worldwide at the end of 2022

> Hi, my name is Juliann and I am 9 years old. A year ago, I was diagnosed with the recurrence of a rare tumor of the spinal cord in my lower back, which could not be operated on due to the high risk of neurological consequences.
> My doctor then suggested treating me with proton therapy, as it would better preserve the good tissue around the tumors, which radiotherapy would not have done. I did 30 sessions during 6 weeks in Leuven. At my last session, the 30th, I rang a bell. The proton therapy made my tumors shrink and I have been walking better ever since. From the bottom of my heart, I thank this huge machine and the whole team that took such good care of me.
>
> **Juliann,**
> 9 year old patient

One of the initiatives IBA Proton Therapy is currently supporting is the "PROTECTTrial". The PROTECT Trial is a large-scale, multi-institutional, randomized controlled clinical trial in conjunction with 19 industry and academic partners. The consortium conducts trials in esophageal cancer with the aim of improving access to proton therapy for patients, whilst validating a model-based approach for the use of proton therapy treatment in cancer more broadly. The research project comprises 12 proton therapy centers across eight countries and is coordinated by Professor Cai Grau from Aarhus University in Denmark. IBA offers its expertise in proton therapy solutions, with six centers using IBA technology involved in the trial. A total of approximately 400 patients are expected to be included in the randomized trial with study completion planned for 2027.

It is hoped that the trial will produce high-quality data, which will contribute towards the creation of European guidelines on the use of proton therapy for esophageal cancer.

More information: *https://protecttrial.eu/*

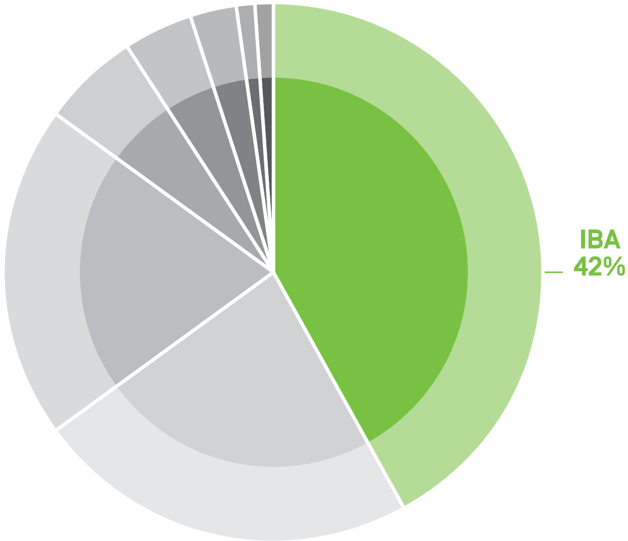
1. Makbule Tambas et al, Radiotherapy and Oncology https://doi.org/10.1016/j.radonc.2020.07.056
2. Source: PTCOG

IBA is the world leader in proton therapy

IBA is the world leader in proton therapy with IBA customers having treated more than half of all the proton therapy patients treated on commercial systems.

The company has been a leader in proton therapy development for the last 30 years and has built the largest user community worldwide. IBA offers maximum uptime rates and can install a system in less than 12 months.

Market share in rooms (end 2022)



IBA PROTON THERAPY CENTERS AT END OF 2022 – LARGEST NETWORK & EXPERIENCE

IBA continued to strengthen its market leadership in 2022. A highly significant milestone for the Proton Therapy team was the 10-system agreement signed with the Spanish Ministry of Health. This commitment reflects IBA's status as a market leader, and the growing understanding of the technology in the European market. Elsewhere, IBA won a Proteus®ONE contract in Italy, another one in Russia, and two in the United States. IBA also received the first order from CGNNT for a three-room Proteus®PLUS system as part of the partnership announced in 2020.

> "We're delighted to be able to offer proton therapy - one of the most innovative radiation treatments modalities - to our patients. Lynn Cancer Institute now provides the latest generation proton therapy delivery platform by leading provider, IBA, and advanced cancer care easily accessible to patients living in the Boca Raton community."
>
> **Dr. Michael Kasper**
> Radiation Oncologist
> Lynn Cancer Institute, Florida, USA

33 Proteus®PLUS Centers

40 Proteus®One Centers

Discover the New Mexico Cancer Center on our YouTube channel by scanning the QR code.

Proteus®ONE and Proteus®PLUS are brand names of Proteus 235.

Campus your proton therapy community

Campus, the most knowledgeable proton therapy community

WHAT IS CAMPUS?

At IBA, we have been fully committed to Proton Therapy for more than 30 years. The Company has come a long way to get where it is today: at the top of the proton therapy market.

Yet, IBA could never have achieved this on our own. Everything it has accomplished is the result of the strong relationships it has built with its unique community. Because turning the world into one that is cancer-free requires a great deal of collaboration, knowledge sharing and joint research.

Campus aims to bring this collaboration to the next level. It's a place where experts, academia, researchers and entrepreneurs from all over the world have the opportunity to share knowledge with each other, and find the information they need at every stage of their proton therapy journey.

Campus is a tangible community, which meets and interacts in real life. The Campus platform is also a single repository centralizing a large amount of accumulated knowledge and expertise.

The campus community is built on 3 pillars:

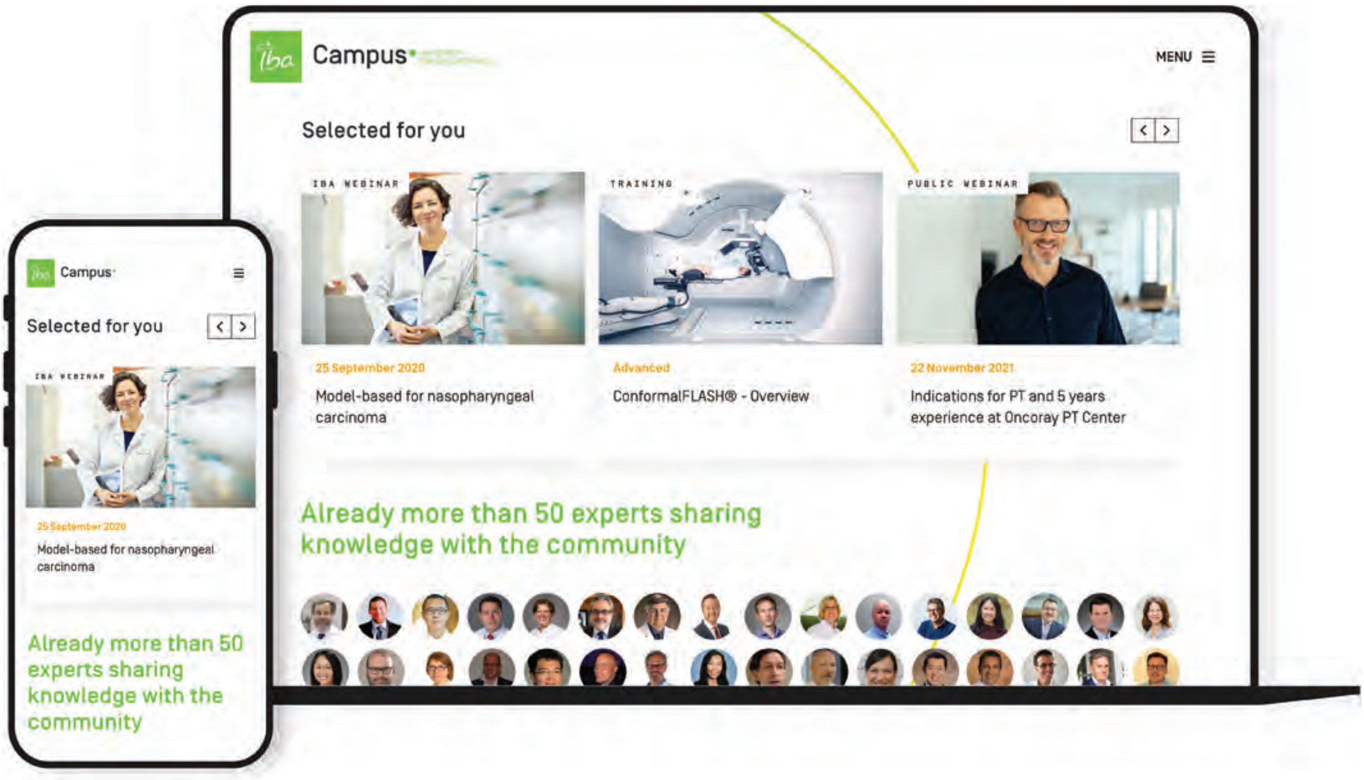
- Learn to Expand your skills
- Share by Collaborating with your peers
- Excel to Maximize your center's performance

CAMPUS COMMUNITY

Whether you are a newcomer willing to accelerate your learning curve, an experienced user looking to develop new expertise, or the most eminent expert keen on sharing your knowledge or expanding your research, **Campus is your network** to reach and remain at the leading edge of proton therapy and provide the best care to your patients.

Join the CAMPUS community now:
campus-iba.com

> "A real partnership every step of the way. We are not only a provider, we are a partner."
>
> **Marc Van Den Burght,**
> Chief Operation Officer



Proteus: connecting Life & Science

UNRIVALLED EXPERTISE

IBA has demonstrated its technological leadership in the development of tools, techniques and product features in proton therapy. Understanding the challenges of clinical treatment, IBA designed the system and features to optimize the overall treatment quality of each specific proton therapy case. With IBA technology, users will have the flexibility to customize treatment plans and maximize the clinical benefits of proton therapy.

DESIGNED BY USERS, FOR USERS

Proteus® has been inspired by everyday clinical practice. Through day-to-day interactions with the community, IBA is perfectly positioned to understand, and invest in, users' needs. These investments are directly translated into benefits for patients. The Proteus® design enhances the patient experience by fostering a soothing environment while making the medical staff's daily practice safe and easier.

> "Our team is constantly striving to provide the latest and most innovative tools and resources, and we hope through this research to learn more about how this technology may help provide treatment more quickly and effectively."
>
> **James M. Metz,** MD, Henry K. Pancoast Professor of Radiation Oncology and Chair of the Department of Radiation Oncology at the Perelman School of Medicine at the University of Pennsylvania.

CONFORMALFLASH®[1]:

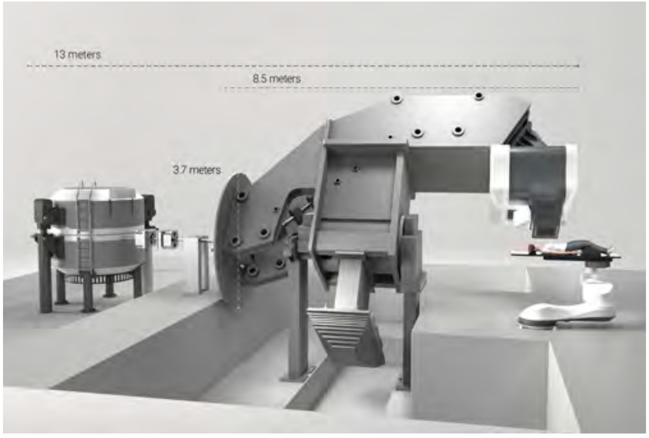
FLASH is a key research area that may dramatically improve the clinical relevance of proton therapy for patients around the world. IBA is uniquely positioned to drive the development of FLASH irradiation[2-3], the next major innovation expected in radiation therapy.

IBA is investing heavily in developing a novel technique using the Bragg peak called ConformalFLASH®. IBA's strategy to take FLASH today from research to a clinical version of ConformalFLASH® will take into consideration the radiobiology, clinical safety, and future streamlined workflow for FLASH.

ConformalFLASH® means:

- It combines the benefit of FLASH with the benefit of the proton Bragg peak.
- Dose delivery in 1-2 beams, no need for multi-field delivery, dose-splitting and potentially losing the FLASH effect.
- Improved conformality due to reduced entrance and exit dose.
- 3-4x more patients in ConformalFLASH® than shoot-through FLASH, through more eligible indications like abdominal cancers[4].

As the industry leader, IBA is collaborating with several leading proton therapy centers in their pioneering research work to better understand the mechanisms of FLASH irradiation. In 2022, IBA extended its reach and partnerships, signing research agreements with the University Medical Center Groningen in the Netherlands and with the Fred Hutch Cancer Center in Seattle, US.



Proteus® PLUS

1. ConformalFLAsH® is a registered brand of IBA's Proton FLASH irradiation solution currently under research and development phase.
2. Diffenderfer E. et Al.; The Current State of Pre-Clinical Proton FLASH Radiation and Future Directions; Medical Physics; 2021
3. Bourhis J. et Al.; Clinical translation of FLASH radiotherapy, Why and how?, Radiotherapy and Oncology; 2019
4. Source: Internal IBA Models

DYNAMICARC®[1]

IBA is developing a novel proton therapy delivery technique called DynamicARC®. This technique allows dynamic spot-scanning irradiation and energy switching while the gantry is rotating. It offers the advantages of Pencil Beam Scanning (PBS), the advanced characteristic of the Bragg peak with no exit dose, and the conformal delivery.

Proton arc therapy has the possibility to further improve the quality of treatment. This technological evolution will offer patients numerous advantages:

- Potentially enhanced dose conformity at the tumor level and a potential reduction of the total dose received by the patient[2].
- Simplified treatment planning and delivery without performing multiple field adjustments.
- Less time in the treatment room and a maximized patient throughput thanks to an optimized workflow[3].

Today, the IBA Proteus® system is the only PT system meeting all the needs in terms of beam characteristics for DynamicARC®: fast energy-layer switching time, intrinsic small beam, fast scanning, and the ability to modulate dose rate within a layer.

Proteus®ONE

Watch the video:
Shaping the future
of proton therapy.

MOTION MANAGEMENT

Motion management tools are needed to ensure accurate treatment delivery by managing the challenges caused by tumor motion. With motion management, a proton therapy clinic will be able to treat more patients with more confidence.

Due to the proximity to critical structures and surrounding healthy tissues, managing tumor motion with radiation therapy is critical. Breath hold, gating, or other motion-mitigation techniques or intrafractional tracking may be necessary when delivering proton therapy.

It is estimated that around 20% of patients who are indicated for radiation treatment can benefit from proton therapy[4]. In 25% of these eligible patients, tumor motion can occur during treatment delivery. This is the reason why IBA is dedicated to offering an integrated solution for motion management that meets the medical needs.

SUPPORT & SERVICES

With the largest proton therapy installed base, IBA has built a strong and reliable service team to guarantee the availability of its proton therapy technology and consistently achieve system uptime. IBA provides support teams, parts, and processes to provide full system operation and maintenance services while guaranteeing the highest performance standards on our state-of-the-art technology.

At IBA, we know that in order to start, maintain and grow a proton therapy center, cancer centers need an experienced partner who is there for them every step of the way. Our services provide the necessary expertise, confidence, training and support to make sure your proton therapy center is successful from the very beginning.

1. DynamicARC® is a registered brand of IBA's Proton ARC irradiation solution currently under development phase.
2. Ding et al, International Journal of Radiation Oncology Biology Physics 2016 (http://dx.doi.org/10.1016/j.ijrobp.2016.08.049)
3. Data on file
4. Extrapolation with Globocan worldwide cancer incidence applied to the Dutch Model.

4 | Dosimetry

Protect, enhance and save lives by enabling INDEPENDENT QUALITY ASSURANCE

The priority of IBA in its dosimetry activity is to ensure that patients receive a safe, accurate and reliable diagnosis and treatment.

In medical imaging and radiotherapy, radiation must be used with great caution and precision.

The prescribed dose (expressed in Gray [Gy]) must be rigorously respected, both in terms of intensity and location. Patient lives, their safety and the success of their treatment depend upon it.

In medical imaging, the objective is to reduce patient exposure to radiation, while maintaining good image quality.

In radiotherapy and proton therapy, the goal is to expose tumors with millimeter precision to a high dose of rays, while reducing the exposure to healthy tissue as much as possible.

In each case, the accuracy of the equipment and the control of the dose are of paramount importance. To achieve this, dosimetry instruments and software are needed to calibrate and control the diagnostic and therapeutic equipment.

This is the responsibility of IBA's Dosimetry business, which has developed a range of tools to calibrate radiation equipment and verify the dose of ionizing radiation that the patient absorbs during medical imaging and radiotherapy.

In 2022, IBA acquired Modus Device Inc. This integration places IBA at the forefront of the next revolution in precision radiation delivery with groundbreaking MR image guidance and motion management capabilities.

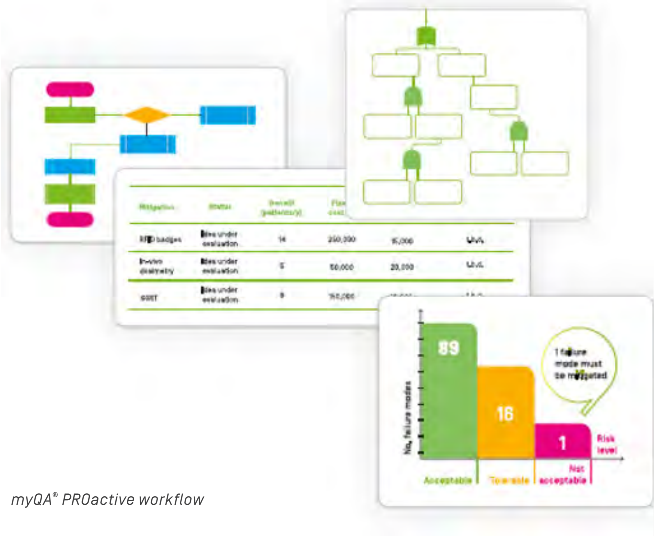

myQA® SRS


MagicMax


Modus QA - QUASAR™ MRgRT Insight Phantom

> myQA® PROactive is an innovative tool for prospective risk analysis tailored to the needs of radiation oncology. It offers a formalized approach to risk assessment following best practice methodology. The software includes flowcharts and FMEA, and the integrated fault tree analysis identifies measures to block multiple error pathways, further increasing patient safety.
>
> **Prof. Dr. rer. nat. Christoph Bert**
> Head of Medical Physics, Erlangen University Hospital, Germany

Watch the video.



myQA® PROactive workflow

SAFE MEDICAL IMAGING: QUALITY ASSURANCE FOR A BETTER DIAGNOSIS

IBA quality assurance solutions for medical imaging systems such as X-ray or CT (Computed Tomography) contribute to improving image quality. This ensures a more accurate diagnosis and therapy, while also controlling the radiation dose released by the machine. Our dosimetry solutions offer a complete and instant analysis of the released dose to complete the required test efficiency and with the highest precision.

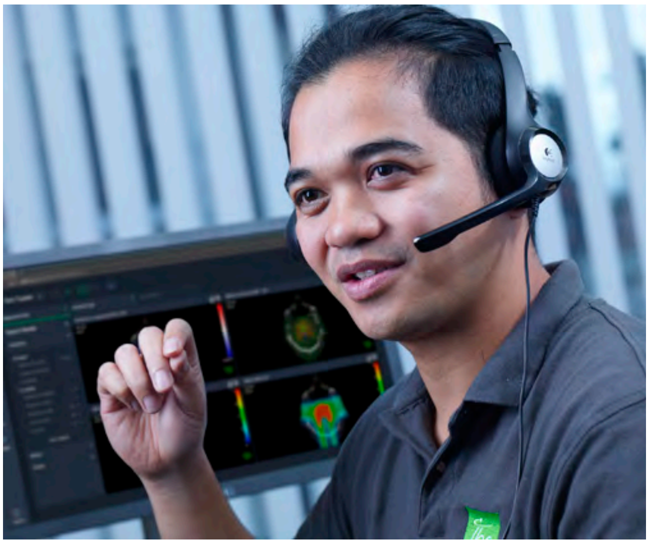
SAFE RADIOTHERAPY: QUALITY ASSURANCE OF EQUIPMENT FOR THE TREATMENT OF PATIENTS AND INDEPENDENT VERIFICATION OF THE TREATMENT PLAN

It is vital that a series of quality control checks are made on the calibration of the equipment and the plan calculation to ensure patient safety. These controls are designed to certify that the radiotherapy and proton therapy equipment will deliver the required dose in the exact location designated by the medical team. It also increases physicians' peace of mind about their patients' safety.

SAFE HEALTH CARE PROCESSES: DISCOVER RISKS, IDENTIFY CORRECTIVE SAFETY MEASURES AND PREVENT ACCIDENTS

Every clinic, regardless of its size, resources, and experience, can benefit from prospective risk management. myQA® PROactive enables departments to maximize safety and optimize their QA program with their available resources.

myQA® Phoenix



PATIENT SAFETY DRIVEN BY ADVANCED CUSTOMER TRAINING AND SUPPORT

For IBA, service and support are about how we care for our customers and their performance.

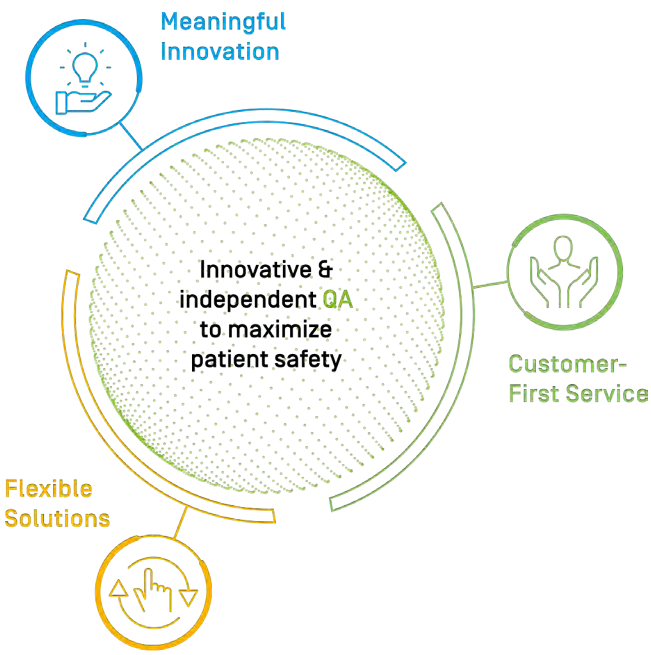
With over 45 years of dosimetry experience, and through its training offerings, IBA helps its customers run their equipment efficiently and safely, thereby ensuring patient safety in medical imaging and radiotherapy. Our qualified dosimetry service teams - uniquely distributed over 3 continents - ensure 24/7 instant access and quality support to our customers.

Discover Dosimetry's innovative and independent QA solutions.

LEADING INNOVATIONS IN QUALITY ASSURANCE

Through cutting-edge innovations, IBA has a long history of advancing Quality Assurance in radiation therapy, proton therapy and medical imaging. As we continue on this path, we believe that three drivers are essential to further innovate QA:

- Meaningful Innovation
- Flexible Solutions
- Customer-first Service



Protect, enhance and save lives by being

A COMMITTED COMPANY

> We are proud of this recognition, which is the culmination of a long process that involved all aspects of the company. However, certification is not an end in itself. It is only the starting point of a new approach which was already present in our culture but which will now take on a whole new dimension. With the assessment that led to our B Corp certification, we have identified the points that we can work to improve upon. This is just the beginning.
>
> **Olivier Legrain**
> CEO of IBA

IBA's consideration of its stakeholders lies at the heart of its entrepreneurial ethos. For, just as we are committed to our customers, patients, and shareholders, we realize that a commitment to our people, to society and to the planet is key to maintaining the quality of life of both present and future generations. Nothing less than our societal and environmental legitimacy as a company is at stake.

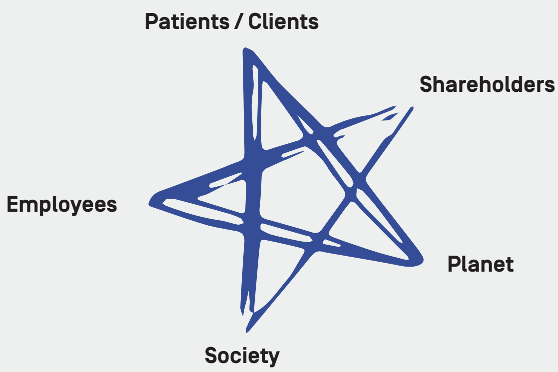
BUSINESS AS A FORCE FOR GOOD

As expressed by our Stakeholder Approach, we at IBA believe in a business model that is a force for good, creating shared and long-term value for all stakeholders. Beyond words, we have decided to make this a key part of our operations by becoming certified as a B Corporation (or B Corp). The B Corp framework is a holistic tool to assess, benchmark and ultimately improve our sustainability journey. And being a certified B Corp provides what is often lacking elsewhere: proof.

In doing so, IBA joins a B Corp community of more than 6,500 businesses globally, that promotes strong values of change, making companies "a force for good" and highlighting those that reconcile profit with societal purpose. The B Corps are part of a movement to transform businesses to contribute to a more sustainable and inclusive economy and society. We also firmly believe that being a business that is a force for good is the best business choice to attract and retain talent, stay ahead of upcoming risks, and improve the current product catalog while exploring new and growing markets.

B CORP AS A TOOL TO OPERATIONALIZE OUR STAKEHOLDER APPROACH

- **Assess:** 360° thinking to identify our strengths and improvement opportunities in 5 impact areas, based on a recognized and evolving standard
- **Compare:** a community of 6,500+ companies worldwide, to benchmark our performance and share best practices
- **Improve:** a framework to set milestones on our sustainability journey
- **Advocate:** an inspiration for others, a contribution to the advancement of sustainability standards



USING BUSINESS AS A FORCE FOR GOOD

Certified B Corporation

STRATEGIC AXES OF OUR SUSTAINABLE DEVELOPMENT PROGRAM

Inspired by our findings during the B Corp certification process, we mapped our strengths and weaknesses as a company. From there, we identified four strategic streams to work on during the next two years.

> "As a company, we acknowledge our strengths as well as our improvement areas. Working on our weaknesses gives even more meaning to our global activities."
>
> **Thomas Canon**
> IBA Sustainability Program Director

LOW CARBON, LOW WASTE PRODUCTS	Understand / reduce the CO_2 and waste impact of our products across their lifecycles and value chains
LOW CARBON LOW WASTE COMPANY	Monitor IBA Group carbon footprint, make it neutral by 2030 (reduce and offset) Monitor IBA Group waste footprint, reduce unsorted waste by 2/3 by 2025
DIVERSE, EQUITABLE AND INCLUSIVE WORKPLACE	Pro-actively incorporate diversity, equality and inclusion into our business as a major contributor to belonging
COMPANY ACCOUNTABLE TO SUSTAINABILITY	Enhance policies and practices pertaining to our mission, accountability and transparency Build sustainable supply chains, by screening the societal and environmental impact of suppliers

COMMITTED TO OUR EMPLOYEES

As Yves Jongen, IBA's founder, always reminds us, our people are IBA's most valuable asset. After all, would our mission statement to protect, enhance and save lives still make sense if it isn't put into practice for and by our employees?

As a responsible employer, we want to provide our employees with safe and efficient working conditions and a friendly environment conducive to their professional and personal development.

> Protecting lives is an everyday commitment at IBA and it applies first to ourselves and the people we are working with and for. ...

AT OUR BEST

Peak performance is achieved when we are at our best. A complete set of new tools and practices is in place since 2020, covering the areas of Performance Management (Working Collaboratively), Engagement Monitoring (Constant Dialogue), Learning (Develop knowledge and skills) and Compensation (Sharing value created).

> ... I am convinced that in future, talented individuals will list sustainable development as an essential criterion in their choice of employer.
>
> **Olivier Legrain**
> Chief Executive Officer

One of the ideas behind this change is that before we evaluated people and granted them a bonus on the basis of objectives they achieved. Now, we have changed the mindset and we award the bonus because we trust they are engaged and will fulfill the tasks, projects, and objectives that are required on a daily basis - and these objectives might be reviewed more often.

Soumya Chandramouli
Chief Financial Officer

OFFERING FLEXIBLE BENEFITS

We believe in flexibility. In selected countries, the new MyChoice plan is designed to better align the individual value of a salary benefit with the individual needs of IBA employees. Each employee can, within set limits, use his or her «à la carte budget» to receive benefits such as complementary health insurance, multimedia, education or mobility means.

SHARING PROFITS

In 2021, a new compensation system was put in place, in line with our stakeholder approach: while the base salary rewards competence, a profit-sharing plan assigned to each employee matches the dividend paid to shareholders. This aligns shareholders and employees' interests with a proper balance between short-term performance and long-term goals in support of the realization of IBA's strategic commitment to its multi-stakeholder approach.

I am really grateful for the welcome you all have given me at IBA, and for this collaboration which is for my part positive and fulfilling. Thanks for the trust you have placed in me.

Passwerk Consultant

60 nationalities within IBA Group

PROMOTING A DIVERSE, EQUITABLE AND INCLUSIVE WORKPLACE

Diversity is fundamental to our culture. As an equal opportunity employer, we value the uniqueness of individuals and the different perspectives and talents they bring to IBA. We learn from and respect the cultures in which we work, promote diversity within our workforce, and have an inclusive environment that helps each and every one of us to fully contribute to IBA's success.

International Women's Day at IBA Dosimetry

IBA is committed to providing equal employment and training opportunities, and to treating applicants and employees without discrimination. We do not discriminate based on race, color, age, sex, sexual orientation, national origin, religion, language, or disabilities. Our policy is that no one at IBA should ever be subject to any kind of discrimination, and we have designated individuals responsible for diversity, equality and inclusion. Through a partnership such Passwerk, we leverage opportunities to make our company more inclusive.

The IBA production area.

Discover the IBA Beam Factory.

COMMITTED TO HEALTH, WELLNESS AND SAFETY

Respect for universal human rights is at the core of IBA's business.

IBA is committed to providing a positive, productive, and safe work environment with freedom of association, good ergonomics and great employee facilities. We promote the prevention of involuntary labor and human trafficking, as well as the prevention of underage labor and burnout, in a work environment that is free from violence, threats, harassment, intimidation, mental or physical coercion, and other disruptive behavior.

We do not permit any form of violence, whether physical, verbal, or mental. We consider all threats of violence as serious.

IBA is committed to implementing best practices in the field of Occupational Health and Safety to keep our promise of No Harm to our people.

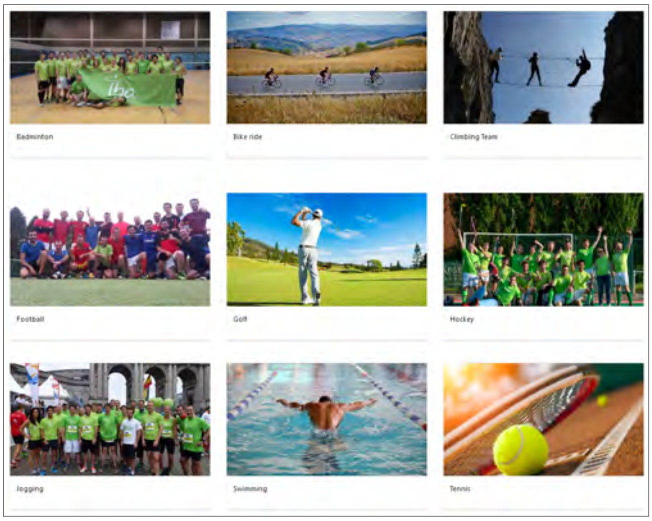
To achieve this result, we:

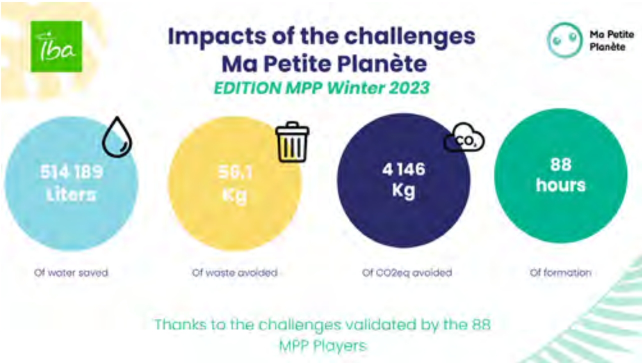
- ensure IBA operations comply with applicable occupational health and safety regulations, and when appropriate, implement additional controls to meet company requirements.

- empower all employees to stop any activity which they judge to be hazardous and that goes against our 'No Harm' principle.

Through all steps of the development, implementation, and operation of IBA products and services, we ensure the highest standards of safety for our employees.

At IBA, we recognize that time out of the office can be beneficial. We partner with local associations to offer our employees refreshing team building or individual activities during lunchtime. Social clubs are promoted by IBA and organized by voluntary employees. Climbing, golf, biking, running, hockey, photography and indoor fitness are a few of the employee clubs organized at lunchtime or after hours.





In Germany, we organize health weeks to promote health and well-being activities and practices. We sponsor sport activities and events (cycling, running, etc.). And employees have access to a financially attractive bike lease program in an effort to promote sport, low impact commuting and well-being.

In the US, our IBA Wellness Portal provides IBA employees with fun and engaging challenges (running, walking, etc.), online training, exercise and nutrition tracking, health coaching tools, social features, wellness blog articles, company announcements, Human Resource documents and more.

All IBA employees have access to a global high-quality Employee Assistance Program, regardless of where they live and work, providing assistance in the local language in more than 70 countries.

Through this program, practical information and counselling on a variety of topics is available to the employees and their relatives, and counselling is offered at the most convenient time and location.

> "Our stakeholder approach pushes us to consider all aspects of our activities, including societal and environmental, and to involve as many people as possible in order to increase the positive impact we have on society."
>
> **Olivier Legrain**
> Chief Executive Officer

ENCOURAGING LOW IMPACT MOBILITY

IBA encourages efficient, low-impact and healthy mobility. We propose attractive leasing conditions to our employees for low-impact mobility vehicles, such as electric bicycles and scooters. This is an efficient way to combine daily commuting and parking lot optimization, healthy exercise, fitness, and carbon footprint reduction.

More than 200 bicycles are under lease in Belgium and Germany, representing a 20% uptake by IBA staff. IBA is regularly awarded at the Belgian "Active Bike" challenge, ranking among the most proactive Belgian companies in this area.

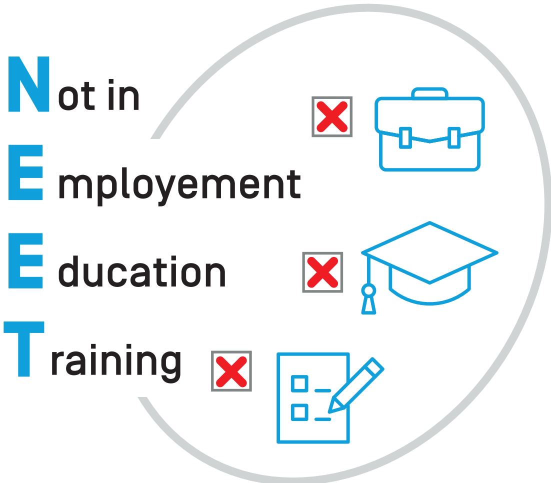
IBA also promotes electric cars through attractive leasing conditions, free charging and adapted infrastructures: specific parking lots, and high-power charging stations.

20% of employees in Belgium and Germany have **leased a bicycle**

> A big thank you for the greater choice offered by the new bike lease formula, for the bike allowance and the excellent infrastructure at IBA.
> It's a pleasure to cross the fields in the morning and then overtake the line of cars when approaching IBA.
>
> **François,**
> an IBA biker

COMMITTED TO OUR SOCIETY

We firmly believe that the purpose of an economic player must be to promote social progress and collective well-being. The model we endorse - both externally and internally - goes beyond regulatory compliance: it encourages an ethical vision of practices and behavior, respect for differences and a meaningful contribution to the communities around us.



YouthStart, an association which every year trains young people "not in Education, Employment or Training" (NEET's).

Recruitment information evening

SUPPORTING EDUCATION

While we invest heavily in training our employees, we are also committed to educating young people. We believe that passing our knowledge on to younger generations is vital to assuring our future.

Over the long term, we will continue to support partnerships with NGOs, foundations and universities which will help improve learning and education. In 2022, IBA continued its collaboration with Foundation for Future Generations, as a partner of the Hera Awards program, with the Philippe de Woot Awards, and with the University of Louvain by supporting the "Civil Biomedical Engineer" diploma program, enabling the Louvain School of Engineering (École Polytechnique de Louvain - EPL) to expand its range of courses.

IBA employees regularly share their experience and knowledge with universities and high schools. We have an active policy of integrating young people into professional life, by offering internships, end-of-study work, and student jobs. IBA mainly hires local employees in the countries where it has operations, creating jobs and providing wages to residents in the nearby area, and thus boosting the local economy. This is our way of making a positive contribution to the future of society at large, and of attracting new talents to IBA.

And, since 2021, we support YouthStart, an association which every year trains more than 1000 young people "not in Education, Employment or Training (NEET's)", preparing them to enter the professional world.

Youthstart

Watch the video:
Hera sponsoring.

ENGAGING WITH OUR SUPPLY CHAIN

We believe that a strong and responsible supply chain benefits our community.

IBA has approximately 100 main suppliers worldwide supporting its design and product manufacturing. The majority of IBA suppliers are located in Europe. IBA suppliers have been selected for their ability to best comply with requirements as stipulated by ISO 13485:2016. The selection and qualification process of a supplier considers the criticality of the supplied goods and services. IBA promotes technical collaboration and innovation with its partners in order to reduce risks, costs and improve the quality of its products and services. Strategic partnerships are developed whenever beneficial.

The nature of our activities and the origin of products entering our production chain are not considered to be risky in terms of respect for human rights. However, we recognize that our knowledge of our entire value chain is not optimal. We have a good view of our first level of supply, including rigorous vendor selection and validation processes, although with regard to suppliers and subcontractors beyond the first level, we acknowledge our ignorance.

In this context, IBA releases its ‘Conflict Minerals’ report, and Code of Conduct for Suppliers, which outlines the minimum standards expected from its major suppliers. The Code of Conduct for Suppliers builds on, and is in alignment with, the IBA Code of Business Conduct, which all IBA employees must adhere to. Within their sphere of influence, IBA also expects suppliers to communicate the principles and to apply these minimum standards to their subcontractors and suppliers.

IBA’s Code of Conduct for Suppliers follows and supports the United Nations Sustainable Development Goals (SDGs) by aligning the principles of this Code of Conduct with relevant SDGs. IBA is committed to achieving this journey together with its suppliers as equal partners.

Watch the video:
IBA’s commitment to SDG.

SUPPORTING PATIENT ORGANIZATIONS

Around the world, IBA’s men and women, all experts in their field, are passionate and enthusiastic about what they do. They collectively seek to play an active role in putting our mission statement into practice, “Protect, Enhance and Save Lives”.

They help each patient have access to the most beneficial treatment for their cancer, and they bring more efficient and more environmentally friendly industrial technologies to our customers.

IBA also supports patients and their families, in partnership with those working in the field and by encouraging voluntary citizen actions by its employees: sponsorship, facilities sharing, donations from employee initiatives such as “Relay for Life”, “FunRun”, “Rock Against Cancer” or “Golf Against Cancer” events.

Associations such as “Compass to Care Childhood Cancer Foundation” in the US, “Muni Seva Ashram” in India, “La Vie-là” and “L’Essentiel” in Belgium, which support people with cancer in order to offer them a better quality of life, have also benefited from the ongoing support of IBA and its employees for many years.

It was very positive to see behavior changes in the participants and their families during this challenge. Some of these changes will definitely remain

Augustin,
IBA participant to the Ma Petite Planète challenge

COMMITTED TO OUR PLANET

IBA is conscious of the current major environmental crisis. Amongst the many challenges to address, we are today specifically focusing on two: our greenhouse gas emissions and our waste. Our aim is to regularly broaden this focus to include other environmental impacts, stricter targets and ultimately restorative actions.

Soil Capital

Watch the IBA Soil Capital Partnership video.

NET-ZERO 2030 CO_2 EQ

CLIMATE

Our impact on global Greenhouse Gas (GHG) emissions is both direct and indirect:

- A direct impact through our operations: our offices and manufacturing infrastructures, and our employees' travels.
- An indirect impact through our installed product base: production at our suppliers' facilities, transport within the value chain, and, once installed at the customer's location, via electricity consumption, servicing, and decommissioning.

Inspired by the EU climate targets we have set ourselves goals for reducing our operations' net GHG emissions to zero by 2030.

This will be achieved by taking action on our infrastructure and mobility impacts to reduce them by at least 50% below 2018 levels by 2030, and for the remaining part, via offset.

Green energy contracts are in place, and the IBA Headquarter facility has been designed to save energy and be self-sufficient in energy production.

We are assessing the impact of our digital infrastructures and software usage, to better understand the carbon footprint of this ever-increasing part of modern organizations.

We continue to work on our mobility policies to address both the efficiency and the carbon footprint of our employees' mobility, via incentives for low-impact, public and electric mobility, home working practices and a more efficient servicing organization.

Through the carbon farming project led by 'Soil Capital', IBA purchases carbon certificates from regenerative local agriculture, contributing to the decarbonization of its regional operations. This voluntary initiative advances the creation of a market in Wallonia for these certificates, which support transitional agricultural practices that reduce net greenhouse gas emissions at farm level. Such practices not only increase biodiversity and support the local economy and sustainable food systems, but also create a framework allowing other private, public and voluntary actors to join and improve this pilot project.

> **IBA's support to pay farmers for storing carbon really was a necessary condition for the success of this project.**
>
> **Chuck de Liedekerke**
> CEO Soil Capital LTD

Through the introduction of the eight rules and practices of ecodesign, IBA also continuously reduces the CO_2 footprint of its installed base by increasing the energy efficiency and reducing the mass of its product portfolio.

The Proteus®One proton therapy system offers significantly improved energy performance thanks to the use of super-conductivity.

Our RadioPharma Solutions division has completed the technological transition to the Cyclone®KIUBE, with significantly greater compactness (less resources used) and energy efficiency.

Our Industrial Solutions division is also continuing to transition with the arrival of the Rhodotron® new generation, the energy performance of which has greatly improved.

We are gradually assessing our supply chain impact, with the enforcement of a Supplier Code of Conduct that addresses climate impact, among other topics.

We annually monitor and publish our GHG emissions related to our installed base and to our organization worldwide: offices and production means, and employee mobility (fleet of company vehicles and professional air travel /public transport).

With a view to increasing transparency and benchmarking our practices, we disclose our environmental data every year through the Carbon Disclosure Project (CDP). IBA was awarded a B- score in 2022, and has now entered the "management level" class of companies taking coordinated action on climate issues.

WASTE

IBA also has an impact on waste production:

- A direct impact through our operations: offices and manufacturing processes.

- An indirect impact through our installed product base: production processes at our suppliers' facilities, transport within the value chain, and, once installed at the customer location, servicing and decommissioning.

We have set ourselves targets for reducing our unsorted waste intensity by a factor of 3x below 2018 levels by 2025.

This will be achieved by making changes at all levels to the impact of our logistics, manufacturing and offices. Product packaging, for instance, is being continually improved to reduce its overall environmental impact.

Through the introduction of ecodesign practices, our product management takes into consideration the principles of circularity - avoid, reduce, reuse, recycle. All products from the four business lines, namely Proton Therapy Solutions, RadioPharma Solutions, Dosimetry Solutions, and Industrial Solutions are designed to facilitate maintenance and servicing. A circular process to return defective or surplus parts deployed to our customers is now in place, for repair, resale or recycling.

Our Rhodotron® industrial solutions allow in-house customers or contract sterilizers to sterilize medical devices by E-beam, offering a readily available and green alternative to gases such as ethylene oxide, and nuclear materials such as Cobalt-60.

IBA has also developed "low activation" concrete, which significantly reduces the amount of waste to be reprocessed during the future dismantling of the casemates hosting its accelerators, therefore costs and the environmental impact. This concrete was also used during the construction of our new headquarters.

IBA is also affiliated with Recupel and declares the equipment placed on the market subject to the obligations of WEEE legislation.

To better manage the outcome of our actions, we monitor and publish our waste emissions related to our worldwide operations.

BIODIVERSITY

IBA also has an impact on biodiversity:

- A direct impact through our operations: offices and manufacturing facilities.

- An indirect impact through the waste generated by our operations indirect impact through the waste generated by our operations.

In partnership with Natagora, we have set targets for labelling our main facilities 'Réseau Nature Entreprise'. This aims to develop biodiversity in our workplace by taking actions that benefit nature. Various measures have been implemented to support biodiversity, such as green roofs, planting native species, or adopting sustainable gardening practices to reduce our ecological footprint. A pilot micro-compost of green waste is now in place, in partnership with a local company to test and hopefully develop this innovative practice around our facilities.

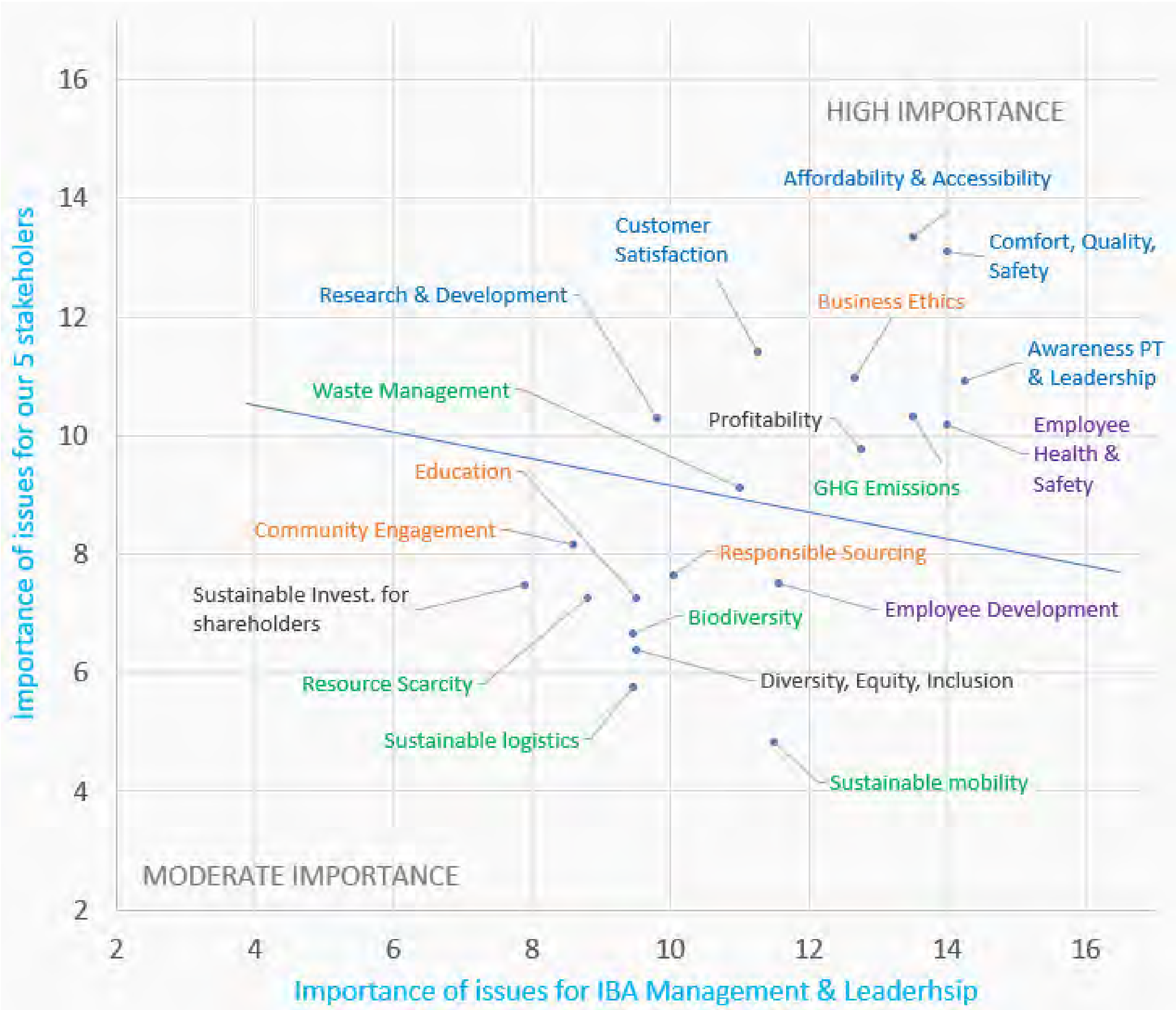
MATERIALITY AND REPORTING

To clarify its priorities, IBA maintains a materiality matrix based on a dialogue with its stakeholders and the reference framework recommended by the Global Reporting Initiative (GRI). It is in this broad area that we are concentrating our efforts. The hierarchy of our priorities is obtained by aligning the concerns of the company with the interests of all stakeholders.

This matrix takes into account data from the ongoing dialogue that IBA has established with all its stakeholders, through formal and informal exchanges and from publications on environmental issues.

For more information on our yearly results, please refer to the GRI Index in our annual report.

Materiality Matrix



MANAGEMENT REPORT

Approved by the Board of Directors at its meeting of April 3rd, 2023

This report on the FY 2022 has been drafted pursuant to sections 3:23 and 3:32, §1, *in fine*, of the Belgian Companies and Associations' Code (hereafter the "**BCAC**"), which allow to combine the management report on the annual accounts of the Company (*rapport de gestion sur les comptes annuels*) with the management report on the group consolidated annual accounts (*rapport de gestion sur les comptes consolidés*). Hence, the present report is a consolidated and integrated report.

The management report contains a fair presentation and a balanced and exhaustive analysis of the business' development, the results and the situation of the Company, as well as a description of the main associated risks and uncertainties.

To the necessary extent to understand the development of business, results or the condition of the Company, the analysis includes key performance indicators of both financial and, where applicable, non-financial nature related to the specific activity of the Company, in particular information related to environmental, societal and employees' aspects.

The management report also includes information on:

- The foreseeable development of the business
- Research and development activities
- Acquisitions of own shares
- The existence of branches of the Company
- The use of financial instruments, when relevant to assess the assets, financial situation, and results of the Company
- The objectives and policy of the Company in terms of financial risk management, including its policy concerning the hedging of each main category of transactions planned to be used by hedge accounting; and
- The company's exposure to price risk, credit risk, liquidity risk, and treasury risk.

Management's statement

Pursuant to section 12, §2, 3° of the Royal Decree of November 14, 2007 regarding the obligations of issuers of financial instruments admitted to trading on a regulated market, Mr. Olivier Legrain, Chief Executive Officer (CEO), Director and Managing Director of IBA SA, and Mrs. Soumya Chandramouli, Chief Financial Officer (CFO) of IBA SA, state that, to their knowledge:

- the financial statements to which this annual report relates, prepared in accordance with applicable accounting standards, give a true and fair view of the assets and liabilities, financial position, and results of IBA SA and the undertakings included in the consolidation perimeter; and
- this annual report contains a true and fair view of the business evolution, the results, and the position of IBA SA and the undertakings included in the consolidation perimeter, as well as a description of the main risks and uncertainties they face.

Highlights of the year (sections 3:6, §1, 1° and 3:32, §1, 1°, of the BCAC)

The main events of the 2022 financial year, further details of which are contained in the Management report, were as follows:

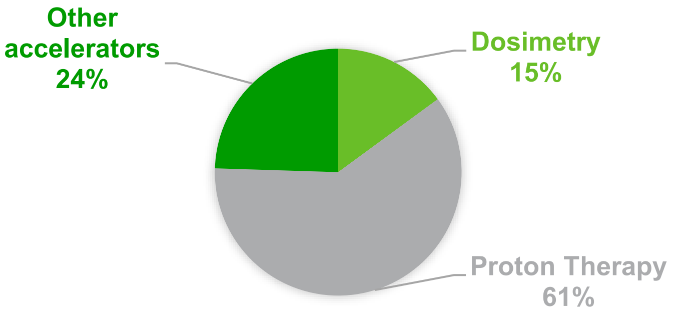
- 17 new proton therapy rooms sold in 2022, compared to nine last year
- Other Accelerators order intake of 36 systems compared to 31 in 2021
- Dosimetry order intake up 22% to a record EUR 67 million
- Three new installations in PT and 32 installations in Other Accelerators started during the year with four completed in PT and 20 in Other Accelerators
- Good progress across IBA's four strategic sustainability streams: a) low carbon, low waste products b) low carbon, low waste company c) diverse equitable and inclusive workplace and d) accountability towards sustainability

The key figures in terms of financial results are as follows:

- All-time record annual Equipment order intake of EUR 456 million and Dosimetry order intake of EUR 67 million
- All-time record overall Equipment and Services backlog of EUR 1.4 billion including Equipment backlog of EUR 713 million an Services backlog of EUR 669 million
- Total 2022 Group revenues up 15% from 2021 to EUR 361.3 million
- Proton Therapy and Other Accelerators Services revenue increased 12.8% versus last year to EUR 135 million
- Gross margin was 35.1%, compared to 34.4% in 2021
- Positive 2022 REBIT of EUR 11.1 million, down from EUR 14.5 million in 2021, due to the high inflationary environment, as well as increased investment into R&D, infrastructure, digital technologies and sustainability to maintain IBA's leading offering and invest in its future growth
- Total Group net profit of EUR 6.1 million (2021: EUR 3.9 million), positively impacted by deferred tax assets recognition related to improvement of future profitability
- Strong balance sheet with EUR 158 million gross and EUR 117 million net cash
- Mid-term guidance announced and dividend of EUR 0.21 per share proposed by the Board, a 10% increase from last year

Review of IBA activity sectors (sections 3:6, §1, 1° & 4° and 3:32, §1, 1° & 4°, of the BCAC)

BREAKDOWN OF CONSOLIDATED TURNOVER BY ACTIVITY



PROTON THERAPY AND OTHER ACCELERATORS

The proton Therapy and other accelerators segment covers:

Proton therapy which offers turnkey solutions for a more precise treatment of cancer, with fewer side effects, through the use of proton beams.

Other accelerators which offer a line of cyclotrons used for the production of PET or SPECT radioisotopes and a line of industrial accelerators for sterilization and ionization (E-beam and Rhodotron® and Dynamitron® types of X-ray).

(EUR 000)	FY 2022	FY 2021	Variance	Variance %
Net sales	**307 299**	**260 638**	**46 661**	**17.9%**
Proton Therapy	218 761	169 923	48 838	*28.7%*
Other Accelerators	88 538	90 715	-2 177	*-2.4%*
REBITDA	**18 443**	**18 087**	**356**	*2.0%*
% of Sales	*6.0%*	*6.9%*		
REBIT	**10 397**	**9 618**	**779**	*8.1%*
Proton Therapy	4 383	- 2 813	7 196	*-255.8%*
Other Accelerators	6 014	12 431	-6 417	*-51.6%*
% of Sales	*3.4%*	*3.7%*		

(EUR 000)	FY 2022	FY 2021	Variance	Variance %
Equipment Proton Therapy	110 162	74 230	35 932	*48.4%*
Equipment Other Accelerators	62 606	67 100	-4 494	*-6.7%*
Total equipment revenues	**172 768**	**141 330**	**31 438**	*22.2%*
Services Proton Therapy	108 599	95 693	12 906	*13.5%*
Services Other Accelerators	25 932	23 615	2 317	*9.8%*
Total service revenues	**134 531**	**119 308**	**15 223**	*12.8%*
Total revenues Proton Therapy & Other Accelerators	**307 299**	**260 638**	**46 661**	**17.9%**
Service in % of segment revenues	*43.8%*	*45.8%*		

Overview

- One Proteus®PLUS[1] system agreement signed in China and 14 Proteus®ONE[1] systems sold in the US and Europe, including a 10-system contract in Spain
- Total Proton Therapy (PT) order intake of EUR 281 million, with continued momentum in all global territories
- Other Accelerators order intake of EUR 175 million, with 36 new sales in the period and a highly encouraging pipeline of activity
- All-time high backlog for Proton Therapy and Other Accelerators of EUR 713 million (2021: EUR 449 million)
- Total net sales were EUR 307.3 million, up 18% versus 2021, reflecting strong backlog conversion in Proton Therapy and growing service revenues, even excluding the one-off indemnities recognized as a result of the bankruptcy of the Rutherford centers in the UK
- PT equipment revenues grew 48% to EUR 110.2 million
- Other Accelerators equipment revenue decreased to EUR 62.6 million (2021: EUR 67.1 million), due to slower backlog conversion
- Continued strong performance for Services with total revenues of EUR 134.5 million, an increase of nearly 13% as four new PT centers completed installation and started treating patients
- Overall REBIT of EUR 10.4 million, comprised of:
  - Proton Therapy REBIT[2] of EUR 4.4 million
  - Other Accelerators REBIT[2] of EUR 6.0 million

Proton therapy

(EUR 000)	FY 2022	FY 2021	Variance	Variance %
Equipment Proton Therapy	110 162	74 230	35 932	*48.4%*
Services Proton Therapy	108 599	95 693	12 906	*13.5%*
Net sales	**218 761**	**169 923**	**48 838**	***28.7%***
REBIT2	4 383	-2 813	7 196	*-255.8%*
% of Sales	*2.0%*	*-1.7%*		

IBA maintained a market leading position in proton therapy during 2022, with 71% market share during the year, selling 15 new systems across Europe, the US and China (through CGNNT). There are currently 32 projects under production or installation, consisting of seven Proteus®PLUS and 25 Proteus®ONE systems and the pipeline remains very active across key geographic regions.

Overall revenues grew by nearly 29%, thanks to higher production levels, stronger backlog conversion and growing service revenues as well as the indemnities recognized following the bankruptcy of the Rutherford sites in the UK. Despite the overall increase of overheads and OPEX, profitability improved from last year, thanks to this marked increase in revenues.

PT Services saw growth of 13.5% in 2022. A total of 41 IBA PT sites are generating service revenues globally. Service backlog remains high at EUR 669 million, falling slightly from 2021 due to the removal of the Rutherford sites from the backlog following their bankruptcy. This recurrent revenue stream will continue to be very important for IBA, providing visibility on sustainable profitable growth.

A highly significant milestone for Proton Therapy was the 10-system agreement made with the Spanish Ministry of Health in December, IBA's largest order ever from a single customer, worth a total of EUR 217 million, with maintenance contracts for each system to be negotiated on a case-by-case basis. This commitment reflects IBA's status as a market leader, and the growing understanding of the technology in the European market.

IBA also received the first order from CGNNT for a three-room Proteus®PLUS system as part of the partnership announced in 2020. Elsewhere, IBA won a Proteus®ONE contract in Italy, one in Russia, and two in the United States.

In order to better support its customers through the design and building of their proton therapy projects, in March IBA signed an agreement with the engineering company Tractebel.

[1] Proteus®PLUS and Proteus®ONE are brand names of Proteus 235

[2] Based on a pro forma allocation of overheads and SG&A to each business

A core focus for IBA during this period has been to ensure it maintains and further develops its world leading PT technology offering. R&D investment has therefore increased, particularly into research collaborations and alliances.

A four-year collaboration was signed with University Medical Center Groningen (UMCG) in April to investigate FLASH irradiation techniques in early-stage breast cancer. This collaboration will provide helpful research as part of IBA's development of the ConformalFLASH®[3] technique. In addition, a ConformalFLASH® Alliance was launched in June to accelerate the delivery of this novel technology, with partners including the University of Pennsylvania, UMC Groningen. In August the Group announced a multi-year research project with the Fred Hutchinson Cancer Center and the University of Washington. The aim is to evaluate the optimal physical parameters for FLASH, with IBA providing the proton gantry treatment room with ConformalFLASH® research functionality.

DynamicARC®[4] has reached significant development milestones during the course of the year. The system underwent successful lab tests in 2022, paving the way for on-site tests at Beaumont Proton Therapy Center in 2023, bringing IBA one step closer to releasing the first fully functional DynamicARC® system.

As part of the PROTECT-trial in oesophageal cancer, the first 14 patients have been enrolled for study, with eight patients at the Danish Centre for Particle Therapy (DCPT) at Aarhus University Hospital in Denmark and six patients at the Particle Therapy Interuniversity Center Leuven in Belgium. A total of 396 patients will be included in the randomized study being conducted across 30 sites in eight countries, with final readout expected in 2027.

Ongoing education for service users is very important to IBA. The Proteus User meeting in June was a useful forum for sharing insights. In August, IBA signed a collaboration agreement with Apollo Hospitals Enterprise Ltd (AHEL), India, for the provision of training and education programs for proton therapy customers in Asia.

Other accelerators

(EUR 000)	FY 2022	FY 2021	Variance	Variance %
Equipment Other Accelerators	62 606	67 100	-4 494	*-6.7%*
Services Other Accelerators	25 932	23 615	2 317	*9.8%*
Net sales	**88 538**	**90 715**	**-2 177**	***-2.4%***
REBIT2	6 014	12 431	-6 417	*-51.6%*
% of Sales	*6.8%*	*13.7%*		

Other Accelerators had a record order intake of 36 systems during the period, across all regions. Backlog conversion is still facing some challenges related to the global supply chain and other macro-economic conditions. However, a total of 32 installations still started during 2022, with 23 of them starting in H2. Other Accelerators services performed well with an overall revenue growth of 9.8%. Overall REBIT was lower than last year, affected by inflationary pressure on costs and lower equipment backlog conversion, despite the strong catch-up in H2.

Industrial Solutions has grown significantly during 2022. Order intake doubled from the previous year in number of systems and tripled in value as Industrial Solutions delivers more and more integrated solutions. Sales of the Rhodotron® grew across all regions, with half of order intake coming from the US. A primary driver has been the strong increase in demand for X-ray and electron beam sterilization, as they both become growing contenders to ethylene oxide (EtO) and Gamma irradiation, the two main sources of sterilization today. The IBA Rhodotron® enables both X-ray and electron beam, and orders continue to grow strongly. The record order intake and growing installed base are drivers for increasingly profitable growth of the Other Accelerator business in the years to come.

IBA Industrial Solutions has signed a contract to install the first fully integrated X-ray irradiation

[3] ConformalFLASH® is a registered brand of IBA's Proton FLASH irradiation solution currently under research and development phase

[4] DynamicARC® is a registered brand of the IBA's Proton Arc therapy solution currently under development phase.

solution at a customer's new service center site in France. The solution includes an IBA Rhodotron®, a process control system, a safety access system, an overhead conveyor for pallets and automated pallet storage.

In September, NorthStar and IBA announced an agreement for two additional Rhodotron® TT300 High Energy electron beam accelerators, building on three previous sales in 2019 and 2021. These systems will be used for the production of diagnostic and therapeutic radioisotopes.

Radiopharmaceutical market demand also remained strong, with the number of sales comparable to 2021. Sales focused strongly on emerging markets with half the order intake coming from China but also in new geographies such as Africa and South America.

In January, IBA launched a new low energy and compact size cyclotron, the Cyclone® KEY. The new system will enable small and medium sized hospitals to produce their own radiopharmaceutical products in-house, whilst providing more widespread global access to diagnostic solutions in oncology, neurology and cardiology.

August saw an agreement signed with Chengdu New Radiomedicine Technology (CNRT) for a Cyclone® IKON in Chengdu, China, for the production of novel isotypes for use in theranostics and targeted oncology therapies. Elsewhere, IBA is seeing growth in the African market, with an IntegraLab® PLUS solution agreed with Sweden Ghana Medical Centre for a centre in Accra.

In addition, IBA installed two Cyclone®70 systems in South Korea and in South Africa on schedule, this despite challenges being felt across the market in accessing these regions.

IBA's commitment to innovation continues, with the official launch of PanTera, the previously announced joint venture with SCK CEN to produce Actinium-225 (225Ac), one of the most promising alpha-emitting radioisotopes to fight cancers. PanTera is currently in the process of building relationships with pharmaceutical companies in order to ensure patient access to 225Ac in due course. Technology development continues, with a number of patents already submitted. These initiatives should enable PanTera to be at the forefront of 225Ac production in the future. The building of its production facility is expected to start in 2024.

DOSIMETRY

(EUR 000)	FY 2022	FY 2021	Variance	Variance %
Net sales	53 971	52 326	1 645	3.1%
REBITDA*	3 128	6 495	-3 367	-51.8%
% of Sales	5.8%	*12.4%*		
REBIT*	653	4 892	-4 239	-86.7%
% of Sales	1.2%	*9.3%*		

Overview

- 2022 order intake was up 22% to EUR 67 million, significantly above the performance of the wider market
- Backlog increased 200% to a record EUR 32 million (2021: EUR 16.3 million), in part thanks to the dosimetry equipment ordered alongside the 10 proton therapy systems in the Spanish contract
- 2022 sales were up 3.1% to EUR 54 million, boosted by the Modus acquisition. However, the division continued to be impacted by the slow recovery in China and by sanctions on Russia
- REBIT was strongly impacted by investment in R&D for the future and cost increases due to supply chain issues and therefore decreased to EUR 0.7 million (2021: EUR 4.9 million)

The Dosimetry team has been expanding the range of indications for its technology, announcing myQA® iON compatibility with LINAC-based radiation therapy in October.

IBA is also expanding its Dosimetry footprint through strategic acquisitions and alliances. This included the acquisition in April of Modus QA, a specialist provider of "phantoms" for quality assurance for radiation therapy, strengthening Dosimetry's operations in North America. August saw the signing of a strategic alliance with ScandiDos A.B. for radiation therapy patient QA dosimetry. IBA has acquired 10.1% of the Stockholm-listed company.

IBA has also been progressing with integrating its dosimetry offering into existing third-party Original Equipment Manufacturer product offerings. A collaboration was agreed in March with Elekta for the optimization of QA. IBA is providing QA solutions that integrate with Elekta's treatment delivery systems, streamlining workflows and improving access to measurement data. In October the Group received approval from Varian for the compatibility of IBA's MatriXX Resolution™ and myQA® SRS with their radiotherapy and adaptive therapy solutions, Halcyon® and Ethos™.

Principal risks and uncertainties faced by the company (sections 3:6, §1, 1° to 3° and 3:32, §1, 1° to 3°, of the BCAC)

APPROACH TO RISK MANAGEMENT

The Board of Directors, supported by the Management Team, the Risk Management Committee, and the Audit Committee, oversees and manages enterprise risk. The Management Team, the Risk Management Committee, and the Audit Committee identified several functional experts covering the various categories of enterprise risk. The Management Team and the Risk Management Committee are continuously working to improve the enterprise risk management framework and are responsible for the implementation of appropriate risk responses.

Enterprise Risk Management focuses on five risk categories: Strategic, Operational, Legal and Compliance, Digital, and Financial risks. The main risks within these categories are further described.

IBA RISK MANAGEMENT FRAMEWORK

Risk management is a core component of the IBA strategy and performance management process. The Board of Directors considers risk appetite when making decisions.

The design and effectiveness of IBA's risk management, practices, and the recommendations from internal and external audits are reported and discussed periodically with the Risk Management Committee. Internal auditors monitor independently the quality of the risk management, governance, and control processes through operational, financial, and compliance audits. The purpose and authority of the Internal Audit function are documented in an Audit Charter and the Head of Internal Audit reports regularly to the Audit Committee.

In addition to the Risk Management Committee, the Quality Management Review (QMR) assists the Management Team in fulfilling its management responsibilities particularly in respect of the quality of the Company's products, systems, services and software and the development, testing, manufacturing, marketing and service thereof, and regulatory requirements related thereto. As such, the QMR supports the Company's risk management in the relevant risk areas.

IBA has designed its Enterprise Risk Management based on the ERM Integrated framework (2017) established by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

IBA is continuously improving its risk management process and regularly assesses changes that could affect its strategy and objectives, including strategic, financial, human and environmental. Our quality management system is ISO9001, ISO13485, MDD and MDSAP certified. We are audited once a year by our Notified Body. In 2022 we were also inspected by the FDA and no observations were made.

The Sustainability Council in September 2022 presented the action plan that has been put in place along a number of lines, including C02, waste, diversity and governance, as well as the status of each action. A more comprehensive review of environmental risks by the Risk Management Committee is planned for 2023.

The risk overview highlights the main risk areas known by IBA, which could affect the achievement of its strategic and financial business objectives. The risk overview may, however, not include all the risks that may ultimately affect IBA. IBA describes the relevant factors within each risk category and provides insight into the most prominent areas

IBA has decided to present its risks as follows:

Strategic Risks

Customers, Competitors, Investors

Evaluate risks that drive the IBA's mission and strategy.

Operational Rsks

Processes, Systems, People, Value Chain

Identify the risk of loss from inadequate internal processes, people, or systems that will affect IBA to execute its strategic plan.

Legal & Compliance Risks

Law, Regulation, Politics, and Corporate Governance

Assess the performance of the IBA's corporate compliance program, focusing on the regulatory risks of Medical Devices.

Financial Risks

Market Changes and the Economy

Assess market movements that could affect the organization's performance or risk exposure and effectiveness of key financial controls.

Digital Risks

Hardware, Software, and Network Controls

Evaluate potential system failures and innovation lag risks and inadequate infrastructure, access controls, data privacy, and security protections.

The November Sustainability Board focussed amongst others on environmental risks and the intention to work on an action plan for 2023 and the following years.

Strategic risks

Offering evolution risk

IBA continues to invest heavily in research and development and cannot exclude the possibility that a prototype may not be commercially viable or may become obsolete during its development because of competing technological development.

Asset depreciation risk

IBA invests in companies whose business sector is complementary to its own. In most cases, these are recently established companies in innovative sectors. IBA cannot guarantee that all these investments will be profitable in the future or that some projects will not be purely and simply terminated.

Staff bench strength risk

Since IBA was established, the number of highly qualified persons employed by the Company has significantly increased. However, it is possible that the defection of certain key employees possessing specific expertise could, for a short time, affect one of the Company's activities.

Competition risk and industry risk

Currently, IBA has no direct competitor covering all the markets in which it is present. However, in certain markets, it is competing against some of the world's largest corporations. These corporations have highly developed sales and marketing networks and more importantly, extensive financial resources beyond comparison with those of IBA. Furthermore, there is always the possibility that new technology – notably a revolutionary therapy in the treatment of cancer that would render a part of IBA's current product line obsolete – could be developed.

The development and marketing of technology resulting in novel therapies do nevertheless require a relatively long period of time.

Reimbursement of healthcare

The subsidization by healthcare reimbursement institutions of costs for the treatment of certain diseases for which equipment made by IBA is directly or indirectly involved – is continuously under scrutiny. The healthcare reimbursement policies of these organizations will in turn influence the volume of orders that IBA obtains. These subsidies from reimbursement institutions differ greatly from one country to another.

Operational risks

Sale risk

In general, IBA's customers are diversified (public and private sector) and located on several continents. Each year the Company depends on multiple orders, particularly for its proton therapy systems that are implemented over several financial years. One additional order or one order less, or changes in an order that were not anticipated at the beginning of the year, are characteristics of this field of business that can have a significant impact over several accounting periods. On the other hand, the lead time for fulfilling orders gives the Company a good view of its level of activity several months in advance.

Inventory risk

Inventory includes high technology parts and components subject to rapid technological obsolescence. Inventory support production but also spare parts to support our customers. IBA optimizes the level of inventory required for production and support on sites for our customers under a maintenance contract. Nevertheless, the evolution of the product and variability of the demand may impact the provision required for obsolete and excess inventory, which would have an impact on our operating results.

Unanticipated or uncontrolled construction delays on a customer site, cancellations or rescheduling by customers, a change in customer's financial condition to obtain financing, delays in obtaining regulatory approvals or authorizations may have an impact on the level of inventory required.

Product development risk

Because IBA does not have a full product in-house testing capability, new products or features are tested on a customer site, during installation as well as operations and can potentially impact customer operations for the tests, as well as potential corrections of non-conformities. A Hypercare process is in place to alleviate those impacts, improve follow-up of the new developments as well as accelerate the return of experience/customer feedback directly to the product development teams.

Because of the long-term life of products, as well as the specific requirements of customers, IBA must maintain multiple versions worldwide, with the risk of maintenance, upgradability, and ability to update.

IBA strategy of open vendor for software drives additional risks to maintain interoperability all along with product life, and product development. It has an impact on architecture and requests close interactions with all those vendors.

Quality risk / consumer protection / product safety risk

IBA is required to comply with quality standards in the manufacture of its medical devices and is subject to the supervision of various national authorities. Conditions imposed by such national regulatory authorities could result in product recalls or a temporary ban on products. This could have an impact on IBA's reputation, customer satisfaction, and could lead to financial losses.

Errors or accidents could arise from the operation of our products. As a result, IBA could face substantial liability to patients, customers and others for damages caused. Adverse publicity regarding accidents or mistreatments could cause patients to seek alternative methods of treatment.

Legal and compliance risks

Anti-trust / fair competition risk / ethics risk

In our field of activity, and depending on the countries and the regions concerned, bribery and corruption are considered as potential dangers. Being fully aware of this risk for over 20 years, IBA has published a Code of Business

Conduct. This code defines, among other things, the strict framework in which IBA conducts business, including unambiguous rejection of risks related to corruption and bribery. This Code is part of our work policies. Every employee is required to read and pass a post-training test to acknowledge clear and full understanding and acceptance of the principles. Failure to comply with this Code may result in disciplinary sanctions for the employee concerned. This Code is reviewed and amended on a regular basis, and most recently at the end of 2021. The latest revision includes additional principles on environment protection, respect of human rights, and anti-corruption matters.

In addition to the Code of Conduct, control mechanisms are implemented throughout the organization to prevent and detect frauds, including separation of duties, regular independent audits of travel and entertainment expenses, and the availability of a fraud reporting procedure.

Respect for Ethics is also part of our terms with suppliers of products and services, agents, distributors, and partners (see for example the IBA Code of Conduct for Suppliers).

Intellectual property risk

The Company holds intellectual property rights. Some of these rights are generated by employee or production process know-how and are not protected by patents. The Company has filed patents, but it cannot guarantee that the scope of these patents is broad enough to protect the Company's intellectual property rights and prevent its competitors from gaining access to similar technologies. The Company cannot guarantee that the defection of certain employees will not have a negative impact on its intellectual property rights.

Legal risk

Some contracts may contain warranties or penalties which generally represent only a few percent of the amount of the contract in the case of conventional sales contracts. However, these amounts may be significantly higher in public-private partnerships inasmuch as the penalties must cover the associated financing. Such clauses are applicable only to a limited number of contracts, essentially those relating to proton therapy projects. The possibility that a customer may one day exercise such a warranty or penalty clause cannot be excluded.

The use of products made by IBA may expose the Company to certain liability lawsuits. IBA maintains insurance to protect itself in the event of damages arising from a product liability lawsuit or from the use of its products. In a country such as the United States, where the slightest incident may result in major lawsuits, there is always a risk that a patient who is dissatisfied with services received by products delivered by IBA may initiate legal action against it. The Company cannot guarantee that its insurance coverage will always be sufficient to protect it from such risks or that it will always be possible to obtain coverage for such risks.

Regulatory risk

Some IBA products and devices cannot be marketed without regulatory approval or registration as medical devices. Such authorization is necessary for each country where IBA wishes to market a product or device. IBA is authorized to market its particle therapy devices in the United States (FDA), the European Union (LRQA), Australia (TGA), Russia (Gost-R), South Korea (MFDS) and Taiwan (TFDA), Singapore (SFDA), and Japan (Shonin). Authorizations may always be revoked. Moreover, as IBA's equipment evolves technologically, further authorizations may be required.

Financial risks (sections 3:6, §1, 8° and 3:32, §1, 5°, of the BCAC)

More details regarding section 3:6, § 1, 8°, and 3:32, §1, 5° of the BCAC is provided, where appropriate, in the section "Financial Instruments" of this annual report, see page **Error! Bookmark not defined.**.

The Group's overall financial risk management program seeks to minimize potential adverse effects arising from the unpredictability of financial markets on the Group's financial performance. To this effect, the Group uses derivative financial instruments to hedge certain risk exposures.

Financial risk management is carried out by a central treasury department (Group Treasury). The latter issues and enforces written policies. These policies provide written principles related to overall financial risk management, as well as written policies covering specific areas, such as foreign exchange risk, use of derivative and non-derivative financial instruments. Group Treasury identifies, evaluates, and hedges financial risks. These activities are undertaken in close cooperation with the Group's operating units.

Credit risk

The Group has exposure to credit risk. In order to cover this risk, the Company policy for equipment contracts is to have confirmed letters of credit issued by its customers prior to shipment of the equipment, or to contract a specific credit insurance from either the Belgian official export credit agency Credendo or private insurers.

Besides, the consolidated financial statements presents the financial assets and the financial liabilities of the Group by valuation method (fair value and carrying amount). The carrying amount of these financial assets represents the maximum credit exposure of the Group.

Foreign currency risk

The Group operates internationally and as such, is exposed to foreign exchange risks arising from commercial transactions (sales and supply contracts), from financial assets and liabilities, and from net investments in non-Eurozone operations. Approximately 1.3% of the Group's sales (5.1% in 2021) are denominated in currencies other than the functional currency of the operating unit making the sales, while 94.0% of costs (93.7% in 2021) are denominated in the unit's functional currency.

While the functional currency of the parent company of the Group is the euro, the Group's exposure to foreign currencies is related primarily to the US dollar, Chinese yuan, Indian rupee, Russian ruble, British pound, Japanese yen, South Korean won, and Singapore dollar. In particular, the US dollar and the Chinese yuan are considered as material for the Group.

The Group's general policy is to hedge sales contracts denominated in a foreign currency as well as expected net operational cash flows when they can reasonably be predicted. To this effect, provided there is no natural hedging opportunity, the Group Treasury uses financial instruments to hedge its net exposure to these risks, including forward exchange contracts, currency swaps, and forex options.

Cash flow hedges are further designated at the Group level as hedges of foreign exchange risk on specific assets, liabilities, or committed or future transactions on a gross basis.

Appropriate documentation is prepared in accordance with IFRS 9. The CFO approves and the CEO is informed of significant hedging transactions, with reporting to the Audit Committee of the Group four times a year.

The Group has certain investments In foreign operations, whose net assets are exposed to foreign currency translation risk. As appropriate, currency exposure arising from the net assets of the Group's foreign operations may be managed through borrowings denominated in the relevant currencies.

Proton Therapy segment is impacted by the fluctuation of the USD exchange rate against EUR. In 2022 a fluctuation of -3% of USD against EUR would have had a negative impact on the sales of Proton Therapy segment of -1.10% (-1.30% in 2021).

The Dosimetry segment is impacted by the fluctuation of the USD exchange rate against EUR. In 2022 a fluctuation of -3% of USD against EUR would have had a negative impact on the sales of the Dosimetry segment of -0.40% (-1.06% in 2021).

Interest rate risk

The Group's exposure to changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates which were fully repaid in 2022. When the Group considers that the fluctuation of interest rates could have a significant impact on its financial results, the Group will use interest rate swaps in order to mitigate this impact.

IBA does not apply hedge accounting to these transactions, and these instruments are therefore revalued through profit and loss.

At the end of 2022 and 2021, the Group did not have any outstanding interest rate swaps.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities as well as available (undrawn) credit facilities, in consideration of the dynamic nature of the Group's businesses. These credit facilities are detailed hereunder.

As at December 31, 2022, the Group has at its disposal credit facilities amounting to EUR 83.1 million of which 25.6% are used.

(EUR 000)	Credit facilities total amount	Credit facilities used	Credit facilities available
S.R.I.W. - subordinated	10 530	10 530	0
S.F.P.I. - subordinated	3 851	3 851	0
Short-term credit facilities	41 757	0	41 757
TOTAL	**56 138**	**14 381**	**41 757**

S.R.I.W. and S.F.P.I. subordinated bonds

S.R.I.W. and S.F.P.I. are two Belgian public investment funds (respectively, at regional and federal levels).

As at December 31, 2022, the bank and other borrowings include unsecured subordinated bonds from S.R.I.W. for a total of EUR 10.5 million (EUR 13.7 million in 2021) and an unsecured subordinated bond from S.F.P.I. for EUR 3.9 million (EUR 5.0 million in 2021) as well as unused revolving (short term) credit facilities (unchanged from 2021), and unused overdraft facilities in China.

Credit facilities

IBA SA has access to EUR 37 million (initially, EUR 67 million) syndicated credit facilities in the form of EUR 37 million revolving credit facilities maturing in December 2024. The revolving credit facilities remained undrawn as of December 31, 2022. The EUR 21 million (initially, EUR 30 million) amortizing term loan was fully repaid in 2022.

In China, the CNY 35 million overdraft facility (borrower: Ion Beam Applications Co. Ltd) was maintained for the same amount of (undrawn as of December 31, 2022).

Covenant risk

The above-mentionned facilities are subject to certain financial covenants.

Following the terms of the S.R.I.W. and S.F.P.I. bond agreements, the Group agreed to comply with a financial covenant relating to the IBA SA's level of equity (determines based on the statutory accounts published and established in compliance with accounting principles applicable in Belgium), which was met as of December 31, 2022.

The financial covenants applying to the syndicated bank facilities consist in (a) a maximum net leverage ratio (calculated as the consolidated net senior indebtedness divided by the consolidated REBITDA over the last 12 months) and (b) a minimum corrected equity level (calculated as the sum of the consolidated equity–- with certain reclassifications–- and the subordinated indebtedness). Both covenants were complied with as of December 31, 2022.

Digital risks

Information quality risk

Erroneous information or information not received in a timely manner may adversely affect a user's decision. The amount of data managed by the organization is growing and new technology infrastructures are suited to manage voluminous amounts of information. IBA is continuously increasing the quality of its processes and increasing the ownership and control of data quality amongst the organization.

Integrity risk

To face the global increase of security threats and higher levels of professionalism in computer crime, IBA has developed a security program since 2016 to ensure employee awareness, govern our data protection procedures, and protect the information technology infrastructure against Cyberfraud.

IBA has intensified its security program during 2022 to further enhance employee assertiveness in Cybersecurity through further training modules on the correct and safe use of the Company's hardware and employees' activities on social media, and through surprise tests around phishing.

IBA's intention is also to move part of its on-premises infrastructure to the cloud in order to benefit from the high level of security of its technology partners.

This program is currently being rolled out and IBA's intention is to achieve the level of security required by ISO27001 ("Information technology - Security techniques - Information security management systems - Requirements").

Branches of the company (section 3:6, §1, 5°, of the BCAC)

At the end of 2022, the Company had ten branches in Prague, Czech Republic; Orsay, France; Seoul; South Korea, Krakow, Poland; Trento, Italy; Uppsala, Sweden; Groningen, Netherlands; Newport, United Kingdom; Madrid, Spain, and Dublin, Ireland. The branches were established as part of the Company's Proton Therapy business (section 3:6, §1, 5°, of the BCAC).

Conflicts of interests and other information to be disclosed pursuant to section 3:6, §1, 7°, of the BCAC

During the 2022 financial year, there was no conflict of interest matter between the Company and some of its directors, in the meaning of section 7:96 of the BCAC.

Competence and independence of members of the audit committee (sections 3:6, §1, 9° and 3:32, §1, 6°, of the BCAC)

In accordance with section 3:6, §1, 9°, of the BCAC, IBA's Board of Directors reports that:

Mrs. Christine Dubus (representing Nextstepefficiency SRL), chairwoman of the Audit Committee since August 24, 2020, member of the Audit Committee and Board member since August 24, 2020, is also Executive Director at Credit Mutuel Equity, a subsidiary of Crédit Mutuel Alliance Fédéralee. Previously an audit partner at a leading international firm, she has extensive experience in all financial matters including group financial reporting, working capital management, transversal finance transformation programs, and efficiency tracking.

Mrs. Christine Dubus is an independent as defined in article 7: 87 of the BCAC. She does not maintain relations with the company or any of its shareholders that would jeopardize its independence.

Corporate governance statement (section 3:6, §2 and §3, and 3:32, §1, 7° and 8° of the BCAC)

Pursuant to section 3:6, §2, 1°, of the BCAC, the philosophy, structure, and general principles of IBA SA's corporate governance are presented in the Company's Corporate Governance Charter (the "Charter"). The Charter is available on the Company's website www.iba-worldwide.com, on the following page https://iba-worldwide.com/investor-relations/legal.

The Company has implemented the principles laid out in the 2020 Belgian Code of Corporate

Governance by adopting the Charter. The Company has explained in its Corporate Governance Charter, as well as further in this Management Report where and why it deviates from the Code.

The Charter was endorsed by IBA's Board of Directors during its meeting held on 18th December 2020. The Charter may be updated from time to time as governance of the Company evolves.

According to section 3:6, §2, 2°, of the BCAC, IBA reports that it deviates from principle 5.3/1 of the 2020 Belgian Corporate Governance Code, which states that the Nomination Committee should be composed of a majority of non-executive, independent, directors. The explanation for such a deviation is that IBA has a particular shareholder structure to preserve and secure its anchorage in Belgium. Therefore, there is no majority of independent directors in the Nomination Committee.

IBA also reports that it deviates from principle 7.6 of the 2020 Belgian Corporate Governance Code, which states that "*[a] non-executive board member should receive part of their remuneration in the form of shares in the company (…)*". National law applicable to some non-executive directors of IBA prohibits them from receiving part of their remuneration in the form of shares of the company. Therefore, IBA is not in a position to abide by principle 7.6 of the 2020 Belgian Corporate Governance Code.

"The Company has complied with all the provisions of the 2020 Corporate Governance Code, except those from which it has deviated for the reasons explained hereabove".

MAIN FEATURES OF THE INTERNAL CONTROL & RISK MANAGEMENT SYSTEMS (SECTIONS 3:6, §2, 3° AND 3:32, §1, 7°, OF THE BCAC)

Management has established an Internal Control system addressing its operations and financial reporting objectives.

Control environment

The Board of Directors and senior management establish the tone at the top regarding the importance of internal control. Management sets expectations at the various levels of the organization.

The process of preparing consolidated financial information is supported by procedures and work instructions to guide subsidiaries in the preparation of their local accounts.

Risk management process

Financial statements are consolidated monthly. This procedure enables the timely identification of accounting issues.

The finance department works closely with the legal department and external auditors, to comply with changes in legislation and accounting standards.

These efforts are made to provide financial information in full compliance with company law, deadlines, and quality standards.

Senior management has introduced a range of analyses to identify, evaluate and track financial and operational risks. These include:

- A four-year strategic plan and annual budget
- A yearly enterprise risk management process
- A monthly management dashboard (versus budget, versus previous year);
- Treasury forecast tables;
- Project status reports;
- Procedures for establishing technical documents;
- Request forms for recruitment approvals;
- A committee to approve major investments;
- A table of the firm and current orders for the Equipment sector;
- A signature matrix for all Group commitments to third parties;
- A dual-signature authorization for payments and bank-related transactions

In addition, the Chief Compliance Officer is responsible for monitoring compliance with the Code of Business Conduct and company procedures. A reporting procedure is established allowing all employees to report any incidents or events representing a risk for the company. In addition, since December 2021, IBA has taken the initiative to establish a whistleblower platform in line with European and international standards. The platform is accessible to everyone through the Company's website.

The Board of Directors and the Audit Committee fulfill their responsibilities for monitoring risk management by reviewing the reports and analysis prepared by senior management, such as:

- Management dashboard;
- The Monitoring and review of investments analysis;
- Analysis of research and development achievements and performance;
- The strategic plan and budgets for the following period;
- The analysis of the treasury position;
- Internal audit reports.

Control activities

The control of risks to which the Company is exposed is undertaken by financial controllers and an internal auditor reporting to both the CFO and the Audit Committee. These two functions help to identify new operational or accounting issues, apply suitable accounting procedures and ensure the safeguarding of assets. Through their work, they remain vigilant for any situation that could indicate internal or external fraud. A program of complementary tests and specific actions is conducted if a red flag is identified.

Controls of procedures for the closing of local accounts, approval of payments, invoicing, stock management, and other regular activities are organized locally. Procedures for establishing financial statements are controlled by local financial management and the management controller of the division to which the entity belongs. This is a cross structure between staff from operational divisions and financial managers of the legal entities.

Certain operations are centralized on a Group level. Members of senior management are directly involved in the review and approval of these operations, thus ensuring control on the completion of accounting and financial information related to:

- Research and development activity;
- Investment and divestment in intangible, tangible, and financial assets, based on an approval matrix;
- Long-term contracts and partnership contracts;
- Treasury, financing and financial instruments;
- Supervision of signatory powers and delegation of local authority;
- Capital operations;
- Provisions and commitments.

The procedures for establishing the financial statements of the Group are applicable to all the units within the scope of consolidation. The results of audits conducted by local external auditors are shared directly with the Group's financial department.

Information and communication

The availability and relevance of accounting and financial information are assured by the analysis tools described above and by the information technology and data processing environment.

Although the current IT environment is heterogeneous, the computing systems are sufficiently secured by:

- A right-of-access procedure to data and programs;
- An anti-virus protection system;
- A protection system for networking;
- A data safeguard and preservation system;
- Availability and continuity of service measures;
- A portal centralizes incidents, requests for information, and other requests that staff may have concerning IT services.

The IT department works with consultants based on specific requirements. Work with these service providers is defined by contract. Security measures are tested periodically to ensure their effectiveness. The maintenance of the IT systems is an integral part of the IT department's mission.

Accounting and financial information are communicated to Management monthly in the form of reports from the management controllers and consolidated financial statements. This information is provided directly to division presidents and financial management. The annual accounts, budget, strategic plan, and follow-up on investments and treasury are presented to the Audit Committee before being submitted to the Board of Directors. Furthermore, the Board of Directors is regularly informed about the financial state of the Group via monthly management dashboards.

The communication of financial information to the market is managed by the communication, finance, and legal departments of the organization. Shareholder concentration in the Belgian market allows this process to be centralized with a limited number of people, with the CFO playing a leading role. A schedule summarizing the periodic requirements for the communication of financial information is available at the Group level, with details of the nature and date of each requirement. A procedure stipulates the persons responsible for preparing, approving, and communicating this financial information to the market, based on whether the information is restricted or not, and commercial or financial in nature.

Management

Evaluation of the internal control system takes place primarily when the management bodies review the financial statements and analyses prepared by the Finance Department, as well as during the follow-up on the effectiveness of internal control and risk management systems by the Audit Committee.

The analysis tools referred to above are established in line with the accounting principles validated by the Audit Committee and Board of Directors. They are adapted in function of the evolution of the Group's activities and environment, as necessary. The pertinence of the information and proper application of accounting principles are reviewed by the Finance Department during the preparation of these accounting principles and by management bodies during their successive reviews.

The CEO and CFO present and comment on the financial statements to the Audit Committee and Board of Directors every quarter or more frequently if necessary. The Audit Committee receives a summary of the control reviews conducted internally; underlining weaknesses identified by the internal audit department. It also receives any comments made by external auditors on the accounting decisions and evaluation rules used in the preparation of financial statements, as well as their proposed action in relation to internal control.

INFORMATION DISCLOSED PURSUANT TO SECTION 14, §4, OF THE ACT OF 2 MAY 2007 (SECTION 3:6, §2, 4°, OF THE BCAC)

Based on the transparency notifications received by the Company over the financial year 2022, the respective percentage of shares held by the Company's main and historical shareholders as of December 31, 2022 is as presented in the chart below. However, this chart cannot consider the variations of which the Company has no knowledge as they do not reach the transparency notification thresholds.

According to article 35 of the Company's Articles of Association applicable as of 31 December 2020, and in accordance with article 18 of the law of 2nd May 2007 relating to the disclosure of significant holdings in issuers whose shares are admitted to trading on a regulated market and laying down various provisions, the notification obligation provided for in articles 6 and following of this law is applicable to the crossing, upward or downward, of any minimum portion of one percent (1%), two percent (2%), three percent (3%), four percent (4%), five percent (5%), seven point five percent (7.5%), and in portions of ten percent (10%), fifteen percent (15%) and so on in increments of five percent (5%), of the total voting rights in circulation at the time of the occurrence of the situation giving rise to a declaration under this law.

Situation at	31-déc-21	31-déc-22
Dénominator	30 218 718	30 282 218

Entity		Number of shares	%	Number of shares	%
Sustainable Anchorage SRL		6 204 668	20,49%	6 204 668	20,49%
IBA Investment SCRL		51 973	0,17%	51 973	0,17%
IB Anchorage		348 530	1,15%	348 530	1,15%
IBA SA on behalf of ESP holders		21 180		18 048	
IBA SA		755 994	2,50%	1 110 781	3,68%
	Subtotal	7 382 345	24,32%	7 734 000	25,49%
UCL		426 885	1,41%	426 885	1,41%
Sopartec SA		180 000	0,60%	180 000	0,60%
	Subtotal	606 885	2,01%	606 885	2,01%
SRIW SA		715 491	2,37%	715 491	2,37%
SFPI SA		58 200	0,19%	58 200	0,19%
Belfius Insurance SA		1 189 196	3,94%	1 189 196	3,94%
Institut des Radioéléments FUP		1 423 271	4,71%	1 423 271	4,71%
BNP Paris		528 425	1,75%	528 425	1,75%
Paladin Asset Mgmt		768 765	2,54%	768 765	2,54%
BlackRock, Inc.		407 194	1,35%	407 194	1,35%
Norges Bank Investment Management		1 133 108	3,75%	1 133 108	3,75%
Kempen Capital Management NV		875 388	2,90%	875 388	2,90%
	Subtotal	7 099 038	23,49%	7 099 038	19,74%
Total		**15 088 268**	**49,82%**	**15 439 923**	**50,99%**
Public		**15 130 450**	**50,07%**	**14 842 295**	**49,01%**
Grand Total		**30 218 718**	**100%**	**30 282 218**	**100%**

All transparency notifications received by the Company are available on its website, on the following page: https://iba-worldwide.com/investor-relations/legal.

To the Company's Board of Directors' knowledge, there is no agreement in force regarding the Company among its shareholders.

LIST OF THE MEMBERS, AND DECISION PROCESS OF THE BOARD OF DIRECTORS AND OF ITS VARIOUS COMMITTEES (SECTION 3:6, §2, 5°, OF THE BCAC)

Board of directors

In accordance with the Company's Articles of Association (art. 11), the Company is managed by a Board of Directors composed of a minimum of three and a maximum of twelve members, appointed by the shareholders' meeting for a renewable term, which shall not exceed the legal term.

The Board of Directors is currently composed of eight members.

The Company's Articles of Association and Corporate Governance Charter require a balance, within the Board of Directors, among independent directors, internal directors, and directors representing the shareholders.

The Board of Directors must always be made up of (a) at least one-third of independent directors and (b) at least one third appointed upon proposal by the managing directors (hereafter referred to as “internal directors”).

The other Directors are appointed freely by the shareholders’ meeting, it being understood however that, among those directors, there cannot be more than two members who are, directly or indirectly, related to one and the same shareholder (or a company or individual related to the latter) when such shareholder:

1) either carries out (directly or indirectly) activities in one or several business areas in which the Company (or a subsidiary of it) are doing business as well;
2) or owns more than 40% of the voting rights issued by the Company.

The Board of Directors appoints among its members a chairman and, as the case may be, a deputy chairman. Unless otherwise decided by unanimous resolution of the Board, the chairman, and deputy chairman may not be the type of directors as defined in the preceding paragraph.

The Board of Directors meets whenever necessary and whenever at least two members require a meeting.

In practice, the Board gathers at least four times a year.

The major topics of discussion include market situation, strategy, technological developments, financial developments, human resources management and corporate, social and environmental responsibility.

Reports on topics dealt with at Board meetings are sent to the directors beforehand so that they can exercise their duties with full knowledge of the facts.

During the financial year 2022, the Board of Directors met 5 times on the occasion of regular board meetings - under the chairmanship of Mr. Pierre Mottet -, once for the Sustainability Board meeting, and once for the Product Board meeting. Attendance at meetings of the Board was very high. A large majority of the directors attended all meetings.

During the Ordinary General Meeting (held on June 8, 2022), two mandates were renewed, i.e., the mandate of Mrs. PROF.Hedvig Hricak, Independent administrator and SAINT-DENIS SA, represented by M. Pierre Mottet. The term of their mandate is set at the Ordinary General Meeting to be held in 2025 (i.e. the Ordinary General Meeting that will be convened to approve the annual accounts as of 31 December 2024).

Board of Directors as of December 31, 2022:

NAME	START OF TERM	END OF TERM	DUTIES AT IBA	PRIMARY DUTIES OUTSIDE IBAIBA
Olivier Legrain(1)	2012	GM 2023	Chief Executive Officer / Internal Director / Managing Director / NC / PC / SC	N/A
Saint-Denis SA (represented by Pierre Mottet) (1)	1998	GM 2025	Internal Director / Chairman of the Board of Directors / RC (chairman) / NC (chairman) / PC (chairman) / SC	Director of UWE (Walloon Business Association) and several funds and start-ups in the field of health and environment
Yves Jongen(1)	1991	GM 2024	Chief Research Officer / Internal Director / Managing Director / NC / PC / SC	Before the incorporation of IBA in 1986, Director of the Cyclotron Research Center of the Université Catholique de Louvain (UCL)
Nextstepefficiency (represented by Christine Dubus) (2)	2021	GM 2024	Independent Director / AC (chairwoman)	Executive Director at Crédit Mutuel Equity, Crédit Mutuel Alliance Fédérales’s Subsidiary
Consultance Marcel Miller SCS (represented by Marcel Miller) (2)	2011	GM 2023	Independent Director / AC / RC / NC / SC / PC	/ Former Chairman of Alstom Benelux / Member of the Board of Directors of Schréder / Chairman of the Board of Directors of

				Technord
Hedvig Hricak [(2)]	2017	GM 2025	Independent Director / PC / SC	Chair of the Department of Radiology at Memorial Sloan Kettering Cancer Center / Professor of Radiology at Weill Medical College, Cornell University / Professor at the Gerstner Sloan-Kettering Graduate School of Biomedical Sciences.
Dr. Richard A. Hausmann [(2)]	2021	GM 2024	Independent Director / AC / RC / NC / PC / SC	Formerly Chairman and CEO of Elekta AB, Sweden / Held various CEO positions in medical technology companies for the diagnostic imaging business lines of Siemens and GE / From 2004 to 2010 Chairman and CEO of Siemens Ltd China.
Bridging for Sustainability SRL (represented by Sybille van den Hove) [(2)]	2015	GM 2023	Independent Director / PC / SC (chairwoman)	Research and advice on sustainability / Former chair of the scientific committee of the European Environment Agency / Associate member of Woman on Board

RC: Remuneration Committee - NC : Nomination Committee - AC : Audit Committee – PC : Product Committee – SC : Sustainability Committee

(1) In accordance with the meaning ascribed by the corporate charter to the term "Internal director", namely an internal director is a director appointed on the proposal of the managing directors.

(2) Submitted to the General Meeting as candidate independent directors on their election, without excluding the fact that other directors also fulfill the independence criteria. None of the independent directors ceased during the financial year to fulfill the independence criteria set out in the corporate charter

Remuneration committee

The Remuneration Committee met 4 times in 2022. A report on each meeting was provided to the Board.

Topics of discussion included matters relating to the 2022 bonuses, long terms incentives, and compensation schemes in general.

As of December 19, 2022, the Remuneration Committee was comprised of Saint-Denis SA represented by its managing director, Mr. Pierre Mottet, Consultance Marcel Miller SCS represented by its permanent representative, Mr. Marcel Miller, Nextstepefficiency SRL, represented by its permanent representative Mrs. Christine Dubus and Dr. Richard A. Hausmann. The latter three members being independent, the Remuneration Committee is thus comprised of a majority of independent directors. The Remuneration Committee is chaired by Mr. Pierre Mottet. Mr. Olivier Legrain and Mr. Yves Jongen are invited to attend it, except where the Committee is called on to decide on the compensation policy or other matters relating to the managing directors.

Nomination committee

The Nomination Committee met 4 times in 2022 to assess the areas of expertise needed by the Board of Directors, when directors' mandates come to an end, and to make proposals in this respect to the Board of Directors.

Based on the report prepared by this Committee, the Board had proposed to the Ordinary General Meeting held on June 8, 2022 (i) to approve the renewal of Mrs. PROF.Hedvig Hricak, Independent administrator and SAINT-DENIS SA, represented by M. Pierre Mottet and to set the term of their mandate at the OGM to be held in 2025, called to resolve on the 2024 annual accounts.

The Nomination Committee is composed of five members, among which the chairman of the Board of Directors and a minimum of two independent directors.

As of December 31, 2022, the Nomination Committee was comprised of Saint-Denis SA represented by its managing director, Mr. Pierre Mottet, Consultance Marcel Miller SCS represented by its permanent representative, Mr. Marcel Miller, Mr. Olivier Legrain, Mr. Yves Jongen, and Dr. Richard A. Hausmann. This Committee is chaired by Mr. Pierre Mottet.

Product committee – product board meeting

A Product Committee has been set up as an IBA Board Committee to overview the Protontherapy product strategy, to analyze and validate the research and development projects in Protontherapy, and to report its activities to the Board.

As of December 31, 2022, the former product committee consists of all members of the Board of Directors: Mr. Olivier Legrain, Saint-Denis SA represented by its managing director, Mr. Pierre Mottet, Mr. Yves Jongen, Nextstepefficiency represented by its permanent representative, Christine Dubus, Consultance Marcel Miller SCS, represented by its permanent representative, Marcel Miller, Ms. Hedvig Hricak, Dr. Richard A. Hausmann, and Bridging for Sustainability SRL represented by its permanent representative Ms. Sybille van den Hove. The Product Board is chaired by Mr. Pierre Mottet and met on October 20, 2022.

No absence was recorded for the Product Board.

Audit committee

The Audit Committee met 4 times in 2022, in the presence of Mr. Olivier Legrain and occasionally of Mr. Pierre Mottet. On each occasion, the Committee reported on its meetings to the Board of Directors. The main topics addressed were the financial results, liquidity situation, analysis of the external auditors' review, examination of the 2023 budget, and follow-up of internal audit and risk management.

The Company keeps close control of the risks to which it is subject through its financial controllers employed in each of the divisions. This enables the risks to be managed closely. The risks identified are transmitted up to the Management Team which reports to the Audit Committee and develops an appropriate solution, in conjunction with the Audit Committee and the appropriate departments in the organization.

As of December 31, 2022, the Audit Committee was comprised of three members: Consultance Marcel Miller SCS, represented by its permanent representative Mr. Marcel Miller, Nextstepefficiency SRL, represented by its permanent representative Mrs. Christine Dubus and Dr. Richard A. Hausmann. It is chaired by Mrs. Christine Dubus.

Sustainability committee – sustainability board meeting

The sustainability committee was set-up in 2018 as an IBA Board Committee.

That committee met once on October 21, 2022, to define the strategy and ambition of IBA on the Sustainability fronts which is, at IBA, defined through commitments to our 5 stakeholders: our customers and their patients, our employees, our shareholders, society, and the planet.

This meeting was held in the presence of several members of Management interested in these questions, but not all members were present during the meeting.

Since October 2020, the Sustainability Committee is considered as a full board meeting with sustainability as a specific topic, as sustainability is key for IBA's strategy.

As of December 31, 2022, the former sustainability committee consisted of all members of the Board of Directors: Mr. Olivier Legrain, Saint-Denis SA represented by its managing director, Mr. Pierre Mottet, Mr. Yves Jongen, Nextstepefficiency represented by its permanent representative, Ms.Christine Dubus Consultance Marcel Miller SCS, represented by its permanent representative, mr.Marcel Miller, Dr. Hedvig Hricak, Dr. Richard A. Hausmann, and Bridging for Sustainability SRL represented by its permanent representative Ms. Sybille van den Hove. Dr. Sybille van den Hove also chairs the meetings.

Day-to-day and strategic management

The day-to-day management of the Company and the authority to represent the Company in such matters is delegated to two managing directors, Mr. Olivier Legrain, Chief Executive Officer, and Mr. Yves Jongen, Chief Research Officer. The Chief Executive Officer is specifically responsible for implementing strategy and for the day-to-day management and is assisted by a Management Team consisting of certain members of the corporate team. Together, they constitute the Group Management Team.

The Chief Executive Officer, accompanied by the Chief Financial Officer, submits regular reports to the Board of Directors.

The Board of Directors has also asked the Management Team members and division heads to report to the Board on two topics: adoption of the strategic plan and adoption of the 2023 budget.

Management Team as of December 31, 2022:

MANAGEMENT TEAM MEMBERS	POSITIONS	OTHER AND PRIOR DUTIES
Olivier Legrain (representing Lamaris Group SRL)	Chief Executive Officer	Internal Director/ Managing Director/ Member of Nomination Committee/ Member of the Product Committee (prior to its integration)/ Member of the Sustainability Committee (prior to its integration)
Yves Jongen (representing Research Management Systems SRL)	Chief Research Officer	Internal Director / Managing Director / Member of the Nomination Committee / Member of the Product Committee (prior to its integration)/ Member of the Sustainability Committee (prior to its integration) Before the establishment of IBA in 1986, Director of the Cyclotron Research Center of the Université Catholique de Louvain (UCL)
Soumya Chandramouli	Chief Financial Officer	Chief Financial Officer since 2016/ Working at IBA since 2004, consecutively Group Consolidator, Group Financial Analyst, VP Corporate Finance and VP Finance, Medical Accelerators Solutions/ 5 years as Senior Auditor at EY
Frédéric Nolf	Chief Human Resources & Sustainability Officer	Joined IBA in 2007 as HR Director Particle Therapy/ Previously working at Abbott Vascular (Guidant) and GSK in various HR roles

DIVERSITY, EQUITY AND INCLUSION POLICY (SECTION 3:6, §2, 6°, OF THE BCAC)

The Code of Business Conduct sets out the principles of IBA's social and staff-related policy. It is, among others, based on the International Labor Organization's Declaration on Fundamental Principles and Rights at Work.

In addition, the Board approved in its meeting of December 2021 the Company's Diversity, Equity and Inclusion Policy ("DEI Policy") as follows :

"Diversity, Equity and Inclusion are fundamental aspects of IBA's sustainability approach. We value the uniqueness".

We define Diversity not only as statistics, but as the accumulated richness of people's unique backgrounds, lives, cultural experiences, and the diversity of thought and ways of acting that this brings to our workplace.

We foster Inclusion by respecting individual differences and capturing the advantages that this provides to drive greater impact and value in our work. We call it the IBA culture, in which we create an environment that helps each and every one of us to fully contribute to IBA's success.

Equity is the guarantee of fair treatment, access, opportunity, and advancement. IBA is committed to providing equal employment and training opportunities, and to treating applicants and employees without discrimination. We do not discriminate based on race, color, age, sex, sexual orientation, national origin, religion, language, or disabilities. Our policy is that no one at IBA should ever be subject to any kind of discrimination, and we have designated individuals responsible for diversity, equity and inclusion.

This in the end leads to a feeling of connectedness which we define as Belonging. It is the feeling for an individual to be integral part of IBA, an organization where we all can feel at our best everywhere, every day.

The B Corp framework chosen by IBA as reference for its sustainability approach includes measures on DEI, allowing IBA to track progress on that front".

The Code of Business Conduct and the DEI Policy are today our reference to describe our commitment to diversity in our corporate culture.

The Corporate Governance Charter, published on the Group's website, defines the core competencies the Board of Directors requires to be effective. Members are nominated based on the Board's needs in terms of knowledge, experience, and competence at that time, also respecting the balance between outside, inside and other Directors laid down in the Articles of

Association, the law, and the 2020 Corporate Governance Code.

The Board and the Nomination Committee fully acknowledge the benefits of diversity among employees, within the Executive Management Team, and within the Board of Directors.

As of December 31, 2022, more than one third of the directors are of the other gender which means that the Company meets the requirements on gender diversity.

The age distribution within the management team is quite broad, indicating a fair and balanced value between said members. Management approved the Diversity, Equity and Inclusion Policy on 15 and 16 December 2021, and requests the Management to implement this policy to the fullest extent.

INFORMATION DISCLOSED PURSUANT TO SECTION 34 OF THE ROYAL DECREE OF 14 NOVEMBER 2007 (SECTIONS 3:6, §2, 7° AND 3:32, §1, 8°, OF THE BCAC)

In accordance with section 34, 5° of the Royal Decree of November 14, 2007, regarding the obligations of issuers of securities admitted to trading on a regulated market (B.S.G. 03/12/2007), the corporate governance statement contains the following information.

i) Structure of the share capital, classes of shares, rights attached to each category of shares and % of the share capital that they represent

As of 31 December 2022, the Company has issued 30 282 218 shares, without a nominal value, each representing 1/30 282 218 th of the Company's share capital and each granting the same rights to its owner. No classes of shares have been created.

ii) Legal restrictions or restrictions included in the company's articles of association, on the transfer of shares

There are no restrictions on the transfer of the Company's shares.

iii) Owners of any securities conveying specific controlling rights and a description of such rights

The Company has not issued any securities that convey any specific controlling right to their owner.

iv) All significant agreements to which the issuer is a party and which are contingent to a change of control following a public takeover bid unless their disclosing would harm the issuer severely

Not applicable.

v) All agreements among the issuer and the directors or staff, containing the granting of compensations if the directors resign or must cease their functions without a sound reason or if the employment of the staff ceases as a result of a public takeover bid

There are no such arrangements in place.

vi) Controlling mechanism in a system of staff-shareholding

There is no system of staff-shareholding in force within the Company.

vii) Legal restrictions or restrictions included in the company's articles of association, on the exercise of voting rights

As of 31 December 2022, articles 27 and 28 of the Company's coordinated Articles of Association provide the following limitations:

"Article 27:

No shareholder may, with its affiliated companies and persons, vote at a general assembly for more than 35% of the voting rights issued by the Company. Moreover, insofar as other non-affiliated shareholders holding individually at least 15% of the voting rights issued by the Company take part in the assembly, no shareholder may, together with its affiliated companies and persons, take part in the vote, for each resolution put to vote, for more than 50% less one security of the total securities admitted to vote and cast respectively for each resolution put to vote.

For the application of the previous paragraphs, is deemed to be affiliated to a shareholder:

(i) any company or person affiliated to it in the meaning of section 1:20 of the BCAC;

(ii) any natural person or legal entity that is part of the administrative or management body of such shareholder or of a company referred to under (i) above.

(iii) any third party acting in its own name but on behalf of such shareholder or of a person referred to under (i) or (ii) above.

(iv) any shareholder who granted a power-of-attorney to such shareholder or to a person referred to under (i), (ii) or (iii) above, to represent him/her at the said meeting."

Article 28:

"Without prejudice to Article 27, any shareholder who owns fully-paid shares, registered in his/her/its name since at least two years without interruption in the register of registered shares and which meet the legal requirements (section 7:53 of the BCAC) shall benefit from the multiple voting rights provided by the law for those shares compared to other shares representing a same fraction of the share capital."

viii) Agreements in force among shareholders, known by the company and that are likely to restrict the transfer of shares and/or the exercise of the voting right

There are no such arrangements in place.

ix) Rules applicable to the appointment and the replacement of the directors and to the amendment to the articles of association of the issuer

(a) Rules applicable to the appointment and replacement of the Directors

In this respect, as of 31 December 2022, articles 11 and 12 of the Company's Articles of Association provided the following:

"Article 11:

The company is managed by a board of directors comprised of a minimum of three members and a maximum of twelve members, appointed by the shareholders' general meeting for a renewable term, which shall not exceed the legal term."

Article 12:

The structure of the board of directors must at all times reflect the following equilibrium:

(a) at least one-third of its members (hereafter referred to as "independent directors") must be independent directors, chosen for their experience, discernment, and personality and who meet the definition of section 7:87 of the BCAC.

(b) at least one-third of its members (hereinafter referred to as "internal directors") must be elected on the proposal of the managing director(s);

(c) the other directors (hereinafter referred to as "other directors") shall be appointed freely by the General Meeting, provided however that no more than two of these other directors may be "directly or indirectly related to the same shareholder" (or to a company or person linked to it) within the meaning of indent 2 of this Article 12;

(d) no more than one-third of its members have been elected on the proposal or by the deciding vote of a private institutional investor or group of private institutional investors; and

(e) no more than one-third of its members may be "directly or indirectly related to a shareholder" or group of shareholders (or to a company or person related to it or them) within the meaning of indent 2 of this Article 12, where that shareholder (or group of shareholders):

(i) either directly or indirectly engages in business activities in one or more sectors of activity in which the Company or one of its subsidiaries is also active.

(ii) or holds more than forty percent (40%) of the voting securities issued by the Company.

For the purposes of this Article 12, indent 1, (c), (d) and (e), shall be deemed to be "related, directly or indirectly, to a shareholder", any director (natural or legal person) who:

(a) is, or has been within the five years preceding his appointment, a member of the administrative or management bodies, or of the staff, of that shareholder (or of an affiliated company) or has received a power of attorney from that shareholder ;

(b) has a business, shareholding or family relationship with that shareholder (or an associated company or person) or with a person referred to in (a), that is such as to influence the

conditions under which he exercises his mandate as director; or

(c) has been appointed on the proposal or by the decisive vote of that shareholder.

For the purposes of this Article 12, the expression "related" company or person must be construed within the meaning of section 1:20, 1° and 2°, of the BCAC.

Proposals for the appointment of "independent directors" and "other directors" are made by the nominating committee formed within the board of directors. This committee is composed of five members, including three internal directors and two independent directors. In addition, none of the directors defined in indent 1, (d) of this Article 12 may be a member of this committee, unless, as the case may be, he is an internal director as well.

Proposals for the appointment of "internal directors" shall be submitted by the director or directors responsible for the day-to-day management who shall inform the board of directors of the names of the candidates to be submitted to the general meeting.

No director may be appointed on the proposal of one or more shareholders if this proposal, containing all pieces of information regarding the proposed director necessary in particular to enable the control of the respect of the balances provided for in this Article 12, has not been communicated to the Board of Directors within the legal deadlines.

Any proposal for the appointment of a director submitted to the general meeting shall mention whether the person proposed is to be considered as an "independent director", an "internal director" or a "director related, directly or indirectly, to a shareholder" within the meaning of this Article 12.

If the general meeting does not vote in favor of the proposals submitted to it in accordance with the preceding paragraphs, new proposals shall be formulated following the same procedure and the general meeting shall be reconvened to decide on the new proposals."

(b) Rules applicable to the amendment to the Company's Articles of Association

In this respect, as of 31 December 2021, article 29, §2, of the Company's Articles of Association provided the following:

"Article 29, §2:

However, any amendments to the following articles of the Articles of Association: Article 11, Article 12, Article 13, Article 14, Article 19, Article 27 and Article 29, may solely be adopted insofar as those attending the meeting represent half of the share capital and as the proposed amendments are approved by at least eighty-five per cent (85%) of the votes cast."

(x) Powers of the board of directors to issue or to redeem the company's own shares

As of 31 December 2021, the Board of Directors was authorized to issue new shares or redeem the Company's own shares. In this respect, article 6 of the Company's Articles of Association provide the following:

"Article 6:

The Board of Directors shall have the power to increase the Company's share capital, to issue convertible bonds or subscription rights, in one or more operations, within the legal limits in terms of threshold and duration.

The board of directors is expressly authorized to make use of this authority in the cases referred to in sections 7:200 (limitation or cancellation of preferential rights and incorporation of reserves) and 7:202 (public takeover bid) of the [Belgian] Companies & Associations Code (hereafter, the "BCAC").

REMUNERATION REPORT (SECTION 3:6, §3, OF THE BCAC)

This remuneration report outlines the implementation of the remuneration policy and will be annually submitted to the Annual Shareholders' Meeting for an advisory vote.

Annual Shareholders' Meeting advisory vote on the previous remuneration report was 67,24 % in favor. No remarks were made to consider for the edition of this report.

In establishing the remuneration policy, the Board of Directors has considered the external environment in which IBA operates, legal requirements and principles of the Belgian Corporate Governance Code 2020, market practice and guidance issued by organizations representing institutional shareholders.

Remuneration policy Managing Directors and other Executive Management Team Members

Procedure

After review by the Compensation Committee, the Board of Directors determines the direct or indirect remuneration paid to the Managing Directors in accordance with its remuneration policy. The Committee ensures that remuneration is in line with market practice, as determined by studies performed by specialized firms. The Compensation Committee monitors and reviews the remuneration policy for Executive Management Team Members, adopted by the Chief Executive Officer. For the purpose of the above and in general, the Board of Directors, the Compensation Committee and individual directors have the authority and duty, subject to the rules defined in the Corporate Governance Charter, to assign themselves sufficient resources, including the assistance of external consultants, if and when appropriate.

Principles of the remuneration policy

The key purpose of IBA's remuneration philosophy is to ensure the Company is able to attract, retain and engage the executive talent it requires to deliver on its promises towards its various stakeholders – including its clients and patients, its shareholders, its employees, society in general and the planet –, whilst aligning to their respective interests.

The structure and levels of remuneration, in general, must be effective in meeting these objectives. Remuneration programs and decisions at all times meet the following criteria:

- They appropriately balance external competitiveness with other organizations and internal equity, considering both the content of the position, and the personal competencies and effectiveness of the manager within IBA
- They are affordable, sustainable and cost efficient, avoiding excesses
- They reward performance aligned to the business strategy, considering short-term results and long-term focus
- They provide transparency and predictability, whilst offering enough flexibility to swiftly respond to changing business needs, if and when required
- The resulting remuneration is a fair balance from the point of view of all stakeholders, taking exceptional circumstances in consideration (fairness factor). In exceptional circumstances only, the non-Managing Directors have the authority to change the policies set out herein fore or to deviate from them in case it considers this in the best interest of the company. This derogation may concern all aspects of the policy. "Exceptional circumstances" cover situations in which deviation from the remuneration policy is necessary to serve the long-term interest and sustainability of the company. Deviation can only be requested by the non-Managing Directors and the full explanation will be provided.

External competitiveness currently is assessed by reference to a general cross-section of companies active in the markets where the executives are based.

IBA does continuously assess the appropriateness of its remuneration programs in view of evolving needs and insights, both externally and internally, which may result in an adjustment when deemed necessary or appropriate.

Total remuneration (section 3:6, §3, 1°, of the BCAC)

Total Remuneration non-Managing Directors

IBA directors are currently remunerated by an annual lump-sum fee of EUR 6,000, except directors residing overseas, who, in order to cover the specific time implications and constraints related to intercontinental travel, receive EUR 16,000. The Chairman of the Board receives an annual lump-sum fee of EUR 12,000, whilst the Chairs of the Audit Committee and of the Sustainability Committee receive an annual lump-sum fee of EUR 9,000 each.

The annual lump-sum fee is supplemented with a fixed fee of EUR 1,600 per Board or committee meeting the director has been invited to and which he has attended. The Chairman of the Board receives EUR 3 000 per meeting attended. The Chairman of the Audit Committee and the Chairman of the Sustainability Committee receive EUR 2,200 per Committee meeting they chaired and EUR 1,600 per other meeting attended. The fixed fees are on a half-day basis (assuming a half-day of preparation) and adjusted per half day if required.

Non-Managing Directors do not receive any form of variable remuneration and no other form of fixed, equity-based or in-kind remuneration in the course of the year.

At present, it is not anticipated that the policy will fundamentally change over the next two years. Both the level and structure of director remuneration are monitored and reviewed on an annual basis, which may result in an adjustment when deemed necessary or appropriate.

Managing Directors do not receive specific director remuneration. The remuneration they receive for their direct or indirect role in the company includes compensation for their director responsibilities.

Table of Total Remuneration non-Managing Director

The gross amounts that were paid to non-Managing Directors in 2022 are as follows:

Board Member	TOTAL FEES (EUR)	LUMP-SUM FEE (EUR)		MEETING RELATED FEES* (EUR)
Saint-Denis SA, represented by Pierre Mottet (internal director, Chairman of the Board, of the Nomination Committee and of the Compensation Committee)	52 500	12 000	BM	21 000
			AC	NONE
			CC/NC	10 500
			MAC	N/A
			PC	6 000
			SC	3 000
			OTHER	NONE
SCS Consultance Marcel Miller, represented by Marcel Miller (independent director)	34 000	6 000	BM	11 200
			AC	6 400
			CC/NC	5 600
			MAC	N/A
			PC	3 200
			SC	1 600
			OTHER	NONE
Olivier Legrain (internal director, Managing Director, CEO)	NONE	NONE	BM	NONE
			AC	NONE
			CC/NC	NONE
			MAC	N/A
			PC	NONE
			SC	NONE
			OTHER	NONE
Hausmann Consulting, represented by Dr. Richard Hausmann (independent director starting August 24, 2020)	32 400	6 000	BM	11 200
			AC	6 400
			CC/NC	5 600
			MAC	N/A
			PC	3 200
			SC	N/A
			OTHER	NONE
Nextstepefficiency Srl, represented by Christine Dubus (independent director, chairwoman of the Audit Committee, starting August 24, 2020)	39 400	9 000	BM	11 200
			AC	8 800
			CC/NC	5 600
			MAC	N/A
			PC	3 200
			SC	1 600
			OTHER	NONE
Bridging for Sustainability, represented by Sybille van den Hove (independent director, chairwoman of the Sustainability Committee)	25 600	9 000	BM	11 200
			AC	N/A
			CC/NC	N/A
			MAC	N/A
			PC	3 200
			SC	2 200
			OTHER	NONE
Yves Jongen (internal director, Managing Director, Chief Research Officer)	NONE	NONE	BM	NONE
			AC	N/A
			CC/NC	NONE
			MAC	N/A
			PC	NONE
			SC	NONE
			OTHER	NONE
Hedvig Hricak (independent director)	27 200	16 000	BM	9 600
			AC	N/A
			CC/NC	N/A
			MAC	N/A
			PC	1 600
			SC	N/A
			OTHER	NONE

* BM – Board meeting; AC – Audit Committee meeting; NC – Nomination Committee meeting; CC – Compensation Committee meeting; MAC – Mergers & Acquisitions Committee meeting; PC – Product Committee meeting; SC – Sustainability Committee. N/A indicates that the director is not a member of the Committee or that no Committee meeting has taken place; Other – Attendance of other meetings, such as client user meetings and/or strategic meetings

In 2022, the Group has also employed the services of Saint-Denis SA for specific activities not related to its directorship. The fees corresponding to these services amounted to EUR 414 413.

Total Remuneration components for Managing Directors and other Executive Management Team members

For Managing Directors and other Executive Management Team members, total remuneration generally consists of fixed remuneration, variable remuneration and long-term incentives. The weight of the different remuneration components, as part of total remuneration differs on an individual basis. In general terms, the weight of each component of remuneration accounts for a part of total remuneration that may be summarized as follows:

Managing directors and other executive management team members

REMUNERATION COMPONENT	PART OF TOTAL REMUNERATION (WHEN OFFERED)
Annual fixed remuneration	Between 50% and 72%
Annual variable remuneration (at target)	Between 21% and 50%

Annual Fixed Remuneration

Annual fixed remuneration is a cash component of remuneration, defined in accordance with an individual's position, as well as his or her competencies and experience in the position.

Annual Variable Remuneration

The annual variable remuneration program rewards performance against specified objectives, defined and formalized at the beginning of the performance period. Payout levels currently are targeted at between 20% and 50% of annual fixed remuneration, depending on the position. Actual payout levels are subject to IBA's performance. The maximum payout is set at 150% of target in case of exceptional performance, whilst performance below expectations results in a zero payout. The performance period is the fiscal year.

For performance year 2023, performance is measured against 3 elements: Profit Before Tax, Order Intake and Sustainability for respectively 33%, 33% and 34%. These targets are geared towards achieving and exceeding the Company's fiscal year objectives and specific milestones on IBA's ESG goals.

The Managing Directors are not present at the Board and Compensation Committee meetings where their performance and variable payout levels are discussed and decided.

Profit Sharing Plan

IBA's multi-stakeholders approach includes a profit-sharing plan to materialize alignment between employees' and shareholders' interests. The payment of a dividend triggers a profit-sharing plan resulting in a common view of success. IBA's commitment is to distribute the same amount to its employees as the total dividend paid to its shareholders. A number of Profit-Sharing Points is assigned to each IBA employee, proportionate to their responsibility level. Managing Directors and other Executive Management Team members participate to this plan alongside with employees.

Agreements with the Managing Directors and members of the Executive Management Team do contain claw-back provisions in relation to any payments that would be made based on erroneous financial information.

Long-term Incentives (LTI)

IBA issues LTI usually under the form of a Stock Option Plan. The goal of this plan is to create further alignment between management and shareholders' interests, allowing participants to benefit from the long-term value created. The value of LTI takes into consideration the potential gain vis-à-vis participants' annual salary, provided the share price appreciates sufficiently. IBA has a policy to buy shares on the market to back-up LTI plan to neutralize the related dilution. These plans come alongside a share ownership guideline as described below

A Stock Options Plan has been launched in 2021. This plan covers several years and there is currently no intention to open a new plan for the same beneficiaries before its vesting. Any proceeds earned under this plan will be handed to beneficiaries in the form of full shares until their Minimum Holding Requirement (MHR) as set here below is met. When their MHR is met, the plan beneficiaries may elect to sell the shares obtained in excess of their MHR

Minimum Holding Requirement (MHR)

IBA strongly believes that management must own company shares to strongly align with Shareholder's interests.

A minimum number of Company registered shares are to be held by the Managing Directors and members of the Executive Management Team. Each of them has to acquire, hold and retain directly or indirectly a number of Company shares corresponding to 100.000 IBA shares for the Managing Directors and to 10.000 IBA shares for members of the Executive Management Team. The MHR shall have to be reached at the latest by 31st December 2026. The MHR can be built up in the manner which is deemed most appropriate by the individual on whom such minimum is imposed, including through the Long-Term Incentive plan described above.

The MHR is applicable during the entire period of the contractual relationship with IBA, and during a three year period starting at the date the said contractual relationship terminates unless the termination of the contractual relationship is consecutive to the retirement or death of the concerned Executive.

The Managing Directors are significant owners of the reference shareholder and comply with the MHR provision.

Retirement Plan

IBA does not pay any pension contribution to its Managing Directors and members of the Executive Management Team, who operate under a Management Company agreement.

Other Components

IBA does not pay any other compensation components to its Managing Directors and members of the Executive Management Team, who operate under a Management Company agreement.

Context of remuneration during financial year 2022

2021 business performance was solid with the achievement of a net Profit of 3.9m€ and a strong level of order intake for all our business lines. These results translated into an over-target payment of the variable portion of executive pay in 2022.

Total Remuneration

In line with our Remuneration Policy, Managing Directors and Executive Managers compensation was composed in 2022 of a Base Salary, an Annual Variable Pay and, depending on their contractual arrangement pension contribution and other compensation elements such as lunch vouchers, healthcare insurance, a company car and fringe benefits.

The Managing Directors and Executive Managers who operate under a Management Company do not benefit from an IBA sponsored pension plan or of the other compensation elements described here above.

On June 8 2022, the board of directors took the following resolution:

The Board of Directors recommend that the members of the executive management team (MT), considered as such by the CEO and the Remuneration Committee from time to time, provide management consultancy services to the Company through an independently organized management company, and not through an employment relationship. The Board believes, together with the Belgian regulator, that the framework allowing for the executive management to perform its duties i.e. under Principles 2.19, 2.20, 20.21, and 2.22 of the Belgian Code of Corporate Governance (2020) in collegial uniformity and with the greatest impact, is best served through a management company structure whereby the “intuitu personae” relationship remains the most important asset”.

Variable Pay – short term incentives

Plan Criteria

- The variable compensation paid in 2022 relates to 2021 performance year. The plan was based on business results vs pre-defined goals which were measured for 60% against Profit Before Tax (PBT) and for 40% against Order Intake.
- The choice of these performance criteria contributes to the long term development of the company, being a mix of current financial performance (back-log conversion) and new business (back-log creation).
- In order to protect its competitive position, IBA does not disclose targets nor individual objectives.
- Each criteria is assessed separately against pre-approved targets. A performance score is assigned to each criteria, resulting in the corresponding pay-out as described in the following table:

Score	Unsatisfactory	Improvement Needed	Medium	Good	High	Exceptional
Pay-out	0%	0%	75%	100%	120%	150%

Actual Pay-Out

At the group level, the Order Intake portion maxed out with a payment at 150%, and PBT was above target with a payment of 120% Annual report 2021. This resulted in a final pay-out of 132%.

The variable pay was capped at 150% of target payment. There was no need to apply this cap for performance year 2021.

In 2022 Executive Managers' variable compensation was paid in a combination of cash, warrants and pension contributions. The corresponding total value of their variable compensation is indicated in the table below.

Total Remuneration of the Managing Directors

The schedule below outlines the total remuneration received by each Managing Director

Name	Title	Currency	Year	Annual fixed remuneration	Annual variable remuneration	Retirement benefits	Other benefits
Olivier Legrain (1)	CEO	EUR	2022	411 840	468 164	None	None
		% of total		*47%*	*53%*	*0%*	*0%*
		EUR	2021	391 468	493 518	None	None
		% of total		*44%*	*56%*	*0%*	*0%*
Yves Jongen (2)	CRO	EUR	2022	317 082	259 838	None	None
		% of total		*55%*	*45%*	*0%*	*0%*
		EUR	2021	339 182	249 927	None	None
		% of total		*58%*	*42%*	*0%*	*0%*

1. Managing Director and representative of Lamaris Group SRL
2. Managing Director and representative of Research Management Systems SRL

Details of 2022 variable pay for Managing Directors

Name	Title	Currency	Profit Before Tax a. % pay-out b. amount	Order Intake a. % pay-out b. amount	Profit sharing a. sharing value b. amount
Olivier Legrain (1)	CEO	EUR	a. 120% b. 140 928€	b. 150% b. 117 440€	**a.** 10,56€ **b.** 209 796€
Yves Jongen (2)	CRO	EUR	**a.** 120% **b.** 78 739€	**b.** 150% **b.** 65 616€	a. 10,56€ b. 115 484€

1. Managing Director and representative of Lamaris Group SRL
2. Managing Director and representative of Research Management Systems SRL

Total Remuneration of the Executive Management Team*

Title	Currency	Year	Annual fixed remuneration	Annual variable remuneration	Retirement benefits	Other benefits*
Executive Management Team	EUR *% of total*	2022	475 463 *72%*	138 343 *21%*	17 375 *3%*	26 308 *4%*
	EUR *% of total*	2021	372 621 *65%*	136 438 *24%*	16 059 *3%*	47 781 *8%*

*directors excluded (See table Details of 2022 variable pay for Managing Directors)

*i.e. hospitalization insurance, long term disability insurance, car, bicycle, lunch vouchers, representation allowance, minor fringe benefits, in-line with local practices

Details of 2022 variable pay for Executive Management Team

	Currency	Profit Before Tax a. % pay-out b. amount	Order Intake a. % pay-out b. amount	Profit Sharing a. sharing value b. amount
Executive Management Team	**EUR**	**a.** 120% **b.** 40 243€	**c.** 150% **d.** 33 536€	**a.** 10,56€ **b.** 64 564€

Remuneration related to shares (section 3: 6, §3, 2 °, of the BCAC)

Remuneration in the form of shares

No remuneration in form of shares was offered in 2022.

Three stock options plans are active:

- SOP2014 was granted on July 1st, 2014. This plan fully vested on January 1st, 2019 and will expire on June 30th, 2024. The exercise price is equal to the fair market value of the share at grant, i.e., EUR 11.52
- SOP2020 was granted on June 1st, 2020. This plan will vest on January 1st, 2024. 50% of the options will expire on May 31st 2026, the other 50% on May 31st 2030. The exercise price is 7,54€ (being the average closing price of the prior 30 days).
- SOP2021 was granted on January 25, 2021 with a strike price at 13,39€ (being the average closing price of the prior 30 days). This plan will vest on January 1st, 2025 and the options will expire on December 31, 2026. Participants to this plan automatically contracted a Minimal Holding Requirement as per the rules defind in the Remuneration Policy for Managing Directors and other Executive Management Team Members

Stock options										
Name, Position	Stock option plan definition						Information related to the financial year covered by the report			
							Opening balance	During the year (*)		Closing balance
	1. Plan	2. Offer date	3. Vesting date	4. End of the retention period	5. Exercise period	6. Exercise price	7. Number of options at the start of the year (2)	8.a) Number of options offered 8.b) Value of the shares @ Offer date (3)	9.a) Number of options vested 9.b) Value of the shares @ Vesting date 9.c) Value @ Exercise price 9.d) Added value @ Vesting date (4)	10. Number of options offered but not yet vested (5)

Olivier LEGRAIN, CEO	SOP 2021	25-01-21	01-01-25	3 years from end of mandate (40% of grant)	from 02-01-25 to 31-12-26	13,39 €	95.870			95.870
	SOP 2020	01-06-20	02-01-24	N/A	5.a) 50% from 02-01-24 to 31-05-26 5.b) 50% from 02-01-24 to 31-05-30	7,54 €	25.000			25.000
						Total :	120.870			120.870
Yves JONGEN, CRO	SOP 2021	25-01-21	01-01-25	3 years from end of mandate (40% of grant)	from 02-01-25 to 31-12-26	13,39 €	23.967			23.967
	SOP 2020	01-06-20	02-01-24	N/A	5.a) 50% from 02-01-24 to 31-05-26 5.b) 50% from 02-01-24 to 31-05-30	7,54 €	10.000			10.000
	SOP 2014	01-07-14	31-12-18	N/A	from 01-01-19 to 30-06-24	11,52 €	10.000			
						Total :	43.967			33.967
Soumya CHANDRAMOULI, CFO	SOP 2021	25-01-21	01-01-25	3 years from end of employment (40% of grant)	from 02-01-25 to 31-12-26	13,39 €	23.967			23.967
	SOP 2020	01-06-20	02-01-24	N/A	5.a) 50% from 02-01-24 to 31-05-26 5.b) 50% from 02-01-24 to 31-05-30	7,54 €	10.000			10.000
						Total :	33.967			33.967
Frédéric NOLF, CHRO	SOP 2021	25-01-21	01-01-25	3 years from end of employment (40% of grant)	from 02-01-25 to 31-12-26	13,39 €	23.967			23.967
	SOP 2020	01-06-20	02-01-24	N/A	5.a) 50% from 02-01-24 to 31-05-26 5.b) 50% from 02-01-24 to 31-05-30	7,54 €	10.000			10.000
	SOP 2014	01-07-14	31-12-18	N/A	from 01-01-19 to 30-06-24	11,52 €	6.500			
						Total :	40.467			33.967

*During the year, the following options have been exercised: Frédéric Nolf – 6500 options under SOP 2014. No options have been lost due to the expiry of the option term.

Departure allowances (section 3: 6, §3, 3°, of the BCAC)

Termination agreements with non-Managing Directors

The schedule below summarizes the main contractual agreements, concerning each non-Managing Director, in relation to termination at the initiative of the Company.

NON-MANAGING DIRECTORS	START OF TERM	END OF TERM	APPLICABLE NOTICE PERIOD	TERMINATION AGREEMENT
Saint-Denis SA, represented by Pierre Mottet	1998	GAM 2022	None	None
Consultance Marcel Miller SCS, represented by Marcel Miller)	2011	GAM 2023	None	None
Hedvig Hricak (2)	2017	GAM 2022	None	None
Nextstepefficiency (represented by Christine Dubus)	2020	GAM 2024	None	None
Dr. Richard A. Hausmann	2020	GAM 2024	None	None
Bridging for Sustainability SRL, represented by Sybille van den Hove	2015	GAM 2023	None	None

Contractual agreements with Managing Directors and members of the Executive Management Team

The schedule below summarizes the main contractual arrangements, concerning each Managing Director and member of the Executive Management Team, in relation to termination at the initiative of the Company.

MANAGING DIRECTORS AND EXECUTIVE MANAGEMENT TEAM	START OF TERM	END OF TERM	APPLICABLE NOTICE PERIOD	TERMINATION AGREEMENT
Lamaris Group SRL, represented by Olivier Legrain	Mandate: 2012; Management agreement: 2011	Mandate: GM 2023; Management agreement: indefinite	Mandate: None Management agreement: 6 months or equivalent compensation	**None. The management agreement also contains a non-competition obligation for the duration of the agreement and 12 months thereafter**

Research Management Systems SRL, represented by Yves Jongen	Mandate: 2021; Management agreement: prior to 2009, amended in 2012	Mandate: GM 2024; Management agreement: indefinite	Mandate: None Management agreement: 12 months or equivalent compensation	**None. The management agreement also contains a non-competition obligation for the duration of the agreement**
Frinso SRL, represented by Soumya Chandramouli	2004	Indefinite	12 months or equivalent compensation	**None. The management agreement also contains a non-competition obligation for the duration of the agreement and 12 months thereafter**
Frédéric Nolf SRL, represented by Frédéric Nolf	2007	Indefinite	12 months or equivalent compensation	**None. The management agreement also contains a non competition obligation for the duration of the agreement and 12 months thereafter**

Use of restitution rights (section 3: 6, §3, 4 °, of the BCAC)

Not applicable.

Deviation from the remuneration policy (section 3: 6, §3, 5 °, of the BCAC)

No deviation in 2022

Evolution of the remuneration and performance of the company (section 3: 6, §3, 5 ° & 6 °, of the BCAC)

a) Annual evolution of remuneration

The annual remuneration of the Managing Directors and the members of the Executive Management Team combined has evolved as follows (€):

	2018	2019	2020	2021	2022
Actual total remuneration	1.263.316	1.508.119	1.747.635	2.046.994	2.114.414
Number of positions included	5	4	4	4	4
In order to allow a useful comparison over the years the remainder of the schedule below shows the evolution for the same positions as existing in 2022					
Actual total remuneration	994.890	1.508.119	1.747.635	2.046.994	2.114.414
Number of positions included	4	4	4	4	4
Annual fixed remuneration	941.012 (2)	1.106.793	1.100.658	1.103.271	1.204.385
Annual target variable remuneration	647.048	672.894	671.391	672.845	724.068
Annual actual variable remuneration (related to prior year performance)	-	347.179	585.948	879.883	866.345
Annual target remuneration (fixed + variable)	1.588.060	1.779.687	1.772.049	1.776.116	1.928.453

Annual actual remuneration (fixed + variable)	941.012	1.453.972	1.686.606	1.983.154	2.070.730

(1) CFO was JM Bothy until 31 May 2016, followed by S Chandramouli from 1 June 2016

(2) Effect of economical unemployment and voluntary fee reduction

b) Annual evolution of company performance

	2016	2017	2018	2019	2020	2021
PBT	27.899	(19.607)	(894)	10.766	33.054	8.255
Order Intake	297.178	162.039	167.797	306.021	165.696	278.000
Net profit	**24.440**	**(39.201)**	**(4.401)**	**7.610**	**31.921**	**3.879**

*the table above is used to calculate the bonus paid during the first quarter of the following year

c) Annual evolution of average employee remuneration (€)

	2018	2019	2020	2021	2022
Average annual target remuneration (fixed + variable) Belgium	65,530	67,543	68,017	70,295	74,836

The average employee remuneration is calculated as follows :

- Selection of all people under employment present and active on December 31 of the fiscal year.
- Determination of the target annual remuneration (fixed + variable) per person based on the gross remuneration as of December 31. This remuneration is determined at the individual activity rate applicable on the same date.
- Sum of all target annual remuneration amounts.
- The average is obtained by dividing the sum by the number of FTEs (full-time equivalents) present and active on December 31. The number of FTEs corresponds to the sum of the activity rate, on the same date, of each person included in the selection.

d) Ratio between highest and lowest remuneration

The ratio between the highest and the lowest employee remuneration of the company in Belgium is 17-1.

- For this calculation the lowest employee remuneration corresponds to the lowest annual remuneration included in the selection for the calculation in 3.c) above, as applicable on December 31 of the fiscal year and, if needed, recalculated to its full-time equivalent.
- The highest remuneration is equal to 816,430€, which corresponds to the target annual remuneration of the CEO, Mr Olivier Legrain, applicable as of December 31 of the fiscal year.

When considering base pay only, the ratio between the highest and the lowest employee remuneration of the company in Belgium is 10-1

Shareholder vote (section 7: 149, 3 °, of the BCAC)

This remuneration report outlines the implementation of the remuneration policy and will be annually submitted to the Annual Shareholders' Meeting for an advisory vote.

Annual Shareholders' Meeting advisory vote on the previous remuneration report was 67,24 % in favor. No remarks were made to consider for the edition of this report.

Codes of conduct (sections 3:6, §4 and 3 :32, § 2, of the BCAC)

CODE OF BUSINESS CONDUCT

The Company is committed to the honest, ethical, and honorable conduct of its business. It believes that ethical management is the lynchpin of its continued growth and success and that it will enable it to maintain its good reputation and achieve its strategic mission of protecting, enhancing, and saving lives. IBA's values here detailed are fully part of its business model and drives IBA's objectives, strategies, and organization. For this reason, the Company has worked to create a Code of Business Conduct and updates it on a regular basis, the most recent update being 2021.

This Code defines the fundamental principles of business conduct (a total of 11 principles are described) and provides guidance for the Group's employees and co-contracting parties on such matters as business partnerships, conflicts of interest, fair competition, protection of intellectual property, data privacy and confidentiality, anti-bribery and corruption, and protection of the universal human rights, of the environment, health, and safety.

A new version of this Code was approved by the Board of directors on December 18, 2020 and slightly updated in 2021. This new version underlines the importance of and details specific actions taken against corruption and bribery as well as for the active protection of Human Rights. The Code of Business Conduct is available on the Company's website www.iba-worldwide.com, on the following https://www.iba-worldwide.com/content/code-conduct

This Code is the object of a specific training with a quiz with a required 80% succes rate for passing, mandatory for all IBA employees, trainees, interim personnel and a selection of consultants. The purpose of this training is to remind employees of the fundamental principles contained in the Code, which we apply every day at IBA throughout all businesses and across the globe. It also aims at informing employees of the different options to report non-compliance with the Code. In December 2021, a whistleblower platform in line with European and international standards was activated on the Company's website. The platform thus provides IBA's stakeholders with the possibility to anonimously report alleged violations of the Code of Business Conduct in addition to the existing Company channels. Complaints are managed by the Compliance Officer who remains the central point of contact with the responsibility to monitor compliance and follow up on reported incidents of non-compliance. In 2022, six incidents of alleged non-compliance (one of which came through the wistleblower platform) were reported and investigated. All complaints concerned either potential conflicts of interests (Principle 1 of the Code of Business Conduct) or alleged (attempts) of corruption (Principle 10 of the Code of Business Conduct). The countries involved were mainly China and Russia. No conclusive evidence was found for any of the alleged violations. The Compliance Officer reports on the Code of Business Conduct (training, monitoring, investigations, conflict of interest notifications and suggestions for improvement) to the Company's Audit Committee.

In 2022, over 90% of IBA's employees passed the training on the Code of Business Conduct (with a score of more than 80%). At the end of 2022, a total of 1753 employees had thus acknowledged understanding of the 11 principles.

IBA has also implemented a set of ethical principles of doing business with Suppliers. All suppliers of goods and services of IBA are required to subscribe to these principles. The Suppliers Code is attached to all contract templates and final contracts signed by IBA's suppliers. Annual ad hoc audits are carried out to monitor compliance with the Suppliers Code.

Policy and Targets

The Code of Business Conduct sets out the principles of IBA's social and staff-related Diversity, Equity and Inclusion (DEI) policy. It is, among others, based on the International Labor Organization's Declaration on Fundamental Principles and Rights at Work.

IBA's employees are the most valuable resources of the Company and are essential to its success. Diversity is fundamental to IBA's culture and the uniqueness of individuals and the various perspectives and talents they bring are recognized and valued. The Company promotes diversity within our workforce and an inclusive environment that helps each and every one of us to fully contribute to its success.

IBA is committed to provide equal employment opportunities and treating applicants and employees without discrimination. No discrimination is based on race, color, age, sex (including pregnancy, sexual orientation, or gender identity), national origin, religion, language, veteran status, genetic information (including family medical history), and physical or mental disability. The Company's DEI policy is that no one at IBA should ever be subject to any kind of discrimination. The membership or non-membership of a trade union is also free.

IBA commits itself to a positive, productive, and safe work environment that is free from violence, threats, harassment, intimidation, mental or physical coercion, and other disruptive behavior. The Company does not permit any form of violence, whether physical, verbal, or mental; all threats of violence are considered serious. IBA is also committed to a workplace free of harassment. Social rights, as an integral part of human rights, are actively protected by the Company.

IBA also ensures the highest standards of safety for all employees. IBA's target, as defined in the Code of Business Conduct, is "No Harm" to our people. As an example, the Code of Business Conduct clearly states that all employees are empowered to stop any activity which they judge hazardous and goes against the "No Harm" principle. The Code also defines working times that cannot be exceeded, even if local rules and regulations allow for such excess. Other internal policies ensure a high level of safety for all employees (e.g.: the "Working at Height Policy", the "PPE Matrix Policy", the "Global Radiation Safety Policy", the "LOTO Policy", the "Electrical Policy",…). The implementation, monitoring, and updating of these policies are discussed in the Committee for Protection and Prevention at Work.

Beyond mere compliance with the law, IBA conducts its business in accordance with the highest standards of honesty and integrity.

In addition to the Code of Business Conduct, IBA's Data Handling Policy explains how IBA complies with the General Data Protection Regulation (GDPR) to protect the Personal Data of clients, suppliers, patients, investors, contractors, staff members, and anyone else IBA is doing business with.

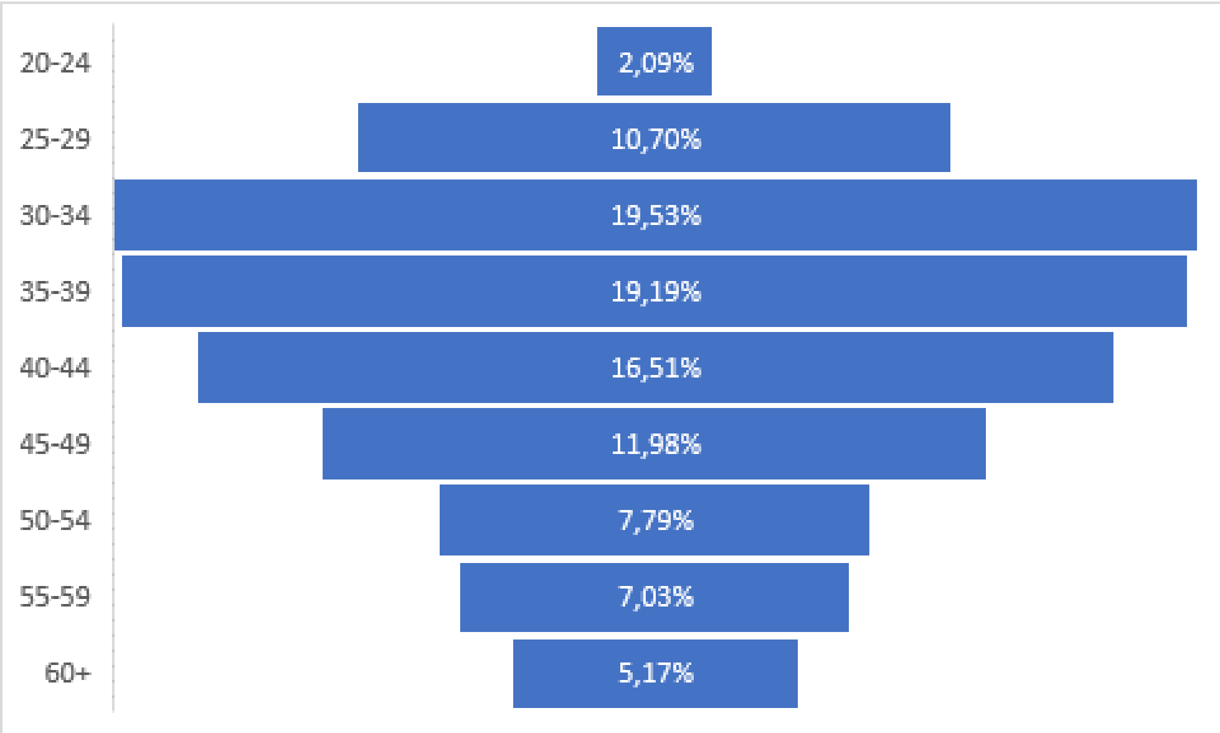
IBA supports local businesses, strengthening communities, and reducing emissions associated with transporting goods. IBA also recognizes that establishing long-term relationships with significant suppliers is an indicator of steadiness and provides revenue and job stability for the supplier and their employees. IBA hires employees in majority in-country, creating jobs and providing wages to residents in the local area, boosting the local economy. IBA facilities themselves are built, maintained, and controlled in respect of local regulations, have waste recycling in place, and no toxic air or water emissions that could affect local communities.

Non-financial Indicators and Results

A system of formal reporting is described in the Code of Business Conduct and encourages the denunciation of infringing practices (e.g.: discrimination, harassment, coercion, etc.) through both internal channels and a whistleblower platform. When such notification is made to IBA, IBA promptly takes appropriate measuresto bring the situation back into conformity with the Code and the Company's policies, and to prevent a recurrence of such a situation.

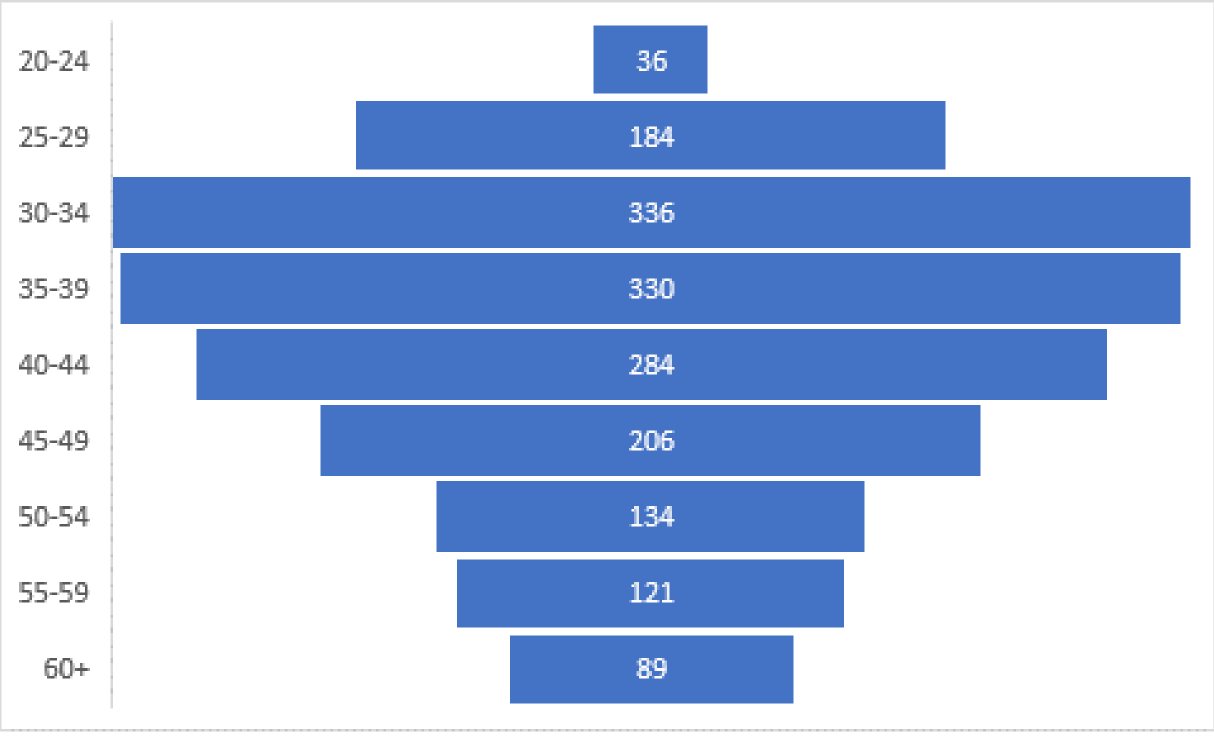
The age distribution within the IBA Group is quite wide, ranging from 20 to over 60, indicating a fair and balanced value between employees.

IBA Employee age pyramid



The percentage of women remains stable at 26% and employees of 58 different nationalities are now part of IBA.

At the level of the IBA group, we are already tracking different Diversity and Inclusion data in our recruitment, promotions, salary review to



make sure we do not have any conscious or unconscious bias in our management decisions.

Our recruitment policy and internal mobility offer every year development opportunities to our employees and for applicants to join IBA all around the world.

In 2022, IBA opened more than 500 positions in 17 countries:

- More than 30% were opportunities for IBA employees to benefit from internal mobility within the group
- We hired 300 new colleagues from 20 to 67 years old, quite equilibrate to the IBA Age pyramid

IBA regularly runs equity analysis, in the context of the worker council analysis ('Conseil d'Entreprise), under chapter II.13 Egalité des chances ("Equal Opportunities").

This addresses the following topics – a.o.:

- F/M ratio, absolute, and per work category
- F/M ratio for candidates (candidate to a job, but not yet hired)
- Access to training
- Pay equity
- Nationalities
- Access to part-time

The pay equity by gender is addressed every 2 years. Here below are the latest data 30 June 2021, per grade and currency, at the group level (ATTR+ = annual base salary including bonuses):

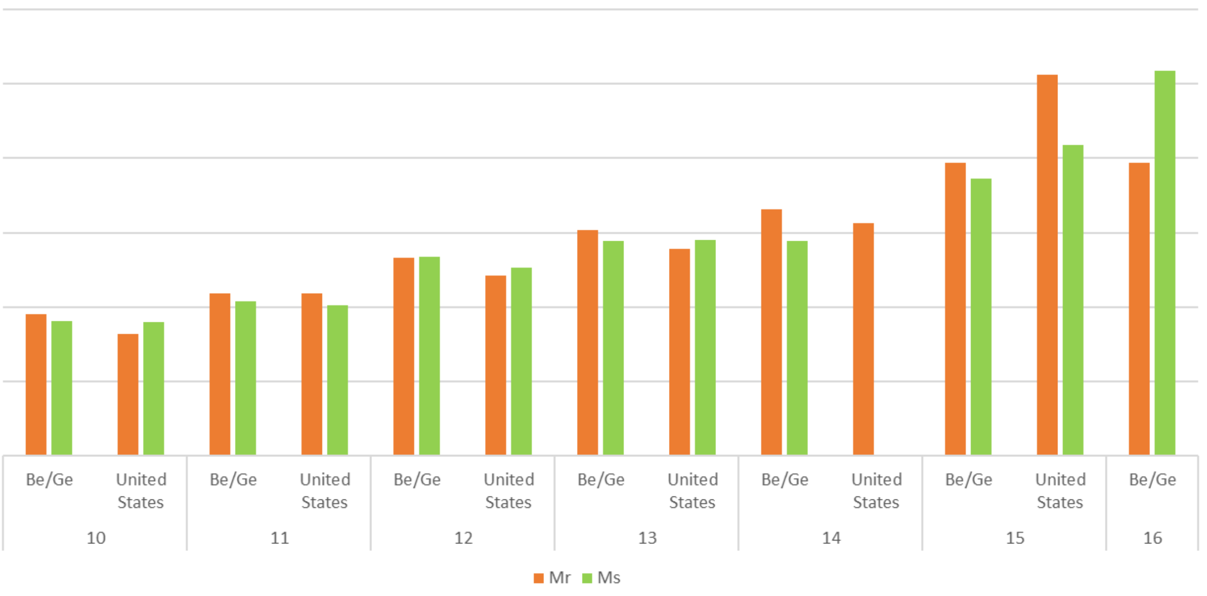


Figure Male/female average pay (normalized in Eur) per grade, for Belgium, Germany, and US

- Vertical: ATTR+, normalized in euro, with the indication of the number of people represented
- Horizontal: Grade, male vs female, for Belgium and Germany combined, vs the USA

Note: small number may distort comparison especially above grade 12.

The conclusion of these analyses is that IBA's policy is not only respectful of women and men but tends to respect all people without distinction, across the group's 3 main regions Belgium, Germany and USA.

In 2021, one incident was flagged as a security threat. It was quickly resolved. For comparison purposes, in 2020, one incident was reported.

No data privacy incident were reported in 2022. No incidents of discrimination or harassment were reported in 2022.

Risks and Risk Management

The risks and risk management of the social and staff related matters are both described above, in the dedicated Section "Principal Risks and Uncertainties faced by the Company" (Sections 3:6, §1, 1° to 3° and 3:32, §1, 1° to 3°, of the BCAC).

Environmental Matters

Policy and Targets

IBA promotes a sustainable entrepreneurial business model that serves society while striving to respect the limits of our planet, and, in order to do so, develops and introduces environmentally compatible technologies and processes, whether:

- in its business activities, by working to help create a society with sound material cycles, by supporting efforts to better understand environmental issues.
- by establishing environmental management processes in its factories, seeking continuous improvement in its environmental management;
- by supporting communication and cooperation regarding environmental protection worldwide;
- by supporting as much as possible any personal or collective initiative that would help reduce the impact of the Company's activities on the environment.

IBA is attentive to the impact of its activities, products, and services on the environment and takes measures to decrease its ecological footprint, including initiatives to:

- consume less energy and resources (including promoting circular economy and sustainable transport) through ecodesign practices;
- reduce emissions (in particular greenhouse gas);
- protect surrounding nature (substance of concern management, ground and groundwater contamination, and biodiversity protection surrounding our facilities); and
- better manage waste (minimization and recycling).

Within IBA, every employee is expected to perform his/her job with green awareness and to apply the principles of prevention, precaution and rectification at source.

Through its Code of Conduct for Suppliers, the Company further encourages its major suppliers to share its commitment to the environment and to reduce the environmental impact of their designs, manufacturing processes, waste, and emissions.

Upstream, the IBA's Articles of Associations now specify in article 3 *"(…) The Company's objectives include having, in the course of its activities, a significant positive impact on all of its stakeholders, notably patients, shareholders, employees, customers, society and the planet. The Company is managed taking into account the interests of these stakeholders, respecting living beings and present and future generations, and reducing as much as possible negative environmental and societal impacts."*

Non-financial Indicators and Results

A system of formal reporting is described in the Code of Business Conduct and encourages the notification of practices that would not conform to IBA's environmental priorities.

Depending on the nature of their services, certain suppliers are required to be ISO 14001 (Environmental Management) or ISO 50001 (Energy Management Systems) certified in order to become an IBA supplier.

Risks and Risk Management

The November Sustainability Board focussed amongst others on environmental risks and the intention to work on an action plan for 2022 and the following years. Hence, the Risk Management Committee will consider the environmental risk as of 2022.

Anti-corruption and Bribery Matters

Policy and Targets

IBA has as an objective to prevent and prohibit bribes or any sort of corruption and as such, the Company is compliant with the applicable anti-corruption and bribery legislation.

IBA complies with anti-corruption and bribery laws and enforces them, as well as the values they contain, within the Company. In order to do so, IBA has made corruption and anti-bribery one of the key principles of its Code of Business Conduct; bribery of any government official in any country or of any private person as well as corrupt practices are strictly against IBA's policy, even if refusing to make such payment would result in the Company losing a business opportunity.

As such, IBA, including its employees and representatives, must not accept, neither directly, nor through any family member or anyone else, gifts or favours of any kind from a business partner, or offer the same to the latter, or to any public official, except if they are courtesy gifts, considered as modest in value and to the extent that the time and place is appropriate.

In any case, such favours are prohibited if they may affect or even appear to affect the integrity or independence of the business partner, the public official, IBA, or its employees. The duty of integrity and trust are of primary importance within the Company and any illegal or unethical act would not be tolerated.

Through its Code of Conduct for Suppliers, the Company moreover targets to work with third parties that share its commitment to ethics and that share its values of business integrity.

Hence, the target is to achieve the objective of no IBA's third-party providers, customers, and partners involved in any corrupt practices.

Non-financial Indicators and Results

A two-phase plan is being implemented to increase awareness and monitoring targets. The first phase took place in 2020, with an in-depth evaluation of IBA's practices, the conduction of a fraud risk assessment, and an update of a number of internal processes. This evaluation focused on key risk areas such as corruption, asset misappropriation, financial statement fraud, cyberfraud of theft of data, and contract and procurement fraud. As a second phase, informal training of employees is taking place on a daily basis. A system of formal reporting is also described in the Code of Business Conduct and encourages the denunciation of such practices, amongst others through the anonimous whistleblower platform on the Company's website.

An external audit was carried out by the end of the year 2022, to check the level of implementation in IBA's system. To mitigate Cyber risk, several measures have already been implemented and further measures will be implemented. As of August 23, 2021, a Data Protection Officer has been put in function

Risks and Risk Management

The risks and risk management of the anti-corruption and bribery matters are described above, in the dedicated Section "Principal Risks and Uncertainties faced by the Company" (Sections 3:6, §1, 1° to 3° and 3:32, §1, 1° to 3°, of the BCAC).In order to limit its bribery and corruption risk, IBA is continuously identifying the specific risks it could be exposed to by (i) strictly analyzing third-party providers' (with whom we are working) reputation including anti-money laundering due diligence, (ii) examining transactions with governments or government institutions and representatives, (iii) creating new legal entities overseas with due diligence, and (iv) educating employees through communications and proper training.

Protection and Respect of Human Rights

Policy and Targets

The Universal Declaration of Human Rights defines human rights as rights inherent to all human beings, regardless of race, sex, nationality, ethnicity, language, religion, or any other status. Human rights include the right to life and liberty, freedom from slavery and torture, freedom of opinion and expression, the right to work and education, and many more. Everyone is entitled to these rights, without discrimination.

Respect of Human Rights is essential to ensure a sustainable working environment for everyone. It is also essential to act for a better world and it is a part of how the Company wants to behave and the values we want to be known for. To that extent, IBA complies with all applicable local, national, and international laws and regulations dealing with or impacting Human Rights. The relevant international sources we refer to are the International Bill of Human Rights, UN Guiding Principles on Business and Human Rights, and the principles set out in the International Labor Organization's Declaration on Fundamental Principles and Rights at Work.

This Code of Business Conduct contains the IBA's policy regarding Human Rights. It establishes the common principles applicable in every market where IBA has activities.

The Company prohibits forced or indentured labor, in all its forms. Employment agreements are to be made on a voluntary basis, and every employee receives regular payment for work and an explanation on their pay slips. Moreover, employees are, as per the applicable laws, allowed to terminate their employment relationship with reasonable notice. The rules and regulations when it comes to – notably but not limited to - working time, travel time, and time recovery are respected.

IBA also prohibits the employment of children. Every child has the right not to perform work that is mentally, physically, socially, or morally harmful or that interferes with his/her schooling. IBA vets the age of all applicants prior to their employment. We believe corporate compliance is also demonstrated through elements, including the Company's 2021 B Corp ("Benefit Corporation") certification .

Equal employment opportunities are offered to all IBA employees. No discrimination is made on any basis whatsoever. Decisions relating to employment are solely based on the skills, abilities, and performance of the employee.

Every IBA employee has the right to join a trade union or any other organization. As per its "Equal opportunity" principle, no one at IBA should ever be subject to any kind of discrimination because of accession to or creation of a trade union nor because of the employee's choice not to join or create such group.

The right to a healthy and sustainable environment is the cornerstone between Human Rights and their interaction with the environment. It includes the environment's impact on many rights such as the right to life, health, food, water, sanitation, property, housing, private life, culture, development, and non- discrimination. IBA is aware of the importance of this right as our generation faces a serious environmental crisis and associated impact on Human Rights. The environment (“the Planet”) is therefore included as one of the five stakeholders of IBA and receives central attention in the day-to-day work within the Company.

Compliance with Human Rights is not only required by IBA and its employees, but also from its customers and suppliers. Through its Code of Conduct for Suppliers, the Company ensures to work with third parties that share its commitment to Human Rights and that do not violate the Human Rights of their employees. All consultants and other parties acting on behalf of IBA are also expected to fully respect the Human Rights of their employees, suppliers, and customers. Ad hoc audits of selected suppliers are carried out every year.

Non-financial Indicators and Results

As described hereabove, system of formal reporting (whistleblower platform) is also described in the Code of Business Conduct and encourages the denunciation of practices that would be contrary to IBA’s Human Rights policy. In the event of a denunciation to the IBA, the latter will promptly take appropriate measures: i) to bring the situation back into conformity with human rights, and ii) to prevent the repetition of such a violation.

IBA is continuously assessing its suppliers to ensure that their activities do not contribute to the infringement of Human Rights. This assessment is dependent on the nature of the services that are required from the supplier and on the geographical location of this supplier.

By 2022, all new IBA suppliers have recognized and signed the Supplier Code of Conduct.

No incident with respect to Human Rights relating to the IBA’s activities or decisions were noticed in 2022.

A large majority of IBA’s facilities are accessible to persons with reduced mobility. As an example, the four main buildings in Louvain-la-Neuve are fully adapted for such people. If necessary, a constructive discussion is held with the person with reduced mobility in order to guarantee him or her a workspace where he or she can move around as independently as possible.

Risks and Risk Management

The risks and risk management of the protection and respect of Human Rights are described above, in the dedicated Section “Principal Risks and Uncertainties faced by the Company” (Sections 3:6, §1, 1° to 3° and 3:32, §1, 1° to 3°, of the BCAC).

Dealing code - code of conduct to prevent insider dealing and market abuse

The Company has a Dealing Code in place to protect the Company and the market against insider trading and market abuse. All employees have access to the Code through the Company’s website and a targeted group has received a copy of this code. Furthermore, executives as well as those employees that have continuous access to sensitive financial data (“recurring insiders”) have signed the Code for acknowledgment and consent.

Details of transactions by executives involving the Company's shares are available in the remuneration report.

The Dealing Code is available on the Company's website www.iba-worldwide.com, on the following page https://iba-worldwide.com/content/dealing-code

The closing periods for the year 2022 were:

- from February 22, 2022, to March 23, 2022, for the annual report;
- from 1st August , 2022, to August 30, 2022, for the mid-year report.

B Corp

By obtaining the B Corp certification on 1st of April 2021, IBA joined a community of around 6,500+ businesses globally, that promote strong values of change, making companies "a force for good" and highlighting those that reconcile profit with societal purpose. The B Corps (“Benefit Corporations”) are part of a movement to transform businesses to contribute to a more sustainable and inclusive economy and society.

The B Corp certification has been awarded to IBA by B Lab, the non-profit organization behind the B Corp movement worldwide. The rigorous assessment of the company's business model and operations demonstrates that IBA meets some of the highest environmental, transparency and social responsibility standards. This prestigious label, internationally recognized as one of the most comprehensive and demanding in its field, attests to IBA's effective commitment to objectives that are aimed at both the collective interest and shareholder profit. The performance is particularly remarkable for an international industrial company of IBA's size. The community of 6,500+ B Corps worldwide, which includes many reputable companies such as Patagonia, Triodos Bank, Alpro, Chiesi Group, Alessi, Spadel or Ben & Jerry's, comprises only 30 stock listed companies.

The B Corp certification process covered all of IBA's activities and assessed five main areas of impact: governance, workers, community, environment and customers. The company was able to demonstrate socially and environmentally responsible practices in the areas of energy, health, welfare, compensation, diversity, transparency and more. IBA obtained a score of 90 points, 10 points higher than the reference score of 80, required for certification. In accordance with B Lab requirements, IBA has also modified its articles of Association to formally integrate its commitment to consider the consequences of its activities and the interests of all stakeholders (patients, shareholders, employees, customers, suppliers, the community, the planet, etc.) in social, economic, legal, societal and environmental areas.

B Corp is an important but humble first step; IBA is becoming an inspirational company for others, which brings responsibility to us and inspiration to others.

Inspired by the findings along the B Corp certification process, we mapped our strengths and weaknesses as a company. From there, we identified 4 strategic sustainability streams to work on during the next 3 years, with a third of company targets linked to related B Corp objectives.

SUSTAINABILITY PROGRESS

The 4 streams identified are a target for 2024 B Corp recertification, but even more a guidance book to build our sustainability journey. From this, the 2022 variable targets for Management and Opt-Ins are as follows: 33% Order Intake, 33% PBT vs budget, and 34% sustainability based on B Corp points.

The stream 'low carbon, low waste products' addresses the understanding and reduction of the C02 and waste impact of our products across their life cycles and value chains. Ecodesign workgroup is in place, with 220 people trained and challenges ongoing to promote the 8 established IBA eco-design rules. Based on life cycle analysis of main products and activities, the IBA Group carbon footprint has been assessed and allocated to the relevant BU activities and products. Dialogue is engaged with BU's on sustainability in product extended value proposition.

The stream 'low carbon, low waste company' addresses the monitoring of the group carbon footprint, in view of making it neutral by 2030 (reducing and offset combined). It also addresses the monitor and reduction of the group waste footprint, in view of reducing the unsorted waste by 2/3, by 2025. An environmental management system EMS is in place. We have been ranked at B- score by CDP (from C in 2020). Our warehouse has suppressed toxic packaging (polyurethan) from its processes. We have set an internal carbon price at 40€/ton with a recommendation of 80€/ton as of 2024. We have purchased 1700t of CO2 certificates from carbon farming projects (Soil Capital). A green mobility project is in place, based on employee survey, in view of defining a lower impact, yet attractive, mobility policy for our commuting employees.

The stream 'diverse, equitable and inclusive workplace' aims to pro-actively incorporate diversity, equality and inclusion into our business as a major contributor to belonging. A number of collective intelligence initiatives are in place such a sounding board to involve voluntary employees into strategic, management, or day to day initiatives such as ecodesign, biodiversity improvement, volunteering policy, or green mobility.

The stream 'company accountable to sustainability' addresses the policies and practices pertaining to our mission, accountability and transparency, and building a sustainable supply chain, by screening our suppliers societal and environmental impact. We have achieved B Corp 2022 score of 97+pts (proforma as measured by a 3rd party verification interim report on B Corp progress). 34% of 2022 variable targets for Management and Opt-Ins are linked to said B Corp points increase. We have selected Ecovadis a our service provider for Supply Chain ESG screening. And we closely survey the applicable and forthcoming non-financial reporting regulations (GRI 2021, taxonomy, CSRD, due diligence).

THE NEW AND FORTHCOMING EU SUSTAINABLE FINANCE LANDSCAPE

The legal landscape is still evolving and what is presented today is a snapshot of the current status. With respect to taxonomy, what must be examined is 6 criteria versus IBA's activities. If within scope, then compliance must be reported. Today, IBA does not fall within scope, but the scope will evolve going forward, and we will need to take a closer look at INDUS BU activities and initiatives. The Global Reporting Initiative (GRI) is a non-financial reporting tool on a voluntary basis, but which could become part of the mandatory reporting obligations in the future. For 2023, no changes are expected. However, as of reporting year 2024 the corporate sustainability reporting directive will become effective with subsequent reporting obligations, but probably based on GRI standards. The corporate sustainability due diligence duties are still in draft form but may come into effect as of 2025. IBA is well prepared for this evolution in sustainability/finance reporting.

Taxonomy

In order to achieve the EU's climate and energy objectives for 2030 and to meet the objectives of the European Green Deal, the EU Taxonomy Regulation (EU) 2020/852 was established to assess the sustainability of economic activities taking into account the different circumstances and obligations of the different economic actors. The Taxonomy Regulation was published in the Official Journal of the European Union on June 22, 2020 and came into force on July 12, 2020. It sets out six environmental objectives:

- Mitigation of climate change
- Adaptation to climate change
- Sustainable use and protection of water and marine resources
- Transition to a circular economy
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems

Different means may be required for an activity to make a substantial contribution to each objective. The EU Taxonomy Regulation requires the disclosure of the percentage of turnover, capital expenditure (Capex) or operational expenditure (Opex) that is taxonomy-eligible and aligned.

- Turnover generated by eligible activities aligned with EU taxonomy
- Capital expenditure (CapEx) related to eligible activities aligned with EU taxonomy
- Operational expenditure (OpEx) related to eligible activities aligned with EU taxonomy

Turnover

The EU Taxonomy currently identifies eligible activities among seven different sectors, as making a substantial contribution to any of the six environmental objectives. IBA core activities are classified under NACE C26.6 (26600) Manufacture of irradiation, electromedical and electrotherapeutic equipment[5]). These are not attributable to the economic activities covered by the current taxonomy

Capital expenditure

Taxonomy-eligible and aligned capital expenditure relates to the purchase of facility upgrades (taxonomy category 7.4. Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings) and 7.6 Installation, maintenance and repair of renewable energy technologies. As these installations are ongoing, they are not yet attributable to the economic activities covered by the current taxonomy.

Operational expenditure

There are no significant operational expenditures attributable the economic activities covered by the current taxonomy.

IBA will closely monitor the evolution of the taxonomy regulation and disclose any significant eligible and aligned activity.

[5]https://ec.europa.eu/competition/mergers/cases/index/nace_all.html

	Total (EUR million)	Share of which taxonomy eligible, aligned %
Turnover	361.3	0%
Capital expenditure	7.3	0%
Operational expenditure	115.7	0%

Non-financial activities report (sections 3:6, §4, and 3:32, §2, of the BCAC)

IBA SA releases a statement on its non-financial activities. This non-financial statement has been prepared in accordance with the GRI Standards: GRI 1: Foundation 2021.

(https://www.globalreporting.org/standards/).

Part of this non-financial information is mentioned in the previous section and completed by information included in the GRI appendix section. Please refer to the GRI content index at the end of the present report.

Consolidated annual financial statement (sections 3 :23, 3 :31 and 3 :32, of the BCAC)

INCOME STATEMENT

IBA reported a 15.4% increase in revenues to EUR 361.3 million during 2022 (2021: EUR 313.0 million) largely driven by an excellent order intake for Proton Therapy and Other Accelerators, with continued high Services revenues and a slight growth for Dosimetry.

For the year ended on December 31, 2022, the Group gross margin (35.1%) improved compared to 2021 (34.4%). The 2022 margin was positively impacted by Rutherford Estates Ltd's bankruptcy and the 2021 margin includes the recognition of grant income from the Paycheck Protection Program in the US for EUR 4.4 million.

As of December 31, 2022, the Group operating expenses were EUR 115.7 million, a 24.2%% increase from 2021 (2021: EUR 93.2 million).

Despite efficient control of overheads costs, careful spending and IBA's cost control measures, the increase is to be observed on all three types of expenses (General and Administrative expenses, Sales and Marketing expenses and Research and Development net of research credit) and reflect the conditions of the general macro-economic environment but it also demonstrates the strategic efforts that IBA is making on both operating segments to maintain its technological leadership in all business lines.

Recurring operating profits before interest and taxes (REBIT[6]) decreased from a gain of EUR 14.5 million in 2021 to a gain of EUR 11.1million, reflecting the current inflation and factors related to the current macro-economic environment, coupled with the recognition of grant income from the Paycheck Protection Program in 2021.

For the year-ended December 31, 2022, the other operating result (profit) was EUR -6.1 million (2021: EUR -1.0 million) and mainly includes customer write offs net of the inventory value recovered from Rutherford's bankrupcy

[6] For more details on REBIT, refer to Note 35 of the consolidated financial statements

(as described in note 3.4 in the Consolidated Financial Statements) for EUR 2.5 million The other operating result was also negatively impacted by a one-off pension plan past service cost of EUR 1.9 million (resulting from change in insurance company and insurance plan), the costs incurred for the Stock Option plan for EUR 0.9 million and the contribution of the Group for the decommissioning of a research Cyclone 30 for EUR 0.6 million.

For the year-ended on December 31, 2022, the financial result (expenses) was EUR -5.4million (2021: EUR -4.0 million expenses). In 2022, despite decreasing interests payments and a positive impact from the recognition of a by a net gain from a settlement agreement with a former partner in Italy (EUR -0.9 million) as well as a one-off gain on the interest rate renegotiation with the group's main lenders, the financial result decreased due to higher foreign currency losses (realised and un-realised gains and losses as well as change in fair value of derivatives).

As at December 31, 2022, the Group recognises a tax profit for an amount of EUR -6.5 million representing 1508.6% of the profit before tax. The tax profit is driven by the recognition of deferred tax assets on the tax losses carried forward in Belgium for EUR 10.9 million due to the positive operating outlook for the Group.

As a result of the above effects, IBA reported a net gain of EUR 6.1 million up from a gain of EUR 3.9 million in the prior year.

CONSOLIDATED FINANCIAL POSITION AND FINANCIAL STRUCTURE

The Group's non-current assets amount to EUR 123.4 million, decreased by EUR 4.5 million during the 2022 financial year, essentially due to the following effects:

- A reduction of the fair value of the group's investment in Rutherford Estates Ltd by EUR 11.1 million following the declared bankrupcy of the investee
- A reclassifcation to current asset of a deposit that will come to maturity in 2023 for EUR 11.1 million

Offset by

- The assets recognised in the acquisition of Modus Medical Devices Inc by Dosimetry for a total of EUR 7.9 million (including goodwill and other intangible assets);
- The capitalisation of the costs incurred by IBA in the compliance effort to renew a licence to sell medical devices in Europe in line with the new European Medical Device Regulation for EUR 2.0 million;
- A new investment in the shares of Scandidos A.B. valued at the end of the year at EUR 1.0 million;
- An increase of the fair value of IBA's investment in HIL Applied Medical by EUR 1.0 million;
- An increase of the deferred tax assets for EUR 11.6 million due the the initial recognition of deferred tax on a portion of the tax losses carried forward in Belgium;
- The increase of the other long-term receivable due to the recognition of the acquisition of a long term financing related to a Proton Therapy building with an existing customer for EUR 2.6 million, the extension of an invoice payment terms for EUR 2.0 million and some construction retention witheld by customers for EUR 1.0 million.

The goodwill at the end of 2022 (EUR 10.3 million) relates to the Dosimetry business and was increased following the acquisition of Modus Medical Devices Inc.

Under IFRS 16, the Group presents the assets that are under a lease contract where the group is the lessee as "Right-Of-Use assets". These are depreciated over shorter of the lease term and the useful life.

The Group's fixed assets amount to EUR 7.6 million in other intangible assets, EUR 19.0 million in tangible assets, and EUR 27.1 million in right of use assets. The change during the year is mainly attributable to investments in Modus and in the Medical Device Regulation compliance software, buildings, and equipment as well as new leased assets for a total new acquisitions of EUR 10.6 million, disposals/reclassification for EUR -0.1 million, and depreciation and amortization for EUR -10.7 million.

Current assets amount to EUR 500.5 million at the end of 2022 and have increased by EUR 73.3 million.

The main factor of this increase are:

- An increase of the inventories and contract in progress by EUR 29.9 million:
  - an increase of contracts in progress for EUR 3.8 million,
  - an increase of work in progress for EUR 3.4 million,
  - an increase of raw material and supplies for EUR 22.6 million,
  - an increase of the write-off on inventories for EUR -0.6 million.
- An increase of the trade receivable by EUR 35.8 million reflecting the increase in business as well as the timing of invoices and respective milestone completion;
- An increase of the other receivables by EUR 48.4 million related to the increase of the non-trade receivables for EUR 21.7 million (primarely driven by early prepayments to vendors), the increase of the other current assets for EUR 20.9 million (maily due to cash rapatriated from Russia temporarely blocked by the belgian authorities and the deposit reclassified from non-current assets) and the increase of accrued income for EUR 4.9 million

Offset by

- an decrease of cash and cash equivalents by EUR -41.9 to close on a high balance of EUR 158.4 million at December 31, 2022.

Non-current liabilities decreased by EUR -24.8 million to close with a balance of EUR 46.8 million at end of 2022. This decrease is mainly attributable to the following factors:

- long-term borrowings decreased by EUR -19.3 million, due to:
  - the early repayment of the long term portion of the term loan for EUR -15.0 million
  - the short-term reclassifications of the portion of the remaining facilities due in 2023 for EUR -3.7 million.
  - a discount due to an interest rate renegociation for EUR -0.6 million
- long term lease liabilities decreased by EUR -3.1 million, the main movements of the year are:
  - new lease liabilities under IFRS 16 for EUR 3.5 million.
    - the accretion of interests for EUR 0.8 million;
    - the reclassification to short-term of a portion of the lease liabilities of EUR -7.1 million;
- Other long term liabilities have decreased by EUR -2.6 million mainly because the amount of consideration in the licensing contract with CGNTT subject to the performance bond of EUR 15 million which was decreased by EUR 5 million in December 2021 and again by EUR 5 million in December 2022, with a remaining short-term liability of another EUR 5 million for the agreed release of 2023. The bonds are recognised as a refund liability until the uncertainty associated with the variable consideration is resolved, this is until this bond has expired. This is offset by and the recognition of a long term liability to a former partner in Italy for EUR 1.3 million and retainers applied to vendor’s invoices for EUR 1.1 million.
- the decrease of the long-term provisions by EUR -0.9 million.
- The deferred tax liabilities and the fair value of derivative instruments have slightly increased by EUR 0.6 million each.

Current liabilities amounted to EUR 461.2 million at the end of 2022, with an increase of EUR 112,6 million compared to 2021. The following elements are to be noted:

- Short-term borrowings of EUR 3.7 million at the end of 2022 include the short-term portion of S.R.I.W. loan of EUR 2.7 million, and the short-term portion of S.F.P.I. loan of EUR 1 million. During the year, the short-term borrowings have decreased by EUR -6.0 million due to the repayment of the Term loan for EUR 6M
- Short-term lease liabilities for EUR 5.7 million increased by EUR 0.3 million (reclassification from long-term for EUR +7.2 million offset by payments EUR -6.9 million).
- Short-term provisions amount to EUR 7.6 million at the end of 2022, increased by EUR 1.2 million. The movement on the total provisions (short-term and long-term) is an increase of EUR 0.3 million due to
  - new provision for EUR 7.2 million mainly for warranties (EUR 3.9 million) and loss-making contracts (EUR 1.9 million) ;

- an actuarial loss on the pension provision for EUR -3.5 million;
- the utilization of provisions for warranties for EUR -1.2 million and for loss-making contracts for EUR -1.0 million,
- the reversal of provisions for warranties for EUR -1.1 million

Other short-term payables at the end of 2022 amount to EUR 75.6 million which represents an increase of EUR 16.6 million compared to 2021. This increase is mainly explained by the increase of social debts for EUR 5.3 million, the increase of non-trade payables by EUR 7.6 million and by the increase of deferred income for EUR 5.8 million. This increase is offset by the decrease of the capital grants received but not used by EUR 3.7 million and by the decrease in income tax payable by EUR 1.3 million.

Advances received on contracts in progress at the end of 2022 amount to EUR 296.2 million which represent an increase of EUR 88.1 million mainly explained by good cash collection on projects having a positive cash curve.

The Group's cash and cash equivalents presented in the cash-flow statement decreased by EUR -40.9 million in 2022, mainly due to:

- a positive operating cash-flow of EUR 21.7 million mainly related to the improvement of working capital for EUR 26.1 million and the net profit of EUR 6.1 million;
- partially offset by a financing cash-flow of EUR -41.5 million related to the repayment of borrowings and lease liabilities for EUR -30.9 million (lease liabilities for EUR -6.1 million, EUR -21.0 million on the 5 years term loan, EUR -2.7 million on the S.R.I.W. loan and EUR -1.0 million on the S.F.P.I. loan), the net cash on treasury shares transactions for EUR -5.2 million and the dividend paid for EUR -5.6 million;
- and by a negative investing cash-flow of EUR -19.1 million mainly related to acquisitions of tangible and intangible assets of EUR -7.3 million, the acquisition of Modus Medical Devices Inc for EUR 8.7 million and the acquisition of shares in Scandidos A.B. and in InvestBW for respectively EUR 1.3 million and EUR 1.5 million.

Net financial cash decreased by EUR 12.8 million from EUR 130.3 million at the end of 2021 to EUR 117.5 million at the end of 2022.

Research and development

Research and development expenses related to the Group's businesses amounted to EUR 44.2 million (12.2% of sales) in 2022 less EUR 2.4 million of research tax credit.

At IBA, research expenses are recognized directly in the income statement. Development expenses are recognized directly in the income statement because the nature of capitalizable development costs cannot be demonstrated in accordance with the Group's accounting rules. These significant investments enable the Company to remain among the world leaders in all the markets in which it operates.

Capital increases and issues of stock options and convertible bonds – section 7:203 of the BCAC

In 2022, IBA issued 63 500 new shares representing an increase of the Share capital by EUR 0.1 million and an increase of the Share premium by EUR 0.6 million. IBA did not issue a new share option plan, however the group issued new stock options under the existing plan started in 2021.

These are further detailed in the General Information – Capital Section.

Repurchase of own shares - section 7:215 of the BCAC

As of 31 December 2022, article 9, first paragraph of the Company's Articles of Associations provided as follows: *"The Company may, without any further decision of the general assembly, acquire its own shares, profit shares or certificates, in accordance with legal conditions (articles 7: 215 et seq. of the BCAC) in one or more transactions, up to a maximum of twenty percent (20%) of the total number of issued securities concerned, for a minimum equivalent of ten cents (0,10 EUR) and a maximum of twenty percent (20%) higher than the last share price. This authorization is granted for a renewable period of five years starting on the date of publication of this statutory authorization (or of its renewal).(…)"*

During financial year 2022, IBA SA bought an additional 302 451 own shares. As of December 31, 2022, IBA SA held 1 110 781 treasury shares and IBA Investments SCRL, 51 973 shares.

IBA SA statutory accounts and appropriation of net result (section 3:6 of the BCAC)

INCOME STATEMENT

In 2022, IBA SA reported a loss of EUR 14.5 million compared to a loss of EUR 19.7 million in 2021, representing an improvement of EUR 5.2 million, as described in the following paragraphs.

Operating income (excluding other extraordinary income) increased substantially year-on-year, from EUR 294.1 million in 2021 to EUR 346.0 million in 2022, predominantly due to an increased level of activity after two covid years.

The operating profit (a loss in this case), amounted to EUR 6.6 million in 2022 against a loss of EUR 13.2 million in 2021, a net increase of EUR 6.6 million. This is again driven by a higher activity level after the two covid years, hence higher gross margin, but also by higher investments by the company to remain ready for the future, which partially offsets the postive trend in the margin.

Operating expenses increased by EUR 45.4 million in 2022 to EUR 352.7 million. The operating expenses among others include the cost related to the group insurance plan for the Belgian employees – this plan has changed significantly and impacts were reflected in the 2022 accounts (cf. paragraph 3.5 Change of Pension Plan in Belgium). Contrary to the consolidated financial statements, the total cost is borne in the P&L of the year and no provision is recorded.

The R&D expenditure of EUR 46.7 million in 2022 (EUR 38.7 million in 2021) is capitalized. The development expenditure capitalized for EUR 43.2 million is depreciated over three years while research expenses capitalized for EUR 3.5 million are depreciated immediately in the same year.

IBA presented a financial loss of EUR 7.2 million compared to a loss of EUR 4.3 million in 2021. The loss of 2022, similar to last year, mainly includes interest expenses, foreign exchange impacts, and bank charges.

The operational perspectives of IBA SA remain positive.

At the end of 2022, the Company had ten branches, in the following locations: Prague, Czech Republic; Orsay, France; Krakow, Poland; Trento, Italy; Seoul; South Korea Uppsala, Sweden; Groningen, Netherlands; Newport, United Kingdom; Madrid, Spain, and Dublin, Ireland. The branches were established as part of the Company's Proton Therapy business (section 3:6, §1, 5°, of the BCAC).

The 2022 loss amounts to EUR 14.5 million, the profit carried forward from the previous years is

EUR 145.3 million, making a total profit for appropriation of EUR 130.8 million.

An unavailable reserve for the own shares needs to be recognised, impact of EUR 17.2 million – this reduced the Retained Earnings to the amount mentioned above with EUR 5.7 million.

IBA's Board of Directors proposes to the General Assembly to distribute a dividend of EUR 6.1 million, and to carry forward the remaining amount (EUR 119.0 million) to the next financial year.

BALANCE SHEET

Intangible Assets

Investments in intangible assets

Intangible assets amounted to EUR 46.4 million per December 31, 2022 compared to EUR 38.5 million per December 31, 2021. These intangible assets relate mainly to:

- Development costs for EUR 41.0 million
- Software for a net worth of EUR 1.8 million (SAP, CRM, CMMS (computerised maintenance management system), Atlassian Jira and an IBA store solution
- Intangible under construction for EUR 3.6 million

In accordance with the Royal Decree of December 15, 2015, research costs have been capitalized and amortized over the year since January 1, 2016. Research costs in 2022 amounted to EUR 3.4 million and were fully amortized over the financial year.

Investments in tangible assets

Tangible fixed assets represent EUR 28.2 million as of December 31, 2022. The decrease of EUR 0.8 million year-on-year is mainly related to investments for a total amount of EUR 2.3 million, mainly in assets that are still under construction at balance sheet date, offset by EUR 2.8 million of depreciation of existing assets already in operation.

Financial fixed assets

Financial fixed assets amount to EUR 139.0 million in 2022 compared to EUR 145.8 million in 2021, a net decrease of EUR 6.8 million. This decrease is mainly the result of two events: the bankruptcy and the subsequent impairment of the investment in Rutherford Estates Ltd for EUR 7.1 million (GBP 5 million) and the investment in the Joint Venture with SCK-CEN, PanTera NV for an amount of EUR 0.3 million.

The participations in affiliated companies (EUR 129.2 million), contain among others the participation in the affilated company IBA Russia. In paragraph 3.1 we have analyzed the impact of the EU sanctions on the control of IBA SA on its Russian subsidiary, and the indicators of asset impairment the conflict may raise

Besides the investments in affiliated companies, IBA SA also holds equity investments in some companies:

- A 39.8% (EUR 6.1 million) stake in NHa SA, a French company active in the development of a carbon therapy treatment system
- A 33% stake in Cyclhad, a French company active in treatment of patients using Proton Therapy. The short term outlook for this entity remains identical as in 2021, the impairment on both investment and subordinated loan for a total of EUR 3 million is maintained.
- A 50% stake in PanTera NV, a Joint-Venture with SCK-CEN (StudieCentrum voor Kernenergie - Centre d'Étude de l'énergie Nucléaire), the Belgian nuclear research centre based in Mol, with a contribution to the share capital of EUR 0.3 million. The JV will be active in the nuclear medicine, more specifically it will develop, produce and distribute the isotope Ac.225.
- A receivable of EUR 1.5 million in NHa SA

Other stocks and shares contains a 11.4% (USD 2 million, EUR 1.8 million) stake in HIL Applied Medical Ltd, an Israelian developer of laser-based proton therapy systems.

Long-term receivables

Long-term receivables amounted to EUR 21.4 million at end of 2022, an increase when compared to the end of 2021 (EUR 17.6 million). The increase of EUR 3.9 million is mainly due to the acquisition of a long-term receivable on a

Proton Therapy Centre in Italy, as a result of the unwiding of a temporary association with a real estate partner, and the long-term portion of a commercial receivable on a Chinese customer. The remaining amount mainly consists of a tax credit received for Research and Development activities ('CIRD'). Given these R&D activities remain year-on-year at a comparable level, the tax credit also remains stable.

Current assets

Inventories and work/contracts in progress

Inventories and contracts in progress amounted to EUR 146.2 million in 2022 compared to EUR 116.9 million in 2021. Supplies and work in progress increased by EUR 20.6 million. Contracts in progress increased from EUR 58.1 million to EUR 66.7 million. The increases are the result of the significant ramp-up of activities after the two covid-years.

Since 2016, the amounts of contracts in progress and down-payments received on such contracts are shown as a net position at the level of each project whereby the ones with a down-payment that is lower than the contract in progress value are shown as a net 'contract in progress' position under this section.

Short-term receivables

Short-term receivables increased by EUR 68.5 million from EUR 113.0 million in 2021 to EUR 181.5 million in 2022. This increase is mainly driven by an increase of the Trade Accounts Receivable section, increase of EUR 58.7 million, in which predominantly the intercompany receivables increased.

The other receivables, amounting to EUR 30.0 million, include a EUR 7.3 million payment from the Russian subsidiary which was temporarily blocked by the Belgian authorities as part of a review measure under the current embargo environment (cf. paragraph 14.2 Cash with restrictions for more information).

Cash investments

Cash investments amounted to EUR 67.2 million at the end of 2022 and correspond to treasury shares (EUR 17.2 million) and some short term investments for an amount of EUR 50 million.

Cash and cash equivalents

Cash and cash equivalents amount to EUR 38.7 million as per the end of 2022 which is a decrease compared to prior year-end balance of EUR 135.1 million. The main drivers for this decrease are, besides the fact that the cash-position was record-high end of 2021, the reimbursement of long-term loans (EUR 15 million) and the investment in short-term deposits (EUR 50 million).

Cut-off accounts

The assets-side cut-off accounts increased year-on-year with EUR 5.7 million, to a balance per the end of 2022 of EUR 17.6 million. These accounts are used to ensure that revenues and charges are correctly cut off at year-end.

Liabilities

Shareholders equity

Share capital and share premium

The subscribed capital is EUR 42.5 million as per December 31, 2022, a slight increase compared with previous year due to a capital increase of EUR 0.1 million. Share premiums amount to EUR 43.5 million. Both subscribed capital and share premium were increased as stock options under the plans offered to staff were exercised during 2022.

IBA SA currently has four stock option plans in place, fully subscribed per December 31, 2022. The plans for 2014 and 2015 expire on June 30, 2024. In June 2020, a stock option plan was issued comprising medium-term options as well as long-term options: medium-term options expire on June 30, 2026; long-term options expire on June 30, 2030. In January 2021 another stock option plan was issued for medium-term stock options expiring December 2026. For the last two plans, no new shares will be created (but will be settled by means of own shares acquired by the company).

The allocation of the result proposed to the General Meeting is as follows:

- Addition to an unavailable reserve for own shares for an amount of EUR 5.7 million (in addition to the reserve already built up in 2021);
- Distribution of a dividend of EUR 6.1 million

- Profit carried forward for the financial year 2022 of EUR 119.0 million

Own shares

IBA SA holds 1.110.781 treasury shares as per December 31, 2022, compared to 755.994 in 2021 (another 18.048 shares are held on behalf of employees per the end of 2022 – this was 21.180 per the end of the year before). The value of these treasury shares amounts to EUR 17.2 million as per December 31, 2022.

Provisions for risks and charges

Provisions for risks and charges equivalent to EUR 11.0 million in 2022 compared to EUR 9.8 million in 2021. These mainly correspond to provisions for technical and order fulfilment guarantees as well as for the stock option plans issued.

Long-term financial debts

Amounts payable after more than one year in 2022 amount to EUR 212.4 million compared to EUR 188.8 million in 2021, a net increase of EUR 23.7 million:

- Bank debts and other long-term financial debts decreased by EUR 20.1 million and amount to EUR 20.2 million. The remaining amount includes:
  - loan from the S.R.I.W. (EUR 7.7 million) and SFPI (EUR 2.9 million). The decrease compared to last year mainly relates to the portions of the SRIW loan (EUR 2.7 million) and SFPI loan (EUR 1.0 million) which will be reimbursed within the year 2023.
  - Finance lease debt (EUR 9.5 million).
  - The remaining term loan with financial institutions, EUR 15 million per the end of 2021, was reimbursed during the year.
- Long-term down payments received on orders amounted to EUR 179.2 million in 2022 compared to EUR 130.3 million in 2021.
- Other debts amount to EUR 13.1 million and generally relate to repayable advances and intragroup loans.

Short-term debts

Debts within one year represent EUR 225.0 million in 2022 compared to EUR 164.0 million in 2021:

- Long-term debts maturing in the year amount to EUR 6.8 million in 2022 (this is among others the current portion of the long-term loans with SRIW and SFPI).
- Trade payables represent EUR 80.2 million in 2022, a significant increase of EUR 30.0 million compared to 2021
- Short-term down payments on orders increased compared to 2021: in 2022 they amount to EUR 98.1 million against EUR 62.5 million in 2021
- Tax and social debts increased (EUR 28.3 million) which is EUR 8.6 million above the prior year debts (EUR 19.7 million in 2021)
- Other debts mainly include the dividend for the year to be distributed (EUR 6.1 million) as well as a guarantee through letter of credit for EUR 5 million.

Financial instruments (article 3:6, §1, 8°, of the BCAC)

The main financial instruments consist of inter-company loans, bank loans, bank balances, and bank and / or intragroup deposits. The main objective of these financial instruments is to raise funds for the financing of the activities of the company.

The Company also has other financial assets and liabilities such as trade receivables and payables, which arise directly from its activity.

In addition, the Company also has external foreign exchange contracts which are entered into at the level of the Company for the purpose of hedging operations against foreign exchange risks on assets, liabilities or specific transactions, committed or to come, in gross terms.

General financial risk management policy focuses on the unpredictability of financial markets and attempts to minimize potential negative effects on financial results. IBA uses derivative financial instruments to hedge its exposure to certain risks.

Financial risk management is carried out by a central treasury department (Group Treasury). Rules are in place which establish written principles for the management of financial risks as well as written rules covering specific areas, such as currency risk, the use of derivative and non-derivative financial instruments and the investment of excess liquidity. The Group's Treasury identifies, assesses and covers financial risks in close cooperation with the Company.

More details on the management of financial risks are available in the chapter “FINANCIAL RISKS (ARTICLES 3: 6, §1, 8 ° AND 3:32, §1, 5°, OF THE BCAC)” of the consolidated financial statements, see page 122.

Significants acquisitions and divestments in 2022

In April 2022, the group acquisition of Modus Medical Devices Ltd through its Dosimetry business. Modus has an international presence and is at the forefront of quality assurance in the field of advanced radiotherapy and medical imaging.

In a staged process, IBA has also acquired 10.11% of the shares of ScandiDos A.B.

During the year, the group was notified of the bankruptcy of Rutherford Estates Ltd of which IBA had a minority stake.

General outlook for 2023

Looking to the year ahead, we see strong order intake across all business units continuing into 2023. Growing services continue to provide stable recurring revenues and backlog has reached another all-time high. Our secure balance sheet and excellent cash position provide IBA with opportunities for both organic and inorganic growth.

Despite the current geopolitical situation and economic uncertainties, IBA has clear visibility on its mid-term performance and is confident in its capacity to develop in the coming years and deliver value to all of its stakeholders.

The mid-term guidance to follow is based on the assumption that macro-economic factors normalize over the coming year: supply chain issues stabilize, inflation drops back towards 3%, and challenges accessing certain regions reduce. In addition, guidance is on the basis that order intake remains solid, especially in the Proton Therapy and Industrial Solutions businesses. Subject to these factors, IBA, expects:

- 15% CAGR 2022-2026 on revenues, nearly doubling revenues over the next four years
- REBIT on sales will reach around 10% by 2026, delivered gradually and weighted to after 2024, as the current macro-economic effects wane and operating leverage accelerates with volume
- CAPEX will grow from current EUR 5-7 million per year to around EUR 10-12 million per year until 2026 to support increased investment in infrastructure, innovation, sustainability and digitalization to maintain IBA’s leading offering and invest in its future growth.

IBA SA

Annual financial statement (section 3:1 of the BCAC)

In accordance with sections 3:23 et 3:32, §1 of the Belgian Companies & Associations' Code, the following statements represent an abbreviated version of the annual financial statements. The full text is available on request at the headquarters of the Company and will be filed with the National Bank of Belgium. This abbreviated version does not contain all the appendices and the auditor's report, who expressed an unqualified opinion.

ASSETS (EUR 000)	2021	2022
FIXED ASSETS	**213 375**	**213 636**
Formation expenses	**-**	**-**
Intangible fixed assets	**38 468**	**46 367**
Tangible fixed assets	**29 058**	**28 249**
Land and buildings	10 917	10 742
Plant, machinery, and equipment	2 493	2 139
Furniture and vehicles	2 337	2 173
Leases and similar rights	12 561	12 139
Assets under construction and advance payments	750	1 056
Financial assets	**145 849**	**139 020**
Affiliated companies	129 254	129 217
Other investments	7 630	7 885
Others financial assets	8 965	1 918
CURRENT ASSETS	**405 948**	**472 649**
Accounts receivable in more than one year	**17 550**	**21 418**
Inventories and contracts in progress	**116 939**	**146 166**
Inventories	58 856	79 474
Contracts in progress	58 083	66 692
Accounts receivable within one year	**113 038**	**181 569**
Trade receivables	92 842	151 536
Other receivables	20 196	30 033
Investments	**11 521**	**67 219**
Cash at bank and in hand	**135 072**	**38 723**
Deferred charges and accrued income	**11 828**	**17 554**
TOTAL ASSETS	**619 323**	**686 285**

LIABILITIES AND EQUITY (EUR 000)	2021	2022
SHAREHOLDERS' EQUITY	**253 120**	**229 528**
Capital stock	**42 413**	**42 502**
Capital surplus	**42 836**	**43 478**
Revaluation gains	**-**	**-**
Reserves	**15 954**	**21 653**
Legal reserve	4 230	4 231
Reserves not available for distribution	11 521	17 219
Untaxed reserves	203	203
Retained earnings	**145 328**	**118 983**
Capital grants	**6 589**	**2 912**
PROVISIONS AND DEFERRED TAXES	**9 799**	**11 009**
LIABILITIES	**356 404**	**445 748**
Accounts payable in more than one year	**188 778**	**212 442**
Financial debts	40 327	20 183
Advances received on contracts in progress	130 318	179 190
Other accounts payable	18 133	13 069
Accounts payable within one year	**164 007**	**225 017**
Financial debts - current portion of long-term financial debts	5 628	6 759
Financial debts – current	14 910	-
Trade debts	50 146	80 193
Advances received on contracts in progress	62 474	98 116
Current tax and payroll liabilities	19 688	28 320
Other accounts payable	11 161	11 629
Accrued charges and deferred income	**3 619**	**8 289**
TOTAL LIABILITIES	**619 323**	**686 285**

INCOME STATEMENT (EUR 000)	2021	2022
Operating income	**294 116**	**346 061**
Turnover	210 126	217 637
Work in progress, finished goods and contracts in progress	-15 997	11 544
Capitalized production	38 734	46 737
Other operating income	61 253	70 143
Other extraordinary income	0	0
Operating expenses (-)	**-307 298**	**-352 653**
Raw materials, consumables, and goods for resale	-87 846	-92 379
Services and other goods	-97 294	-116 798
Salaries, social security, and pensions	-77 616	-89 779
Depreciation and write-offs on fixed assets	-41 202	-45 615
Increase/(Decrease) in write-downs on inventories, work in progress, and trade debtors	3 616	-262
Provisions for liabilities and charges	-5 778	-1 306
Other operating expenses	-1 146	-5 953
Other extraordinary expenses	-32	-561
Operating profit/loss)	**-13 182**	**-6 592**
Financial income	**4 446**	**14 530**
Income from financial assets	0	0
Income from current assets	439	2 157
Other financial income	3 527	12 373
Extraordinary financial income	480	0
Financial expenses (-)	**-8 701**	**-21 686**
Interest expense	-2 132	-952
Amounts written off on current assets other than inventories, work in progress and trade debtors - increase (decrease)	0	0
Other financial charges	-6 064	-13 633
Extraordinary financial expenses (-)	-505	-7 101
Profit/(loss) for the period before taxes	**-17 437**	**-13 748**
Income taxes (-) (+)	-2 285	-773
Profit/(loss) for the period	**-19 722**	**-14 521**
Transfers to tax free reserves (-)	0	0
Profit/(loss) for the period available for appropriation	**-19 722**	**-14 521**

APPROPRIATION OF RESULTS (EUR 000)	2021	2022
Profit/(Loss) to be appropriated	**161 868**	**130 807**
Profit/(loss) for the period available for appropriation	-19 722	-14 521
Profit/(Loss) carried forward	181 590	145 328
Transfers to capital and reserves	0	0
On capital stock and capital surplus	0	0
From reserves	0	0
Appropriations to capital and reserves	0	0
To capital stock and capital surplus	0	0
To legal reserve	0	0
To other reserves	10 942	5 698
Profit/(Loss) to be carried forward	**145 328**	**118 983**
Profit to distribute	**5 598**	**6 126**
Dividends	5 598	6 126

STATEMENT OF CAPITAL	2021 Amount (EUR 000)	2021 Number of shares	2022 Amount (EUR 000)	2022 Number of shares
Capital				
1. Issued capital				
At the end of the previous financial year	**42 294**		**42 413**	
Changes during the financial year	119	84 798	89	63 500
At the end of the current financial year	**42 413**		**42 502**	
2. Structure of the capital				
2.1. Categories of shares				
Ordinary shares without designation of face value	24 412	17 516 229	24 501	17 579 729
Ordinary shares without designation of face value with WPR strips	18 001	12 702 489	18 001	12 702 489
2.2 Registered or bearer shares				
Registered shares		8 145 467		8 145 467
Bearer shares		22 073 251		22 136 751
Own shares held by				
The Company itself	1 061	755 994	1 559	1 110 781
Its subsidiaries	73	51 973	73	51 973
Stock issue commitments				
Following exercise of share options				
Number of outstanding share options		1 119 153		1 115 682
Amount of capital to be issued	0		0	
Maximum number of shares to be issued		98 810		83 500
Amount of non-issued authorized capital	**0**		**0**	

IFRS consolidated FINANCIAL statements for the year ended december 31, 2022

Statement of consolidated financial position as at December 31, 2022

(EUR 000)	Note	December 31, 2021	December 31, 2022
ASSETS			
Goodwill	7	3 821	10 262
Other intangible assets	7	3 790	7 578
Property, plant and equipment	8	19 081	18 952
Right-of-use assets	23.1	29 566	27 116
Investments accounted for using the equity method	9	20	273
Other investments	9	12 923	3 805
Deferred tax assets	10	8 642	20 211
Long-term financial assets	21	13	42
Other long-term assets	11	41 032	35 184
Non-current assets		**118 888**	**123 423**
Inventories	12	74 874	101 017
Contract assets	13	35 639	39 391
Trade receivables	14	75 809	111 649
Other short-term assets and receivables	14	41 489	89 893
Short-term financial assets	21	82	160
Cash and cash equivalents	15	199 270	158 366
Current assets		**427 163**	**500 476**
TOTAL ASSETS		**546 051**	**623 899**
EQUITY AND LIABILITIES			
Capital stock	16.1	42 413	42 502
Capital surplus	16.1	42 836	43 478
Treasury shares	16.1	-12 613	-18 328
Reserves	17	8 348	2 453
Currency translation difference	17	-6 315	-5 585
Retained earnings	17	51 227	51 431
Capital and reserves		**125 896**	**115 951**
Non-controlling interests		0	0
EQUITY		**125 896**	**115 951**
Long-term borrowings	18	29 937	10 647
Long-term lease liabilities	23.2	23 943	20 811
Long-term provisions	19	8 411	7 479
Long-term financial liabilities	21	654	1 221
Deferred tax liabilities	10	197	756
Other long-term liabilities	20	8 450	5 862
Non-current liabilities		**71 592**	**46 776**
Short-term borrowings	18	9 734	3 734
Short-term lease liabilities	23.2	5 362	5 675
Short-term provisions	19	6 467	7 647
Short-term financial liabilities	21	6 996	2 907
Trade payables	22	47 731	65 559
Current income tax liabilities		5 173	3 853
Other payables	22	58 988	75 578
Contract liabilities	13	208 112	296 219
Current liabilities		**348 563**	**461 172**
TOTAL LIABILITIES		**420 155**	**507 948**
TOTAL EQUITY AND LIABILITIES		**546 051**	**623 899**

The notes on pages 108 to 175 are an integral part of these consolidated financial statements.

Consolidated income statement for the year ended December 31, 2022

(EUR 000)	Note	December 31, 2021	December 31, 2022
Sales of equipment and licences	4	188 192	220 534
Sales of services	4	124 772	140 736
Total sales	**4**	**312 964**	**361 270**
Cost of sales and services (-)	4	-205 270	-234 505
Gross profit	**4**	**107 694**	**126 765**
Selling and marketing expenses (-)		-19 337	-24 787
General and administrative expenses (-)		-39 834	-49 089
Research and development expenses (-)		-34 013	-41 839
Other operating expenses (-)	24	-1 038	-6 088
Operating result (EBIT)	**4**	**13 472**	**4 962**
Financial expenses (-)	25.1	-10 439	-16 271
Financial income	25.2	6 475	10 876
Share of profit/(loss) of companies consolidated using the equity method	9.1	-1 253	3
Profit/(loss) before taxes		**8 255**	**-430**
Tax income/(expenses)	26	-4 376	6 487
Profit/(loss) for the period		**3 879**	**6 057**
Attributable to :			
Equity holders of the parent		3 879	6 057
Non-controlling interests		0	0
Earnings per share (EUR per share)	**34**		
Basic		+0.1318	+0.2078
Diluted		+0.1286	+0.2007

Consolidated statement of other comprehensive income for the year ended December 31, 2022

(EUR 000)	Notes	December 31, 2021	December 31, 2022
Profit/(loss) for the period (net of tax)		**3 879**	**6 057**
Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax):			
- Exchange differences on translation of foreign operations		113	*545*
- Exchange difference related to net investment		-859	*185*
- Net movement on cash flow hedges	17	-8 969	*38*
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		**-9 715**	**768**
Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax):			
- Revaluation at fair value of other investments	9.2	-165	*-10 422*
- Movements in post-employment benefit	27	-514	*3 548*
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		**-679**	**-6 874**
Total Other comprehensive income for the year, net of tax		**-10 394**	**-6 106**
Total comprehensive income for the year		**-6 515**	**-49**

Consolidated statement of changes in equity

EUR 000	Capital stock (Note 16.1)	Capital surplus (Note 16.1)	Treasury shares (Note 16.1)	Hedging reserves (Note 17)	Other reserves – Stock option plans and share-based compensation (Note 16.2)	Other reserves – defined benefit plans (Note 28)	Other reserves - Revaluation reserves (Note 9)	Other reserves - Other	Currency translation difference (Note 17)	Retained earnings (Note 17)	TOTAL Shareholders' equity and reserves
As at January 1, 2021	**42 294**	**41 978**	**-5 907**	**529**	**15 840**	**-3 550**	**4 179**	**154**	**-5 569**	**51 883**	**141 831**
Profit/(loss) for the period	0	0	0	0	0	0	0	0	0	3 879	**3 879**
Other comprehensive income	0	0	0	-8 969	0	-514	-165	0	-746		**-10 394**
Total comprehensive income for the period	**0**	**0**	**0**	**-8 969**	**0**	**-514**	**-165**	**0**	**-746**	**3 879**	**-6 515**
Capital increase	119	858	0	0	0	0	0	0	0	0	**977**
Dividends	0	0	0	0	0	0	0	0	0	-5 934	**-5 934**
Employee stock options and share-based payments	0	0	0	0	844	0	0	0	0	0	**844**
Purchase of treasury shares (note 16.1)	0	0	-11 227	0	0	0	0	0	0	0	**-11 227**
Sale of treasury shares (note 16.1)	0	0	4 521	0	0	0	0	0	0	1 404	**5 925**
Other changes	0	0	0	0	0	0	0	0	0	-5	**-5**
As at December 31, 2021	**42 413**	**42 836**	**-12 613**	**-8 440**	**16 684**	**-4 064**	**4 014**	**154**	**-6 315**	**51 227**	**125 896**
As at January 1, 2022	**42 413**	**42 836**	**-12 613**	**-8 440**	**16 684**	**-4 064**	**4 014**	**154**	**-6 315**	**51 227**	**125 896**
Profit/(loss) for the period (note 4)	0	0	0	0	0	0	0	0	0	6 057	**6 057**
Other comprehensive income	0	0	0	38	0	3 548	-10 422	0	730	0	**-6 106**
Total comprehensive income for the period	**0**	**0**	**0**	**38**	**0**	**3 548**	**-10 422**	**0**	**730**	**6 057**	**-49**
Capital increase	89	642	-555	0	0	0	0	0	0	0	**176**
Dividends	0	0	0	0	0	0	0	0	0	-5 598	**-5 598**
Employee stock options and share-based payments (note 16.2)	0	0	0	0	941	0	0	0	0	0	**941**
Purchase of treasury shares (note 16.1)	0	0	-5 160	0	0	0	0	0	0	0	**-5 160**
Hyperinflation adjustment	0	0	0	0	0	0	0	0	0	-247	**-247**
Other changes	0	0	0	0	0	0	0	0	0	-8	**-8**
As at December 31, 2022	**42 502**	**43 478**	**-18 328**	**-8 402**	**17 625**	**-516**	**-6 408**	**154**	**-5 585**	**51 431**	**115 951**

Consolidated cash flow statement

(EUR 000)	Note	December 31, 2021	December 31, 2022
CASH FLOW FROM OPERATING ACTIVITIES			
Net profit/(loss) for the period		**3 879**	**6 057**
Adjustments for :			
Depreciation of tangible assets	8, 23.1	8 370	8 989
Depreciation and impairment of intangible assets	7.2	1 523	1 722
Write-off on receivables	14.1	-287	-749
Changes in fair value of financial assets (profits)/losses		704	-3 591
Changes in provisions	19	4 278	6 143
Deferred taxes	10	-890	-11 244
Share of result of associates and joint ventures accounted for using the equity method	9.1	1 253	-3
Other non-cash items	28.1	-11 116	-7 864
Net cash flow changes before changes in working capital		**7 714**	**-540**
Trade receivables, other receivables and deferrals		29 362	-72 997
Inventories and contracts in progress		48 040	66 009
Trade payables, other payables and accruals		16 180	40 720
Other short-term assets and liabilities		-14 338	-7 615
Changes in working capital		**79 244**	**26 117**
Net income tax paid/received		-1 800	-4 418
Interest expense		2 546	2 049
Interest income		-491	-1 496
Net cash (used)/generated from operations		**87 213**	**21 712**
CASH FLOW FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	8	-4 245	-3 231
Acquisition of intangible assets	7.2	-784	-4 098
Cash received on disposal of fixed assets		33	0
Cash release on disposals of subsidiaries from previous years		1 271	0
Investment in Long-term subordinated bond		-4 415	0
Repayment received on shareholder loan		119	37
Acquisition of subsidiaries, net of cash acquired	6.1	0	-8 679
Acquisition of third-party and equity-accounted investments	9.1	0	-3 091
Other investing cash flows		-4	-73
Net cash (used)/generated from investing activities		**-8 025**	**-19 135**
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of borrowings	18	-12 984	-24 734
Repayment of principal portion of lease liabilities and proceeds from sublease	23.2	-5 142	-6 074
Interest paid		-2 694	-2 311
Interest received		491	1 496
Capital increase (or proceeds from issuance of ordinary shares)	16	977	176
Dividends paid		-5 785	-5 579
(Acquisitions)/disposal of treasury of shares	6.1	-11 227	-5 160
Other financing cash flows	28.3	83	710
Net cash (used)/generated from financing activities		**-36 281**	**-41 476**
Net cash and cash equivalents at beginning of the year		**153 911**	**199 270**
Net change in cash and cash equivalents		42 907	-38 899
Exchange (profits)/losses on cash and cash equivalents		2 452	-2 005
Net cash and cash equivalents at end of the year	15	**199 270**	**158 366**

Notes to consolidated FINANCIAL STATEMENTS

Notes

1. Summary of significant group accounting policies

1.1. THE REPORTING ENTITY

Ion Beam Applications SA (the “Company” or the “Parent”), founded in 1986, and its subsidiaries (together, the “Group” or “IBA”) are committed to technological progress in the field of cancer diagnosis and therapy and deliver efficient, dependable solutions providing unequalled precision. IBA also offers innovative solutions for everyday hygiene and safety.

The Company is a limited company incorporated and domiciled in Belgium. The address of its registered office is Chemin du Cyclotron, 3; B-1348 Louvain-la-Neuve, Belgium. Ion Beam Applications SA is the mother Company of the Group and the Ultimate Parent.

The Company is listed on the pan-European Euronext stock exchange (B-compartment) and is included in the BEL Mid Index.

IBA publishes condensed half-yearly and annual consolidated financial statements which have been prepared in accordance with IFRS as endorsed by EU;

These consolidated financial statements have been approved for release by the Board of Directors on April 3, 2023.

1.2. BASIS OF PREPARATION

The consolidated financial statements are:

- Prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU). All standards and interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) effective year-end 2022 have been adopted by the EU. Consequently, the accounting policies applied by the Group also fully comply with IFRS as issued by the IASB.
- Prepared on the historical cost basis unless otherwise indicated (financial instruments such as derivative and equity investments that have been measured at fair value)
- Prepared on an accrual basis and on the assumption of going concern
- Presented in Euro, which is the Company’s functional currency
- Rounded to the nearest thousands unless stated otherwise

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires Management to exercise judgment in the process of applying the Company’s accounting policies. Areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 3.

1.2.1 Changes in accounting policies and disclosures, changes in estimates and errors

The accounting policies adopted in the preparation of the consolidated financial statements for the year ended December 31, 2022 are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended December 31, 2021, except for the adoption of new standards and interpretations effective as of 1 January 2022.

Changes in estimates are accounted for prospectively. Significant errors are accounted for retrospectively, but there were no such significant accounting error recorded in these consolidated financial statements.

1.2.2 Standards issued and effective

The Group applied for the first time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2022. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Although these new standards and amendments apply for the first time in 2022, they do not have a material impact on the consolidated financial statements of the Group. The nature and the impact of each of the following new standards, amendments and/or interpretations are described below:

- Amendments to IAS 37 *Onerous Contracts* – Costs of Fulfilling a Contract, effective 1 January 2022
- Amendments to IFRS 9 *Financial Instruments* – Fees in the '10 per cent' test for derecognition of financial liabilities, effective 1 January 2022
- Amendments to IFRS 3 *Business Combinations* – reference to the Conceptual Framework, effective 1 January 2022
- Amendments to IAS 16 *Property, Plant and Equipment* – Proceeds before Intended Use, Effective 1 January 2022
- Amendments IFRS 16 – COVID-19 Related rent concessions

Amendments to IAS 37 onerous contracts – costs of fulfilling a contract

The amendments clarify that the 'costs of fulfilling a contract', when assessing whether a contract is onerous or loss-making, comprise both:

- the incremental costs – e.g. direct labour and materials; and
- an allocation of other direct costs – e.g. an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract

Since the group's previous practice was already in line with the amendments, the Group's consolidated financial statements were not impacted by this amendment.

Amendments to IFRS 9 financial instruments – fees in the '10 per cent' test for derecognition of financial liabilities

In determining whether to de-recognise a financial liability that has been modified or exchanged, an entity assesses whether the terms are substantially different. The amendment to IFRS 9 clarifies the fees that a company includes when performing this assessment. These fees include only those paid or received between the borrower and the lender or on their behalf.

The Group has applied the amendments to financial liabilities that were modified in 2022, however no fees were paid/received in the borrowing renegotiations described in note 18.

Amendments to IFRS 3 business combinations – reference to the conceptual framework

The changes in Reference to the Conceptual Framework (Amendments to IFRS 3):

- Update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework;
- add to IFRS 3 a requirement that, for transactions and other events within the scope of IAS 37 or IFRIC 21, an acquirer applies IAS 37 or IFRIC 21 (instead of the Conceptual Framework) to identify the liabilities it has assumed in a business combination; and
- add to IFRS 3 an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

These amendments had no impact on the consolidated financial statements of the Group as there were no contingent assets, liabilities or contingent liabilities within the scope of these amendments that arose during the period.

Amendments to IAS 16 property, plant and equipment – proceeds before intended use

The amendment prohibits entities deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

These amendments had no impact on the consolidated financial statements of the Group as there were no sales of such items produced by property, plant and equipment made available for use on or after the beginning of the earliest period presented.

Amendments to IFRS 16 – COVID-19 RELATED RENT CONCESSIONS

On 28 May 2020, the IASB issued Covid-19- Related Rent Concessions - amendment to IFRS 16 Leases. The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification. The amendment was intended to apply until 30 June 2021, but as the impact of the Covid-19 pandemic is continuing, on 31 March 2021, the IASB extended the period of application of the practical expedient to 30 June 2022.

The amendment applies to annual reporting periods beginning on or after 1 April 2021. However, the Group had not received Covid-19- related rent concessions.

1.2.3 Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards and interpretations, if applicable, when they become effective.

- IFRS 17 *Insurance contracts*, effective 1 January 2023
- Amendments to IAS 1 *Classification of Liabilities as Current or Non-current and* , and Non-Current Liabilities with Covenants, effective 1 January 2024
- Amendments to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* – Definition of accounting estimates, effective 1 January 2023
- Amendments to IAS 1 and IFRS *Practice Statement 2 - Disclosure of Accounting Policies*, effective 1 January 2023
- Amendments to IAS 12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*, effective 1 January 2023

IFRS 17 insurance contracts

IFRS 17 is a new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure, replacing IFRS 4.

The group does not issue insurance contracts, the financial guarantees that may be issued by the Group are treated as financial instruments in accordance with IFRS 9. It is therefore highly unlikely that the new standard will have any impact on the consolidated financial statements as from the effective date.

Amendments to IAS 1 classification of liabilities as current or non-current and Non-Current Liabilities with Covenants

The amendments clarify the requirements for classifying liabilities as current or non-current. In specific, the amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- This right may be subject to the compliance to covenants included in the loan agreement, but only the covenants effective on or before the end of the reporting period could impact the classification
- That only if an embedded derivative in a convertible liability is itself an equity instrument, would the terms of a liability not impact its classification

The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively. Since the group's current practice is in line with the amendments, the Group does not expect any effect on its consolidated financial statements.

Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors – Definition of accounting estimates

The IASB issued amendments to IAS 8, in which it introduces a definition of 'accounting

estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

The amendments are not expected to have a material impact on the Group as the clarifications are confirming the current practices of the Group.

Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of Accounting Policies

The IASB provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to IAS 1 are guidance applicable for annual periods beginning on or after 1 January 2023 with earlier application permitted.

The Group is currently assessing the impact of the amendments to determine the impact they will have on the Group's accounting policy disclosures.

Amendments to IAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction

In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after January 1, 2023. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations.

1.3. BASIS OF CONSOLIDATION

The parent and all of its controlled subsidiaries are included in the consolidation.

1.3.1 Subsidiaries

Assets and liabilities, rights and commitments, and income and charges of the parent and its controlled subsidiaries are consolidated in full.

The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The following treatments are applied on consolidation:

- The carrying amount of the parent's investment in each subsidiary and the parent's portion of the equity of each subsidiary are eliminated;
- In the statement of consolidated financial position, non-controlling interests in the net assets of subsidiaries are identified and reported separately in the caption "Noncontrolling interests";
- The portion of the profit or loss of the fully consolidated subsidiaries attributable to shares held by entities outside the Group is presented in the consolidated income statement in the caption "Profit/(loss) attributable to non-controlling interests";
- Intra-Group balances and transactions and unrealized gains and losses on transactions between Group companies are eliminated in full.

Consolidated financial statements are prepared applying uniform accounting policies to like transactions and other events in similar circumstances.

>> Read more on subsidiaries in Note 5.1

1.3.2 Associates

An associate is an entity in which the investor has significant influence, but which is neither a subsidiary nor a joint venture (see next subsection) of the investor. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control over those policies. It is presumed to exist when the investor holds at least 20% of the investee's voting power but not to exist when less than 20% is held. This presumption may be rebutted if there is clear evidence to the contrary.

All associates are accounted for using the equity method: participating interests are presented separately in the closing date statement of consolidated financial position (in the caption "Investments accounted for using the equity method") at an amount proportionate to the associate's equity (as restated under IFRS), including the result for the year. Dividends received from an investee reduce the carrying amount of the investment.

The portion of the result of associates attributable to the Group is presented separately in the consolidated income statement in the caption "Share of profit (loss) of companies consolidated using the equity method".

Profits and losses resulting from transactions between an investor (or its consolidated subsidiaries) and associates are eliminated in proportion to the investor's interest in the associate.

>> Read more on associates in Note 5.2

1.3.3 Joint arrangements

As with associates, the equity method is used for the Group's joint arrangements that are classified as joint ventures.

>> Read more on Joint Ventures in Note 5.2

1.3.4 Business combination and treatment of goodwill or negative goodwill

Business combinations is a transaction or other event in which an acquirer obtains control of one or more businesses. A business is a set of activities and assets applied and managed together in order to provide a return or any other economic benefit to its investors. In all business combinations, one entity (the acquirer) obtains control that is not transitory of one or more other entities or businesses (the acquiree).

All business combinations (acquisitions of businesses) arising after January 1, 2004 are accounted for using the purchase method. The acquirer measures the cost of the business combination at the acquisition date (the date on which the acquirer obtains control over the net assets of the acquiree) and compares it with the fair value of the acquiree's identifiable net assets, liabilities, and contingent liabilities. Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of noncontrolling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in profit or loss.

Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at acquisition date.

Any contingent consideration to be transferred by the Group is recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognized in profit or loss. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

Similar rules have been applied to investments accounted for under the equity method, except that any goodwill arising on such investment is included in the carrying amount of the investment.

Negative goodwill arising on such investments is included in the determination of the entity's share of the investee's profit or losses in the period in which the investment is acquired.

Goodwill is not amortized but instead is tested for impairment annually (or more frequently if circumstances so require). Negative goodwill is recognized as profit.

On an acquisition-by-acquisition basis, the Group recognizes any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

>> Read more on Goodwill in Note 7.15.2

1.3.5 Acquisition of non-controlling interests

The excess of the acquisition cost of non-controlling interests over the financial position entry for these non-controlling interests is deducted from equity ("economic unit model").

1.3.6 Translation of financial statements of foreign operations

The financial statements of the Group entities are measured using their functional currency, which is the currency of the primary economic environment in which they operate and corresponds for most of them to their local currency.

All monetary and non-monetary assets and liabilities (including goodwill) are translated to euros at the closing rate. Income and expenses are translated at the rate of the date of the transaction (historical exchange rate) or at an average rate for the month, except for foreign operations in hyperinflationary economies.

Differences arising from translation at these different rates are recognized directly in equity under "Currency translation difference" and have no impact on the Income Statement.

The principal exchange rates used for conversion to EUR are as follows:

	Closing rate on December 31, 2021	Average annual rate 2021	Closing rate on December 31, 2022	Average annual rate 2022
USD	1.1326	1.1831	1.0666	1.0541
SEK	10.2503	10.1420	11.1218	10.6256
CNY	7.1947	7.6318	7.3582	7.0768
INR	84.2292	87.3256	88.1710	82.5729
RUB	85.3004	87.1639	78.8640	73.8896
JPY	130.3800	129.8215	140.6600	137.9390
CAD	1.4393	1.4829	1.4440	1.3703
GBP	0.8403	0.8598	0.8869	0.8524
ARS	116.4634	112.2964	189.0702	155.7788
THB	37.6530	37.7450	36.8350	36.7956
SGD	1.5279	1.5906	1.4300	1.4516
EGP	17.7837	18.5345	26.4505	20.1267
TWD	31.4035	33.0330	32.8278	31.3239
KRW	1 346.3800	1 352.5865	1 344.0900	1 356.7687
GEL	3.4820	3.7816	2.8458	3.0473

1.4. INTANGIBLE ASSETS

Recognition as an intangible asset is required when

(1) this asset is identifiable, i.e. separable (it can be sold, transferred, or licensed) or where it arises from contractual or other legal rights;

(2) it is probable that future economic benefits attributable to the asset will flow to IBA;

(3) IBA can control the resource; and

(4) the cost of the asset can be measured reliably.

Intangible assets are carried at acquisition cost less any accumulated amortization and any accumulated impairment loss.

Cost includes the fair value of the consideration given to acquire the asset and any costs directly attributable to the transaction, such as relevant professional fees or non-refundable taxes.

Indirect costs as well as general overheads are not included. Expenditure previously recognized as expense is not included in the cost of the asset.

Costs arising from the research phase of an internal project are expensed as incurred.

Costs arising from the development phase of an internal project (product development project or IT project) are recognized as an asset when IBA can demonstrate the following: technical feasibility, intention to complete development, how the intangible asset will generate probable future economic benefits (e.g., the existence of a market for the output of the intangible asset or for the intangible asset itself), availability of resources to complete development and ability to measure the attributable expenditure reliably.

Maintenance costs, as well as costs for minor upgrades intended to maintain (rather than increase) the level of performance of the asset, are expensed as incurred.

The above recognition criteria are fairly stringent and are applied prudently.

The cost of the intangible assets is allocated on a systematic basis over the useful life of the asset using the straight-line method.

The applicable useful lives are as follows:

INTANGIBLE FIXED ASSETS	Useful life
Product development costs	3 years, except if a longer useful life is justified (however not exceeding 5 years)
IT development costs for the primary software programs (e.q. ERP)	5 years, except if a longer useful life is justified
Other software	3 years
Concessions, patents, licenses, know-how, trademarks, and other similar rights	3 years, except if a longer useful life is justified

Amortization commences only when the asset is available for use for example when it is in the location and condition necessary for it to be capable of operating in the manner intended by management in order to achieve proper matching of cost and revenue.

The Group has no intangible assets with indefinite useful life relating to its continuing operations.

>> Read more on Intangible assets in Note 7

1.5. TANGIBLE ASSETS (PROPERTY, PLANT AND EQUIPMENT)

Tangible assets are carried at acquisition cost less any accumulated depreciation and any accumulated impairment loss.

Cost includes the fair value of the consideration given to acquire the asset (net of discounts and rebates) and any directly attributable cost of bringing the asset to working condition for its intended use (inclusive of import duties and taxes).

Directly attributable costs are the cost of site preparation, delivery costs, installation costs, relevant professional fees, and the estimated cost of dismantling and removing the asset and restoring the site (to the extent that such a cost is recognized as a provision).

Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item is separately depreciated over its useful life using the straight-line method. The depreciable amount is the acquisition cost, except for vehicles. For vehicles, it is the acquisition cost less the residual value of the asset at the end of its useful life.

Maintenance or repair costs whose objective is to maintain rather than increase the level of performance of the asset are expensed as incurred.

The applicable useful lives are as follows:

TANGIBLE FIXED ASSETS	Useful life
Land	Not depreciated
Office buildings	33 years
Industrial buildings	33 years
Cyclotrons and vaults	15 years, except in specific rare circumstances where a different useful life is justified
Laboratory equipment	5 years
Other technical equipment	5 to 10 years
Computer hardware	3 to 5 years (5 years for mainframes)
Furniture and fittings	5 to 10 years
Vehicles	2 to 5 years

>> Read more on tangible assets in Note 0

1.6. LEASE

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

1.6.1 Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of -use assets includes the amount of lease liabilities recognized, initial direct cost incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

RIGHT-OF-USE ASSETS	Depreciation basis
Land	99 years
Buildings	1 to 15 years
Apartments	1 to 4 years
Machinery	3 to 9 years
Vehicles	1 to 4 years
Computer hardware	1 to 5 years
Bikes	3 years

The right-of-use assets are also subject to impairment (see note 1.7).

Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group use its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are presented in note 23.2.

1.6.2 Short-term leases and leases of low-values assets

The Group does apply the short-term lease recognition exemption to its short-term leases.

The Group applies the lease of low-value assets recognition exemption to lease for office equipment, hardware and vehicles that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

1.6.3 Group as lessor

IBA sometimes subleases some assets and it is treated as follows. A sublease is a transaction whereby a lessee leases an asset from a lessor (head lease) and the lessee then releases the same asset (as intermediate lessor) to another third party lessee (sublease).

An intermediate lessor classifies the sublease as a finance lease or an operating lease as follows:

- If the head lease is a short-term lease that the entity, as a lessee, has accounted for by recognizing the lease payments as an expense on a straight-line basis over the term of the lease, the sublease must be classified as an operating lease
- Otherwise, the sublease must be classified by reference to the right-of-use asset arising from the head lease, rather than by reference to the economic useful life of the underlying asset (such as the item of property, plant or equipment that is the subject of the lease).

Therefore, where the head lease is not a short-term lease expensed on a straight-line basis over the lease term, the lessor must use the general principles for classification of a lease as an operating or a finance lease by reference to the right-of-use asset. IFRS 16 requires a sublease:

- To be classified as a finance lease if substantially all of the risks and rewards incidental to ownership of the leased asset have been transferred to the lessee
- To otherwise be classified as an operating lease.

>> Read more on leases in Note 23

1.7. IMPAIRMENT OF INTANGIBLE AND TANGIBLE ASSETS

SOURCE OF ESTIMATION UNCERTAINTY:

When management considers that there is a risk of impairment, the recoverable amounts of tangible and intangible assets are determined on a "value in use" basis. Value in use is determined on the basis of cash-flows coming from IBA's most recent business plans, as approved by the Board of Directors. These plans incorporate various assumptions made by management and approved by the Board as to how the business, profit margins, and investments will evolve.

An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount, which is the higher of the following two amounts: fair value less costs of disposal (the consideration that IBA can recover through sale) or value in use (the future economic benefits that IBA can recover if it continues to use the asset).

When possible, impairment tests have been performed on individual assets. When, however, it is determined that assets do not generate independent cash flows, the test is performed at the level of the cash-generating unit (CGU) to which the asset belongs (CGU = the smallest identifiable group of assets generating inflows that are largely independent from the cash flows from other CGUs).

Goodwill arising on a business combination is allocated among the Group's CGUs that are expected to benefit from synergies as a result of the business combination. This allocation is based on Management's assessment of the synergies gained and is not dependent on the location of the acquired assets.

Since it is not amortized, goodwill is tested for impairment annually, along with the related CGU (or more frequently depending on circumstances), even if no indication of impairment exists. Other intangible and tangible assets/CGUs are tested only if there is an indication that the asset is impaired.

Any impairment loss is first charged against goodwill. Any impairment loss exceeding the book value of goodwill is then charged against the other CGUs' assets only if the recoverable amount is below their net book value. Reversals of impairment losses (other than on goodwill) are recorded if justified.

1.8. INVENTORIES

Inventories are measured at the lower of cost and net realizable value at the financial position date.

The cost of inventories comprises all costs incurred in bringing inventories to their present location and condition, including indirect production costs. Administrative overheads that do not contribute to bringing inventories to their present location and condition, selling costs, storage costs, and abnormal amounts of wasted materials are not included in the cost of inventories.

The standard cost method is used. The standard cost of an item of inventory at period-end is adjusted to actual cost. The allocation of fixed production overheads to the production cost of inventories is based on the normal capacity of the production facilities.

The cost of inventories that are ordinarily interchangeable is allocated by using the weighted average cost formula. The same cost formula is used for all inventories that have a similar nature and use to the entity.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale (e.g. sales commissions).

IBA books a write-down when the net realizable value at financial position date is lower than the cost.

IBA applies the following policy for write-down on slow-moving items on all inventory assets, without distinction:

- If no movement after 1 year: write-off over 3 years;
- If movement occurs after write-off: reversal of write-off.

However, inventory is valued individually at year-end. Exceptions to the above general policy for write-down on slow moving items are made when justified by the individual valuation.

>> Read more on inventories in Note 12

1.9. REVENUE RECOGNITION

IBA Group applies IFRS 15 in determining how revenue is recognised. IFRS 15 establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires applying significant judgement to account for the revenue as described in note 4.1.1.

The recognition criteria are applied to the different performance obligations of the contract.

When the outcome of a contract (i.e. estimation of the final margin) can be reliably estimated, revenue is recognized either over time or at a point in time as explained further for each type of revenue.

When the outcome of the contract cannot be estimated reliably, revenue is recognized only to the extent of costs incurred that it is probable will be recovered; contract costs are recognized as an expense as incurred. When it is probable that total contract costs will exceed total contract revenue, the expected loss is immediately expensed to income statement, and a loss-at-completion provision is recorded.

1.9.1 Equipment and installation services

The main activity of the Group consists of realizing and constructing proton-therapy equipment and arrange the installation services for its customers. Such contracts with customers are referred to as equipment and installation services, it represents the most important portion of IBA's revenue and is presented in the income statement as "Sales".

SIGNIFICANT AREA OF JUDGEMENT:

The equipment and installation services are always contracted and sold as a bundle package which is because the equipment is specialized in nature that only IBA can provide the installation services to the customers. As a result, IBA promises relate to the transfer of a combined output integrating both the promised equipment and relating installation services. The Group determined that due to the nature of its promises, the equipment and installation services contract have to be considered as one performance obligation.

*In connection with the timing of the revenue recognition the Group assessed that its performance creates or enhances an asset that the customer controls as the asset is created. In addition its performance does not create an asset with an alternative use to the Group and it has concluded that, at all times, it has an enforceable right to payment for performance completed to date. Therefore, control transfers over time and the Group recognizes revenue by measuring the progress using the input method on the basis of the costs incurred which are compared to the total expected cost of the project (formerly referred to as "*percentage of completion*").*

Expected contract costs comprise:

- Direct and indirect production costs (e.g., resources consumed, labour hours expended, costs incurred, time elapsed or machine hours used);
- Such other costs as are specifically chargeable to the customer under the terms of the contract;
- Costs incurred in securing the contract if they can be separately identified and measured reliably and if it is probable that the contract will be obtained.

The Group excludes the effect of any costs incurred that do not contribute to the Group's performance in transferring control of goods or services to the customer (such as unexpected amounts of wasted materials, labour or other resources) and adjusts the input method for any costs incurred that are not proportionate to the

Group's progress in satisfying the performance obligation.

When financial guarantees must be given to third parties in connection with a contract and these guarantees involve a financial risk for IBA, a financial liability is recognized.

1.9.2 Services

In addition to the equipment and installation services, the Group provides operation and maintenance services (reported as "Services") which relate to the daily functioning and maintenance activity of the proton therapy centers once those have been transferred to the customer. For these contracts, the revenue recognition occurs over time using the straight-line revenue recognition method because IBA considers that the customer simultaneously receives and consumes the benefit and its efforts are expended evenly throughout the performance period that is the term of the contract.

1.9.3 Licence revenue

Occasionally, IBA group sells licence for the intellectual property. This is not part of IBA's main business activity and will, in most cases, constitute a distinct performance obligation. Based on the criteria defined in IFRS 15, the Group determines that it transfers a right to use the intellectual property rather than a right to access the intellectual property. As a result, the revenue from the sale of the licence is recognised at a point in time when the rights are being transferred.

1.9.4 Transaction price

Under the equipment and installation services and the operation and maintenance services, IBA considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised bundle package or services to a customer. IBA's contract with the customers typically does not contain variable amounts and the financing component is also considered to be non-significant.

1.9.5 Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due which is typically the case for the equipment and installation services, a contract asset is recognized for the earned consideration that is conditional.

1.9.6 Trade receivables

A receivable represents IBA's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due) which are presented as "*Trade receivables*".

1.9.7 Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before IBA transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract.

1.9.8 Refund liabilities

A refund liability is recognised for consideration that IBA has received in advance from a customer and expects to refund to the customer, and is measured at the amount of consideration received for which the entity does not expect to be entitled (ie amounts not included in the transaction price).

1.10. FINANCIAL INSTRUMENTS

1.10.1 Financial assets

- **Classification and measurement**

Under IFRS 9, financial instruments are subsequently measured at fair value through profit or loss (FVPL), amortized cost, or fair value through other comprehensive income (FVOCI). The classification is based on two criteria: the Group's business model for managing the assets; and whether the instruments' contractual cash flows represent ''solely payments of principal and interest'' on the principal amount outstanding (the ''SPPI criterion'').

The new classification and measurement of the Group's financial assets are, as follows:

- Debt instruments at amortized cost for financial assets that are held within a business model with the objective to hold the financial assets in order to collect contractual cash flows that meet the SPPI criterion. This category includes the Group's Trade receivables, long-term receivables on contracts in progress, other receivables and loans included under other long-term assets, non-trade receivables/advance payments, short-term receivables and cash and cash equivalents.
- Equity instruments at FVOCI, with no recycling of gains or losses to profit or loss on derecognition. This category only includes equity instruments (other investments), which the Group intends to hold for the foreseeable future and which the Group has irrevocably elected to so classify upon initial recognition or transition. The Group classified its unquoted equity instruments as equity instruments at FVOCI. Equity instruments at FVOCI are not subject to an impairment assessment under IFRS 9.
- Financial assets at FVPL comprise only derivative instruments.

- **Receivables**

A receivable is recognized if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due).

Unless the discounting impact is significant, receivables are measured at nominal value. Receivables are written down when receipt of all or part is uncertain or doubtful.

- **Impairment of financial assets – expected credit loss allowance**

At each reporting date, the Group looks for any objective indication of impairment of financial assets recorded at amortized cost. All financial assets, in particular trade and other receivables (short-term and long-term) are subject to a new impairment methodology, referred to as the Expected Credit Loss (ECL) model, measuring the expected credit losses. Those ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive.

For the trade receivables, the Group has established an allowance matrix based on ageing balances adjusted for forward-looking factors linked to this customer. The matrix used is as follow:

- 25% after 90 days overdue;
- 50% after 180 days overdue;
- 75% after 270 days overdue;
- 100% after 360 days overdue.

For other debt financial assets (loans and debt securities), the ECL is based on the 12-month ECL. The 12-month ECL is the portion of lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in the credit risk since origination, the allowance will be based on the lifetime ECL. The Group consider a financial asset to be in default (totally or partially) when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full and account the appropriated ECL.

>> Read more on ECL on trade receivable in Note 14.1

1.10.2 Financial liabilities

- **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

- **Subsequent measurement**

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

- **Financial liabilities at fair value through profit or loss**

This category mainly includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9 and explained in 1.10.3.

- **Financial liabilities at amortised cost (loans and borrowings)**

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortization process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to interest-bearing loans and borrowings.

>> Read more on borrowings in Note 1814.1

1.10.3 Derivatives instruments

Derivative instruments are accounted for at fair value on the date the contracts are entered into.

Changes in the fair value of derivative instruments are accounted for in the income statement unless they qualify as cash flow hedges.

The Group designates certain derivative transactions as hedges of the variability of the fair value of recognized assets or liabilities (fair value hedges); as unrecognized firm commitments; or as hedges of the cash flow variability arising from a specific risk associated with a recognized asset or liability or with a highly probable forecast transaction (cash flow hedges).

The Group documents at the inception of the transaction the relationship between the hedging instruments and the hedged item, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

- **Cash flow hedges**

Derivative financial instruments used for the protection of future cash flows are designated as hedges under cash flow hedge accounting.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in equity. Gain or loss relating to the ineffective portion of the hedge is recognized immediately in the income statement.

Amounts accumulated in equity are reclassified to the income statement in the periods when the hedged item affects the income statement (e.g., when the revenue from the forecast sale that is hedged is recognised).

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and reclassified to the income statement when the forecast transaction is ultimately recognized in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately moved to the income statement.

- **Derivatives that do not qualify for hedge accounting**

Certain derivative instruments do not qualify for hedge accounting. Such derivatives are recognized at fair value on the statement of financial position, with changes in fair value recognized in the income statement.

These instruments are considered economic hedges inasmuch as they are not used to speculate on positions. The Group does not hold instruments for speculative purposes.

>> Read more on derivatives in Note 2114.1

1.11. FINANCIAL INCOME AND EXPENSES

Interest income and expenses are recognized using the effective interest rate method. Royalties are recognized on an accrual basis in accordance with the substance of the relevant agreement. Dividends relating to year N are recognized when the shareholder's right to receive payment is established (i.e. in year N+1).

*>>Read more on financial income and expenses in Note 25**Error! Reference source not found.**14.1*

1.12. FAIR VALUE

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In conformity with IFRS 9 all derivatives are recognized at fair value in the financial position.

The fair value of derivative financial instruments is either the quoted market price or is calculated using pricing models taking into account current market rates. Fair values of hedging instruments are determined by valuation techniques widely used in financial markets and are provided by reliable financial information sources. Fair values are based on the trade dates of the underlying transactions.

The fair value of these instruments generally reflects the estimated amount that IBA would receive on the settlement of favorable contracts or be required to pay to terminate unfavorable contracts at the financial position date, and thereby takes into account any unrealized gains or losses on open contracts.

IFRS 13 *Fair value measurement*, describes 3 Levels of fair value based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques for which the lowest level of input that is significant to the fair value measurement is unobservable.

1.13. CASH AND CASH EQUIVALENTS

Cash balances are recorded at their nominal value. Cash equivalents are short-term, highly liquid investments that can be used for any purpose and have a maturity date not exceeding three months from acquisition date. For the purpose of the statement of cash flow, Cash and cash equivalents include bank overdrafts and are subject to an insignificant risk of change in value.

If liquid funds are held in a special purpose account in the form of highly liquid investments that are renewed at maturity until needed for the special purpose, these cash equivalents are deemed restricted and are classified as other long-term receivables.

>> Read more on cash and cash equivalents in Note 0

The cash flow statement is prepared in accordance with the indirect method. The cash flows of foreign group companies are translated at average rates. Changes in group structure, acquisitions and divestments are recognized gross, excluding cash and cash equivalents, and are included in cash flow from investing activities.

1.14. ACCRUED INCOME, ACCRUED CHARGES, DEFERRED INCOME AND DEFERRED CHARGES

Accrued income is the prorated amount of income earned in the current or prior periods which will be received only in subsequent periods.

Accrued charges are the prorated amounts of expenses which will be paid in a subsequent financial period but relate to a prior period.

Deferred income is the prorated amount of income received in the current or prior periods but related to a subsequent period.

Deferred charges are the prorated amounts of charges incurred in the current or prior financial periods but which are related to one or more subsequent periods.

1.15. CAPITAL STOCK

Ordinary shares are classified in the caption "Capital stock." Treasury shares are deducted from equity. Treasury share movements do not affect the income statement.

>> Read more on capital in Note 16

1.16. CAPITAL GRANTS

Capital grants are recorded as deferred income. Grants are recognized as income at the same rate as the rate of depreciation for related fixed assets. When grants relate to a non-capitalized cost, they are systematically recognized as income for the period during which the cost they are supposed to offset is incurred.

1.17. PROVISIONS AND CONTINGENT LIABILITIES

1.17.1 Provisions

A provision is recognized only when:

- IBA has a present obligation to transfer economic benefits as a result of past events;
- It is probable (more likely than not) that such a transfer will be required to settle the obligation;
- A reliable estimate of the amount of the obligation can be made.

When the impact is likely to be material (for long-term provisions), the amount recognized as a provision is estimated on a net present value basis (discount factor). The increase in provision due to the passage of time is recognized as a financial expense.

A present obligation arises from an obligating event and may take the form of either a legal obligation or a constructive obligation (a constructive obligation exists when IBA has an established pattern of past practice that indicates to other parties that it will accept certain responsibilities and as a result has created a valid expectation on the part of those other parties that it will discharge those responsibilities). An obligating event leaves IBA no realistic alternative to settling the obligation, independently of its future actions.

Provisions for site repair, restoration, and decommissioning costs are recorded as appropriate in application of the above.

If IBA has an onerous contract (that is, if the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it), the present obligation under the contract is recognized as a provision.

A provision for restructuring is recorded only if IBA can demonstrate that the Company is under an obligation to restructure at the financial position date. Such obligation must be demonstrated by (a) preparing a detailed formal plan identifying the main features of the restructuring and (b) raising a valid expectation to those affected that it will carry out the restructuring by starting to implement the plan or by announcing its main features to those affected.

>> Read more on provisions in Note 19

1.17.2 Contingent liabilities

A contingent liability is a liability of uncertain timing and amount. Contingencies are not recognised in the balance sheet because the existence can only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of IBA or because the risk of loss is estimated to be possible (>5%) but not probable (<50%) or because the amount cannot be measured reliably.

>> Read more on contingent liabilities in Note 30

1.18. PENSIONS AND OTHER EMPLOYEE BENEFITS

1.18.1 Pensions

The Group operates a contribution-based plan funded through payments to an insurance company. The employer guarantees a minimum return on employer contributions resulting in a financial risk to be borne by the Group.

Following the evolution with respect of minimum guaranteed return, the plans are to be considered as defined benefit plans instead of contribution plans following IAS 19. As a result, as from January 1, 2016, the Group has changed its valuation rule and has adopted the projected unit credit method. This method considers that each service period gives rise to an additional benefit entitlement unit. According to this method, the plans' cost is recognized as an expense in the income statement so as to spread this cost evenly throughout the employee's career, and this based on the recommendations of actuaries who carry out complete assessments on these retirement plans each year.

Actuarial differences include, for assets and liabilities, differences between previous actuarial assumptions and what actually happened, and the impact of changes of actuarial assumptions on the plans' liabilities. Actuarial differences are fully recorded in other items of the comprehensive income statement during their period of occurrence.

>> Read more on pension plans in Note 27

1.18.2 Stock option plans and share-based payments

Share-based payments are transactions to be paid with shares, stock options, or other equity instruments (granted to employees or other parties) and transactions paid in cash or other assets when the amount payable is based on the price of the Group's shares. These plans often include certain vesting conditions such as continuous employment for a period of time.

All transactions involving share-based payments are recognized as expenses.

Equity-settled share-based payment transactions are measured at the fair value of the goods or services received at the date on which the Group recognizes the goods and services. If the fair value of goods or services cannot be determined, the Group uses the fair value of the equity instruments granted. Equity-settled share-based payments are not re-measured.

Reversals of expense may however occur when vesting conditions are not met and claims are forfeited.

>> Read more on stock option plans in Note 16.2

1.19. INCOME TAXES EXPENSES

The income tax expense is the sum of the current tax expense and the deferred tax expense. It is recognized in the Income Statement, except where it relates to a business combination, or in income and expense recognized in equity.

>> Read more on income tax expense in Note ***Error! Reference source not found.****16.2*

1.19.1 Current income taxes

The current income tax expense is the estimated amount of tax payable (or receivable) in respect of the taxable profit (or loss) for a period and any adjustment to the current tax amount in respect of prior periods. The tax payable (or receivable) is calculated using tax rates that have been enacted or substantively enacted at the reporting date.

1.19.2 Deferred taxes

Deferred taxes are recorded on the temporary differences arising between the carrying amount of the financial position items and their tax base, using the rate of tax expected to apply when the asset is recovered, or the liability is settled.

There are three exceptions to the general principle that deferred taxes are recognized on all temporary differences. Deferred taxes are not recognized for:

- Goodwill that is not amortized for tax purposes;
- Initial recognition of an asset or liability in a transaction that is not a business combination and that affects neither accounting profit nor taxable profit;
- Investments in subsidiaries, branches, associates, and joint ventures (deferred taxes may be recognized only when IBA does not have control over the distribution or, if IBA controls the distribution, that it is likely that dividends will be distributed in the foreseeable future).

A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. The same principle applies to recognition of deferred tax assets for unused tax losses carried forward. When assessing deferred tax assets, management ensure that it is based on a reasonable number of years of taxable results.

Deferred taxes are calculated for each fiscal entity in the Group. IBA is able to offset deferred tax assets and liabilities only if the deferred balances relate to income taxes levied by the same taxation authority.

>> Read more on deferred tax in Note 016.2

1.20. FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are converted into the functional currency of the Group entity, party to the transaction, using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the conversion at the period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

Exchange differences arising from the consolidation of currency items that constitute part of the reporting entity's net investment in a foreign entity (i.e. when settlement is neither planned nor likely to occur in the foreseeable future) are recorded in equity if the following two conditions are met:

(1) The loan is made in either the functional currency of the reporting entity or the foreign operation; and

(2) The loan is made between the reporting entity and a foreign operation.

1.21. OPERATING SEGMENTS

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM), who is responsible for allocating resources and assessing performance of the operating segments (see Note 4).

An operating segment is a component of an entity:

(a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity),

(b) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and

(c) for which discrete financial information is available.

>> Read more on operating segments in Note 0

2. Description of financial risk management (sections 3:6, §1, 8° and 3:32, §1, 5°, of the BCAC)

The Group has decided to present its financial risks with the other principal identified risks in the section ''Principal risks and uncertainties faced by the company'' starting on page 53. These include credit risk, foreign currency risk, interest rate risk, liquidity risk, covenant risks.

2.1. FINANCIAL ASSETS AND LIABILITIES – ADDITIONAL INFORMATION

The tables below summarize the maturity profile of the Group's financial assets and financial liabilities:

(EUR 000)			FINANCIAL ASSETS			
December 31, 2021	**Due**	**< 1 year**	**1-2 years**	**2-5 years**	**> 5 years**	**Total**
Trade receivables	64 274	11 535	0	0	0	**75 809**
Other ST and LT assets	558	36 699	12 179	2 635	14 288	**66 359**
TOTAL	**64 832**	**48 234**	**12 179**	**2 635**	**14 288**	**142 168**
December 31, 2022	**Due**	**< 1 year**	**1-2 years**	**2-5 years**	**> 5 years**	**Total**
Trade receivables	61 801	49 848	0	0	0	**111 649**
Other ST and LT assets	711	83 624	4 964	4 424	14 101	**107 824**
TOTAL	**62 512**	**133 472**	**4 964**	**4 424**	**14 101**	**219 473**

After reviewing the type of assets included in the table above, we have decided to remove the other asset for the "research tax credit" as we do not consider this to be financial assets. To ensure comparability, 2021 figures were re-stated (EUR -12.0 million) compared to the published 2021 financial statements.

(EUR 000)			FINANCIAL LIABILITIES			
December 31, 2021	**Due**	**< 1 year**	**1-2 years**	**2-5 years**	**> 5 years**	**Total**
Bank and other borrowings	0	10 936	10 668	21 477	0	**43 081**
Lease liabilities	0	5 783	5 231	7 485	12 544	**31 043**
Trade payables	5 492	42 239	0	0	0	**47 731**
Other ST and LT liabilities	0	52 729	9 018	86	0	**61 833**
TOTAL	**5 492**	**111 687**	**24 917**	**29 048**	**12 544**	**183 688**
December 31, 2022	**Due**	**< 1 year**	**1-2 years**	**2-5 years**	**> 5 years**	**Total**
Bank and other borrowings	0	4 265	3 934	7 467	0	**15 666**
Lease liabilities	0	6 087	4 720	6 074	11 246	**28 127**
Trade payables	20 791	44 701	0	0	0	**65 492**
Other ST and LT liabilities	0	61 709	4 027	2 722	333	**68 791**
TOTAL	**20 791**	**116 762**	**12 681**	**16 263**	**11 579**	**178 076**

*The bank and other borrowings and the lease liabilities shown above include the future interest payments for EUR 1.3 million and EUR 1.6 million respectively.

The financial assets and liabilities of the Group are valued as follows:

(EUR 000)	December 31, 2021		December 31, 2022	
FINANCIAL ASSETS	**Net carrying value**	**Fair value**	**Net carrying value**	**Fair value**
Trade receivables	75 809	75 809	111 649	111 649
Other long-term receivables	41 032	41 032	35 184	35 184
Non-trade receivables and advance payments	18 625	18 625	40 285	40 285
Other short-term receivables	22 862	22 862	49 607	49 607
Other investments	12 923	12 923	3 805	3 805
Cash and cash equivalents	199 270	199 270	158 366	158 366
Hedging derivative products	53	53	137	137
Derivative products – other	43	43	65	65
TOTAL	**370 617**	**370 617**	**399 098**	**399 098**
FINANCIAL LIABILITIES	**Net carrying value**	**Fair value**	**Net carrying value**	**Fair value**
Bank and other borrowings	39 671	43 081	14 381	15 666
Lease liabilities	29 305	31 043	26 486	28 127
Trade payables	47 731	47 731	65 559	65 559
Hedging derivative products	7 025	7 025	2 531	2 531
Derivative products – other	625	625	1 597	1 597
Other long-term liabilities	8 450	8 450	5 862	5 862
Other short-term liabilities	35 615	35 615	46 925	46 925
TOTAL	**168 422**	**173 570**	**163 341**	**166 267**

As at December 31, 2021 and 2022, the net carrying value of these financial assets and liabilities did not differ significantly from their fair value.

The headings “Hedging derivative products” and “Derivative products – other” in assets and liabilities include the fair value of forward exchange contracts and currency swaps.

2.2. CATEGORIES OF FINANCIAL INSTRUMENTS

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3.

During this past financial year, there was no transfer between the various categories presented below:

(EUR 000)	Level 1	Level 2	Level 3	December 31, 2021
Forward foreign exchange contracts		52		52
Foreign exchange rate swaps		1		1
Derivative hedge-accounted financial assets		**53**		**53**
Forward foreign exchange contracts		11		11
Foreign exchange rate swaps		31		31
Derivatives assets at fair value through the income statement		**42**		**42**
Equity instruments at fair value (Note 9.1.)	**11 097**	**1 793**		**12 890**
Forward foreign exchange contracts		4 904		4 904
Foreign exchange rate swaps		2 121		2 121
Derivative hedge-accounted financial liabilities		**7 025**		**7 025**
Forward foreign exchange contracts		285		285
Foreign exchange rate swaps		340		340
Derivatives liabilities at fair value through the income statement		**625**		**625**

(EUR 000)	Level 1	Level 2	Level 3	December 31, 2022
Forward foreign exchange contracts		3		3
Foreign exchange rate swaps		134		134
Derivative hedge-accounted financial assets		**137**		**137**
Forward foreign exchange contracts		39		39
Foreign exchange rate swaps		26		26
Derivatives assets at fair value through the income statement		**65**		**65**
Equity instruments at fair value (Note 9.1.)	**995**	**0**	**2 753**	**3 747**
Forward foreign exchange contracts		1 604		1 604
Foreign exchange rate swaps		927		927
Derivative hedge-accounted financial liabilities		**2 531**		**2 531**
Forward foreign exchange contracts		1 412		1 412
Foreign exchange rate swaps		185		185
Derivatives liabilities at fair value through the income statement		**1 597**		**1 597**

2.2.1 Hedge-accounted derivative financial instruments

IBA assesses the hedge effectiveness through a critical terms match between the hedged item (future probable cash flows) and the hedging instrument including amount and maturity. Some limited ineffectiveness may however arise when actual timing of cash flows differs from the initial expectation and the hedging position has to be rolled-over as a result.

As at December 31, 2022, the Group held 17 forward exchange contracts (23 as at December 31, 2021) and 7 foreign exchange swaps (12 as at December 31, 2021) to cover future cash flow movements in US dollars, Singapore dollars, Canadian dollars, Chinese Yuan and Korean Won. These hedges are deemed highly effective. The cumulated impact that these hedges generated is a EUR 8.4 million loss as at December 31, 2022, (loss of EUR 8.4 million as at December 31, 2021). This loss is recognized in the hedging reserve with fluctuation in the other items of the comprehensive income statement.

2.2.2 Derivative at fair value through profit or loss

As at December 31, 2022, the Group holds 14 forward exchange contracts (10 on December 31, 2021), 8 exchange rate swaps (6 swaps as at December 31, 2021), to cover future cash flows of US dollars, Chinese Yuan, Singapore dollars and British Pounds.

As they do not qualify for hedge accounting under IFRS, the various hedge instruments discussed in this section are measured at fair value through profit or loss. The loss generated on these active instruments included in the income statement amounts to EUR -1.5 million at December 31, 2022 (loss of EUR -1.7 million for the year ended December 31, 2021).

(EUR 000)		HEDGE INSTRUMENT MATURITIES			
December 31, 2021		**Equity**	**< 1 year**	**1-2 years**	**> 2 years**
Foreign exchange hedge in	CAD	-145	-53	7	-99
Foreign exchange hedge in	CNY	-6 610	-6 610	0	0
Foreign exchange hedge in	GBP	446	0	-206	652
Foreign exchange hedge in	SGD	-291	-291	0	0
Foreign exchange hedge in	USD	-1 768	-828	-483	-457
Foreign exchange hedge in	KRW	-72	0	0	-72
		-8 440	**-7 782**	**-682**	**24**
December 31, 2022		**Equity**	**< 1 year**	**1-2 years**	**> 2 years**
Foreign exchange hedge in	CAD	-213	-213	0	0
Foreign exchange hedge in	CNY	-4 354	-1 436	-705	-2 213
Foreign exchange hedge in	SGD	-325	-325	0	0
Foreign exchange hedge in	USD	-3 319	-2 533	-786	0
Foreign exchange hedge in	KRW	-192	0	-192	0
		-8 403	**-4 507**	**-1 683**	**-2 213**

2.3. CAPITAL MANAGEMENT

The Group's aim is to optimize the capital structure in order to maximize its value for the shareholders while maintaining the financial flexibility required carrying out the strategy approved by the Board of Directors.

3. Significant events in the period and accounting estimates and judgements

3.1. DIRECT FINANCIAL IMPACTS OF RUSSIA'S INVASION OF UKRAINE

Early 2022 Russia invaded Ukraine, leading to a myriad of economic and other sanctions against Russia, some of which also impact the functioning of IBA.

IBA has a subsidiary in Russia employing about 25 employees, whose operations have been maintained to ensure the operation and maintenance of a proton therapy center in Dimitrovgrad; the maintenance contract for this center has been renewed for another year. At the same time, the installation of the last treatment room is still ongoing.

We have analyzed the impact of these sanctions on the control of IBA SA on its Russian subsidiary from a consolidation scope perspective and access to its resources, and the indicators of asset impairment the conflict may raise:

3.1.1 Control

We have reviewed whether IBA Group still has control over its Russian subsidiary (Ion Beam Applications LLC, a 100% subsidiary of IBA SA). We have concluded that IBA Group still has control over its subsidiary based upon the following three aspects:

- IBA SA as mother company and IBA Group's management still direct the activities of the entity;

- IBA Russia continues to generate returns by continuing the maintenance activities that are not subject to any EU sanction;
- IBA SA has the power to affect these returns (i.e. to have a dividend paid): the cash flow forecast indicates an excess cash from the maintenance contract. Management believes that IBA has still the ability to obtain dividend from Russian entity.

To assess whether IBA Russia is able to fulfill its obligations under the contract, we have considered the following:

- The cash generated by these activities is sufficient to cover all local expenses incurred in fullfilling IBA Russia obligations under the contract;
- The stock of spare parts held on site is sufficient to provide for a normal level of maintenance service to the site for at least 12 months; in addition all supplies required for the installation contract are already on site, ready to be consumed;

Management has also made the assessment that cash can be repatriated in the form of dividend as these are not blocked under the current sanctions and therefore, IBA has access to the liquidities kept in Russia and the ability to receive a return from its Russian subsidiary.

3.1.2 Impairment of non-financial assets

Assets in Russia

The non-current assets of the Russian subsidiary represent RUB 50.0 million (EUR 0.6 million) and are composed of a Right of Use asset for the lease of the building which is renewed on a yearly basis and some deferred tax assets on temporary differences.

The current assets represent RUB 360.2 million (EUR 4.6 million) and are the following

- Inventory for RUB which is being consumed in the maintenance project as needed, and for which obsolescence has been evaluated considering the expected future spare parts need of the site. Given that all parts are considered as recommended to be available on a maintenance site, Management did not identify excessive inventory levels for which additional write off should be recognised.
- Trade receivable: there are no large overdue balances requiring expected credit loss allowances and customers have been paying regularly, in accordance with the contractual terms
- Contract asset: there are no unusual delays to be observed on the installation contract which indicate a risk of recoverability.
- Other assets mainly relate to various tax receivables where we do not observe any significant risk
- Cash: in 2022, IBA has regularly converted excess cash received from RUB to EUR in order to the hedge a potential risk of devaluation of the Russian currency. As the EUR were maintained in the Russian subsidiary which has RUB as functional currency, the cash was revalued to RUB. Given the RUB strengthened during the course of 2022, the group had to recognise exchange losses of approximately EUR 1.0 million recognised in the statement of profit and loss. The cash was then subsequently transferred to Belgium.

In conclusion, IBA has assessed that there is no risk of impairment on IBA Russia's assets, noting that the net assets of IBA Russia amounts to RUB -343.2 million (EUR -4.4 million).

Other assets held by IBA Group

Management has considered whether the conflict has an impact on the impairment test performed on the goodwill and whether it is an indicator of impairment for other non-financial assets.

Goodwill impairment test: the 5-year strategic plan used as a basis for the impairment test was prepared in December 2022 using the latest inflation forecasts taking into account energy and transport prices increases, as well as a higher discount rate. Despite these prudent inputs, the group has sufficient headroom in the impairment test to conclude that the risk is relatively low.

The conflict was assessed as having little impact on IBA's global supply chain; the high energy prices and other materials costs were considered when applying inflation in the strategic forecasts of the group. The assessment has led to the conclusion that the current economic situation does not represent an indicator of impairment on IBA group's assets.

3.1.3 Other accounting considerations

IBA does not have cash flow hedge derivatives with respect to its activities in Russia, therefore no further consideration has been given to the application of hedge accounting.

IBA also considered whether the conflict could have an impact on its customers and their ability to pay the balances due to IBA; no significant additional credit losses were recognised in the year ended December 31, 2022.

3.2. CLIMATE-RELATED MATTERS

Climate related matters are managed by the sustainability Board which meets 3 times a year and decide on the Group's commitments and action plans. Three risks categories have been identified being strategic risks, process and operational risks and product risks which are all monitored closely by Management. The risk assessment is done once a year and each risk is managed internally with a defined process which covers the risk identification, the risk analysis and scoring, the risk strategy, risk mitigation and closure and the review and monitoring. The 3 risk types that have been identified as having the higher impact on the organization are the following:

- Emerging regulations: these could have an impact on the future demand for product and services. More specifically, the prohibition of the use of SF6 gas (currently used in some of our produts) could result in 0.7 million loss of revenue per year. The risk is adressed by an R&D project, supported by government grants;
- Extreme weather conditions (droughts, flooding, tsunami etc): these could significantly disrupt the supply chain downstream processes of IBA by impacting our vendors' production and freight capacities and consequently affect our revenue. A high level assessment has been performed with an expected potential loss of revenue of EUR 0.9 million per year. As a result, we foresee a dialogue with our key suppliers and the supplier code of conduct as well as the internal sourcing policy will be amended to reflect stricter requirements.
- Carbon pricing mechanisms, these could increase direct costs. IBA has run a scenario based on 40 €/tCO2e, in line with our internal carbon pricing as used for our carbon offset initiative and could result in a EUR 1.0 million impact on future costs. IBA is continuously looking for opportunities to offset the remaining part of the organisation's footprint.

From the above analysis and more detailed review of all risks and mitigation actions the following factors were assessed by Management:

- We do not see climate issues having an impact on the outcome of the impairment test of the goodwill, nor on the useful lives of our non-current assets;
- We have not identified any additional risk of expected credit loss on our trade receivables and other financial assets;
- We have not identified constructive obligations resulting from carbon emissions reductions commitments, nor the need to record any operational onerous contract provisions other than those already presented in these consolidated financial statements;
- Our forecast transactions remain sufficiently certain and cautious to ensure that effectiveness of our derivatives financial instruments is maintained to qualify for hedge accounting;

3.3. MACRO-ECONOMIC ENVIRONMENT

Management has considered several factors related to the macro-economic environment and their impact on impairment of non-financial assets, expected credit losses, provisions, revenue recognition, hedge accounting, pension plans, deferred tax and going concern.

When preparing the budget for 2023 and the medium-term strategic plan, the macro-economic conditions were taken into account when preparing the assumptions and forecast transactions. IBA's order intake remains strong and the backlog is increasing, therefore reducing uncertainty on future revenues. In addition, the cash position of the group remains solid with EUR 158.4 million gross cash (EUR 117.5 million net). Management has concluded that going concern is not at risk for the group and its entities and that the deferred tax assets are recoverable.

We explain how several macro-economic factors where taken into account below:

3.3.1 High inflation

- Impairment: In preparing the goodwill impairment tests and in reviewing indicators of impairment, Management has taken into consideration a high inflation in the forecast costs in the budget and strategic financial plans. Given the available headroom, this had no impact on the conclusion of the impairment test.
- Revenue recognition and Onerous contracts: most contracts signed by IBA have an indexation clause linked to inflation. The costs to complete of each significant equipment and installation contract as well operation and maintenance contrat have been reviewed with the latest price increase and expected future inflation. Accordingly, onerous contract provisions have been revised/recognised for one additional proton therapy site.
- Pension plan provision: inflation was also factored in the actuarial assumptions used for the calculation of the provision for the defined benefit pension plan, although only the long-term inflation is relevant for these calculations.
- Expected credit losses on loans and receivables: the amount and timing of the expected credit losses, as well as the probability assigned thereto, has been based on the available information at the end of year 2022, including a consideration on the impact of inflation on our customers.

  As a result of this review, no additional credit losses for customers facing financial difficulties were recognised.

3.3.2 High interest rates

The increase in interest rates were reflected in a higher WACC used in the discounting of the future cash flows in the impairment model.

In addition, the discount rates used in the actuarial assumptions of the defined benefit plan were increased, leading to a decrease of the provision. This was partially offset by a decrease of the return on the plan assets as we observe a decline in stock markets.

The interest-bearing borrowings that IBA has are fixed-rate instruments with no uncertainty on the timing and amount of future cash flows.

3.3.3 Remaining pandemic-related effects

The COVID-19 effects have significantly reduced over 2022. We observe at this stage that all buildings leased by IBA are occupied and production is at full capacity. IBA's cash position remains strong.

Delays are still to be observed at some customer's sites, more specifically in the People's Republic of China. We have reviewed the group hedging positions going forward to identify any potential new trigger for hedge disqualification. All hedges remained in line with IBA's hedge accounting policies as defined in the 2021 year-end financial statements and qualify for hedge accounting.

3.4. THE BANKRUPCY OF RUTHERFORD ESTATES LIMITED

In 2015, the Group took a minority stake of GBP 5 million (EUR 7.1 million) in Rutherford Estates Limited (previously Proton Partners International (PPI)), a health services provider based in the United Kingdom. This investment represented less than 5% of the issued capital.

During the first half of the year 2022, the Group faced the bankruptcy of Rutherford Estates Ltd, at that time operating 3 PT centres with another 2 that were not yet operational.

Following the bankruptcy, the Fair Value of this existing investment was reduced to zero at the end of December and the adjustment is recognised in the Statement of Other Comprehensive Income and will not be recycled to profit and loss.

In addition, IBA unwound the contracts and retained the down-payments received to date as compensation for the terminated contracts, partially covering the costs of the cancelled service contracts and existing allowances for bad debts, with a net positive impact of EUR 5.5 million.

Further, according to the terms and conditions of the contract in case of default of payment, IBA retained ownership of the PT equipment located at one of the sites in operation. The equipment has been recorded in inventory as at December 31, 2022. Together, with the unwinding of all the elements in the contracts, a loss of EUR 2.1 million has been recognised in "Other Operating Income", note 24.

Besides the direct impact on the 2022 Financial Statements, the backlog related to the related service contracts was reduced to zero, a reduction of EUR 81.1 million.

3.5. CHANGE OF PENSION PLAN IN BELGIUM

Until the end of June 2021, IBA managed its pension plans through the Insurance company Intégrale (now Monument Re). Given this entity started having solvency problems and in the end was put under supervision of the National Bank of Belgium, IBA prepared a transfer of its pension assets and moved to AG per the 1st of July 2021.

This transfer required some changes to be made to the plan, these plan changes were accounted for as at January 1st, 2022. The Intégrale Defined Contribution plans were converted into Cash Balance plans; this was necessary to be able to continue guaranteeing the same conditions for the employees, both the actives and the inactives.

Due to negotiation delays and difficulties encountered by the insurance companies, the effective transfer of the plan assets occurred several months later. In addition, the effective transfer of data supporting the plan changes was not finalised until the first semester of 2022. As a result, a full calculation of the updated plan assets and obligations was only made possible from the interim condensed consolidated financial statements as at June 30, 2022.

A consequence of this change-over to a cash balance plan was that the plan return is guaranteed up until the retirement age, for all past and present employees included in the plan.

As explained above, the effect of the transfer of the plan is reported in the December 2022 numbers as the transfer of the plan was only finalized early 2022.

The impacts on the Group's consolidated Income statement amounts to around EUR 3.3 million, which is composed of the normal budget premiums (the standard contributions) for an amount of around EUR 1.4 million and a past service cost of EUR 1.9 million.

The latter, a one-off impact, is triggered by the fact that additional guarantees until retirement have been granted to all employees, actives and inactives, as described and has been recognised in other operating expenses (note **Error! Reference source not found.**).

The pension provision described in Note 19.4 has decreased significantly. The provision is not impacted by the inclusion of the inactive ("deferred") population for €3.0 million as this increases both the obligation and the plan assets. The decrease in the net obligation is therefore driven by the other movements on the plan assets and the defined benefit obligations:

- The insufficient contribution made by the Company for EUR 2.5 million compared to the current and past service cost for EUR 3.3 million leads to an increase of the net provision of 0.8 million.
- The actuarial gain of EUR 3.5 million impacting the provision and the Statement of Other Comprehensive Income is mainly due to a change in the financial assumptions for EUR 6.1 million (mainly an increase of the discount rate reflecting the current macro-economic conditions) which impacted the defined benefit obligation. Under the new plan, as there is no more guaranteed return provided by the insurance company, assets are simply valued at the fair value of the collective funding contributed by the Company, this change led to a loss on plan assets for EUR 2.1million.

Further details on the pension plan balances are described in note 27.2.

3.6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing these consolidated financial statements, management is required to make estimates and judgements that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses.

The application of accounting policies requires judgements that impact the amounts recognised. Additionally, amounts recognised are based on factors that are by default associated with uncertainty. Actual results may therefore differ from estimates. Where applicable, the estimates and judgements are described per note within the consolidated financial statements.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described in the following notes:

Particular area involving significant estimates and judgements	Note	Reported amounts
Judgements in applying accounting policies		
Revenue recognition – Equipment and installation considered as one performance obligation	Note 1.9 – Revenue recognition	
Determination of the lease term of contract with renewal and/or termination option – as a lessee	Note 23 - Leases	
Contract termination	Note 1.9 – Revenue recognition	
Assumptions and sources of estimation uncertainty		
Assessment of the recoverability of tax losses carryforward	Note 10 – Deferred tax	EUR 15.9 million
Estimating the fair value of other investment measured at level 3	Note 9.2 – Other investments	EUR 2.8 million
Business combination – purchase price allocation exercise	Note 6.1.1 - Acquisition of Modus Medical Devices Inc (Canada)	EUR 9.3 million
Revenue recognition - Estimating the progress under the equipment and installation services contract	Note 4.1.1 – Operating segments – Income statement	EUR 295.8 million
Revenue recognition – licensing contract with CGN	Note 4.1.1 – Operating segments – Income statement	EUR 5.0 million
Stock option plan	Note 16.2. - Stock options and share-based payments	EUR 0.9 million
Local taxes in countries other than Belgium	Note 26 – Income taxes	
Estimating the value in use of intangible and tangible assets	Note 1.7 - Impairment of intangible and tangible assets	
Estimation of the incremental borrowing rate of a lease	Note 23 - Leases	

4. Operating segments

IBA identified its Management Team as its CODM because this is the committee which decides how to allocate resources and assesses performance of the components of the Group.

4.1. OPERATING SEGMENTS

The operating segments are defined based on the information provided to the Management Team. On the basis of its internal financial reports and given the Group's primary source of risk and profitability, IBA has identified two operating segments. In accordance with IFRS 8 Operating segments, the business segments on which segment information is based are (1) Proton therapy and other accelerators and (2) Dosimetry.

Distinct financial information is available for these reporting segments and is used by the Management Team to make decisions about resources to be allocated to the segment and assess its performance.

- **Proton therapy and other accelerators**: This segment constitutes the technological basis of the Group's many businesses and encompasses development, fabrication, and services associated with medical and industrial particle accelerators and proton therapy systems.

- **Dosimetry**: This segment includes the activities that offer a full range of innovative high-quality solutions and services that maximize efficiency and minimize errors in radiation therapy and medical imaging Quality Assurance and calibration procedures.

The segment results, assets and liabilities include the items directly related to a segment, as well as those that may be allocated on a reasonable basis.

The segment investment expenses include the total cost of investments incurred during the period of acquisition of tangible and intangible assets investments, except goodwill.

4.1.1 Income statement

SOURCE OF ESTIMATION UNCERTAINTY:

- **Revenue recognition:**

The Group recognises revenue over time under contracts for the sales of equipments and the progress is measured by reference to the costs incurred when comparing it to the costs to complete. The costs to complete is a significant estimate because it determines the progress made since the inception of the contract and IBA recognises the revenue of the contract based on the progress estimated in percentage.

- **Onerous contracts for services**

The Group recognises an provision of onerous contract when the unavoidable costs of fullfilling the contract exceed the economic benefits expected to be received. This is the case when a service contract is expected to generate negative margin in the remaining years. For each contract presenting a risk, the expected margin for the remaining years of the initial term is calculated based on the latest available reforecast of the future costs to complete IBA's obligations. The margin is then discounted using a risk free rate.

- **Licensing contract with CGN:**

In August 2020, the group signed a technology license agreement with CGN Dasheng Electron Accelerator Technology Co., Ltd for the provision of goods and services related to its Multi-Room Proton Therapy System. The contract applies to the mainland territory of the People's Republic of China.

Given the contract contains an element of variable consideration in the form of an unconditional and irrevocable performance bond the customer can draw upon for an inital maximum value of EUR 15 million (reduced to EUR 10 million in December 2021 and to EUR 5 million in December 2022), management decided not to recognize the full revenue of the license, given the level of uncertainty linked to this type of sale (unique in its kind for IBA). Instead, the remaining amount of variable consideration that is highly sensitive to factors outside the entity's influence is recognized as a refund liability until the uncertainty associated with the variable consideration is resolved.

In December 2021, both parties have agreed to reduce the performance bond to EUR 10 million and to further reduce it to EUR 5 million in December 2022 if un-used. As a result, IBA Group has released EUR 5 million of the variable consideration in its Income Statement in both years.

The remaining uncertainty is expected to be resolved at the expiration date of the performance bond (at the earliest per the shipment of the equipment components or 48 months from the effective date of the agreement (August 25, 2024)).

- **Deferred tax assets**

The Group recognizes deferred tax assets on unused losses carried forward to the extent that the taxable profit against which these assets are available can be used. The amounts recognized in the financial position are prudent estimates made on the basis of recent financial plans approved by the Board of Directors and depend on certain judgments with respect to the amounts and location of the future taxable profits of the Group's subsidiaries and parent company. In 2022 , a deferred tax asset of EUR 10.9 million was recognised on the tax losses carried forward in Belgium which was previously not recognised. The financial plans are prepared on a 4-years horizon and are based on the expectation that the Group will nearly double its revenues at the end ot the term covered by the plan with a REBIT to sales ratio of 10%, relying on the assumption that the macro-economic factors normalize over the coming year. Management is confident in its capacity to develop the business in the coming years and deliver value to all of its stakeholders.

SIGNIFICANT AREA OF JUDGEMENT:

- **Contract termination**

Depending on the contract terms with the customers, IBA may terminate a sale contract when the counterpart is in breach of the contract terms. Management always focusses on finding a solution with the customer through negotiations but in some rare circumstances, contracts may need to be terminated to mitigate risks and losses for the Group.

If after negotiation no agreement has been reached, a termination letter will be sent. Deposits and non-refundable milestone payments can be recognised as revenue in the income statement; this will only be accounted for by the Group after a reasonable amount of time, which is once the risk of any further claims from the customer is deemed sufficiently low to avoid future reversal of revenue.

The following tables provide details of the income statement for each segment:

(EUR 000) Year ended December 31, 2021	Total segments	Inter-segment transactions eliminated	IBA Group	Proton Therapy and Other Accelerators	Dosimetry
Sales of equipments and licences	**189 608**	1 416	188 192	141 330	46 862
Sales of services	**124 772**	0	124 772	119 308	5 464
Total sales	**314 380**	**1 416**	**312 964**	**260 638**	**52 326**
Cost of sales and services (-)	**-206 686**	-1 416	-205 270	-177 579	-27 691
Operating expenses (-)	**-93 184**	0	-93 184	-73 441	-19 743
Other operating income/(expenses)	**-1 038**	0	-1 038	-844	-194
Segment result (EBIT)	**13 472**	**0**	**13 472**	**8 774**	**4 698**
Financial income/(expenses)	**-3 964**	0	-3 964	-3 893	-71
Share of profit/(loss) of companies consolidated using the equity method	**-1 253**	0	-1 253	-1 253	0
Result before taxes	**8 255**	**0**	**8 255**	**3 628**	**4 627**
Tax income/(expenses)	**-4 376**	0	-4 376	-4 537	161
RESULT FOR THE PERIOD	**3 879**	**0**	**3 879**	**-909**	**4 788**
REBITDA	**24 582**	**0**	**24 582**	**18 087**	**6 495**

(EUR 000) Year ended December 31, 2022	Total segments	Inter-segment transactions eliminated	IBA Group	Proton Therapy and Other Accelerators	Dosimetry
Sales of equipments and licences	**222 068**	-1 534	220 534	172 769	47 765
Sales of services	**140 736**	0	140 736	134 530	6 206
Total sales	**362 804**	**-1 534**	**361 270**	**307 299**	**53 971**
Costs of sales and services (-)	**-236 039**	1 534	-234 505	-203 956	-30 549
Operating expenses (-)	**-115 715**	0	-115 715	-92 946	-22 769
Other operating income/(expenses)	**-6 088**	0	-6 088	-5 992	-96
Segment result (EBIT)	**4 962**	**0**	**4 962**	**4 405**	**557**
Financial income/(expenses)	**-5 395**	0	-5 395	-5 363	-32
Share of profit/(loss) of companies consolidated using the equity method	**3**	0	3	3	0
Result before taxes	**-430**	**0**	**-430**	**-955**	**525**
Tax income/(expenses)	**6 487**	0	6 487	7 043	-556
RESULT FOR THE PERIOD	**6 057**	**0**	**6 057**	**6 088**	**-31**
REBITDA	**21 571**	**0**	**21 571**	**18 443**	**3 128**

The segments information presented is net of intercompany transactions between segments. The cost of sales primarily includes the cost of materials and the employee benefit costs directly related to the production of the equipment and the rendering of the services. The operating expenses also mainly include employee benefits expenses.

The significant revenue streams are detailed below, consistently with the business review presented in the management report

For the year-ended December 31, 2022, the Group revenue was EUR 361.3 million, a 15.4% increase from 2021 (2021: EUR 313.0 million), primarily composed of:

- revenues for the Proton Therapy and Other Accelerators segment of EUR 307.3 million representing an increase of 17.90% from 2021 (2021: 260.6 EUR million):
- the revenue of Proton Therapy activities amounts to EUR 218.8 million (2021: EUR 169.9 million), showing an increase of 28.7% largely driven by significant progress on projects which had slowed down in prior years due to the macro-economic environment and the pandemic;
- the revenue of Other Accelerators activities amounts to EUR 88.5 million (2021: EUR 90.7 million), showing a slight decrease of 2.4%;
- revenues for the Dosimetry segment of EUR 54.0 million, a slight 3.1% decrease from 2021 (2021: EUR 52.3 million) as the performance for that year were exceptional.

For the year-ended December 31, 2022, the Group gross margin (35.1%) improved compared to 2021 (34.4%) despite the recognition of grant income from the Paycheck Protection Program in the US for EUR 4.4 million in 2021. The current year performance was also impacted by Rutherford's bankruptcy as described in Note 1.1.

For the year-ended December 31, 2022, Group operating expenses were EUR 115.7 million, a 24.2% increase from 2021 (2021: EUR 93.2 million). These expenses include General and Administrative expenses for EUR 49.1 million, Sales and Marketing expenses for EUR 24.8 million and Research and Development net of research credit for EUR 41.8 million. Despite efficient control of overheads costs, careful spending and IBA's cost control measures, the increase is to be observed on all three types of expenses and reflects the conditions of the general macro-economic environment, but it also demonstrates the strategic efforts that IBA is making on both operating segments to maintain its technological leadership in all business lines.

For the year-ended December 31, 2022, the other operating result (loss) was EUR -6.1 million (2021: EUR -1.0 million) mainly includes customer write offs net of the inventory value recovered from Rutherford's bankrupcy (as described in note 3.4) for EUR 2.5 million The other operating result was also negatively impacted by a one-off pension plan past service cost of EUR 1.9 million (resulting from change in insurance company), the costs incurred for the Stock Option plan for EUR 0.9 million and the contribution of the Group for the decommissioning of a research Cyclone 30 for EUR 0.6 million. The loss recognised in 2021 represents the costs incurred for the Stock Option plan.

The REBIT of both segments was impacted by high inflationary environment, as well as increased investment into R&D, infrastructure, digital technologies and sustainability to maintain IBA's leading offering and invest in its future growth.

For the year-ended December 31, 2022, the financial result (expenses) was EUR -5.4 million (2021: EUR -4.0 million expenses), primarily composed of:

- interest paid on debts and lease liabilities for EUR -1.9 million, and the net change in fair value of derivatives for EUR -6.6 million,
- Partially compensated by a net gain from a settlement agreement with a former partner in Italy (EUR 0.9 million) , by a one-off gain on the interest rate renegotiation with the group's main lenders (see note 18) for EUR 0.6 million, and by interest revenues on bank accounts and investment bonds and in relation to proton therapy projects for EUR 1.3 million for the Proton Therapy and Other Accelerators segment;

As at December 31, 2022, there were no costs related to the equity-accounted entities. There were very little activities in the newly set up entity (PanTera SA/NV) and the book value of Cyclhad SAS and Normandy Hadrontherapy SAS has previously been reduced to zero. IBA does not account for its share of the loss in these entities above the value of its investment as the Group has no commitment to participate in any potential future capital increase.

As at December 31, 2022, the Group recognises a tax profit for an amount of EUR -6.5 million representing 1508.6% of the profit before tax. In the Proton Therapy and Other Accelerators segment, the tax charge results from the progress on installation projects and the recognition of the related revenue and margin in some countries with a relatively high tax rate. The tax profit is driven by the recognition of deferred tax assets on the tax losses carried forward in Belgium for EUR 10.9 million due to the positive operating outlook for the Group.

4.1.2 Financial position

(EUR 000) December 31, 2021	Proton Therapy and Other Accelerators	Dosimetry	Group
Non-current assets	103 765	15 103	**118 868**
Current assets	408 474	18 689	**427 163**
Segment assets	**512 239**	**33 792**	**546 031**
Investments accounted for using the equity method	20	-	**20**
TOTAL ASSETS	**512 259**	**33 792**	**546 051**
Non-current liabilities	69 209	2 383	**71 592**
Current liabilities	337 887	10 676	**348 563**
Segment liabilities	**407 096**	**13 059**	**420 155**
TOTAL LIABILITIES	**407 096**	**13 059**	**420 155**
Other segment information			
Capital expenditure - Intangible assets and “Property, Plant and Equipment”	4 105	924	**5 029**
Capital expenditure - Right-of-use assets	4 958	229	**5 187**
Depreciation of property, plant and equipment	6 830	1 540	**8 370**
Amortisation and impairment of intangible assets	1 277	246	**1 523**
Personnel expenses	131 290	16 898	**148 187**
Non-cash expenses/(income)	-4 830	-938	**-5 769**
Headcount at year-end (EFT)	1 338	228	**1 567**

(EUR 000) December 31, 2022	Proton Therapy and Other Accelerators	Dosimetry	Group
Non-current assets	99 932	23 218	**123 150**
Current assets	478 157	22 319	**500 476**
Segment assets	**578 089**	**45 537**	**623 626**
Investments accounted for using the equity method	273	-	**273**
TOTAL ASSETS	**578 362**	**45 537**	**623 899**
Non-current liabilities	43 541	3 235	**46 776**
Current liabilities	449 700	11 472	**461 172**
Segment liabilities	**493 241**	**14 707**	**507 948**
TOTAL LIABILITIES	**493 241**	**14 707**	**507 948**
Other segment information			
Capital expenditure - Intangible assets and “Property, Plant and Equipment”	6 286	1 043	**7 329**
Capital expenditure - Right-of-use assets	2 004	1 297	**3 301**
Depreciation of property, plant and equipment and Right-of-use assets	7 103	1 886	**8 989**
Amortisation and impairment of intangible assets	1 135	587	**1 722**
Personnel expenses	154 788	18 294	**173 082**
Non-cash expenses/(income)	-16 759	237	**-16 522**
Headcount at year-end (EFT)	1 512	252	**1 764**

*Financial intercompany position between segments is excluded from the assets and liabilities of the segment.

4.2. ENTITY WIDE DISCLOSURE

The Group operates in three main geographical areas, Belgium, the United States and the rest of the world. The sales figures presented below are based on customer location, whereas non-current and current assets are based on the physical location of the assets.

(EUR 000) December 31, 2021	Belgium	USA	ROW	Group
Sales of equipment, licences and services*	5 668	81 991	225 305	**312 964**
Non-current assets	80 651	10 623	27 594	**118 868**
Current assets	333 742	22 764	70 657	**427 163**
Segment assets	**414 393**	**33 387**	**98 251**	**546 031**
Investments accounted for using the equity method	20	0	0	**20**
TOTAL ASSETS	**414 413**	**33 387**	**98 251**	**546 051**
Capital expenditure Intangible assets and “Property, Plant and Equipment”	3 681	201	1 147	**5 029**

December 31, 2022	Belgium	USA	ROW	Group
Sales of equipment, licences and services*	4 252	127 716	229 303	**361 270**
Non-current assets	85 977	11 262	25 912	**123 150**
Current assets	346 034	35 382	119 060	**500 476**
Segment assets	**432 010**	**46 644**	**144 972**	**623 626**
Investments accounted for using the equity method	273			**273**
TOTAL ASSETS	**432 283**	**46 644**	**144 972**	**623 899**
Capital expenditure Intangible assets and “Property, Plant and Equipment”	5 957	184	1 188	**7 329**

*There is no breakdown of sales and services available by geographical sector.

As at December 31, 2022, no single customer represents more than 10% of the Group’s sales and services.

During the financial years, the revenue was recognised at a point in time or over time as detailed below:

Timing of revenue recognition	December 31, 2021	December 31, 2022
Goods and services transferred at a point in time	54 601	62 542
Goods and services transferred over time	258 363	295 764
Total revenue from contracts with customers	**312 964**	**358 306**

5. List of subsidiaries and equity-accounted investments

As at December 31, 2022, IBA Group consists of IBA SA and 26 companies and associates in 14 countries. 22 of them are fully consolidated and 4 are accounted for using the equity method.

5.1. LIST OF SUBSIDIARIES

NAME	Place of incorporation	Equity ownership (%) 2022	Equity ownership (%) 2021
IBA Participations SRL	LLN, Belgium	100%	100%
IBA Investments SCRL	LLN, Belgium	100%	100%
Ion Beam Beijing Applications Co. Ltd.	Beijing, China	100%	100%
Striba Ltd. [3]	Köln, Germany	0%	100%
IBA RadioIsotopes France SAS	Lyon, France	100%	100%
IBA Dosimetry Ltd.	Schwarzenbruck, Germany	100%	100%
IBA Dosimetry America Inc.	Bartlett, USA	100%	100%
IBA Proton Therapy Inc.	Edgewood New York, USA	100%	100%
IBA Industrial Inc.	Edgewood New York, USA	100%	100%
IBA USA Inc.	Edgewood New York, USA	100%	100%
IBA Particle Therapy Ltd.	Schwarzenbruck, Germany	100%	100%
LLC Ion Beam Applications	Moscow, Russia	100%	100%
IBA Particle Therapy India Private Limited	Chennai, India	100%	100%
Ion Beam Application SRL	Buenos Aires, Argentina	100%	100%
IBA Japan KK	Tokyo, Japan	100%	100%
Ion Beam Applications Singapore PTE. Ltd	Singapore, Singapore	100%	100%
IBA Egypt LLC	Cairo, Egypt	100%	100%
Ion Beam Applications Limited	Taipei, China	100%	100%
IBA Proton Therapy Canada, Inc.	Quebec, Canada	100%	100%
IBA Georgia LLC	Tbilisi, Georgia	100%	100%
Modus Medical Devices Inc [1]	Ontario, Canada	100%	0%
IBA Dosimetry Co Ltd. [2]	Shanghai, China	100%	0%
Ion Beam Applications Korea, Ltd.	Gyeonggi-do, South Korea	100%	100%

1 Subsidiary acquired in April 2022
2 Subsidiary set up in July 2022
3 Subsidiaries merged in July 2022, Striba Ltd absorbing entity renamed IBA Particle Therapy Ltd and adress changed

5.2. LIST OF EQUITY-ACCOUNTED INVESTMENTS

NAME	Country of incorporation	Equity ownership (%) 2022	Equity ownership (%) 2021
Cyclhad SAS	France	33.33%	33.33%
Normandy Hadrontherapy SAS	France	39.81%	39.81%
Normandy Hadrontherapy SARL	France	50.00%	50.00%
Pantera NV/SA	Belgium	50.00%	0.00%

IBA does not account for its share of the loss in Cyclhad SAS and Normandy Hadrontherapy SAS above the value of its investment as there is no commitment to participate in any potential future capital increase. The unrecognised losses from these subsidiaries are mentionned in note 9.1.1).

6. Business combinations and other changes in the composition of the group

6.1. ACQUISITIONS OF COMPANIES

6.1.1 Acquisition of Modus Medical Devices Inc (Canada)

SOURCE OF ESTIMATION UNCERTAINTY:

The purchase price allocation process involves an estimation of the fair value of all the assets and liabilities acquired in the business combination. The fair value of the intangible assets previously not recognised by the acquiree has been determined based on unobsvervable inputs and has therefore been categorized as level 3. The value has been estimated based on an income approach model in which the possible outcomes are probability weighted. The unobservable input to which this fair value is most sensitive is the cash flow forecast of Modus over the reference period.

In a transaction closed on 29 April 2022, the Group acquired 100% of the shares of Modus Medical Devices Inc.

With a development Center in Canada and 17 team members, Modus has an international presence and is at the forefront of quality assurance in the field of advanced radiotherapy and medical imaging. Modus has earned the trust of the world's leading medical physicists by creating phantoms and software that help them fulfill their responsibilities with the utmost confidence.

This transaction qualifies as a business combination in accordance with IFRS 3 and is therefore accounted for by applying the acquisition method.

The consideration transferred by the Group to acquire Modus includes:

- A cash amount of CAD 11 million (EUR equivalents of 8.2 million) paid at closing date;
- A final working capital adjustment for an amount of CAD 0.4 million (EUR equivalents of 0.3 million) which has been paid to the sellers in June 2022 and;
- A contingent consideration maximum to CAD 2.5 million (earn out to be paid by the Company, EUR equivalents of 1.9 million) depending on the sales of certain products realized by Modus over 1 May 2022 to 30 April 2032;

The fair value of the contingent consideration amounts to CAD 1.3 million at acquisition date and remained unchanged at the reporting date.

At acquisition date, the Group has estimated the fair values of the identifiable assets and liabilities of Modus. As allowed by IFRS 3, IBA has a period of 1 year to finalise the valuation and price allocation exercise and these fair values were then subsequently revised at the end of the financial year to a net amount of CAD 3.4 million (EUR equivalents of EUR 2.5 million), the excess of consideration represents a goodwill on acquisition for CAD 9.3 million (EUR equivalents at the date of acquisition of EUR 6.9 million, subsequently revalued to EUR 6.4 million at the rate as at December 31, 2022). Management remains alert to any potential changes to the fair value of the net assets, although no change is expected to the reported value, reallocation of the price is still allowed until end of April 2023.

The goodwill is attributable to the business segment of Dosimetry. The excess price paid is supported by the strategy of the Group with this acquisition, which is twofold, first to boost and extend the sales of the product commercialised by Modus to additional markets where IBA already has experience, second to take advantage of some cost savings opportunities.

The fair values of the identifiable assets and liabilities of Modus as well as the consideration transferred, and the resulting goodwill are set in the table below with the net cash flow effect at acquisition date:

(CAD 000)	Fair value recognised on acquisition
ASSETS	
Cash	3
Trade receivables	899
Other receivables and prepaid expenses	210
Inventories	797
Property, plant and equipment	12
Intangible assets	2 036
TOTAL ASSETS	**3 957**
Trade payables	4
Deferred tax liabilities	539
TOTAL LIABILITIES	**543**
Net Assets acquired	**3 414**
Goodwill arising from acquisition	**9 300**
Paid in cash at acquisition date	11 000
Earn Out payments expected over ten years after acquisition date	1 320
Working capital adjustment paid in cash after acquisition date	394
Total purchase consideration	**12 714**
Net cash outflow till December 31, 2022	**11 693**

From the date of acquisition, Modus Medical Devices Inc. contributed EUR 3.0 million of revenue and EUR 0.4 million to profit before tax of the Group. If the combination had taken place at the beginning of 2022, the Group's revenue would have been EUR 362.8 million and the profit before tax would have been EUR -0.1 million.

6.2. DISPOSALS OF COMPANIES

No disposal was carried out in 2022.

7. Goodwill and other intangible assets

7.1. GOODWILL

Movements of goodwill are detailed as follows:

January 1, 2021	**3 821**
Additions	0
Goodwill impairment	0
Currency translation difference	0
December 31, 2021	**3 821**
January 1, 2022	**3 821**
Additions	6 927
Goodwill impairment	0
Currency translation difference	-486
December 31, 2022	**10 262**

The additions represents the goodwill generated from the business acquistion of Modus Medical Devices Inc, detailed in note 6.1.1. This goodwill relates to the Dosimetry business and has been added to the CGU of Dosimetry given the cross synergies that will arise from this acquisition.

The goodwill generated by an acquisition is allocated to the cash-generating units (CGUs) concerned and an impairment test is carried out annually on the CGUs' fixed assets (including goodwill).

The following table summarizes allocation of the carrying amount of goodwill by operating segment:

(EUR 000)	Proton therapy and Other accelerators	Dosimetry	Group
December 31, 2021	0	3 821	**3 821**
Pre-tax discount rate applied in 2021		4.49%	
Long-term growth rate 2021		2.60%	
December 31, 2022	0	10 262	**10 262**
Pre-tax discount rate applied in 2022 (1)		3.44%	
Long-term growth rate 2022 (2)		3.60%	

(1) The pre tax discount rate used has been derived from the WACC specific to Dosimetry entities.

(2) Rate consistent with expected growth in the sector.

The recoverable amount of goodwill has been determined on a "value in use" basis.

SOURCE OF ESTIMATION UNCERTAINTY:

Value in use has been determined on the basis of IBA's latest business plans, as approved by the Board of Directors in the context of the strategic plan. The cash flows beyond a four-year period have been extrapolated using the growth rates shown in the table above. Impairment testing uses gross budgeted operational margins estimated by management on the basis of past performance.

The discount rates used reflect the specific risks related to the segments in question.

For the CGU Dosimetry, if the growth rate is decreased by 100 basis points and the discount rate is increased by 100 basis points, the recoverable amount remains greater than the carrying amount of the tested assets. No impairment was identified in 2022 and in 2021.

7.2. OTHER INTANGIBLE ASSETS

EUR 000	Software	Patents and trademarks	Development costs	Other	Total
Gross carrying amount as at January 1, 2021	**27 808**	**123**	**0**	**4 550**	**32 481**
Additions	362	0	0	422	784
Transfers	231	0	0	-231	0
Currency translation difference	116	10	0	12	138
Gross carrying amount as at December 31, 2021	**28 517**	**133**	**0**	**4 753**	**33 403**
Accumulated amortisation as at January 1, 2021	**24 182**	**123**	**0**	**3 649**	**27 954**
Additions	1 523	0	0	0	1 523
Currency translation difference	113	10	0	13	136
Accumulated amortisation as at December 31, 2021	**25 818**	**133**	**0**	**3 662**	**29 613**
Net carrying amount as at January 1, 2021	**3 626**	**0**	**0**	**901**	**4 527**
Net carrying amount as at December 31, 2021	**2 699**	**0**	**0**	**1 091**	**3 790**
Gross carrying amount as at January 1, 2022	**28 517**	**133**	**0**	**4 753**	**33 403**
Additions	589	0	0	3 509	4 098
Disposals	-222	0	0	0	-222
Transfers	952	0	0	-952	0
Gross carrying amount of assets acquired in business combinations	0	0	0	1 453	1 453
Currency translation difference	38	9	0	-33	14
Gross carrying amount as at December 31, 2022	**29 874**	**142**	**0**	**8 730**	**38 746**
Accumulated amortisation as at January 1, 2022	**25 818**	**133**	**0**	**3 662**	**29 613**
Additions	1 395	0	0	327	1 722
Disposals	-222	0	0	0	-222
Currency translation difference	38	8	0	9	55
Accumulated amortisation as at December 31, 2022	**27 029**	**141**	**0**	**3 998**	**31 168**
Net carrying amount as at January 1, 2022	**2 699**	**0**	**0**	**1 091**	**3 790**
Net carrying amount as at December 31, 2022	**2 845**	**1**	**0**	**4 732**	**7 578**

In 2022, IBA completed a business combination described in Note 6.1.1, in which the Group acquired the assets of Modus Medical Devices Inc and recognised intangible assets comprising a customer list and backlog of orders for a total amount of CAD 2.0 million (EUR equivalents of 1.5 million).

The additions also include the costs incurred by IBA in the compliance effort to renew a licence to sell medical devices in Europe in line with the new European Medical Device Regulation. The costs incurred are mainly internal staff costs and are considered as development as all criteria under IAS 38 are met. The project is still in progress and the related costs are capitalised in the heading “Other” for EUR 2.0 million.

Finally, further investments were made in software development.

In 2021, additional investments were made in software, mainly for the development of the IT internal service management system and an SAP HR central platform.

Amortization expense for intangible assets was recognized in the income statement in the “Cost of sales and services”, “Sales and marketing expenses”, “General and administrative expenses”, and “Research and development expenses” line items.

IBA does not have intangible assets with indefinite useful life. Despite the macro-economic conditions and other events of the year described in Note 3, IBA did not identify any indication of impairment on intangible assets in 2022 and 2021 financial years.

8. Property, plant and equipment

EUR 000	Land and buildings	Plant, machinery and equipment	Furniture, fixtures and vehicles	Other tangible assets	Total
Gross carrying amount as at January 1, 2021	**21 055**	**15 470**	**3 961**	**9 164**	**49 650**
Additions	838	1 450	297	1 660	4 245
Disposals	0	-62	0	-122	-184
Transfers	77	220	111	-619	-211
Currency translation difference	36	97	69	102	304
Gross carrying amount as at December 31, 2021	**22 006**	**17 175**	**4 438**	**10 185**	**53 804**
Accumulated depreciation as at January 1, 2021	**9 923**	**11 399**	**2 553**	**7 446**	**31 321**
Additions	905	1 578	288	707	3 478
Disposals	0	-5	0	-121	-126
Transfers	-211	0	0	0	-211
Currency translation difference	23	93	63	82	261
Accumulated depreciation as at December 31, 2021	**10 640**	**13 065**	**2 904**	**8 114**	**34 723**
Net carrying amount as at January 1, 2021	**11 132**	**4 071**	**1 408**	**1 718**	**18 329**
Net carrying amount as at December 31, 2021	**11 366**	**4 110**	**1 534**	**2 071**	**19 081**
Gross carrying amount as at January 1, 2022	**22 006**	**17 175**	**4 438**	**10 185**	**53 804**
Additions	642	824	200	1 565	3 231
Disposals	-8	-515	-138	-213	-874
Transfers	69	37	0	-106	0
Gross carrying amount of assets acquired in business combinations	0	52	80	25	157
Currency translation difference	21	58	37	53	169
Gross carrying amount as at December 31, 2022	**22 730**	**17 631**	**4 617**	**11 509**	**56 487**
Accumulated depreciation as at January 1, 2022	**10 640**	**13 065**	**2 904**	**8 114**	**34 723**
Additions	903	1 256	260	843	3 262
Disposals	-6	-433	-104	-205	-748
Accumulated depreciation of assets acquired in business combinations	0	49	74	24	147
Currency translation difference	20	60	23	48	151
Accumulated depreciation as at December 31, 2022	**11 557**	**13 997**	**3 157**	**8 824**	**37 535**
Net carrying amount as at January 1, 2022	**11 366**	**4 110**	**1 534**	**2 071**	**19 081**
Net carrying amount as at December 31, 2022	**11 173**	**3 634**	**1 460**	**2 685**	**18 952**

"Other tangible assets'' mainly include computer hardware and assets under construction. There are no tangible assets subject to title restrictions.

Depreciation expense for tangible assets was recognized in the income statement in the "Cost of sales and services", "Sales and marketing expenses", "General and administrative expenses", and "Research and development expenses" line items.

In 2022 and 2021, additional investments were made for IT equipment and further developments to the factory.

In 2022 and 2021, the disposals of tangible assets mainly correspond to the scrapping of unused assets by the Group.

Despite the macro-economic conditions and other events of the year described in Note 3, IBA did not identify any indication of impairment on the tangible assets in 2022 and 2021 financial year.

9. Associates, Joint Ventures and other investments

(EUR 000)	December 31, 2021	December 31, 2022
Investments accounted for using the equity method	20	273
Other investments	12 923	3 805
TOTAL	**14 361**	**4 078**

9.1. EQUITY-ACCOUNTED INVESTMENTS

Equity-accounted companies are listed in note 5.2 and are Cyclhad SAS, Normandy Hadrontherapy SAS, Normandy Hadrontherapy SARL and PanTera SA/NV.

Changes in equity-accounted investments are as follows:

(EUR 000)	December 31, 2021	December 31, 2022
As at January 1	**1 273**	**20**
Share of profit/(loss) of equity-accounted investments	-1 253	3
Additions	0	250
Unrealized gain on sale of an intangible asset	0	0
As at December 31	**20**	**273**

The additions of the current year represents the capital contribution in PanTera SA/NV, a joint venture established in partnership with SCK-CEN.

9.1.1 Associates

The Group's holdings in its principal associates, all unlisted, are as follows:

(EUR 000)

2021	Country	Assets	Liabilities	Revenue	Profit/ (Loss)	% Interest
Cyclhad SAS	France	66 373	76 589	4 892	-2 035	33.33%
Normandy Hadrontherapy SAS	France	59 153	55 306	3 753	-4 981	39.81%
Normandy Hadrontherapy SARL	France	51	-9	124	35	50.00%

2022	Country	Assets	Liabilities	Revenue	Profit/ (Loss)	% Interest
Cyclhad SAS	France	66 136	77 222	6 268	-870	33.33%
Normandy Hadrontherapy SAS	France	54 284	57 246	4 116	-6 809	39.81%
Normandy Hadrontherapy SARL	France	63	-14	124	35	50.00%

Cyclhad SAS

The Group has a 33.33% interest in Cyclhad SAS, which built a proton therapy center that is operational since the summer of 2018.

IBA has no capital commitments as at December 31, 2021 and December 31, 2022 to participate in any potential future funding of Cyclhad SAS.

IBA has therefore not accounted for its share of the loss and negative equity of Cyclhad SAS beyond its value of the capital invested.

Normandy Hadrontherapy SAS

Since June 2019, IBA ownership in Normandy Hadrontherapy SAS remained at 39.81 % (no change from 2019) of this entity following financing by several public and private players. The objective of this project is to launch the development of the world's first cyclotron-based carbon therapy system in Caen, France through its subsidiary Normandy Hadrontherapy (NHa), in collaboration with the Normandy Region and several other private and public players, including SAPHYN (SAnté et PHYsique Nucléaire).

The overall investment by all partners in NHa is over EUR 60 million, in equity and bond financing (guaranteed by the Normandy Region). IBA's contribution amounted to EUR 6 million in equity and EUR 1,5 million in convertible Bond financing (see note 11).

IBA's investment also includes the sale of intellectual property related to the Cyclone®400 cyclotron to NHa. The gain on this transaction amounted to EUR 5 million which was reduced by EUR 2 million (39.81%) for unrealized gain in 2019.

IBA has no capital commitments as at December 31, 2021 and December 31, 2022 to participate in any potential future funding of Normandy Hadrontherapy SAS.

IBA has therefore not accounted for its share of the loss and negative equity of Normandy Hadrontherapy SAS beyond its value of the capital invested.

The following table illustrates the summarized financial information of the associates:

(EUR 000)	December 31, 2021	December 31, 2022
Investment in affiliated companies		
Current assets	34 816	31 456
Non-current assets	90 760	89 027
Current liabilities (-)	-11 812	-14 366
Non-Current liabilities (-)	-120 092	-120 116
Equity	**-6 328**	**-13 999**
Group's share in equity	-1 853	-4 849
Unrealized gain on sale of an intangible asset	-1 991	-1 991
Cumulative unrecognized share of losses of associate	3 865	6 865
Other	0	0
Group's carrying amount of Investment accounted for using the equity method	**21**	**25**

9.1.2 Joint ventures

The Group has one joint venture since 2022:

2022	Country	Assets	Liabilities	Revenue	Profit/ (Loss)	% Interest
PanTera SA/NV	Belgium	499	2	17	-3	50.00%

PanTera SA/NV

In 2022, IBA established a strategic R&D partnership as a Joint Venture with SCK-CEN (Belgian Nuclear Research Center). Both entities participate for 50% of the share capital with an initial contribution of EUR 0.3 million. The JV is established in Belgium and will be active in the nuclear medicine, more specifically it will develop, produce and distribute the isotope Ac.225.

The R&D project is still at a very early stage and is expected to start production and distribution as from 2026.

The following table illustrates the summarized financial information of PanTera SA/NV:

(EUR 000)	December 31, 2022
Investment in Joint Ventures	
Current assets	499
Non-current assets	0
Current liabilities (-)	-2
Non-Current liabilities (-)	0
Equity	**497**
Group's share in equity	249
Group's carrying amount of Investment accounted for using the equity method	**249**

9.2. OTHER INVESTMENTS

SOURCE OF ESTIMATION UNCERTAINTY:

The carrying amount of these investment is at fair value. When there is no active markets nor observable inputs that can be used for the measurement, the investments are measured at fair value category level 3, based on valuation techniques using inputs which are not directly observable. Based on information provided by the investee's management such as business plan, IBA develops an income based valuation model using future cash flows which are discounted using the investee's WACC. There is uncertainty in the business plans used as a basis for the calculations as well as in the risk and market premium used to determine the discount rate.

The "Other investments" includes shares of companies in which IBA has no significant influence. These shares are reassessed either on the basis of the quoted price or on the basis of the value granted to them based on a valuation model.

(EUR 000)	2021	2022
As at January 1	**13 088**	**12 923**
Movements through reserves (Valuation at fair value - IFRS 9)	-165	-10 422
Additions	0	1 304
As at December 31	**12 923**	**3 805**

HIL Applied Medical Ltd

In 2016, the Group invested USD 2.0 million (EUR 1.8 million) in HIL Applied Medical Ltd, a private Israeli developer of laser-based proton therapy systems which is developing a novel, patented approach to particle acceleration and delivery, combining non-technology with ultra-high-intensity lasers and ultra-fast magnets. This potential technological breakthrough could enable a meaningful reduction in the size and cost of proton therapy systems without compromising clinical utility. Alongside this investment, IBA and HIL have signed an Original Equipment Manufacturer (OEM) agreement which gives IBA the right to purchase HIL's laser-based proton accelerators for the purpose of integrating them into proton therapy solutions.

As at December 31, 2022, in the absence of directly observable input to support the valuation, IBA has measure the fair value of the investment using the DCF method and the significant inputs used are the cash flow forecast derived from the EBITDA forecast on a 10 years period as prepared by HIL's management and a WACC of 22.3% reflecting the risk free interest rate of local market, the market risk premium and the small business premiums. Based on the valuation exercise, IBA has recorded a value increase of the investment by EUR 1.0 million as at December 31, 2022 against the Group's Statement of Other Comprehensive Income (cumulative impact on reserves of EUR 1.0 million as at December 31, 2022).

Scandidos A.B.

In 2022, the Group took a minority stake of SEK 13.7 million (EUR 1.3 million) in ScandiDos A.B. This investment represents a 10.11% ownership of the issued capital. The company is a listed group on the Swedish stock exchange, the investment is held at fair value with changes recognised in Other Comprehensive Income. In 2022, this reassessment at fair value decreased the value of the investment compared to the acquisition price by EUR 0.3 million against the Group's Statement of Other Comprehensive Income (cumulative impact on reserves of EUR 0.3 million as at December 31, 2022).

Rutherford Estates Ltd

As described in Note 1.1, Rutherford Estates Ltd has declared bankruptcy in 2022, the group reduced the fair value of its investment from EUR 11.1 million to zero (against the group's Statement of Other Comprehensive Income).

10. Deferred taxes

(EUR 000)	December 31, 2021	December 31, 2022
DEFERRED TAX ASSETS		
Deferred tax assets to be recovered after 12 months – Tax losses on carry-forward	4 667	15 917
Deferred tax assets to be recovered after 12 months - Temporary differences	193	426
Deferred tax assets to be recovered within 12 months - Tax losses on carry-forward	945	0
Deferred tax assets to be recovered within 12 months - Temporary differences	3 576	4 607
TOTAL	**9 381**	**20 950**
Deferred tax liabilities netted against the deferred tax assets in the statement of financial position for entities that are part of the same fiscal group	-739	-739
Total DTA recognised	**8 642**	**20 211**
DEFERRED TAX LIABILITIES		
Deferred tax liabilities to be paid after 12 months - temporary differences	936	1 495
Deferred tax liabilities to be paid within 12 months - temporary differences	0	0
TOTAL	**936**	**1 495**
Deferred tax liabilities netted against the deferred tax assets in the statement of financial position for entities that are part of the same fiscal group	-739	-739
Total DTL recognised	**197**	**756**
Net deferred tax assets	**8 445**	**19 455**

Deferred tax assets have increased from EUR 8.6 million as at year ended December 31, 2021 to EUR 20.2 million as at December 31, 2022, representing an increase of temporary differences by EUR 1.3 million and an increase of usable tax losses carried forward by EUR 10.3 million. The main driver of the increase is the initial recognition of deferred tax assets on the tax losses carried forward in Belgium.

Based on the latest forecast exercise, Management has concluded that IBA SA will be able to offset future taxable profit with past tax losses, representing a future tax saving of at least EUR 10.9 million. More details on the estimate are given in note 4.1.1. A decrease in the forecasted yearly gross margin of 10% would lead to a decrease of the recognised deferred tax asset of EUR 4.4 million.

As at December 31, 2022, the Group had accumulated net operating losses of EUR 162.7 million (2021: EUR 194.8 million) usable to offset future profits taxable mainly in Belgium, Germany and in the US and temporary differences for which the tax base amounts to EUR 65.0 million (2021: EUR 53.5 million) mainly in Belgium, the United States and Germany. The Group recognized deferred tax assets relating to tax losses carried forward for EUR 15.9 million with the view to using these in future years and EUR 3.6 million as deferred tax assets and liabilities for temporary differences.

In 2022 and in 2021, the recognized temporary differences are mainly related to taxable deferred revenues, non-deductible allowance for doubtful accounts, expenses accrual and inventory in the US entities.

(EUR 000)	DEFERRED TAX ASSETS	DEFERRED TAX LIABILITIES
As at January 1, 2021	**7 797**	**-521**
Credited/(charged) to the income statement	543	347
Currency translation difference	302	-23
As at December 31, 2021	**8 642**	**-197**
Credited/(charged) to the income statement	11 426	-182
Deferred tax recognised from a business combinations	0	-375
Currency translation difference	143	-2
As at December 31, 2022	**20 211**	**-756**

The deferred tax recognised from a business combination represents the temporary difference on the intangible assets with a finite useful life recognised as part of the purchase price allocation exercise done on the acquisition of Modus detailed in Note 6.1.1.

Deferred tax assets are recognized on tax loss carry-forwards to the extent that it is probable that they can be recovered through future earnings.

On December 31, 2022, EUR 38.4 million of deferred taxes were not recognized as assets in the financial position (EUR 49.5 million in 2021) mainly due to the uncertainty of future taxable profit to use these against in the future.

Tax losses and corresponding temporary differences have no expiry dates.

11. Other long-term assets

(EUR 000)	December 31, 2021	December 31, 2022
Long-term receivables on contracts in progress	511	436
Research tax credit	11 932	11 738
Subordinated loan to NHA	1 520	1 520
Subordinated bond to proton therapy customers	4 414	4 688
Financial notes granted to proton therapy customers	4 772	4 748
Loan to shareholders	5 807	5 769
Customers with payment terms more than one year	0	1 988
Customers retainers	0	970
Long-term financing for a building to a proton therapy customer	0	2 583
Long term deposits	11 469	321
Other assets	607	423
TOTAL	**41 032**	**35 184**

In 2022, IBA Group entered into a settlement agreement with a former partner in Italy. The outcome of the settlement is that IBA takes over all rights and obligations of the former partner in the context of the operation and maintenance of a building hosting a Proton Therapy equipment. As part of the settlement, IBA will receive the cash flows from the customer that were related to the initial financing operations of the building by the former partner for EUR 2.5 million.

In 2022, IBA granted extended payment terms on some invoices as a one-off, for a total amount of the long-term portion of EUR 2.0 million. Given the short horizon, the effect of discounting was deemed immaterial. In addition, some customers applied a retainer on IBA's invoices related to the construction of buildings, these are to be received upon completion of the construction.

In 2021, IBA Group issued a long-term loan to IB Anchorage (subsequently renamed "Management Anchorage") to finance the acquisition of shares in the Company. The Group also subscribed to USD 5 million tax-exempt subordinated bonds in relation to a Proton therapy customer.

The decrease in long-term deposit is mainly driven by the CNY 80 million (EUR equivalent 11 million) cash pledge in China required to secure a bank guarantee to a customer which has been reclassified to short term as the expiry date is in 2023.

12. Inventories

Work in progress relates to the production of inventory for which a customer has not yet been secured, while contracts in progress (note 13) relate to the production for specific customers in fulfilling obligations under a signed contract.

(EUR 000)	December 31, 2021	December 31, 2022
Raw materials and supplies	79 210	101 793
Finished products	2 424	3 219
Work in progress	4 903	8 285
Write-off of inventories (-)	-11 663	-12 280
Inventories and contracts in progress	**74 874**	**101 017**

The inventories have significantly increased in 2022. This is driven by an increase in customer orders and business growth.

13. Contract assets and contract liabilities

Contracts in progress have the following balances at the end of the year:

(EUR 000)	December 31, 2021	December 31, 2022
Costs to date and recognized revenue	369 685	383 734
Less : progress billings	-334 046	-344 343
Contracts assets	**35 639**	**39 391**
Contract liabilities	-208 112	-296 219
Net amounts on contracts in progress	**-172 473**	**-256 828**
Amounts invoiced on contracts in progress but for which payment has not yet been received at financial position date	**4 255**	**11 161**

As at December 31, 2022 and December 31, 2021, there are no contract assets set as a warranty to cover the financing of a proton therapy contract.

As at December 31, 2022, contracts in progress and amounts due to customers for contract assets showed a net position of EUR -256.8 million compared to EUR -172.5 million as at December 31, 2021. The increase of EUR 84.4 million is primarily explained by the high level of billings during 2022 and downpayments received upon signature of the customers' orders.

As at December 31, 2022 and December 31, 2021, IBA did not identify any risk related to the recoverability of these contract assets, as a result, no allowance for expected credit loss was recognised.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) is broken down as follows:

(EUR 000)	December 31, 2021	December 31, 2022
To be satisfied within one year	255 229	453 580
To be satisfied in more than one year	953 904	1 073 387
Total transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied)	**1 209 133**	**1 526 967**

14. Trade and other receivables

14.1. TRADE RECEIVABLES

Trade account receivables are detailed as follows:

(EUR 000)	December 31, 2021	December 31, 2022
Amounts invoiced on contracts in progress but for which payment has not yet been received at financial position date	4 255	11 161
Trade receivables related to customers that are not in contract asset position at the end of the period	75 514	103 852
Allowance for expected credit losses on trade receivables (-)	-3 960	-3 364
TOTAL	**75 809**	**111 649**

The increase in trade receivables amounts to 35.8 EUR million as at December 31, 2022 which is mainly explained by large milestone invoices issued in China before the end of the year.

The trade receivables (excluding allowance for expected credit losses) include in 2022 an amount of EUR 0.1 million related to the revaluation of trade receivables in another currency than the functional currency of the various consolidated entities (EUR 0.4 million in 2021).

As at December 31, the ageing of the trade receivables (excluding allowance for expected credit losses) was as follows:

(EUR 000)	TOTAL	not due	< 30 days	30-59	60-89	90-179	180-269	270-360	> 1 year
2021	**79 769**	11 535	8 876	1 051	17 549	863	2 788	3 152	33 955
2022	**113 663**	49 848	40 627	5 297	1 785	2 087	3 844	3 566	6 609

As at December 31, 2022, the allowance for expected credit losses on trade receivables amounts to EUR 3.4 million. To calculate the expected credit losses, the group applies the overall matrix described in the accounting policies. The credit loss is then reviewed in detail to take into consideration other customer specific factors such as re-negotiation, customer refinancing, and guarantees received.

The table below explains the relationship between expected credit losses and trade receivables:

(EUR 000)	Not overdue	Due from 1 to 90 days	Due from 91 to 180 days	Due from 181 to 270 days	Due from 271 to 360 days	Due more than 360 days	Total Trade receivable
Expected credit loss rate		***0%***	***25%***	***50%***	***75%***	***100%***	
Trade receivables	11 535	27 476	863	2 788	3 152	33 955	**79 769**
Calculated credit loss			216	1 394	2 364	33 955	**37 929**
Adjustment for individual balances not at risk			-39	-1 348	-2 309	-30 273	**-33 969**
Provision for credit loss recognised at December 31, 2021			**177**	**46**	**55**	**3 682**	**3 960**

(EUR 000)	Not overdue	Due from 1 to 90 days	Due from 91 to 180 days	Due from 181 to 270 days	Due from 271 to 360 days	Due more than 360 days	Total Trade receivable
Expected credit loss rate		***0%***	***25%***	***50%***	***75%***	***100%***	
Trade receivables	49 848	47 709	2 087	3 844	3 566	6 609	**113 663**
Calculated credit loss			522	1 922	2 675	6 609	**11 727**
Adjustment for individual balances not at risk			-309	-1 753	-2 624	-3 677	**-8 363**
Provision for credit loss recognised at December 31, 2022			**213**	**169**	**50**	**2 932**	**3 364**

The changes in the allowance for expected credit losses for the past two years are as follows:

(EUR 000)	
As at January 1, 2021	**4 026**
Charge for the year	595
Utilizations	0
Write-backs	-882
Currency translation difference	221
As at December 31, 2021	**3 960**
Charge for the year	588
Utilizations	-24
Write-backs	-1 337
Currency translation difference	177
As at December 31, 2022	**3 364**

The write-backs represent payments received from customers which were provided for in the previous years and primarily relate to the business in the USA.

The charge for expected credit loss is included in “General and Administrative expenses” in the Income Statement.

14.2. OTHER CURRENT ASSETS AND OTHER RECEIVABLES

The other receivables are detailed as follows:

(EUR 000)	December 31, 2021	December 31, 2022
Non-trade receivables and advance payments	9 477	11 652
Advance payments	9 156	28 633
Prepaid expenses	5 192	5 724
Accrued income related to maintenance contracts	11 283	16 219
Accrued income other	215	362
Current income tax receivables	3 298	3 392
Other current receivables	2 868	3 975
Cash with restriction more than 3 months	0	7 260
Prepaid share investments	0	1 538
Non highly liquid short term deposits	0	11 138
TOTAL	**41 489**	**89 893**

Other receivables on the financial position primarily include advance payments on orders, prepaid expenses and accrued income.

For the year 2022, the increase of ''Other receivables'' by EUR 48.4 million is primarily explained by the increase in advance payments made to vendors.

As at December 31, 2022, the ''non-trade receivables and advance payments'' heading is mainly composed of VAT receivable for EUR 8.0 million (EUR 3.6 million in 2021), advance payments to suppliers for EUR 28.7 million (EUR 9.2 million in 2021), and grants receivable for EUR 2.9 million (EUR 5.4 million in 2021).

As at December 31, 2022, the “Other current receivables” heading is composed of, ''research tax credit” for EUR 2.2 million (EUR 1.9 million in 2021), the short term portion of the financial notes to PT customers that are due within 12 months for EUR 0.9 million (EUR 0.7 million in 2021), the short term portion of a customer refinancing cash flows acquired from a previous italian partner for EUR 0.5 million and other receivables for EUR 0.3 million (2021: EUR 0.2 million).

As at December 31, 2022, the cash with restrictions represents cash that Management has repatriated, a EUR 7.3 million payment from its Russian subsidiary. Given the current environment, the Belgian authorities have temporarily blocked these funds as part of a review measure under the current embargo environment as described in Note 3.1. They are held on an account that is legally held and controlled by IBA. Given that the timeframe for the release is still uncertain, the cash is presented as other asset rather than cash and cash equivalents.

In December 2022, IBA group entered into a Share Purchase Agreement to buy shares in a capital investment entity. IBA paid EUR 1.5 million to increase its investment from 0.5% to 25% with an effective date of transfer of ownership on January 1st, 2023.

The short-term deposits have significantly increased due to the reclassification from long-term assets (Note 11) of a cash deposit in China which will come to maturity in 2023.

As at December 31, 2022, the ''Current income tax receivable'' heading is mainly composed of tax in Belgium for EUR 2.2 million (EUR 2.2 million in 2021), in the USA for EUR 1.6 million (none in 2021) and in Russia for EUR 0.4 million (EUR 0.4 million in 2021)

The group has an open tax litigation regarding the deductibility of some R&D expenditures for EUR 0.9 million however the group is confident that the risk is mitigated. Consequently, the Group has recognized both a current tax liability and an equivalent current tax receivable included in the above balance. The litigation was resolved early 2023, confirming that the balances recognised as at December 31, 2022 were appropriate as the liability will be reversed and the asset will be settled.

15. Cash and cash equivalents

(EUR 000)	December 31, 2021	December 31, 2022
Bank balances and cash	197 370	108 366
Accounts with restrictions shorter than 3 months	0	0
Short-term bank deposits	1 900	50 000
CASH AND CASH EQUIVALENTS	**199 270**	**158 366**

Short-term deposits have an average maturity of less than 30 days or are available on demand and are therefore highly liquid.

16. Capital stock and share-based plans

16.1. CAPITAL STOCK

	Number of shares	Issued capital stock (EUR)	Capital surplus (EUR)	Treasury shares (EUR)	Total (EUR)
As at January 1, 2021	**30 133 920**	**42 294 182**	**41 978 166**	**-8 501 979**	**75 770 369**
Capital increases	84 798	119 014	857 859	2 595 475	**3 572 348**
Purchase of treasury shares	0	0	0	-11 226 747	**-11 226 747**
Disposal of treasury shares	0	0	0	4 520 619	**4 520 619**
As at January 1, 2022	**30 218 718**	**42 413 196**	**42 836 025**	**-12 612 632**	**72 636 589**
Capital increases	63 500	89 122	642 397	-555 149	**176 370**
Purchase of treasury shares	0	0	0	-5 160 572	**-5 160 572**
As at December 31, 2022	**30 282 218**	**42 502 318**	**43 478 422**	**-18 328 353**	**67 652 387**

During the year 2022, the Group issued an additional 63 500 new shares, out of which 15 310 were granted to beneficiaries of stock options which were fully vested and exercised. The Group also bought 302 451 treasury shares. The remaining newly issued shares were recorded in Treasury shares.

As at December 31, 2022, 49.01% of IBA's stock was traded on Euronext. Full details of the Group's shareholders are set out in the section "The stock market and shareholders" of this annual report.

In 2022, the General Assembly has approved a dividend of EUR 0.19 per share as recommended by IBA's Board of Directors, for a total amount of EUR 5.6 million.

In view of the gain of the 2022 financial year, IBA's Board of Directors intends to recommend to the General Assembly to pay a dividend of EUR 0.21 per share in 2023.

16.2. STOCK OPTIONS AND SHARE-BASED PAYMENTS

Group employees and Management can purchase or obtain IBA stock through various stock option and stock plans. Option strike prices are set at the market price of the underlying stock on the date of grant.

As far as stock option plans are concerned, the fair value of the benefit awarded is determined using the Black & Scholes model, as described below. The benefit granted is recognized as an employee cost, and the share-based payment reserve is increased accordingly.

Stock option plans launched in 2014 and 2015 have the following vesting scheme: 100 percent vesting as at December 31, 2018 and can be exercised until June 30, 2024.

In 2016, 2017, 2018 and 2019, no stock option plan has been launched.

The options granted under the stock option plans launched in 2020 will vest on 2 January 2024 and fifty percent of these options can be exercised until May 31, 2026 while the remaining fifty percent can be exercised until May 31, 2030.

In January 2021, 649 972 stock options (the "Stock Options") were granted to members of the Group top management (including some determined persons), the “Head Plan”. Each Stock Option allows its beneficiary to subscribe to one newly issued share or receive the Company own shares against payment of a strike. The plan allows for further additional new persons to join the plan at a later stage; strike, vesting dates and expiry dates may vary. In 2021, after the initial plan launch, 38 346 more options were issued and another 16 839 in 2022. The details of these are provided in the second table below.

SOURCE OF ESTIMATION UNCERTAINTY:

The Company used the Black & Scholes model to value options, with no vesting conditions other than time. Expected volatility for the stock option plans is based on historical volatility determined by statistical analysis of daily share price movements. The exercise price of shares for the stock option plans was based on the average share price for the 30 days preceding the grant date.

Details of the valuation of the options granted in 2022 are given in this section:

	Option plan
Type of plan	Stock option
Date of grant	September 1st, 2022
Number of options granted	16 839.00
Exercise price	17.15
Share price at date of grant	16.58
Contractual life (years)	5.33
Settlement	Shares
Expected volatility	0.51
Risk-free interest rate	0.02
Expected dividend (stated as % of share price	0.02
Expected departures at grant date	0.04
Fair value per granted option at grant date	6.75
Valuation model	Black & Scholes

As at December 31, 2022, the Group recognised EUR 0.9 million as other operating expenses for employee stock options (EUR 0.8 million in 2021).

The stock options outstanding as at December 31 have the following expiration dates and exercise prices:

	December 31, 2021		December 31, 2022	
Expiration date	**Exercise price (EUR)**	**Number of stock options**	**Exercise price (EUR)**	**Number of stock options**
June 30, 2024	11.52	78 810	11.52	63 500
June 30, 2024	31.84	20 000	31.84	20 000
May 31, 2026	7.54	175 000	7.54	172 500
May 31, 2030	7.54	175 000	7.54	172 500
December 31, 2026	13.39	631 997	13.39	631 997
December 31, 2026	15.77	7 190	15.77	7 190
December 31, 2026	14.39	31 156	14.39	31 156
December 31, 2027	N/A	N/A	17.15	16 839
TOTAL outstanding stock options		**1 119 153**		**1 115 682**

Stock option movements can be summarized as follows:

	December 31, 2021		December 31, 2022	
	Average exercise price in EUR per share	**Number of stock options**	**Average exercise price in EUR per share**	**Number of stock options**
Outstanding as at January 1	**13.57**	**540 608**	**11.4**	**1 119 153**
Issued	13.46	688 318	17.15	16 839
Forfeited (-)	12.00	-24 975	7.54	-5 000
Exercised (-)	11.52	-84 798	11.52	-15 310
Expired (-)	0	0	0	0
Outstanding as at December 31	**11.4**	**1 119 153**	**11.91**	**1 115 682**
Exercisable as at December 31		**98 810**		**83 500**

17. Reserves

(EUR 000)	December 31, 2021	December 31, 2022
Hedging reserves	-8 440	-8 402
Other reserves - Value of stock option plans and share-based compensation	16 684	17 625
Other reserves – Other	154	154
Other reserves - Equity instruments at fair value through Profit or Loss	4 014	-6 408
Other reserves - Defined benefit plan	-4 064	-516
Reserves	**8 348**	**2 453**
Currency translation difference	**-6 315**	**-5 585**
Retained earnings	**51 227**	**51 431**

The hedging reserves include changes in the fair value of financial instruments used to hedge cash flows of future transactions. Hedging reserves have remained in line with 2022.

In 2021 and 2022, the changes of ‘’Other reserves - Equity instruments at fair value through Profit or Loss” is related to the reevaluation at fair value of the other investment in Rutherford Estates Limited (EUR 11.1 million) see Note 1.1, in ScandiDos A.B (EUR 0.3 million) and HIL applied Medical Ltd (EUR 1.0 million). For more details.

The decrease of “Other reserves – Defined benefit plan” for EUR 3.5 million is further described in note3.5.

Cumulative translation difference includes differences related to the translation of financial statements of consolidated entities whose functional currency is not the euro. It also includes foreign exchange differences arising from long-term loans that are part of the Group’s net investment in foreign operations.

As at December 31, 2022, a cumulated loss of EUR -1.0 million on the retranslation of these loans was reclassified to equity in order to offset the loss arising from the translation of these loans between subsidiaries of the Group (cumulated loss of EUR -1.2 million as at December 31, 2021).

As at December 31, 2022 and 2021, the loans of CNY 45.0 million and CNY 14.8 million between IBA SA and Ion Beam Beijing Medical Applications Technology Service Co. Ltd are designated as the Group’s permanent financing in foreign operations.

18. Borrowings

The table below outlines the key terms and conditions of the existing credit facilities:

Loan/Credit line	Ranking	Status	Outstanding December 31, 2021 (EUR 000)	Carrying amount December 31, 2021 (EUR 000)	Outstanding December 31, 2022 (EUR 000)	Carrying amount December 31, 2022 (EUR 000)	Currency	Interest	Maturity	Repayment
S.R.I.W.	Subordinated	Unsecured	6 121	6 121	4 897	4 715	EUR	Fixed	2026	Amortizing
S.R.I.W.	Subordinated	Unsecured	2 550	2 550	2 040	1 964	EUR	Fixed	2026	Amortizing
S.R.I.W.	Subordinated	Unsecured	5 000	5 000	4 000	3 851	EUR	Fixed	2026	Amortizing
S.F.P.I.	Subordinated	Unsecured	5 000	5 000	4 000	3 851	EUR	Fixed	2026	Amortizing
Term loan 5-years	Senior	Secured	21 000	21 000	0	0	EUR	Floating*	2025	Amortizing
Overdraft facility - China	Senior	Secured	0	0	0	0	CNY	Floating***	UFN ****	Revolving
Revolving credit facilities	Senior	Secured	0	0	0	0	EUR	Floating*	2024	Revolving

* EURIBOR + margin dependent on Net Leverage ratio

** MCLR + margin

**** Until further notice

The table below breaks down the bank borrowings by maturity and explains the movements of the year:

(EUR '000)	December 31, 2021	December 31, 2022
Non-current	29 937	10 647
Current	9 734	3 734
Total	**39 671**	**14 381**
Opening amount	**56 731**	**39 671**
Amortised cost adjustment after contract modification	0	-556
Borrowings converted to grants	-4 384	0
Repayment of borrowings	-12 984	-24 734
Currency translation difference	308	0
Closing balance	**39 671**	**14 381**

Repayments of borrowings relate to the term loan (EUR 21.0 million) and the S.R.I.W. and S.F.P.I. bonds (EUR 3.7 million).

The amortised cost adjustment represents the impact of the renegotiation of future interest rate with the S.R.I.W. and S.F.P.I. IBA has agreed with the two lenders to decrease the interest rates, this represents a non-substantial change to the contract terms in the sense of IFRS and is treated as a contract modification. As a result, IFRS 9 requires the revised future cash flows to be amortised with the initial effective interest rate, leading to a one off gain of 0.6 million in 2022 (recognised in Other financial income in the consolidated statement of income).

In 2020, the Group applied for a loan through Wells Fargo bank under the terms of the Paycheck Protection Program ("PPP"), a federal relief program in the US to support business employment as a result of the COVID-19 pandemic. The loans were signed by IBA Dosimetry America Inc., IBA Proton Therapy Inc. and IBA Industrial Inc for a total of USD 5 million (EUR 4.4 million) and participants can apply for loan forgiveness under certain conditions, however as the outcome of the forgiveness application was uncertain, management had decided not to recognize any impact of the forgiveness in the accounts of 2020. In the course of 2021, evidence was found that IBA Group could qualify for forgiveness, considering this government relief as a grant income, the decision was later confirmed by official letter before the end of the financial year, the initial loans were therefore converted as grants and accounted for accordingly in 2021.

As at December 31, 2022, the bank and other borrowings include unsecured subordinated bonds from S.R.I.W. for a total of EUR 10.5 million (EUR 13.7 million in 2021) and an unsecured subordinated bond from S.F.P.I. for EUR 3.9 million (EUR 5.0 million in 2021) as well as unused revolving (short term) credit facilities (unchanged from 2021), and unused overdraft facilities in China.

The term loan of EUR 21 million was fully repaid in 2022.

S.R.I.W. and S.F.P.I. subordinated bonds

S.R.I.W. and S.F.P.I. are two Belgian public investment funds (respectively, at regional and federal level).

Following the terms of the S.R.I.W. and S.F.P.I. bond agreements, the Group agreed to comply with a financial covenant relating to the IBA Group level of equity, which was met as at December 31, 2022.

Available bank credit facilities

As at December 31, 2022, the Group has at its disposal credit facilities amounting to EUR 83.1 million of which 25.6% are used (47.8% in 2021).

The bank facilities at IBA SA level include a EUR 37 million revolving credit facility (maturing in December 2024).

The financial covenants applying to these syndicated facilities consist of (a) a maximum net leverage ratio (calculated as the consolidated net senior indebtedness divided by the consolidated REBITDA over the last 12 months) and (b) a minimum corrected equity level (calculated as the sum of the consolidated equity - with certain reclassifications - and the subordinated indebtedness). Both covenants were complied with as at December 31, 2022.

In China, the CNY 35 million overdraft facility (borrower: Ion Beam Applications Co. Ltd) was maintained for the same amount (undrawn as of December 31, 2022).

(EUR 000)	Credit facilities total amount	Credit facilities used	Credit facilities available
S.R.I.W. - subordinated	10 530	10 530	0
S.F.P.I. - subordinated	3 851	3 851	0
Short-term credit facilities	41 757	0	41 757
TOTAL	**56 138**	**14 381**	**41 757**

The facilities expiring within one year include the short-term portion of long-term debt, annual facilities subject to review at various dates during the 12 months following the end of the financial year, and uncommitted facilities having no firm expiry date (available "until further notice").

The maturities of bank and other borrowings are detailed as follows:

(EUR 000)	December 31, 2021	December 31, 2022
One year or less	9 734	3 734
Between 1 and 2 years	9 734	3 467
Between 2 and 5 years	20 203	7 180
TOTAL	**39 671**	**14 381**

The payments of bank and other borrowings are as follows:

(EUR 000)	December 31, 2021	December 31, 2022
One year or less	10 936	4 264
Between 1 and 2 years	10 668	4 120
Between 2 and 5 years	21 478	7 838
	43 082	**16 222**
Future interest expense on bank and other borrowings (-)	-3 411	-1 841
TOTAL	**39 671**	**14 381**

The effective interest rates for bank and other borrowings at the financial position date are as follows:

	December 31, 2021				December 31, 2022	
	EUR	USD	INR	CNY	EUR	CNY
Bank and other borrowings	3.35%	0.00%	n/a - credit line not used	n/a - credit line not used	2.33%	n/a - credit line not used

The carrying amounts of the Group's borrowings are all denominated in EUR.

Utilized credit facilities are as follows:

(EUR 000)	December 31, 2021	December 31, 2022
FLOATING RATE		
Repayment within one year	6 000	0
Repayment beyond one year	15 000	0
TOTAL FLOATING RATE	**21 000**	**0**
FIXED RATE		
Repayment within one year	3 734	3 734
Repayment beyond one year	14 937	10 647
TOTAL FIXED RATE	**18 671**	**14 381**
TOTAL	**39 671**	**14 381**

Unutilized credit facilities are as follows:

(EUR 000)	December 31, 2021	December 31, 2022
FLOATING RATE		
Repayment within one year	1 543	0
Repayment beyond one year	41 865	41 757
TOTAL FLOATING RATE	**43 408**	**41 757**
FIXED RATE		
Repayment within one year	0	0
Repayment beyond one year	0	0
TOTAL FIXED RATE	**0**	**0**
TOTAL	**43 408**	**41 757**

19. Long-term and short-term provisions

(EUR 000)	Environment	Warranties	Litigation	Defined employee benefits	Other employee benefits	Other	Total
As at January 1, 2021	**108**	**3 553**	**170**	**4 948**	**225**	**3 044**	**12 048**
Additions (+)	3	3 524	0	28	117	1 172	**4 844**
Write-backs (-)	0	-427	0	11	-63	-87	**-566**
Utilizations (-)	0	-1 404	-30	-63	0	-687	**-2 184**
Reclassifications	0	-573	0	0	0	573	**0**
Actuarial (gains)/losses generated during the year	0	0	0	514	0	0	**514**
Currency translation difference	0	5	0	6	0	211	**222**
Total movement	**3**	**1 125**	**-30**	**496**	**54**	**1 182**	**2 830**
As at December 31, 2021	**111**	**4 678**	**140**	**5 444**	**279**	**4 226**	**14 878**
As at January 1, 2022	**111**	**4 678**	**140**	**5 444**	**279**	**4 226**	**14 878**
Additions (+)	7	3 877	0	834	554	1 928	**7 200**
Write-backs (-)	0	-1 059	0	0	0	2	**-1 057**
Utilizations (-)	0	-1 207	0	0	-80	-961	**-2 248**
Actuarial (gains)/losses generated during the year	0	0	0	-3 549	0	0	**-3 549**
Currency translation difference	0	-46	0	-3	-21	-28	**-98**
Total movement	**7**	**1 565**	**0**	**-2 718**	**453**	**941**	**248**
As at December 31, 2022	**118**	**6 243**	**140**	**2 726**	**732**	**5 167**	**15 126**

19.1. ENVIRONMENT

Environmental provisions include environmental compliance provisions related to natural radiation sources for EUR 0.1 million.

19.2. WARRANTIES

Provisions for warranties cover warranties for machines sold to customers.

Movements can be detailed as follows:

- New provisions primarily in relation to Proton therapy and other accelerators amounting to EUR 3.9 million following delivery of several projects to customers.
- Reversals of provisions in relation to Proton therapy and other accelerators amounting to EUR -1.1 million following the end of warranty periods.
- Utilizations of provisions in relation to Proton therapy and other accelerators amounting to EUR -1.2 million.

19.3. OTHER PROVISIONS

Other provisions as at December 31, 2022 consisted primarily of the following:

- Provisions for onerous contracts for EUR 5.1 million
- An amount of EUR 0.2 million for litigations.

Main movements are related to new provisions for the onerous maintenance contracts for EUR 2.6 million. This increase results from the recognition of future losses on 1 contract that became onerous in 2022 and the revision of the reforecast costs to complete for 1 contract already identified as onerous previously. The main assumptions used were a 4% yearly inflation, cost savings initiatives and a discount rate of 2% to reflect the mpact of time.

19.4. DEFINED EMPLOYEE BENEFIT

See note 3.5 for more details on the pension plan and the signficant movement of the provision.

19.5. OTHER EMPLOYEE BENEFITS

Other employee benefits provisions as at December 31, 2022 consisted primarily of a retirement plan for the Italian personnel for an amount of EUR 0.3 million.

20. Other non-current liabilities

(EUR 000)	December 31, 2021	December 31, 2022
Advances received from local government	3 097	2 389
Business combination earn out	0	735
Retainer applied to vendor's invoices	0	1 139
Refund liability	5 000	0
Debt to acquire a loan to a customer	0	1 317
Other	353	282
TOTAL	**8 450**	**5 862**

In 2022, advances from local government for research and development were impacted by a discounting of EUR +0.1 million (2021: EUR +0.2 million) and the reclassification to short term for EUR -0.7 million (2021: -1.1 million).

As indicated in note 4.1.1, the contract with CGN contains an element of variable consideration in the form of an unconditional and irrevocable performance bond linked to the execution of certain contractual obligations related to the transfer of the license. The amount the customer can draw upon was reduced to a maximum value of EUR 10 million and it was mutually agreed to reduce it further to EUR 5 million in 2022 in the event of no claim. The portion of the refund liability related to the expected reduction in 2023 (EUR 5 million) has been reclassified to current liabilities and is included in "other payables", as shown in the details in Note 22.2.

21. Other financial instruments

(EUR 000)	December 31, 2021	December 31, 2022
Derivative hedge-accounted financial assets		
Forward foreign exchange contracts	39	0
Foreign exchange rate swaps	1	134
Derivatives assets at fair value through the income statement		
Forward foreign exchange contracts	11	0
Foreign exchange rate swaps	31	26
Short-term financial assets	**82**	**160**
Derivative hedge-accounted financial assets		
Forward foreign exchange contracts	13	3
Foreign exchange rate swaps	0	0
Derivatives assets at fair value through the income statement		
Forward foreign exchange contracts	0	39
Foreign exchange rate swaps	0	0
Long-term financial assets	**13**	**42**
Derivative hedge-accounted financial liabilities		
Forward foreign exchange contracts	4 554	760
Foreign exchange rate swaps	1 832	927
Derivatives liabilities at fair value through the income statement		
Forward foreign exchange contracts	270	1 035
Foreign exchange rate swaps	340	185
Short-term financial liabilities	**6 996**	**2 907**
Derivative hedge-accounted financial liabilities		
Forward foreign exchange contracts	350	844
Foreign exchange rate swaps	289	0
Derivatives liabilities at fair value through the income statement		
Forward foreign exchange contracts	15	377
Foreign exchange rate swaps	0	0
Long-term financial liabilities	**654**	**1 221**

The Group's policy on the use of financial instruments is detailed in Note 1.10 on Group accounting policies and Note **Error! Reference source not found.** on financial risk management.

Some of these financial instruments are designated as hedging instruments as they hedge specific exchange rate risks to which the Group is exposed. Hedge accounting has been applied to these contracts because they are deemed to be highly effective hedges. Those transactions are highly probable as they are linked to existing contracts. For these cash flow hedges, movements are recognized directly in other comprehensive income and released to the income statement to offset the impact of the underlying transactions.

As at December 31, 2022, this is represented by cash flow hedges with the following balances: EUR 1.7 million (EUR 6.3 million in 2021) as short-term financial liabilities and EUR 0.8 million as long-term financial liabilities (2021: EUR 0.6 million).

In 2022, an immaterial profit (2021: EUR 9.0 million loss) was therefore recorded in other comprehensive income, impacting equity (under "Hedging Reserves in equity") resulting in accumulated loss amounting to EUR 8.4 million as at December 31, 2022 (unchanged from 2021).

The changes of fair value of the derivatives which are not accounted for using hedge accounting are recognised in the Income Statement.

As at December 31, 2022, this is represented by cash flow hedges with the following balances: EUR 1.2 million (EUR 0.6 in 2021) as short-term financial liabilities and EUR 0.4 million as long-term financial liabilities (none in 2021).

22. Trade payables and other liabilities

22.1. TRADE PAYABLES

As at December 31, the payment schedule for trade payables was as follows:

(EUR 000)	TOTAL	Due	Due in less than 3 months	Due between 4-12 months
2021	47 731	5 492	14 503	27 736
2022	65 559	20 793	16 051	28 715

The increase is primarily driven by an increased level of purchases to support the group's business growth.

22.2. OTHER CURRENT LIABILITIES AND OTHER PAYABLES

(EUR 000)	December 31, 2021	December 31, 2022
Payroll debts	23 363	28 653
Accrued charges	1 707	2 302
Accrued interest	45	0
Deferred income related to maintenance contracts	11 942	17 715
Capital grants	6 589	2 912
Non-trade payables	8 459	16 217
Refund liability	5 000	5 000
Other	1 883	2 779
TOTAL	**58 988**	**75 578**

At December 31, 2022, the heading "Other" is mainly composed of advances of EUR 1.3 million received from the Walloon Region of Belgium (2021: EUR 1.1 million) and other miscellaneous payables amounting to EUR 1.5 million (2021: EUR 0.8 million).

The non-trade payables of EUR 16.2 million (2021: EUR 8.5 million) represent primarely VAT due in different countries where the Group operates. The significant increase is driven by large down payment invoices raised to customers at the end of 2022.

23. Leases

SIGNIFICANT AREA OF JUDGEMENT:

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

Refer to Note 24.2 for information on potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term.

SOURCE OF ESTIMATION UNCERTAINTY:

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency).

The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

The Group has lease contracts for various items of land, plant, machinery, vehicles and other equipment used in its operations. The Group's obligations under its leases are secured by the lessor's title to the leased assets. The Group is restricted from assigning and subleasing the leased assets. No financial covenants are applying to leases except for the factory lease liability in Belgium.

The Group also has certain leases of machinery, bikes and hardware with lease terms of 12 months or less (above 1 month) and leases of low-value assets for which recognition exemptions apply.

The Group does not have contracts with variable payments. The Group has several lease contracts that include extension and termination options. These options are negotiated by Management to provide flexibility in managing the leased asset portfolio and align with the Group's business needs.

Leases have the following lease terms:

- **Land**: term of ninety-nine years.
- **Buildings**: terms between one and fifteen years. The Group has the option to lease the assets for additional terms negotiable with the lessor or for an additional term of four years for two operating leases in the United-States.
- **Apartments**: terms between one and four years.
- **New factory in LLN**: term of twenty years.
- **Machinery**: terms between three and nine years. The Group has the option, under some of its leases, to lease the assets for an additional term negotiable with the lessor.
- **Vehicles**: terms between one and four years and no option to lease the assets for an additional term.
- **Hardware**: terms between one and five years.
- **Bikes**: term of 3 year.

23.1. RIGHT-OF-USE ASSETS

Set out below are the carrying amounts of right-of-use assets recognized and the movements during the period:

(EUR 000)	Building	Vehicles	Machinery	Hardware	Total
As at January 1, 2021	**24 642**	**4 316**	**55**	**253**	**29 266**
Additions	1 825	3 264	0	99	**5 188**
Disposal	-25	-30	0	-46	**-101**
Depreciation expenses	-2 599	-2 173	-23	-97	**-4 892**
Currency translation difference	100	-2	1	6	**105**
As at December 31, 2021	**23 943**	**5 375**	**33**	**215**	**29 566**
As at January 1, 2022	**23 943**	**5 375**	**33**	**215**	**29 566**
Additions	1 518	1 628	26	129	**3 301**
Disposal	-1	-82	0	-94	**-177**
Depreciation expenses	-3 215	-2 398	-24	-90	**-5 727**
Currency translation difference	149	0	0	4	**153**
As at December 31, 2022	**22 394**	**4 523**	**35**	**164**	**27 116**

23.2. LEASE LIABILITIES

(EUR 000)	December 31, 2021	December 31, 2022
Non-current	23 943	20 811
Current	5 362	5 675
TOTAL	**29 305**	**26 486**

The lease liabilities as at December 31, 2022 include the lease of the Belgian headquarters (EUR 10.4 million).

The carrying amounts of lease liabilities and the movements during the period are as follows:

(EUR 000)	Building	Vehicles	Machinery	Hardware	Total
As at January 1, 2021	**24 808**	**4 269**	**50**	**268**	**29 395**
Additions	1 824	3 265	0	99	5 188
Accretion of interest	518	108	1	18	645
Disposal	-26	-32	0	-48	-106
Payments	-3 568	-2 269	-25	-112	-5 974
Currency translation difference	149	1	1	6	157
As at December 31, 2021	**23 705**	**5 342**	**27**	**231**	**29 305**
As at January 1, 2022	**23 705**	**5 342**	**27**	**231**	**29 305**
Additions	1 673	1 628	26	129	3 456
Accretion of interest	644	118	0	12	774
Disposal	-1	-84	-3	-100	-188
Payments	-4 413	-2 509	-25	-103	-7 050
Currency translation difference	185	0	0	4	189
As at December 31, 2022	**21 793**	**4 495**	**25**	**173**	**26 486**

Lease liabilities payments are as follows:

(EUR 000)	December 31, 2021	December 31, 2022
Due	0	0
One year or less	5 783	6 087
Between 1 and 2 years	5 186	4 675
Between 2 and 5 years	7 485	6 074
Over 5 years	12 589	11 291
TOTAL	**31 043**	**28 127**
Future financial charges on lease liabilities (-)	-1 738	-1 641
Present value of lease liabilities	**29 305**	**26 486**

The present value of lease liabilities is as follows:

(EUR 000)	December 31, 2021	December 31, 2022
Due	0	0
One year or less	5 364	5 679
Between 1 and 2 years	4 810	4 312
Between 2 and 5 years	6 969	5 535
Over 5 years	12 162	10 960
TOTAL	**29 305**	**26 486**

The carrying amounts of lease liabilities are denominated in the following currencies:

(EUR 000)	December 31, 2021	December 31, 2022
EUR	26 079	23 340
CNY	234	358
USD	2 853	2 530
RUB	75	16
YEN	53	11
INR	11	5
CAD	0	226
TOTAL	**29 305**	**26 486**

As at December 31, 2022, the average interest rate paid on lease liabilities is 1.72% (1.65% as at December 31, 2021).

As at December 31, 2022 and December 31, 2021, there were no significant undiscounted potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term.

The future cash outflows of lease liabilities not yet commenced to which the Group is committed are as follows:

(EUR 000)	Building	Vehicles	Machinery	Hardware	Total
December 31, 2021					
One year or less	0	78	0	0	78
Between 1 and 2 years	0	83	0	0	83
Between 2 and 5 years	0	148	0	0	148
Over 5 years	0	0	0	0	0
TOTAL	**0**	**309**	**0**	**0**	**309**
December 31, 2022					
One year or less	0	722	0	0	722
Between 1 and 2 years	0	722	0	0	722
Between 2 and 5 years	0	1 445	0	0	1 445
Over 5 years	0	0	0	0	0
TOTAL	**0**	**2 889**	**0**	**0**	**2 889**

The following are the amounts recognized in the income statement:

(EUR 000)	December 31, 2021	December 31, 2022
Depreciation expenses of right-of-use assets	4 696	5 478
Interest expenses on lease liabilities	645	776
Expenses relating to leases of low-value assets	375	394
TOTAL AMOUNT RECOGNIZED IN INCOME STATEMENT	**5 716**	**6 648**

24. Other operating expenses

The other operating expenses can be broken down as follows:

(EUR 000)	December 31, 2021	December 31, 2022
Reorganization expenses	194	0
Costs related to specific projects	0	656
Costs of share-based payments	844	941
Pension plan past service cost	0	1 938
Costs relating to significant bankruptcy of client	0	2 553
TOTAL	**1 038**	**6 088**

The other operating expenses mainly consist of customers write offs for EUR 5.0 million (primarily related to the bankruptcy of Rutherford in the U.K. (see note 3.4) and the one-off past service cost of EUR 1.9 million related to the pension plan transfer described in note 3.5.

25. Financial expenses and income

25.1. FINANCIAL EXPENSES

(EUR 000)	December 31, 2021	December 31, 2022
Interest paid on debts	1 971	1 282
Interests on lease liabilities	545	774
Total interest expenses	*2 516*	*2 056*
Foreign exchange differences	1 344	4 789
Change in fair value of derivatives	5 377	8 205
Unwinding of discount	257	426
Other	945	795
TOTAL	**10 439**	**16 271**

As at December 31, 2022, the heading “Other” mainly includes commission and bank charges for 0.6 EUR million (2021: EUR 0.9 million).

25.2. FINANCIAL INCOME

(EUR 000)	December 31, 2021	December 31, 2022
Interest received on cash and cash equivalents	491	1 496
Foreign exchange differences	4 150	5 384
Change in fair value of derivatives	312	1 606
Other	1 522	2 390
TOTAL	**6 475**	**10 876**

As at December 31, 2022, the heading “Other” mainly includes the recognition of a settlement gain for EUR 0.9 million for acquiring the future cash flows of a customer refinancing agreement from a former business partner in Italy as well as a one-off gain of EUR 0.6 million from the amortised cost revision of the borrowings following a change in the interest rates as described in note 18.

As at December 31, 2021 the heading “Other” includes the recognition of interest under the amortised cost method on financial notes following a revision in the risk of the debtor for EUR 1.2 million and EUR 0.3 million of rebilling of interest charges in relation to a proton therapy project .

26. Income taxes

SOURCE OF ESTIMATION UNCERTAINTY:

Since 2015, the Company initiated an analysis on the Group’s exposure in countries other than Belgium to be potentially obliged to pay certain local taxes whereas the payment of those taxes has been transferred to the Group’s customers. The exposure identified as of December 31, 2015, was reduced as a result of further investigations. Management is monitoring this risk closely and regularely, however, based on the data available today, it is still not possible to make a reliable estimate of the remaining exposure and therefore no provision has been accrued for in the Group‘s financial statements.

Management is not expecting that the requirements of Pillar II will be applicable to IBA Group as the turnover threshold is not met.

The tax profit/(charge) for the year can be broken down as follows:

(EUR 000)	December 31, 2021	December 31, 2022
Current taxes	-5 266	-4 757
Deferred taxes	890	11 244
TOTAL	**-4 376**	**6 487**

The tax profit on IBA’s result before taxes differs from the theoretical amount that would have resulted from application of the average applicable tax rates to the profits of the consolidated companies. The analysis is as follows:

(EUR 000)	December 31, 2021	December 31, 2022
Result from continuing operations before taxes	**8 255**	**-430**
Tax charge/(profit) calculated based on local tax rates	**2 585**	**1 996**
Unrecognized deferred tax assets	3 110	3 225
Recognized deferred tax assets	-477	-10 926
Tax-exempt transactions and non-deductible expenses	373	652
Tax exempt transactions - CIRD & Grants	-546	-1 161
Utilisation of deferred tax assets	0	-149
Adjustments in respect of income tax charges of previous years	32	-105
Utilization of previously unrecognized tax losses	-931	0
Share of result of an associate	313	1
Other tax (income)/expense	-83	-20
Booked tax charge/(profit)	**4 376**	**-6 487**
Theoretical tax rate	**31.31%**	**-464.19%**
Effective tax rate	**53.01%**	**1508.66%**

As explained in Note 0, IBA SA recognised EUR 10.9 million of deferred tax assets related to the tax losses carried forward that IBA reasonnably expects to use against future taxable profits.

Given the available tax losses, IBA did not calculate deferred taxes on items credited or charged directly to other comprehensive income.

27. Employee benefits

27.1. DEFINED CONTRIBUTION PLANS

In the year ended December 31, 2022, the Group recognized expenses in the United States of EUR 0.6 million (2021: EUR 0.5 million) for contribution-based plans accounted for using the intrinsic value method.

27.2. DEFINED BENEFIT PLANS

In Belgium, the Group operates a contribution-based plan funded through payments to an insurance company. The employer guarantees a minimum return on employer contributions resulting in a financial risk to be borne by the Group.

Since January 1, 2016, the Group uses the projected unit credit method.

In India, the Group also operates a defined benefit pension plan, for which the benefit liability is EUR 0.1 million as at December 31, 2022.

Given the immateriality of that plan, only the plan in Belgium is presented below. Changes in the present value of defined benefit obligations are presented as follows:

(EUR 000)	January 1, 2021	Service cost	Net interest expenses	Actuarial change arising from change in financial assumptions	Contributions by employer	Benefits plan	December 31, 2021
Defined benefit obligation	-13 939	-1 226	-76	1 105	209	239	**-13 688**
Fair value of plan assets	9 078	0	35	-1 620	1 054	-239	**8 308**
Benefit liability	**-4 861**	**-1 226**	**-41**	**-515**	**1 263**	**0**	**-5 380**

(EUR 000)	January 1, 2022	Service cost	Net interest expenses	Actuarial change arising from change in financial assumptions	Contributions by employer	Deferred population	Benefits plan	December 31, 2022
Defined benefit obligation	-13 688	-3 266	-156	5 618	399	-2 973	173	**-13 893**
Fair value of plan assets	8 308	0	97	-2 091	2 116	2 973	-173	**11 230**
Benefit liability	**-5 380**	**-3 266**	**-59**	**3 527**	**2 515**	**0**	**0**	**-2 663**

The employee benefit provisions have been calculated based on the following assumptions:

At December 31, 2019:

- Discount rate: 1.85%, 1.30% or 0.60% based the respective duration of each plan
- Mortality table: IABE
- Inflation rate: 2.0%
- Salary adjustment rate: 2.90% per annum
- Retirement age: 65

At December 31, 2020:

- Discount rate: 0.55%, 0.50% or 0.30% based the respective duration of each plan
- Mortality table: IABE
- Inflation rate: 1.6%
- Salary adjustment rate: 2.90% per annum
- Retirement age: 66

At December 31, 2021:

- Discount rate: 1.20%, 1.15% or 0.80% based the respective duration of each plan
- Mortality table: IABE
- Inflation rate: 2.0%
- Salary adjustment rate: 2.90% per annum
- Retirement age: 66

At December 31, 2022:

- Discount rate: 3.75%
- Mortality table: IABE
- Inflation rate: 2.2%
- Salary adjustment rate: 3.10% per annum
- Retirement age: 66

The impact on the benefit liability of the fluctuation of the discount rate is as follows:

(EUR 000)	December 31, 2021	December 31, 2022
Discount rate 0.25% increase	-5 084	-2 006
Discount rate applied	-5 380	-2 663
Discount rate 0.25% decrease	-5 696	-3 259

The impact on the benefit liability of the fluctuation of the salary adjustment rate is as follows:

(EUR 000)	December 31, 2021
Salary adjustment rate 0.25% increase	-5 585
Salary adjustment rate applied	-5 380
Salary adjustment rate 0.25% decrease	-5 182

28. Cash flow statement

28.1. OPERATING CASH FLOWS

(EUR 000)	Note	December 31, 2021	December 31, 2022
CASH FLOW FROM OPERATING ACTIVITIES			
Net profit/(loss) for the period		**3 879**	**6 057**
Adjustments for:			
Depreciation and impairment of tangible assets	8, 23.1	8 370	8 989
Depreciation and impairment of intangible assets and goodwill	7.2	1 523	1 722
Write-off on receivables	14.1	-287	-749
Changes in fair value of financial assets (profits)/losses		704	-3 591
Changes in provisions	19	4 278	6 143
Deferred taxes	10	-890	-11 244
Share of result of associates and joint ventures accounted for using the equity method	9.1	1 253	-3
Other non-cash items		-11 116	-7 864
Net cash flow changes before changes in working capital		**7 714**	**-540**
Trade receivables, other receivables and deferrals		29 362	-72 997
Inventories and contracts in progress		48 040	66 009
Trade payables, other payables and accruals		16 180	40 720
Other short-term assets and liabilities		-14 338	-7 615
Changes in working capital		**79 244**	**26 117**
Net income tax paid/received		-1 800	-4 418
Interest expense		2 546	2 049
Interest income		-491	-1 496
Net cash (used)/generated from operations		**87 213**	**21 712**

As at December 31, 2022, the heading “Other non-cash items” mainly includes the partial release of the refund liability related to the performance bond issued to CGN (EUR -5.0 million), the return in stock of a Proton Therapy equipment from a bankrupt site, net of the uncollected amounts (EUR -2.5 million), a financial gain recognised on the interest rates renegotiation with the S.F.P.I and S.R.I.W (EUR -0.6 million), the net gain from a settlement agreement with a former partner in Italy (EUR -0.9 million), the future tax credits to be received and recognised in the current year for the research activities of IBA (EUR -2.0 million), the impact of grant amortisation and discounting (EUR -2.3 million), the revaluation and unwinding of interests on long term loans and bonds (EUR -0.7 million), the costs of the stock option plan (EUR +0.9 million) and the net impact of losses and write-downs on inventories (EUR +0.5 million).

As at December 31, 2021, mainly includes the partial release of the refund liability related to the performance bond issued to CGN (EUR -5.0 million), the impact of the loan forgiveness under the Paycheck Protection program (EUR -4.4 million), the impact of research tax credit not received in cash during the year (EUR -1.4 million), the reversal of the amortised costs interests previously written down reflecting the improved credit risk of the customer (EUR -1.0 million), the impact of grant amortisation (EUR -0.9 million), the costs of the stock option plan (EUR +0.8 million), the net impact of losses and write-downs on inventories (EUR +0.6 million), and the discounting impact on long term advances from local government in Belgium (EUR +0.2 million).

28.2. INVESTING CASH FLOWS

(EUR 000)	Note	December 31, 2021	December 31, 2022
CASH FLOW FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	8	-4 245	-3 231
Acquisition of intangible assets	7.2	-784	-4 098
Cash received on disposal of fixed assets		33	0
Cash release on disposals of subsidiaries from previous years		1 271	0
Investment in Long-term subordinated bond		-4 415	0
Repayment received on shareholder loan		119	37
Acquisition of subsidiaries, net of cash acquired	6.1	0	-8 679
Acquisition of third-party and equity-accounted investments	9.1	0	-3 091
Other investing cash flows		-4	-73
Net cash (used)/generated from investing activities		**-8 025**	**-19 135**

The main investing cash flows of 2022 represents the acquisitions of a business (Modus Medical Devices Inc, see note 6.1.1), the investment in the new Joint Venture (Pantera, see note 9.1.2) and a prepayment for the acquisition of shares in a future associate (InvestBW SA, as further explained in Note 0).

28.3. FINANCING CASH FLOWS

(EUR 000)	Note	December 31, 2021	December 31, 2022
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of borrowings	18	-12 984	-24 734
Repayment of lease liabilities	23.2	-5 142	-6 074
Interest paid		-2 694	-2 311
Interest received		491	1 496
Capital increase (or proceeds from issuance of ordinary shares)	16	977	176
Dividends paid		-5 785	-5 579
(Acquisitions)/disposal of treasury of shares		-11 227	-5 160
Other financing cash flows		83	710
Net cash (used)/generated from financing activities		**-36 281**	**-41 476**

As at December 31, 2022, “Other financing cash flows” includes new payment of grants in Belgium and advances from local government in Belgium for EUR +1.3 million (2021: EUR +1.2 million) and repayments of advances from local government in Belgium for EUR -0.5 million (2021: EUR -1.1 million).

29. Litigation

The Group is currently not involved in any significant litigation. The potential risks connected to minor proceedings are deemed to be either groundless or insignificant, or when the risk of payment of potential damages seems actual, are either adequately covered by provisions or insurance policies.

30. Commitments and contingent liabilities and contingent assets

30.1. COMMITMENTS

30.1.1 Financial guarantees

As at December 31, 2022, IBA held financial guarantees for EUR 164.6 million given by Group's business units as security for debts or commitments, mainly in advance payment guarantees (EUR 121.1 million as at December 31, 2021).

The Group is paying financial interest at a fixed rate on its financial guarantees. The interest depends on the duration of the guarantee. Therefore, the Group is not exposed to financial credit risk.

30.1.2 Leases not yet commenced

See note 23.2.

30.2. CONTINGENT LIABILITIES

As at December 31, 2022, IBA did not identify any contingent liabilities.

30.3. CONTINGENT ASSETS

The Group has filed an insurance claim on faulty parts. As the claim does not meet all the criteria to be recognised as an asset on the balance sheet, the group presents this as a contingent asset. The best estimate of Management for the insurance indemnity to be received is EUR 0.5 million (unchanged from 2021).

31. Related party transactions

Identification of related parties

The following parties are considered to be related to IBA:

- Key management personnel: the members of the management team.
- Associates and Joint ventures of IBA Group.
- Shareholder with significant influence (Sustainable Anchorage SRL)

A list of subsidiaries and equity-accounted companies is provided in Note 5.

31.1. TRANSACTIONS WITH AFFILIATED COMPANIES (ASSOCIATES AND JOINT VENTURES)

The main transactions completed with affiliated companies (companies accounted for using the equity accounting method) are the following:

(EUR 000)	December 31, 2021	December 31, 2022
ASSETS		
Receivables		
Long-term receivables	1 520	1 520
Inventory and contracts in progress	0	0
Trade and other receivables	744	0
Impairment of receivables	0	0
TOTAL RECEIVABLES	**2 264**	**1 520**
LIABILITIES		
Payables		
Trade and other payables	0	0
TOTAL PAYABLES	**0**	**0**
INCOME STATEMENT		
Sales	3 398	3 955
Costs (-)	0	0
Financial income	0	0
Financial expense (-)	0	0
Other operating income	0	0
Other operating expense (-)	0	0
TOTAL INCOME STATEMENT	**3 398**	**3 955**

31.2. SHAREHOLDERS' RELATIONSHIPS

The following table shows IBA shareholders as at December 31, 2022:

	Number of shares	%
Sustainable Anchorage SRL	6 204 668	20.49%
IBA Investments SCRL	51 973	0.17%
IBA SA	1 110 781	3.67%
IBA SA on behalf of ESP holders	18 048	0.06%
Management Anchorage SRL (previously IB Anchorage)	348 530	1.15%
UCL	426 885	1.41%
Sopartec SA	180 000	0.59%
SRIW SA	715 491	2.36%
SFPI SA	58 200	0.19%
Belfius Insurance SA	1 189 196	3.93%
FUP Institute of RadioElements	1 423 271	4.70%
Paladin Asset Mgmt	768 765	2.54%
BlackRock, Inc.	407 194	1.34%
BNP Paris	528 425	1.75%
Norges Bank Investment Management	1 133 108	3.74%
Kempen Capital Management NV	875 388	2.89%
Public	14 842 295	49.01%
TOTAL	**30 282 218**	**100.00%**

The main transactions completed with the shareholders are the following:

(EUR 000)	December 31, 2021	December 31, 2022
ASSETS		
Receivables		
Long-term receivables	5 807	5 769
Trade and other receivables	27	105
Impairment of receivables	0	0
TOTAL RECEIVABLES	**5 834**	**5 874**
LIABILITIES		
Payables		
Bank and other borrowings	18 671	14 381
Trade and other payables	106	0
TOTAL PAYABLES	**18 777**	**14 381**
INCOME STATEMENT		
Sales	0	0
Costs (-)	-216	0
Financial income	27	105
Financial expense (-)	-1 075	-268
Other operating income	0	0
Other operating expense (-)	0	0
TOTAL INCOME STATEMENT	**-1 264**	**-163**

The long-term receivables relate to the loan issued to Management Anchorage and the bank and other borrowings relate to the loans from the S.R.IW. and S.F.P.I.

To the best of the Company's knowledge, there are no other relationships or special agreements among the shareholders at December 31, 2022.

31.3. DIRECTORS AND MANAGEMENT

The remuneration of the key management personnel is as follow

Compensation of key management personnel of the group	December 31, 2021	December 31, 2022
Short-term employee benefits	1 983	2 071
Post-employment pension	64	44
Share-base payment transactions	242	41
Total compensation	**2 289**	**2 156**

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel.

The full remuneration report can fe found on page 69.

32. Fees for services rendered by the statutory auditors

EY Réviseurs d'Entreprises SRL, auditors of the statutory accounts of IBA SA and auditors of the consolidated accounts of IBA, provided the following services during the year:

(EUR 000)	December 31, 2021	December 31, 2022
Remuneration for statutory audits and audit of consolidated accounts	356	407
Other audit work and reports	36	13
TOTAL	**392**	**420**

33. Events after the reporting date

There are no subsequent events that need to be disclosed in this annual report.

34. Net earnings per share

34.1. NET BASIC EARNINGS

Net basic earnings per share are calculated by dividing the net profit attributable to Company shareholders by the weighted average number of ordinary shares outstanding during the period. The weighted average number of ordinary shares excludes shares purchased by the Company and held as treasury shares.

BASIC EARNINGS PER SHARE

	December 31, 2021	December 31, 2022
Earnings attributable to parent equity holders (EUR 000)	3 879	6 057
Weighted average number of ordinary shares	29 421 954	29 143 354
Net earnings per share from operations (EUR per share)	**0.1318**	**0.2078**

34.2. DILUTED EARNINGS

Diluted earnings per share are calculated by adjusting the weighted average number of ordinary shares outstanding for the effects of conversion of all dilutive potential ordinary shares.

In 2022 and 2021, the Company had only one category of dilutive potential on ordinary share: stock options. The calculation is performed for the stock options to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding stock options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the stock options.

DILUTED EARNINGS PER SHARE

	December 31, 2021	December 31, 2022
Weighted average number of ordinary shares	29 421 954	29 143 354
Weighted average number of stock options	1 118 791	1 109 277
Average share price over period	16.4	16.1
Dilution effect from weighted number of stock options	733 420	1 032 041
Weighted average number of ordinary shares for diluted earnings per share	30 155 374	30 175 395
Earnings attributable to parent equity holders (EUR 000)	3 879	6 057
Diluted earnings per share from operations (EUR per share)	**0.1286**	**0.2007**

In compliance with IAS33, which stipulates that the diluted earnings per share does not take into account assumptions for conversion, financial year, or other issuing of potential ordinary shares which may have an anti-dilutive effect on the earnings per share (shares whose conversion involves a decrease in the loss per share).

35. Glossary of alternative performance measures (APM)

Gross profit

Definition: Gross profit is the difference of the aggregate amount recognized on “Sales” and “Services” after deducting the costs associated with the construction and production of the associated equipment and incurred in connection with the provision of the operation and maintenance services.

Reason: Gross profit indicates IBA’s performance by showing how it is able to generate revenue from the expenses incurred in the construction, operation and maintenance of dosimetry, proton-therapy and other accelerators.

EBIT

Definition: Earning before interests and taxes (‘‘EBIT’’) shows the performance of the group (or segment) before financial income/expenses and taxes. It shows all operating income and expenses incurred during the period.

Reason: EBIT is a useful performance indicator as it shows IBA’s operational performance of the period by eliminating the impact of the financial transactions and taxes.

REBIT

Definition: Recurring earning before interests and taxes (‘‘REBIT’’) shows the result of the group (or segment) before financial income/expenses and taxes and before the other operating income and other operating expenses. REBIT is an indicator of a company's profitability of the ordinary activities of the group, adjusted with the items considered by the management to not be part of the underlying performance.

Reason: Management considers REBIT as an improved performance indicator for the group allowing year-on-year comparison of the profitability, as cleaned up with transactions not considered part of the underlying performance.

Net financial debt

Definition: The net financial debt measures the overall debt situation of IBA.

Reason: Net financial debt provides an indication of the overall financial position strength of the Group and measures IBA’s cash position.

(EUR 000)	2021	2022
EBIT = Segment result (Note 4)	**13 472**	**4 962**
Other operating expenses (+)	1 038	6 088
Other operating income (-)	0	0
REBIT	**14 510**	**11 050**
Depreciation and impairment of intangible and tangible assets (+)	9 893	10 711
Write-offs on receivables and inventory (+/-)	179	-190
REBITDA	**24 582**	**21 571**

(EUR 000)	2021	2022
Long-term borrowings and lease liabilities (+)	53 880	31 458
Short-term borrowings and lease liabilities (+)	15 096	9 409
Cash and cash equivalents (-)	-199 270	-158 366
Net financial debt	**-130 294**	**-117 499**

36. Auditor's report on the consolidated financial statement

EY
Building a better working world

EY Bedrijfsrevisoren
EY Réviseurs d'Entreprises
De Kleetlaan 2
B - 1831 Diegem

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ey.com

Independent auditor's report to the general meeting of Ion Beam Applications SA for the year ended 31 December 2022

In the context of the statutory audit of the Consolidated Financial Statements) of Ion Beam Applications SA (the "Company") and its subsidiaries (together the "Group"), we report to you as statutory auditor. This report includes our opinion on the statement of consolidated financial position as at 31 December 2022, the consolidated income statement, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year ended 31 December 2022 and the disclosures (all elements together the "Consolidated Financial Statements") as well as our report on other legal and regulatory requirements. These two reports are considered one report and are inseparable.

We have been appointed as statutory auditor by the shareholders' meeting of 10 June 2020, in accordance with the proposition by the Board of Directors following recommendation of the Audit Committee and following recommendation of the workers' council. Our mandate expires at the shareholders' meeting that will deliberate on the Consolidated Financial Statements for the year ending 31 December 2022. We performed the audit of the Consolidated Financial Statements of the Group during 17 consecutive years.

Report on the audit of the Consolidated Financial Statements

Unqualified opinion

We have audited the Consolidated Financial Statements of Ion Beam Applications SA, that comprise of the statement of consolidated financial position on 31 December 2022, the consolidated income statement, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement of the year and the disclosures, which show a consolidated balance sheet total of thousand € 623.899 and of which the consolidated income statement shows a profit for the year of thousand € 6.057.

In our opinion, the Consolidated Financial Statements give a true and fair view of the consolidated net equity and financial position as at 31 December 2022, and of its consolidated results for the year then ended, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union ("IFRS") and with applicable legal and regulatory requirements in Belgium.

Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing ("ISA's") applicable in Belgium. In addition, we have applied the ISA's approved by the International Auditing and Assurance Standards Board ("IAASB") that apply at the current year-end date and have not yet been approved at national level. Our responsibilities under those standards are further described in the "Our responsibilities for the audit of the Consolidated Financial Statements" section of our report.

We have complied with all ethical requirements that are relevant to our audit of the Consolidated Financial Statements in Belgium, including those with respect to independence.

We have obtained from the Board of Directors and the officials of the Company the explanations and information necessary for the performance of our audit and we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current reporting period.

These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole and in forming our opinion thereon, and consequently we do not provide a separate opinion on these matters.

Revenue recognition on long-term contracts

Description of the key audit matter

The Group applies the percentage-of-completion ("POC") method in determining revenue and cost recognition for its long-term contracts. For these contracts, management has to estimate the completion of the contract work, which is used to measure the POC for the recognition of contract revenue.

Significant judgements are used to estimate the POC and total contract costs. In making these estimates, management has relied on the expertise of the Group's experts to determine the progress of the contract and also on past experience of completed projects and industry practices.

The nature of these judgements result in them being susceptible to management bias, and inaccuracy in estimating POC and total contract costs can have a significant effect on the Consolidated Financial Statements.

We have considered this to be a key audit matter as significant judgements are involved in estimating the POC and total contract costs.

Summary of the procedures performed

- We updated our understanding of the revenue recognition process including the costs estimates and the review of sales contracts.
- Due to the current economic crisis, we analyzed specifically the evolution of costs estimates depending on inflation by countries.
- We analyzed sales contracts characteristics and ensured specific financial impacts have been identified and addressed by management.
- We audited significant components of estimated total contract costs and revenues for a sample of projects and challenged the completeness and accuracy of total contract costs estimated by management by comparing the total contract costs for selected ongoing projects to similar projects.
- We evaluated management's estimations of total expected costs per project by comparing initial to actual total expected costs and considering the impact of Covid-19 pandemic.
- We traced significant actual costs incurred for selected contracts to the relevant supporting documents to ensure that the costs are directly attributable to the contracts tested.
- We assessed the correct application of the POC method.
- We performed detailed analytical review procedures by comparing results on these contracts with prior year.
- We assessed the disclosures prepared in accordance with IFRS 15.

Unusual transactions

Description of the key audit matter

IBA has significant non-recurring transactions with complex accounting treatment that require judgements and assumptions by management.

The impact of these judgements and assumptions are significant on the financial statement and requires specific technical skills and knowledge in IFRS.

Following transactions fall into the scope:

- The Bankruptcy of Rutherford Estates Limited
- Acquisition of Modus Medical Devices Inc (Canada) - Purchase price allocation exercise
- Acquisition Proton Therapy Centre in Italy (Mantovani)
- Pensions and other employee benefits - change of pension plan in Belgium
- Financial impacts of Russia's invasion of Ukraine

Summary of the procedures performed

- We obtained an understanding of the process of management of specific transactions and evaluated the internal process related to the treatment of such unusual transactions.
- For any specific transaction, we obtained the analysis of Management and its specialists and more specifically on the legal and IFRS accounting impacts.
- We performed a detailed review of the nature of the transaction, its underlying contract and analyzed other relevant documents, facts and circumstances.

- We verified if the accounting treatment for the specific transactions are made in accordance with International Financial Reporting Standards (IFRS).
- We evaluated the management's estimations made in the different unusual transactions.
- Where and when needed, we used required internal specialists to support us in the audit.
- We assessed that the required disclosures related to the unusual transactions are prepared in accordance with IFRS.

Responsibilities of the Board of Directors for the preparation of the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of the Consolidated Financial Statements that give a true and fair view in accordance with IFRS and with applicable legal and regulatory requirements in Belgium and for such internal controls relevant to the preparation of the Consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of Consolidated Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, and provide, if applicable, information on matters impacting going concern, The Board of Directors should prepare the financial statements using the going concern basis of accounting, unless the Board of Directors either intends to liquidate the Company or to cease business operations, or has no realistic alternative but to do so.

Our responsibilities for the audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance whether the Consolidated Financial Statements are free from material misstatement, whether due to fraud or error, and to express an opinion on these Consolidated Financial Statements based on our audit. Reasonable assurance is a high level of assurance, but not a guarantee that an audit conducted in accordance with the ISA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

In performing our audit, we comply with the legal, regulatory and normative framework that applies to the audit of the Consolidated Financial Statements in Belgium. However, a statutory audit does not provide assurance about the future viability of the Company and the Group, nor about the efficiency or effectiveness with which the board of directors has taken or will undertake the Company's and the Group's business operations. Our responsibilities with regards to the going concern assumption used by the board of directors are described below.

As part of an audit in accordance with ISA's, we exercise professional judgment and we maintain professional skepticism throughout the audit. We also perform the following tasks:

- identification and assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, the planning and execution of audit procedures to respond to these risks and obtain audit evidence which is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material misstatements resulting from fraud is higher than when such misstatements result from errors, since fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining insight in the system of internal controls that are relevant for the audit and with the objective to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluating the selected and applied accounting policies, and evaluating the reasonability of the accounting estimates and related disclosures made by the Board of Directors as well as the underlying information given by the Board of Directors;

- conclude on the appropriateness of the Board of Directors' use of the going-concern basis of accounting, and based on the audit evidence obtained, whether or not a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's or Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going-concern;
- evaluating the overall presentation, structure and content of the Consolidated Financial Statements, and evaluating whether the Consolidated Financial Statements reflect a true and fair view of the underlying transactions and events.

We communicate with the Audit Committee within the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the audits of the subsidiaries. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities.

We provide the Audit Committee within the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee within the Board of Directors, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our report, unless the law or regulations prohibit this.

Report on other legal and regulatory requirements

Responsibilities of the Board of Directors

The Board of Directors is responsible for the preparation and the content of the Board of Directors' report on the Consolidated Financial Statements, 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 ISA's applicable in Belgium, it is our responsibility to verify, in all material respects, the Board of Directors' report on the Consolidated Financial Statements, 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 Directors' 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 :

- IBA in 2022 at a glance;
- Message from Olivier Legrain;
- General information;

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 GRI Standards. However, we do not comment on whether this non-financial information has been prepared, in all material respects, in accordance with GRI Standards.

Independence matters

Our audit firm and our network have not performed any services that are not compatible with the audit of the Consolidated Financial Statements and have remained independent of the Company during the course of our mandate.

The fees related to additional services which are compatible with the audit of the Consolidated Financial Statements as referred to in article 3:65 of the Code of companies and associations were duly itemized and valued in the notes to the Consolidated Financial Statements.

European single electronic format ("ESEF")

In accordance with the standard on the audit of the conformity of the financial statements with the European single electronic format (hereinafter "ESEF"), we have carried out the audit of the compliance of the ESEF format with the regulatory technical standards set by the European Delegated Regulation No 2019/815 of 17 December 2018 (hereinafter: "Delegated Regulation").

The board of directors is responsible for the preparation, in accordance with the ESEF requirements, of the consolidated financial statements in the form of an electronic file in ESEF format in the official French language as well as the free translation into English (hereinafter 'the digital consolidated financial statements') included in the annual financial report available on the portal of the FSMA (https://www.fsma.be/en/data-portal) in the official French language as well as the free translation into English.

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 Ion Beam Applications SA per 31 December 2022 included in the annual financial report available on the portal of the FSMA (https://www.fsma.be/en/data-portal) in the official French language are, in all material respects, in accordance with the ESEF requirements under the Delegated Regulation, and we conclude that the format of the free translation of the digital consolidated financial statements included in annual report in English corresponds to the digital consolidated financial statements included in the annual financial report in the official French language.

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, 28 April 2023

EY Bedrijfsrevisoren BV
Statutory auditor
Represented by

Piet Hemschoote *
Partner
*Acting on behalf of a BV/SRL

23PH0063

GENERAL
Information

CORPORATE NAME

Ion Beam Applications SA, abbreviated IBA SA.

Following a resolution of the Extraordinary General Meeting of shareholders of the Company held on March 9, 2021, article 1 of the bylaws has been amended and now reads as follows:

"Article 1:

The Company takes the form of a public limited company. The name of the Company is "Ion Beam Applications" and, in short, "IBA". "

REGISTERED OFFICE

Chemin du Cyclotron, 3; B-1348 Louvain-la-Neuve, Belgium; enterprise number VAT BE0428.750.985, Register of Legal Entities (RLE) of the Walloon Brabant.

DATE, FORM AND PERIOD OF INCORPORATION

IBA was incorporated for an indefinite period on March 28, 1986 as a limited liability company (*société anonyme*) under Belgian law. IBA is a listed company in the meaning of section 1:11 of the Belgian Companies & Associations Code.

CORPORATE PURPOSE (ARTICLE 3 OF THE ARTICLES OF ASSOCIATION)

The purpose of the Company is to engage in research and development and to acquire intellectual property rights with a view to the operation, manufacturing, and marketing of applications and equipment in the field of applied physics. It may carry out financial, commercial and industrial transactions, and all transactions involving movable or immovable property, relating directly or indirectly to its corporate purpose. It may acquire an interest, by contribution, merger, purchase of shares, or any other means, in companies, partnerships, or corporations whose purpose is similar, comparable, related, or useful to the achievement of its corporate purpose in whole or in part.

In addition, following a resolution of the Extraordinary General Meeting of shareholders of the Company held on March 10, 2020, article 3 of the Articles of association has been amended to add the following two paragraphs:

- *"The Company's objectives include having, in the course of its activities, a significant positive impact on all of its stakeholders, notably patients, shareholders, employees, customers, society and the planet."*
- *"The Company is managed taking into account the interests of these stakeholders, respecting living beings and present and future generations, and reducing as much as possible negative environmental and societal impacts."*

CONSULTATION OF CORPORATE DOCUMENTS

The Company's statutory and consolidated statements are filed with the National Bank of Belgium. Copies of the Company's consolidated articles of incorporation, its annual and semi-annual reports, and all other shareholder documentation may be obtained at the Company's website (www.iba-worldwide.com) or by shareholder's request to the Company's registered office.

CAPITAL

As of December 31, 2022, IBA's share capital amounted to EUR 42.502.318,54 and was represented by 30 282 218 fully paid-up shares with no face value.
In June 2014, the Company issued 250 000 stock options for the Group management (the "**2014 Plan**"). They allow the beneficiary to purchase a new share at EUR 11.52 following certain procedures during specific periods, i.e. between January 1, 2019 and June 30, 2024.

As of December 31, 2018, there were 178 500 outstanding stock options of this 2014 Plan.

In 2019, 11 392 of these stock options were exercised (more specifically on December 6, 2019).

As of December 31, 2019, there were 167 608 outstanding stock options of this 2014 Plan.

As of December 31, 2020, there were 163 608 outstanding stock options of this 2014 Plan.

In December 2015, the Company issued 50 000 stock options for the Group management (the "2015 Plan"). They allow the beneficiary to purchase a new share at EUR 31.84 following certain procedures between January 1, 2019 and June 30, 2024.

IBA decided on August 26, 2015 to render the current SOPs exercisable on a continued period (outside of anti-insider dealing blackout periods and outside of any additional technical black out period) as from October 1st, 2015.

All stock options may also be exercised in the event of a takeover bid on IBA or of an increase of shareholders' equity with preemptive rights.

In 2020, none of these stock options were exercised.

As of December 31, 2020, there were 20.000 outstanding stock options of this 2015 Plan.

In June 2020, the Company issued 357 000 stock options for the Group management. They allow the beneficiary to purchase a new share at 7,54 EUR following certain procedures from January 02, 2024.

IBA decided on May 28, 2020 to render the current SOPs exercisable on a continued period (outside of anti-insider dealing blackout periods and outside of any additional technical black out period) as from January 02, 2024.

In 2021, IBA issued a long-term incentive in the form of a stock option plan (SOP2021) on IBA shares. It was offered on January 25, 2021 with an exercise price of €13.39 (i.e. the average closing price of the previous 30 days). This plan will vest on January 1, 2025 and the options will expire on December 31, 2026.

All stock options may also be exercised in the event of a takeover bid on IBA or of an increase of shareholders' equity with preemptive rights.

On 9 November 2022, it was noted that 63,500 shares were subscribed by exercising 63. 500 warrants offered for subscription by decision of 27 June 2014 taken in execution of the authorisation to increase the capital granted to the Board of Directors by the Extraordinary General Meeting of 12 June 2013, at the price of € 11.52 per share, i.e. at the accounting par of € 1.4035 corresponding to the accounting par applicable at the time of the issue of the warrants plus an issue premium of € 10.1165, which resulted in a correlative increase in the capital of € 89. This resulted in a corresponding increase in capital of € 89,122.25 from € 42,413,196.29 to € 42,502,318.54 and the creation of 63,500 new shares.

AUTHORIZED SHARE CAPITAL

As of December 31, 2022, the Company had authorization to increase the Company's share capital, within the limits, terms and conditions set out by the law and the articles of association of the Company.

PATENTS AND TECHNOLOGIES

IBA is careful to patent all aspects of its technology for which a patent provides a commercial advantage.

In addition, the Company has maintained the secrecy of a significant portion of its know-how that is not patentable or for which the Company believes secrecy is more effective than publication in a patent application. More fundamentally, the Company believes that the best way to protect itself from its competitors is not only by patenting its inventions, but by maintaining its technological lead.

IBA also licenses patents from third parties and pays royalties to them.

LICENSING AND COOPERATION AGREEMENTS

IBA has licensing agreements involving various aspects of its technology. Listing and explaining the nature and terms of these licensing agreements falls beyond the scope of this annual report. These agreements cover, for example, certain aspects of its particle accelerator technology and a number of components of its proton therapy equipment.

FIVE-YEAR CAPITAL HISTORY

OPERATION	Number of new shares	Total number of shares	Variation (Δ)	Amount
22/04/2016 Exercise of options under 2007 plan pers det	3 993	29 119 060	5 604,97	40 869 790,79
22/04/2016 Exercise of options under 2007 plan prolongé	23 656	29 142 716	33 205,93	40 902 996,72
22/04/2016 Exercise of options under 2010 plan	97 925	29 240 641	137 457,32	41 040 454,04
22/04/2016 Exercise of options under 2011 plan pers det	14 577	29 255 218	20 458,82	41 060 912,86
22/04/2016 Exercise of options under 2011 plan empl	109 472	29 364 690	153 643,95	41 214 556,81
22/04/2016 Exercise of options under 2012	159 194	29 523 884	223 428,78	41 437 985,59
20/09/2016 Exercise of options under 2007 plan pers det	664	29 524 548	932,06	41 438 917,65
20/09/2016 Exercise of options under 2007 plan	1 879	29 526 427	2 637,55	41 441 555,20
20/09/2016 Exercise of options under 2010 plan	23 174	29 549 601	32 529,34	41 474 084,54
20/09/2016 Exercise of options under 2011 plan pers det	2 000	29 551 601	2 807,00	41 476 891,54
20/09/2016 Exercise of options under 2011 plan empl	5 586	29 557 187	7 839,95	41 484 731,49
20/09/2016 Exercise of options under 2012	28 516	29 585 703	40 022,21	41 524 753,70
15/12/2016 Exercise of options under 2007	8 812	29 594 515	12 369,40	41 537 123,10
15/12/2016 Exercise of options under 2010	21 407	29 615 922	30 049,01	41 567 172,11
15/12/2016 Exercise of options under 2011 pers dét	14 639	29 630 561	20 545,84	41 587 717,95
15/12/2016 Exercise of options under 2011 plan empl	100 080	29 730 641	140 462,28	41 728 180,23
15/12/2016 Exercise of options under 2012 plan	33 755	29 764 396	47 375,14	41 775 555,37
21/04/2017 Exercise of options under 2011 plan pers dét	12 595	29 776 991	17 677,08	41 793 232,40
21/04/2017 Exercise of options under 2011 plan empl	35 266	29 812 257	49 495,83	41 842 728,28
21/04/2017 Exercise of options under 2012 plan	40 292	29 852 549	56 549,82	41 899 278,10
22/08/2017 Exercise of options under 2011 plan empl	16 128	29 868 677	22 635,65	41 921 913,75
22/08/2017 Exercise of options under 2012	11 574	29 880 251	16 244,11	41 938 157,86
17/11/2017 Exercise of options under 2011 plan pers dét	16 029	29 896 280	22 496,70	41 960 654,56
17/11/2017 Exercise of options under 2011 empl	17 582	29 913 862	24 676,34	41 985 330,90
17/11/2017 Exercise of options under 2012 plan	48 384	29 962 246	67 906,94	42 053 237,84
19/04/2018 Exercise of options under 2012 plan empl	29 000	29 991 246	1 257,54	42 054 495,38

28/11/2018 Exercise of options under 2012 plan empl	125 275	30 116 521	39 443,96	42 093 939,34
28/11/2018 Exercise of options under 2012 plan pers dét	6 007	30 122 528	184 254,29	42 278 193,63
03/12/2019 Exercise of options under 2014 plan empl	11 392	30 133 920	15 988,67	42 294 182,30
31/12/2020 Exercise of options under 2014 plan empl	0	30 133 920	0	42 294 182,30
31/12/2021 Exercise of options under 2014 plan empl	84798	30 218 718	119 014	42 413 196,00
31/12/2022 Exercice of options under 2014 plan empl	63 500	30 282 218	89122,5	42.502.318,54

The stock market and THE SHAREHOLDERS

IBA stock'

IBA stock is listed on the Euronext Brussels continuous market (Compartment B since January 17, 2013). It was introduced on the Stock Exchange on June 22, 1998 at a price of EUR 11.90 (adjusted for a 5 to 1 split in June 1999).

IBA stock closed at EUR 15.56 on December 31, 2022.

The total number of outstanding stock options as of December 31, 2022 amounts to 302 451. There are no convertible bonds or bonds with warrants outstanding as of 31 December 2022.

Situation as at	**31 december 2021**		**31 december 2022**	
Entity	Number of shares	%	Number of shares	%
Sustainable Anchorage SC (1)	6 204 668	20,49%	6 204 668	20,49%
IBA Investments SCRL (2)	51 973	0,17%	51 973	0,17%
IB Anchorage (Management Anchorage)	348 530	1,15%	348 530	1,15%
IBA SA	755 994	2,50%	1 110 781	3,68%
IBA SA on behalf of ESP holders	21 180		18 048	
UCL	426 885	1,41%	426 885	1,41%
Sopartec SA	180 000	0,60%	180 000	0,60%
SRIW SA	715 491	2,37%	715 491	2,37%
SFPI SA	58 200	0,19%	58 200	0,19%
Belfius Insurance SA	1 189 196	3,94%	1 189 196	3,94%
FUP Institute of RadioElements	1 423 271	4,71%	1 423 271	4,71%
BNP Paribas	528 425	1,75%	528 425	1,75%
Paladin Asset Mgmt	768 765	2,54%	768 765	2,54%
Norges Bank Investment Management	1 133 108	3,75%	1 133 108	3,75%
BlackRock,Inc.	407 194	1,35%	407 194	1,35%
Kempen Capital Management NV.	875 388	2,90%	875 388	2,90%
Subtotal	**15 088 268**	**48,82%**	**15 439 923**	**50,99%**
Public	**15 130 450**	**50,07%**	**14 824 295**	**49,01%**
Total	**30 218 718**	**100.00%**	**30 282 218**	**100.00%**

(1) Sustainable Anchorage, previously Belgian Anchorage, is a company established and wholly owned by IBA Management and a number of IBA employees.

(2) IBA Investments is a subsidiary of IBA SA.

SHAREHOLDERS' SCHEDULE

Business Update Q1 2023	25 May 2023
2023 Annual Shareholders' Meeting	14 June 2023
Half year Results	31 August 2023
Business Update Q3 2023	16 Novembre 2023

STOCK MARKET PRICES

https://live.euronext.com/en/product/equities/BE0003766806-XBRU#chart

GRI
Content index

STATEMENT OF USE	IBA has reported the information cited in this GRI content index for the period 1 January 2022 to 31 December 2022 in accordance with the GRI Standards.
GRI 1 used	GRI 1: Foundation v2021

Ref	Disclosure	Cross reference, URL and/or information
GRI 2: GENERAL DISCLOSURES v2021		
1. The organization and its reporting practices		
2-1	Organizational details	p182 AR2022 General information
		p4 AR2022 IBA in 2022 at a glance
		p45 AR2022 Management report / highlights of the year
		p140 AR2022 IFRS consolidated financial / notes / list of subsidiaries
2-2	Entities included in the organization's sustainability reporting	p140 AR2022 IFRS consolidated financial / notes / list of subsidiaries
2-3	Reporting period, frequency and contact point	period 1 January 202 to 31 December 2022, yearly
		p197 AR2022 IBA contact
2-4	Restatements of information	p108 AR2022 IFRS consolidated financial / notes to consolidated financial statements
		p193 AR2022 GRI appendix 305-1 / GHG emissions within organisation
		p194 AR2022 GRI appendix 305-3 / GHG emissions outside the organisation
2-5	External assurance	p177 AR2022 Auditor's report
		p192 AR2022 GRI appendix 2-5 / external assurance
2. Activities and workers		
2-6	Activities, value chain and other business relationships	p7 AR2022 Patient care, what makes our heart beat
		p39 AR2022 A committed company / society / supply chain
		p46 AR2022 Management report / review of IBA activity sectors
		p96 AR2022 Management report / significant acquisitions and divestments in 2022
		p102 AR2022 IFRS consolidated financial
2-7	Employees	p31 AR2022 A committed company
		p64 AR2022 Management report / corporate governance statement / diversity, equity and inclusion policy
		p78 AR2022 Management report / corporate governance statement / codes of conduct
		p192 AR2022 GRI appendix 2-7 / information on employees and other workers
2-8	Workers who are not employees	At 31.12.2022, IBA called on 110 external contractors
3. Governance		
2-9	Governance structure and composition	p56 AR2022 Management report / corporate governance statement
2-10	Nomination and selection of the highest governance body	p56 AR2022 Management report / corporate governance statement
2-11	Chair of the highest governance body	p56 AR2022 Management report / corporate governance statement
2-12	Role of the highest governance body in overseeing the management of impacts	p56 AR2022 Management report / corporate governance statement
2-13	Delegation of responsibility for managing impacts	p56 AR2022 Management report / corporate governance statement
2-14	Role of the highest governance body in sustainability reporting	p63 AR2022 Management report / corporate governance statement / sustainability committee
2-15	Conflicts of interest	p56 AR2022 Management report / corporate governance statement / conflict of interest
2-16	Communication of critical concerns	p50 AR2022 Management report / principal risks and uncertainties faced by the company
		p78 AR2022 Management report / corporate governance statement / codes of conduct
		p192 AR2022 GRI appendix 2-16 / key Impacts, risks and opportunities

2-17	Collective knowledge of the highest governance body	p56 AR2022 Management report / corporate governance statement
2-18	Evaluation of the performance of the highest governance body	p56 AR2022 Management report / corporate governance statement
2-19	Remuneration policies	p67 AR2022 Management report / corporate governance statement / remuneration report
2-20	Process to determine remuneration	p67 AR2022 Management report / corporate governance statement / remuneration report
2-21	Annual total compensation ratio	p67 AR2022 Management report / corporate governance statement / remuneration report
		p79 AR2022 Management report / corporate governance statement / codes of conduct / non-financial indicators and results
4. Strategy, policies and practices		
2-22	Statement on sustainable development strategy	p2 AR2022 IBA World leader
		p5 AR2022 Message from Olivier Legrain
2-23	Policy commitments	p78 AR2022 Management report / corporate governance statement / codes of conduct
2-24	Embedding policy commitments	p50 AR2022 Management report / principal risks and uncertainties faced by the company
		p78 AR2022 Management report / corporate governance statement / codes of conduct
2-25	Processes to remediate negative impacts	p50 AR2022 Management report / principal risks and uncertainties faced by the company
		p78 AR2022 Management report / corporate governance statement / codes of conduct
2-26	Mechanisms for seeking advice and raising concerns	p78 AR2022 Management report / corporate governance statement / codes of conduct
2-27	Compliance with laws and regulations	p78 AR2022 Management report / corporate governance statement / codes of conduct
2-28	Membership associations	p192 AR2022 GRI appendix 2-28 / membership of associations
5. Stakeholder engagement		
2-29	Approach to stakeholder engagement	p2 AR2022 IBA World leader
		p34 AR2022 A committed company / employees
		p38 AR2022 A committed company / society
		p41 AR2022 A committed company / planet
		p43 AR2022 A committed company / materiality
2-30	Collective bargaining agreements	p34 AR2022 A committed company / employees

Ref	Disclosure	Cross reference, URL and/or information
GRI 3: MATERIAL TOPIC v2021		
3-1	Process to determine material topics	p7 AR2022 Patient care, what makes our heart beat
		p43 AR2022 A committed company / materiality
3-2	List of material topics	p43 AR2022 A committed company / materiality
3-3	Management of material topics	p2 AR2022 IBA World leader
		p5 AR2022 Message from Olivier Legrain
		p34 AR2022 A committed company / employees
		p38 AR2022 A committed company / society
		p41 AR2022 A committed company / planet
		p192 AR2022 GRI appendix 2-28 / membership of associations

Ref	Disclosure	Cross reference, URL and/or information
GRI 200 ECONOMIC TOPIC DISCLOSURES		
203-2	Significant indirect economic impacts	p79 AR2022 Management report / corporate governance statement / codes of conduct / policy and targets
		p7 AR2022 Patient care, what makes our heart beat
205-3	Confirmed incidents of corruptions and actions taken	p50 AR2022 Management report / principal risks and uncertainties faced by the company
GRI 2016	Profitability GRI 2016: 201 - Economic performance	p45 AR2022 Management report / highlights of the year
		p102 AR2022 IFRS consolidated financial
GRI 2016	Research and development	p7 AR2022 Patient care, what makes our heart beat
		p45 AR2022 Management report / highlights of the year

Ref	Disclosure	Cross reference, URL and/or information
GRI 204 PROCUREMENT PRACTICES v2016		
204-1	Proportion of spending on local suppliers	p192 AR2022 GRI appendix 204-1 / proportion of spending on local suppliers

Ref	Disclosure	Cross reference, URL and/or information
GRI 302 ENERGY v2016		
3-1	Management of material topics	p41 AR2022 A committed company / planet
		p82 AR2022 Management report / corporate governance statement / codes of conduct / environmental matters
302-1	Energy consumption within the organization	p41 AR2022 A committed company / planet
		p192 AR2022 GRI appendix 302-2 / energy consumption within organisation
302-2	Energy consumption outside of the organization	p41 AR2022 A committed company / planet
		p194 AR2022 GRI appendix 305-3 / GHG emissions outside the organisation
GRI 303: WATER AND EFFLUENTS v2018		
3-1	Management of material topics	p41 AR2022 A committed company / planet
		p82 AR2022 Management report / corporate governance statement / codes of conduct / environmental matters
303-1	Interactions with water as a shared resource	p41 AR2022 A committed company / planet
		p194 AR2022 GRI appendix 303-3 / water withdrawal
303-3	Water withdrawal	p194 AR2022 GRI appendix 303-3 / water withdrawal
GRI 304 BIODIVERSITY v2016		
3-1	Management of material topics	p41 AR2022 A committed company / planet
		p82 AR2022 Management report / corporate governance statement / codes of conduct / environmental matters
304-3	Habitats protected or restored	p41 AR2022 A committed company / planet
GRI 305 EMISSIONS v2016		
3-1	Management of material topics	p41 AR2022 A committed company / planet
		p82 AR2022 Management report / corporate governance statement / codes of conduct / environmental matters
305-1	Direct (Scope 1) GHG emissions	p193 AR2022 GRI appendix 305-1 / GHG emissions within organisation
305-2	Energy indirect (Scope 2) GHG emissions	p193 AR2022 GRI appendix 305-1 / GHG emissions within organisation
305-3	Other indirect (Scope 3) GHG emissions	p194 AR2022 GRI appendix 305-3 / GHG emissions outside the organisation
305-4	GHG emissions intensity	p193 AR2022 GRI appendix 305-1 / GHG emissions within organisation
305-5	Reduction of GHG emissions	p41 AR2022 A committed company / planet
		p193 AR2022 GRI appendix 305-1 / GHG emissions within organisation
GRI 306 WASTE v2020		
3-1	Management of material topics	p41 AR2022 A committed company / planet
306-1	Waste generation and significant waste-related impacts	p41 AR2022 A committed company / planet
306-2	Management of significant waste-related impacts	p41 AR2022 A committed company / planet
		p9 AR2022 Patient care, what makes our heart beat / industrial solutions
		p194 AR2022 GRI appendix 306-2 / management of significant waste related impacts
306-3	Waste generated	p41 AR2022 A committed company / planet
		p195 AR2022 GRI appendix 306-3 / waste generated
306-4	Waste diverted from disposal	p41 AR2022 A committed company / planet
		p78 AR2022 Management report / corporate governance statement / codes of conduct
306-5	Waste directed to disposal	p195 AR2022 GRI appendix 306-3 / waste generated

Ref	Disclosure	Cross reference, URL and/or information
GRI 401 EMPLOYEMENT v2016		
3-1	Management of material topics	p34 AR2022 A committed company / employees
401-1	New employee hires and employee turnover	p192 AR2022 GRI appendix 2-7 / information on employees and other workers
GRI 403 OCCUPATIONAL HEALTH AND SAFETY v2016		
3-1	Management of material topics	p34 AR2022 A committed company / employees
403-1	Occupational health and safety management system	p195 AR2022 GRI appendix 403-9 / employeen health and safety
		p34 AR2022 A committed company / employees
403-6	Promotion of worker health	p34 AR2022 A committed company / employees
403-9	Work-related injuries	p195 AR2022 GRI appendix 403-9 / employeen health and safety
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY v2016		
3-1	Management of material topics	p34 AR2022 A committed company / employees
405-1	Diversity of governance bodies and employees	p64 AR2022 Management report / corporate governance statement / diversity, equity and inclusion policy
		p195 AR2022 GRI appendix 405-1 / diversity of employees
405-2	Ratio of basic salary and remuneration of women to men	p78 AR2022 Management report / corporate governance statement / codes of conduct

GRI 414 SUPPLIER SOCIAL ASSESSMENT v2016		
3-1	Management of material topics	p39 AR2022 A committed company / society / supply chain
414-1	New suppliers that were screened using social criteria	p196 AR2022 GRI appendix 414-1 / suppliers code of business conduct
		p196 AR2022 GRI appendix 414-1 / supplier ESG screening method
GRI 416 CUSTOMER HEALTH AND SAFETY v2016		
3-1	Management of material topics	p34 AR2022 A committed company / employees
416-2	Comfort, quality and safety of our medical and industrial solutions GRI 2016: 416 - Customer health and safety: Incidents of non-compliance concerning the health and safety impacts of products and services.	p7 AR2022 Patient care, what makes our heart beat
		p45 AR2022 Management report / highlights of the year
		p196 AR2022 GRI appendix 416-2 / comfort, quality, safety of our solutions
GRI 418: CUSTOMER PRIVACY v2016		
3-1	Management of material topics	p78 AR2022 Management report / corporate governance statement / codes of conduct
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	p196 AR2022 GRI appendix 418-1 / substantiated complaints concerning breaches of customer privacy and losses of customer data
GRI OTHER DISCLOSURES v2016		
GRI 2016	Affordability and accessibility of our solutions	p7 AR2022 Patient care, what makes our heart beat
		p45 AR2022 Management report / highlights of the year
GRI 2016	Awareness of proton therapy and thought leadership	p7 AR2022 Patient care, what makes our heart beat
GRI 2016	Satisfaction of customer: Customer's voice	p7 AR2022 Patient care, what makes our heart beat

GRI disclosure additional information as referred in the GRI Content Index

2-5 External assurance

To date, IBA has no ambition to seek external assurance for its sustainability report. This decision will be re-evaluated each year as our maturity evolves in terms of sustainable development reporting.

	Unit	2020	2021	2022
2-7 Information on employees and other workers				
Employment Structure				
Group	#	1.528	1.618	1.820
Asia	%	11%	12%	12%
EMEA	%	72%	72%	70%
AM	%	17%	16%	18%
Part-time employees	%	7%	8%	7%
Temporary staff	#	5%	5%	7%

2-16 Key impacts, risks and opportunities

An internal procedure is in place to document the responsibilities and requirements for identifying environmental, health and safety hazards of the organization's activities, products or services, and for evaluating and controlling the associated risks and impacts. This management tool is used to assess environmental, health and safety risks and impacts. It also records the actions and control measures deployed by our various entities in the context of their continuous improvement process.

	Unit	2020	2021	2022
2-28 Membership of associations				
IBA is a certified B Corp since 2021	B Corp score[1]	NA	90	97+
https://www.bcorporation.net/en-us/find-a-b-corp/company/i-b-a-group-ion-beam-applications-group				

[1]We are using the B Impact Assessment (BIA) from the B Corp framework as a practical way to gauge and report on progress against our sustainability objectives. We are a certified B Corp since 2021 with a verified B Corp score of 90 pts, valid 3 years till 2024. In the meantime, we measure our yearly progress proforma by a independent 3rd party, using the said B Impact Assessment (BIA). We have achieved in 2022 a B Corp proforma score of 97+pts. And we target a score of 102+pts by 2024 (recertification).

IBA is member of ASTRO (corporate membership) and ESTRO (gold membership), two major associations in the field of radiotherapy, in the United States and Europe. IBA is also a corporate member of the EANM, European Association of Nuclear Medicine, NAPT, an independent nonprofit organization to educate and increase awareness about the clinical benefits of proton therapy, iiA Global, an organization which aims to support the global irradiation industry and scientific community, the Alliance for Protontherapy, aiming to increase patient access to proton therapy for cancer patients by educating insurers, policymakers, employers, and the general public,and COCIR, the European Trade Association representing the medical imaging, radiotherapy, health ICT and electromedical industries.
IBA is an active member of the Belgian association The Shift, leading the Belgian sustainable development network. IBA develops synergies in both Belgium and the United States and collaborates with numerous associations that aim to promote employment, education and awareness in relation to proton therapy.

204-1 Proportion of spending on local suppliers

We define local suppliers as located in the surrounding vicinities of our plants. Expenses spent with suppliers local to the company's headquarters or relevant facilities exceeds 60% of spent, with the expenses spent with independent local suppliers amounting exceeds 30%.

	Unit	2020	2021	2022
302-1 Energy consumption within the organization				
Energy	GJ	31.039	28.940	27.981
Energy - intensity per million Eur revenues	GJ / million Eur	110	92	78

	Unit	2020	2021	2022
305-1 GHG emissions within the organization				
Organization direct and indirect GHG emissions IBA Group[1] (Scope 1-2-3[2])				
CO2 equivalent emissions, incl. CO2, CH4, N2O, HFCs, PFCs, SF6, NF3	t CO2e	5.686	6.450	9.386

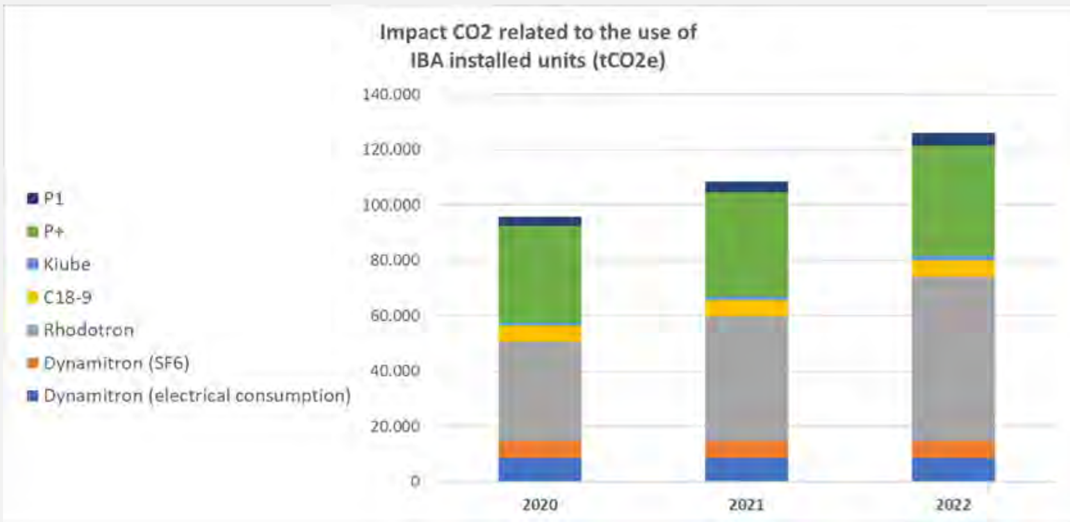
	Unit	2020	2021	2022
CO2 equivalent emissions - intensity per FTE	t CO2e / FTE	3,9	4,1	5,3
CO2 equivalent emissions - intensity per million Eur revenues	t CO2e / million Eur	18	21	26
Purchase of carbon credits: Carbon farming ISO certificates emitted by Soil Capital	t CO2e	0	1000	1700
CDP Score[3]	rank	C	B-	B-
Carbon shadow pricing[4]	eur / ton	NA	NA	40

Emissions (absolute and intensity) significantly increased in the context of post-covid situation.
- Plane related emissions increased impacted by end of Covid pandemic, though remaining 34% lower than prepandemic year 2019 per FTE (6604t CO2eq), thanks to alternative to flight travel such remote conferencing, remote maintenance, and more intense use of local resources.
- The impact of the car fleet increased compared to 2021, but remains 33% lower than prepandemic year 2019 per FTE (2268t CO2eq), thanks to a continuous shift towards more efficient cars (hybrid/elec) within the fleet.
In 2022, IBA continued its policy of encouraging cleaner mobility alternatives:
- Discount for company cars with lower direct emissions (<60gCO2/km)
- 100% reimbursement of public transportation
- Electric bike leasing with 0.25€/km reimbursement. 200 bikes in lease by 31st December 2022
85+% of our electricity is from renewable sources, either purchased through renewable energy credits, or autoproduced through photovoltaic installation at our facilities. Related emissions are however currently included in the above figures based on average national energy mix.
- Investment in a 500kWc solar carport installation, equipped with 50 additional EV chargers.

Targets/goals: we have set ourselves the goal of reducing our operations' net GHG emissions to zero by 2030. We have set ourselves the goal of reducing our energy intensity by 50% below 2020 levels by 2030.

[1]CO2eq emissions are now reported at group level. The 2022 reporting is based upon updated CO2 emissions factors per country in accordance to IEA 2022 guidelines. For consistency, same updated emission factors have been applied to the reporting of previous years based on the same guidelines.
[2]Scope 3: included: car and heating fuel production, plane, rail and waste handling
[3]CDP Score related to disclosure year (eg B- relates to disclosure year 2022 and is based on 2021 data, per CDP rules)
[4]An internal carbon shadow pricing has been set for the first time in 2022 at 40 eur/t, with a recommendation at 80 eur/t as of 2024.

	Unit	2020	2021	2022
305-3 GHG emissions outside of the organization				
Installed base indirect greenhouse gas emissions GHG (Scope 3[1])				
CO2 equivalent emissions, incl. CO2, CH4, N2O, HFCs, PFCs, SF6, NF3[2]	t CO2e	95.690	108.558	126.082



	Unit	2020	2021	2022
thereof ProtonTherapy	t CO2e	38.229	41.712	44.292
thereof ProtonTherapy per treated patient	t CO2e / patient	3	3	3

The emission intensity of PT installed base (tCO2e/ patient ('functional unit')) remains flat in 2022, as the increased number of treated patients balances the additional consumption of the newly installed equipments

[1]Scope 3: includes most impacting products, supported by a maintenance contract (in case of Dynamitrons, this amounts to 7% of the installed base)
[2]The 2022 reporting is based upon updated CO2 emissions factors per country in accordance to IEA 2022 guidelines. For consistency, same updated emission factors have been applied to the reporting of previous years based on the same guidelines

	Unit	2020	2021	2022
303-3 Water withdrawal				
Water consumption IBA Group				
Amount of water used for the organization operations	m³	11.402	8.525	8.698
Amount of water used for the organization operations - intensity per FTE	m³ / FTE	7,7	5,4	4,9
Amount of water used for the organization operations - intensity per million Eur revenues	m³ / million Eur	37	27	24

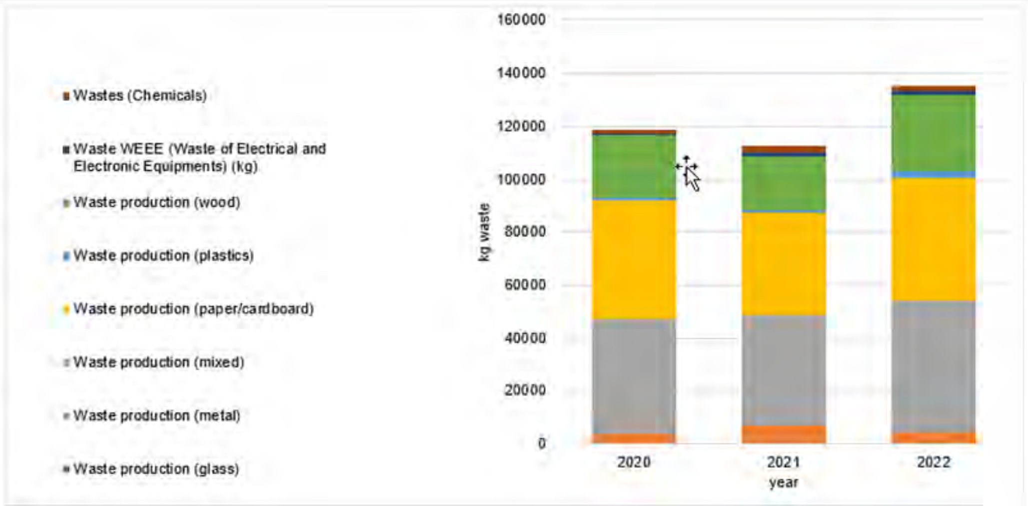
Global water withdrawal intensity decreased, showing a continuous reduction thanks mainly to homeworking - showing alignment with the target we set ourselves.

Targets/goals: we have set ourselves the goal of reducing our water withdrawal intensity by 35% below 2020 levels by 2025.

306-2 Management of significant waste related impacts

Substituting inputs that have hazardous characteristics with inputs that are non-hazardous:
IBA Industrial Solutions has developed a new portfolio of services and end-to-end solutions powered by the Rhodotron particle accelerator. These innovative electrical solutions allow in-house customers or contract sterilizers to sterilize medical devices either by E-beam in boxes or X-ray in pallets, or both. They offer an readily available and ecological alternative to classical sterilisation processes, by eliminating the toxic waste linked to chemical inputs such as ethylene oxide gas and nuclear materials such as cobalt 60. They avoid the associated pollutants and hazards.

	Unit	2020	2021	2022
306-3 Waste generated				
Waste and recycling IBA Group				
Waste generated	t	119	113	135



	Unit	2020	2021	2022
Mixed (unsorted): ratio vs total	%	37%	37%	37%
Waste generated - intensity per FTE	t / FTE	80	72	77
Waste generated - intensity per million Eur revenues	t / million Eur	0,4	0,4	0,4
Hazardous waste	t	1,8	4,0	3,6
Hazardous waste - intensity per million Eur revenues	t / million Eur	0,01	0,01	0,01

Global generated waste intensity is stable, with share of unsorted waste remaining also stable, with program in place internally and with our waste management partner to increase awareness, improve process and source reduce the waste.

Targets/goals: we have set ourselves the goal of reducing our unsorted waste intensity by a factor of 3 (15%/yr) below 2018 levels by 2025. We have set ourselves the goal of reducing our hazardous waste intensity by 10% below 2020 levels by 2025.

	Unit	2020	2021	2022
403-9 Employee health and safety				
Lost time accident cases	#	5	0	7
Lost time accident frequency rate	# LTA/million worked hours	2,0	0	4,7
Medical treatment cases	#	14	10	20
Total Recordable Incident Rate	# TRC/million worked hours	5,7	6,3	13,3
Attrition	%	6,4%	5,6%	6,0%

	Unit	2020	2021	2022
405-1 Diversity of employees				
Nationalities – Group	#	56	60	58
Nationalities – Belgium	#	26	33	35
Group workforce under 30 years old	%	17%	18%	18%
Group workforce between 30-49 years old	%	61%	62%	64%
Group workforce 50 years old and older	%	21%	19%	18%
Group workforce gender (F/M)	%	25% / 75%	26% / 74%	26% / 74%
Asia workforce gender (F/M)	%	21% / 79%	20% / 80%	21% / 79%
EMEA workforce gender (F/M)	%	27% / 73%	28% / 72%	28% / 72%
AM workforce gender (F/M)	%	18% / 82%	20% / 80%	20% / 80%
in part time employees (F/M)	%	66% / 34%	67% / 33%	65% / 35%

414-1 New suppliers that were screened using social criteria
Suppliers Code of Business Conduct
Since 2022, the suppliers code of conduct is part of all contract templates related to sourcing activities of the IBA group, and, by entering into the agreement, the vendor explicitly agrees to abide by its content.
Supplier ESG screening method
We have selected Ecovadis as service provider for our supply chain ESG screening

416-2 Comfort, quality, safety of our medical & industrial solutions
At IBA, we are constantly improving our products and quality management processes in order to offer the market complete, safe and efficient solutions. We train our clients and help the medical community to provide users and patients with reliable and safe treatments. In order to raise the quality of the product IBA delivers on the market we are ISO13485:2016, ISO9001:2015, MDSAP certified. There have been no material incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of IBA's products and services

	Unit	2020	2021	2022
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data				
Breach of data privacy	#	0	0	0

iba-worldwide.com

Contact IBA

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