MONTEA

Make space for the future

Annual Report 2022

Message from the CEO

Dear reader,
Dear shareholder, customer, partner,

We want to present you Montea's 2022 annual report. It is the direct result of a great deal of calculation and writing work, but also (and above all) of yet another year of unconditional commitment by our Monteaneers. For it is they who make the baseline of this report possible each and every day: they **make space for the future**. A bright future, because despite the challenging environment with rising interest rates and high inflation, 2022 was also a more than strong year.

To give the future all the space it needs, we have set our sights a little further on ahead and have identified **five megatrends**: societal changes that will help determine the future while playing an important role for us as well. There is the inevitable **energy transition**, the search for **smart logistics** and the reconciliation of those logistics with a **liveable city**. We are also becoming increasingly aware that **space is scarce** and of the enormous value of **human capital**. All these megatrends are firmly embedded in our goals and will continue to serve as our signposts in the coming years.

Space for growth will be needed in order to respond to these megatrends. With €473 million, our portfolio registered the largest single-year growth ever, consisting of €362 million of investments and €111 million upgrading of the existing portfolio and development margin. Our total portfolio is now worth €2.2 billion. We generated EPRA earnings of €67.7 million in 2022, up 12% compared to the previous year.

We closed 2022 with earnings per share of €4.10. This already represents 75% of the EPS growth promised in Track'24. This performance will enable us to pay a gross dividend of €3.30 per share.

Making space for the future obviously means **looking ahead** first and foremost. That is precisely what we are doing with our **Track'24 trajectory**. And we are right on track. We want earnings per share to grow to €4.20 and the dividend to €3.38 per share in 2023 and expect to achieve an investment volume of around €160 million, at an average initial yield of at least 6%, mainly on our own land positions. We moreover want earnings per share to rise to €4.30 by end 2024, up by more than 20% compared to 2020.

We are also on track in terms of absolute growth. We have already **exceeded half of our targeted** investment volume of over €800 million halfway through our ambitious growth plan. Since the beginning of 2021, we have an identified investment volume of €589 million, €534 million realized and €55 million in execution - at an average net initial yield of 5.4%.

Space for the future in 2022 referred also to **self-knowledge**. We want to know clearly what we stand for and how we want to profile ourselves in the future. To do that, we undertook a comprehensive strategic exercise and developed a **brand passport**. Montea stands for ambition, leadership, focus on sustainability and attention to people.

We aspire not only to grow, but also to take the lead in our sector. We have a strong position, based on solid core values and a clear strategy. We can only maintain that position in the future by anchoring our focus on sustainability and never losing sight of the enormous value of our our customers, stakeholders and Monteaneers.

Finally, **sustainability** is also inextricably linked to the future. Our first sustainable pillar is therefore **future-proof logistics real estate with an eye on sustainable growth**. The logistics of the future must think out-of-the-box to use space that is already scarce as efficiently as possible. Our development for Amazon at Blue Gate Antwerp is a sterling example. By responding to the societal issues of tomorrow, we also secure ourselves as much financial growth as possible. From Track '24 to our smart multimodal buildings, we are creating sustainable space(s) for the future.

A second pillar is **our path to climate neutrality**. Our own buildings are already climate-neutral with offsets. The goal of no longer needing offsets by 2030 lies within reach.

We also earned well-deserved recognition for our ESG strategy in 2022: We scored higher (77%) on the GRESB scale than previous year. In so doing, we are best in class in two categories: our buildings consume less energy and emit less CO2. We also carried away a gold medal at the prestigious EPRA sBPR awards.

The third - and as far as I am concerned the most important – pillar consists of **our people as the driving force and our social commitment**. Without Monteaneers there would be no Montea, no positive ESG results, no positive financial story. Those who proudly help write the Montea story with immeasurable dedication and who, in the meantime, also pursue socially relevant projects, are the ones who really make space for the future.

You read it: Montea is doing well. **We are looking to the future with confidence.** The demand for modern, sustainable and smart logistics real estate solutions will continue to rise. With the excellent results of 2022, all Montea employees and I are eager to work with our customers and shareholders to make space for a sustainable future in the years to come.

Now let's make space for 2023!

Jo De Wolf
Chief Executive Officer

We are looking to the future with confidence. With the excellent results of 2022, all Montea employees and I are eager to work with our customers and shareholders to make space for a sustainable future in the years to come.

— **Jo De Wolf**
CEO Montea

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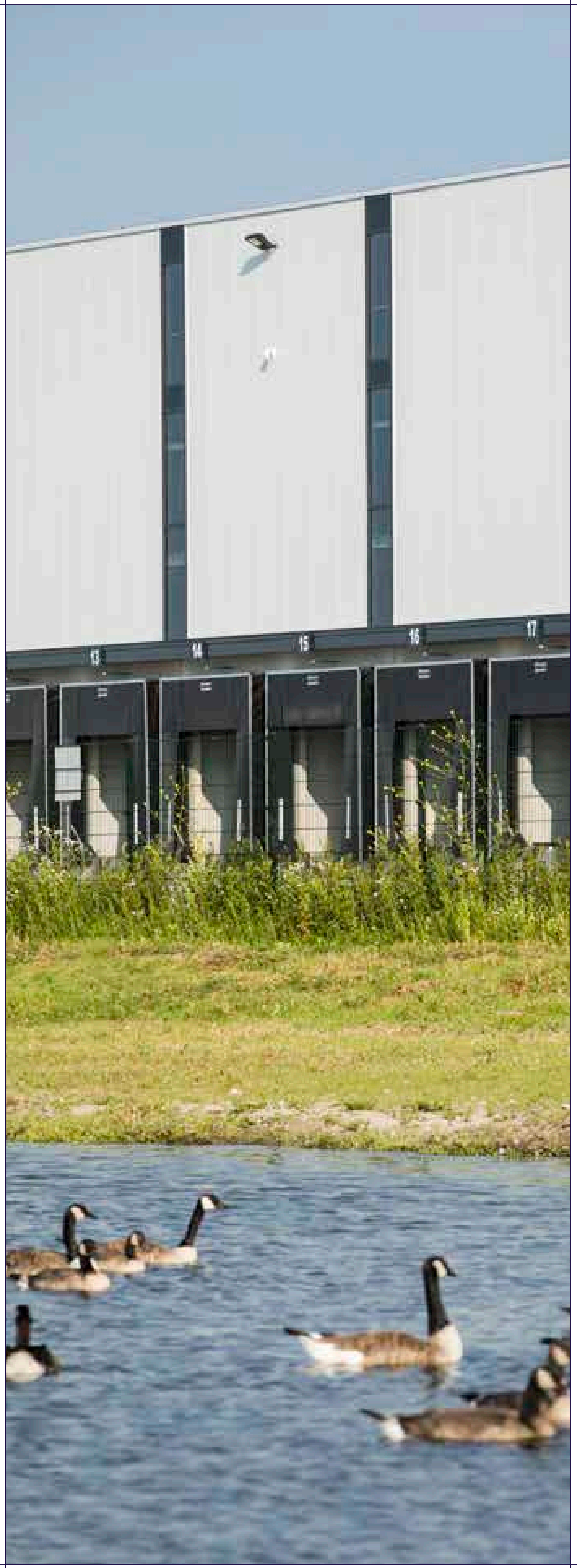


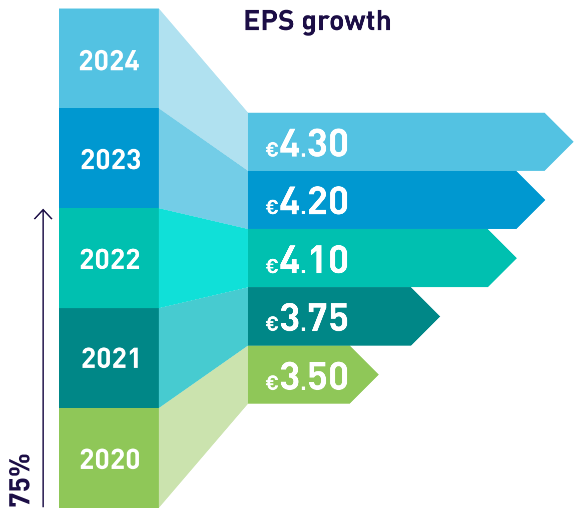
1. The year 2022

1.1 2022: an overview

Key achievements in 2022:

① We exceeded the targets set for 2022:

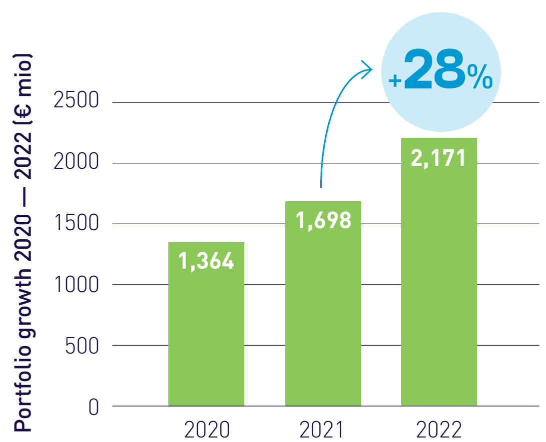
- **EPRA earnings of €4.10 per share,** up 9% from 2021
- **Dividend of €3.30 per share**, likewise up by 9% from 2021
- Attainment of targeted **investment volume: €362 million** in 2022



② **Largest portfolio growth** during a single year in Montea's history of **€473 million**, consisting of €362 million of investments, €79 million of revaluations of the existing portfolio and €32 million latent capital gains from recently completed projects, resulting in a **total portfolio of €2.2 billion**.

The investments made in 2022 fit perfectly within the outlines of Track'24 and are a mix of:

- **Land positions** acquired in Belgium and France, increasing the land bank to around 2.5 million m²
- **Standing investments** in Belgium, the Netherlands and France
- **Development projects completed in Belgium:**
    - Distribution centre in Tongeren leased to Tailormade Logistics - structural cooperation with Cordeel
    - First Belgian Delivery station for Amazon Logistics on the Antwerp Urban Logistic Accommodation (AULA) site
- **Development projects completed in the Netherlands:**
    - Distribution centre in Etten-Leur let to Raben Netherlands B.V.
    - Distribution centre in Waddinxveen let to HBM Machines B.V.
    - Recycle and distribution centre in Tiel let to Re-Match Netherlands B.V.
- Investments in **solar panel installations** in Belgium, the Netherlands and France



③ Healthy market dynamics

- **High occupancy rate:** consistently above 99% since 2018
- Average term of leases[1] of **7.4 years** to first maturity
- Property portfolio on strategic multimodal prime locations
- Inflation-resistant cash flow profile (rental income indexed to inflation)
- Rising market rents for logistics property

④ Strong fundamentals in volatile macro environment

- **Controlled debt ratio** of 42.1% based on EPRA Net Initial Yield of 4.8%
- Despite increased interest rates, expected average cost of debt will be 2.3% in 2023 and 2024
- Long-term credit contracts (average remaining maturity of ca. 7 years) and hedging contracts (average remaining maturity of around 8 years)
- **Strong liquidity position** with €340 million of immediately available funding

[1] Excluding solar panels

⑤ Recognition of ESG strategy

We earned valuable recognition for our ESG strategy from both GRESB and EPRA. For the reference year 2021, we achieve a score of 77% on the GRESB scale, up 8% compared to 2020. In the various categories analysed by GRESB, we scored "Best in class" compared with our sector competitors in two categories: **energy consumption by and greenhouse gas emissions from Montea's buildings.** These are the categories in which we aspire to make a difference. Furthermore, we took home gold at the EPRA sBPR awards, after winning silver last year.

	Rating	
		
	Latest score	
	2022 — GOLD Award Exceptional adherence to sBPR — Scoring above 85%	**2022 — Green Star** With a score of 77%
	Evolution	
2020	BRONZE	32%
2021	SILVER	69%
2022	GOLD	77%

⑥ Montea is shifting up a gear in France and Germany

With the recruitment of Luc Merigneux as country director, we want to significantly accelerate the growth of the French portfolio. This of course in qualitative manner, based on the formula that has proved successful in Belgium and the Netherlands, through in-house developments and strategic partnerships with established players. Together with the local French team, which he has already been able to expand by recruiting 3 key business profiles, Luc is helping to shape the Track'24 growth plan. Today, we also want to **strengthen our presence and clout in Germany**, with the recruitment of Patrick Abel as Country Director Germany. Patrick will build his own team following the same formula so as to boost the portfolio.

Luc Merigneux
Country Director France

Patrick Abel
Country Director Germany

⑦ Issue of €380 million in Green unsecured notes via US Private Placement

We successfully completed a new US Private Placement during the second quarter of 2022 with an issue of €380 million of Green unsecured notes. The notes were split into four tranches with maturities of 8 and 10 years. This is the **largest financing operation in Montea's history**. Through this transaction, more than 50% of the outstanding financing has now been issued under the Green Finance Framework, in order to (re)finance sustainable projects with a clear environmental and social benefit.

⑧ Strengthening of the board of directors

The general meeting of shareholders of Montea Management NV held on 17 May 2022 approved the appointment of **Lieve Creten** as a new independent non-executive director for a three-year term. This appointment is part of a sound corporate governance policy whereby we keep the number of independent directors stable.
Furthermore, in September we welcomed **Dirk Lannoo** as strategic advisor to the Montea investment committees in the various countries. He will advise the board of directors on new investment and development projects, with a focus on sustainable and versatile logistics real estate.

⑨ Human Capital Scan

We launched a Human Capital scan in the first half of 2022 to find out what energizes or stresses our people. We can report with some pride that we are among the best scoring workplaces in terms of motivation and engagement, thanks to strong social energy through support between colleagues, a great team atmosphere and solidarity, support from managers and recognition from colleagues. The level of independence and variety, resources available and team efficiency also score high. All these elements lead to job satisfaction, emotional loyalty and a desire to be a permanent part of the Montea team.

Without Monteaneers, no Montea, no positive ESG results, no positive financial story.

— Steven Claes
CHRO Montea

1.2 Our non-financial key figures

① Montea operations

Ⓐ **Targets greenhouse gas emission**

CO_2 ↓ 2021 **Neutral**

CO_2 ↓ 2030 **Net-zero***

Ⓑ **Actions**

Use of green power

2021: 100% — **2022: 100%**

No fossil fuels **in 2023 100%**

2021: 36% — **2022: 36%**

All company cars are electric **in 2027 100%**

2021: 20% — **2022: 33%** (↑ 13%)

② Montea developments

Ⓐ **Targets greenhouse gas emission**

CO_2 ↓ 2030 **-55%**

CO_2 ↓ 2050 **Net-zero**

Ⓑ **Actions**

Reduce energy intensity compared to **2022 CCREM target** (1.5 °C scenario) **in 2030 -74%**

2021: -22% — **2022: -48%** (↓ 26%)

③ Existing portfolio

Ⓐ **Targets greenhouse gas emission**

CO_2 ↓ 2030 **-55%**

CO_2 ↓ 2050 **Net-zero**

Ⓑ **Actions**

Use of green power **in 2030 100%**

2021: 52% — **2022: 50%** (↓ 2%)

Use of energy-saving technology **in 2030 100%**

2021: 12% — **2022: 23%** (↑ 11%)

Use of renewable energy systems **in 2023 90%**

2021: 55% — **2022: 71%** (↑ 16%)

No fossil fuels **in 2050 100%**

2021: 5% — **2022: 12%** (↑ 7%)

More info?
Please refer to chapters 2, 3 and 4 for **a non-financial deepdive**.

(*) Net-zero CO2 differs from carbon neutrality as "net-zero" places a stronger emphasis on maximizing all options in the carbon hierarchy before using offsetting mechanisms. In the event that offsets are still needed, they should be carbon removal actions (i.e., offsets that remove carbon from the atmosphere) rather than actions to reduce emissions (i.e. offsets that only prevent new emissions from entering the atmosphere).

1.3 Our financial key figures

Property portfolio

Occupancy rate

99.4 %
2022

99.7 %
2021

Total surface — Property portfolio

1.9 mio m²
2022

1.5 mio m²
2021

Fair value of the property portfolio

2.2 bn €
2022

1.7 bn €
2021

Total surface — Landbank

2.4 mio m²
2022

2.0 mio m²
2021

Consolidated results

Debt ratio

42.1 %
2022

38.6 %
2021

Average cost of debt

1.9 %
2022

1.8 %
2021

EPRA NTA per share

71.72 €
2022

65.00 €
2021

Property portfolio growth

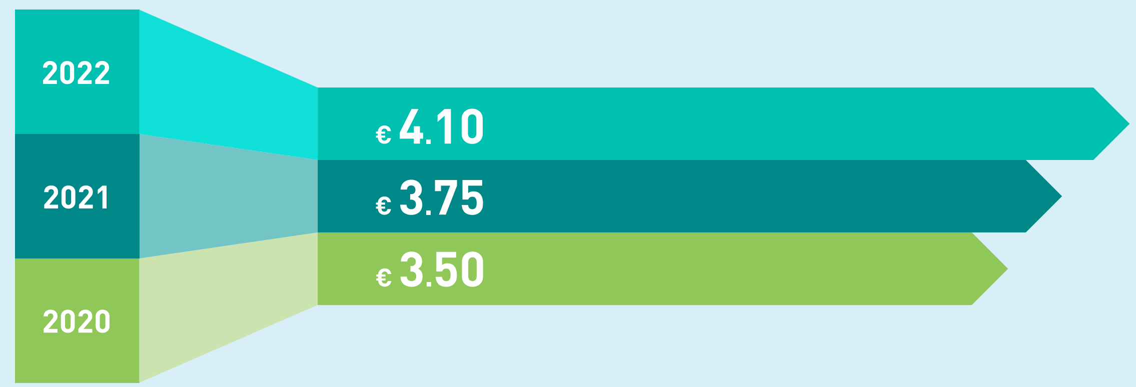
473 mio €

+28% vs. last year

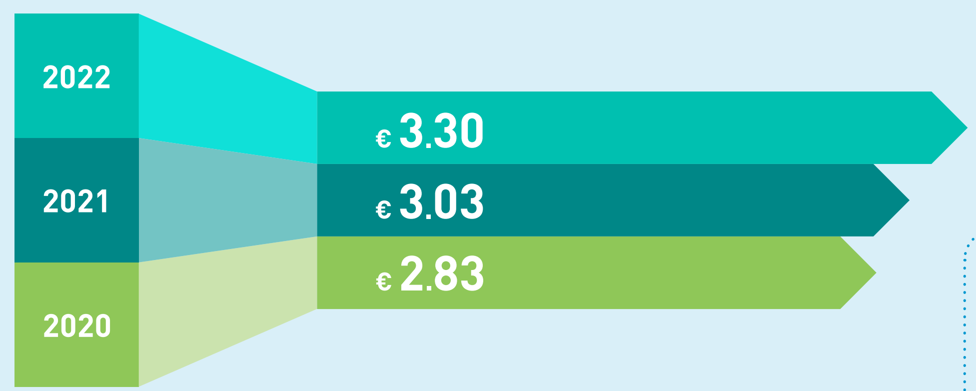
€ 362 mio investments

€ 111 mln revaluation

EPS growth



DPS growth



More info?
Please refer to chapters 5, 6 and 9 for **a financial deepdive**.

2. This is Montea

2.1 Our mission, vision and strategy

2.1.1 Our mission unravelled for you

Together, we create smart spaces by investing in out-of-the-box customer solutions

Together

We believe in strong, sustainable partnerships. Our customers, employees, suppliers or one of the many other stakeholders: we like to see each and every partnership for the long-term.

SMART

Using the available space smart is our core business. Smart therefore goes beyond just smart thinking. Our way of making space for the future is:

- **Sustainable**. We build according to tomorrow's standards so as to remain in tune with the market in the long term.
- **Multimodal**. With our locations near (air) ports, we set our sights on more than just road transport and concentrate on the real hubs in the supply chain.
- **Adaptable**. Our buildings adapt seamlessly to guarantee long-term usability.
- **Resilient & flexible**. We think together with the customer about what he needs today and tomorrow to find agile real estate solutions.
- **Tenant-centric & tailor-made**. Everything revolves around our customer's needs. Where does he want to go, how can we tackle the challenges along the way smoothly and create a tailor-made solution?

Out-of-the-box customer solutions

We create really big boxes. So thinking out of the box is more important than ever for us too. Every project is a new adventure and raises new challenges. What does our customer really need? What solutions can we implement to optimize our services and customer relations? In times when we are bumping up against the limits of available space, we believe in smart and innovative solutions.

2.1.2 Our values in four terms

With our feet firmly on the ground or putting our best feet forward... Whichever phrase you choose, FEET forms the basis of our values: Focus, Entrepreneurship, Expertise and Team Spirit.

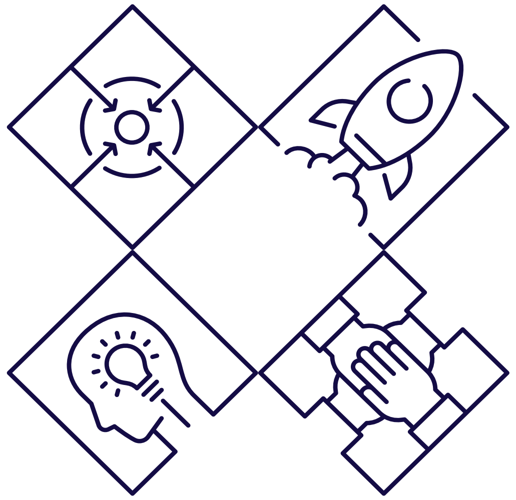
Our values and attitudes form the foundation of our identity and contribute substantially to our growth. Our slogan **'We go both FEET in'** reflects our determination to move full steam ahead at all times in our relationships with customers, employees and even the planet.

FOCUS

The right **focus**, with due **proactivity** and **flexibility**, enables us to achieve our strategic goals, respond quickly to changing market conditions and always spot new opportunities. Being proactive means taking initiative and anticipating future needs. Thanks to our flexibility, we can adapt at lightning speed to stay always one step ahead.

ENTREPRENEURSHIP

Entrepreneurship, with due **pragmatism** and **ownership**, inspires us to find creative solutions to the complex challenges in our industry and to go the extra mile each and every time. Thanks to our pragmatism, we make decisions quickly and effectively, while ownership encourages us to make the utmost of every opportunity, always with a sense of responsibility.



EXPERTISE

Our **expertise**, **goal-orientated thinking** and **curiosity**, ensure that we continue to learn and grow. Purposive thinking zeroes in on our strategic mission and sharpens our focus on our customers and employees. Curiosity enables us to discover and develop new opportunities time and again so as to expand and hone our expertise.

TEAM SPIRIT

Finally, our **team spirit**, with due **reliability** and **empathy**, forms the bedrock of our commitment to all our stakeholders. By being reliable, we guarantee consistent quality. Thanks to our empathy, we understand and meet the needs of our customers and employees.

The logistics of the future must think out-of-the-box to use the already scarce space as efficiently as possible.

— **Peter Demuynck**
Chief Strategy & Innovation Montea

2.1.3 Our overarching long-term strategy in seven blocks

Times have changed. A company's strategy has long since ceased to focus (exclusively) on growth. An increasingly complex society and a planet calling for a more sustainable approach also lay claim to their share of strategic vision. That is why our strategy focuses on seven blocks based on our core values.

1

Sustainability
We make space for the future. Sustainability is therefore embedded in our DNA. It goes without further saying that we want to - and will - reduce our ecological footprint and we are constantly collecting relevant data to that end. But what we are going to do above all is use the available space as efficiently as possible. Ultimately, that is the lynchpin of our business. In this way, we stay one step ahead of the market and ever-changing legislation and standards, thereby striking a healthy balance with our relentless profit ambitions.

2

People
How do we achieve an organization 'fit for growth'? We go for targeted expertise internally and externally, and bring in such expertise or hire temporary staff as and where necessary. But above all, we give our own, qualified professionals an opportunity to develop their talents and acquire in-depth knowledge. At the same time, we encourage autonomy and empowerment, promote customer focus and foster commitment: the ideal mix for a challenging, rewarding work environment that supports teamwork, growth, talent development, creativity and initiative.

3

Value creation and growth
We want to create value for those who believe in us. Our portfolio is growing through investments with value creation. So we are not pursuing growth for growth's sake, but focusing on EPS growth. In doing so, we keep our debt ratio under control and increase value for our shareholders and investors by building a robust balance sheet, optimizing EPRA earnings and creating value through our own developments and active management of our portfolio.

4

Customer focus
Customer focus is a value we prize greatly. The needs of our clients come first in everything we do. Our job is to provide them with the best possible experience: from finding the perfect space to developing and managing buildings. We work closely with them to understand what they need and tailor our products and services accordingly. We listen to their feedback and make adjustments as and where necessary.

5

Landbank & Development
Space is becoming increasingly scarce. As a developing property investor, land ownership is one of our key strategic pillars. It enables us to invest in developing real estate projects that fit our vision and strategy. We draw on our large land bank to develop high-quality real estate projects that are in tune with market demand and contribute to our growth. It gives us the flexibility and freedom to plan and carry out our investments in such a way that we can achieve our goals while adding value for our stakeholders.

6

Innovation
Developing new strategies remains a key focus. Together with our team of experts and advisers, we improve and broaden our services. To this end, we set up ecosystems so that we can maximize external inspiration and establish new partnerships with customers, developers, investors and research institutes. We are constantly innovating and improving our services to add value for our stakeholders.

7

Communication and Public Relations
Montea's story is ambitious, well thought out and sustainable. We therefore like to tell that story in a consistent way to all our stakeholders, which comprise our own team, (potential) customers and shareholders or journalists, policymakers and our colleagues in the real estate world: we like to keep Montea top of mind with each of them.

2.2 Who we are at a glance

If there is one thing we take ever so seriously at Montea, it is the future. As a developing investor specializing in multimodal, multifunctional and sustainable buildings at strategic top locations, we make space for the future, literally as well as figuratively: from our Montea blue label for developing energy-efficient and ultra-efficient buildings to our maximum commitment to redeveloping grey and brown fields to make maximum use of the available space and to safeguard the remaining scarce space. We realize that as a logistics property developer, we have an important role to play in the future of our people, cities and planet. So we are happy to make space for it.

Our portfolio

Number of sites at 31 December 2022
92

Surface (m²)
1,890,000

Fair value of the property portfolio
€ 2,171 mio

Occupancy rate
99,4%

Landbank

Total surface
2,401,318

Consisting of:
→ Acquired land
1,688,152 m²
Of which yielding land bank 73%
5,6% return on costs
€315,3 mio market value
€186,8 market value/m²

→ Land bank under control
713,166 m²

Our team

Total number of employees
41

Management
9 persons

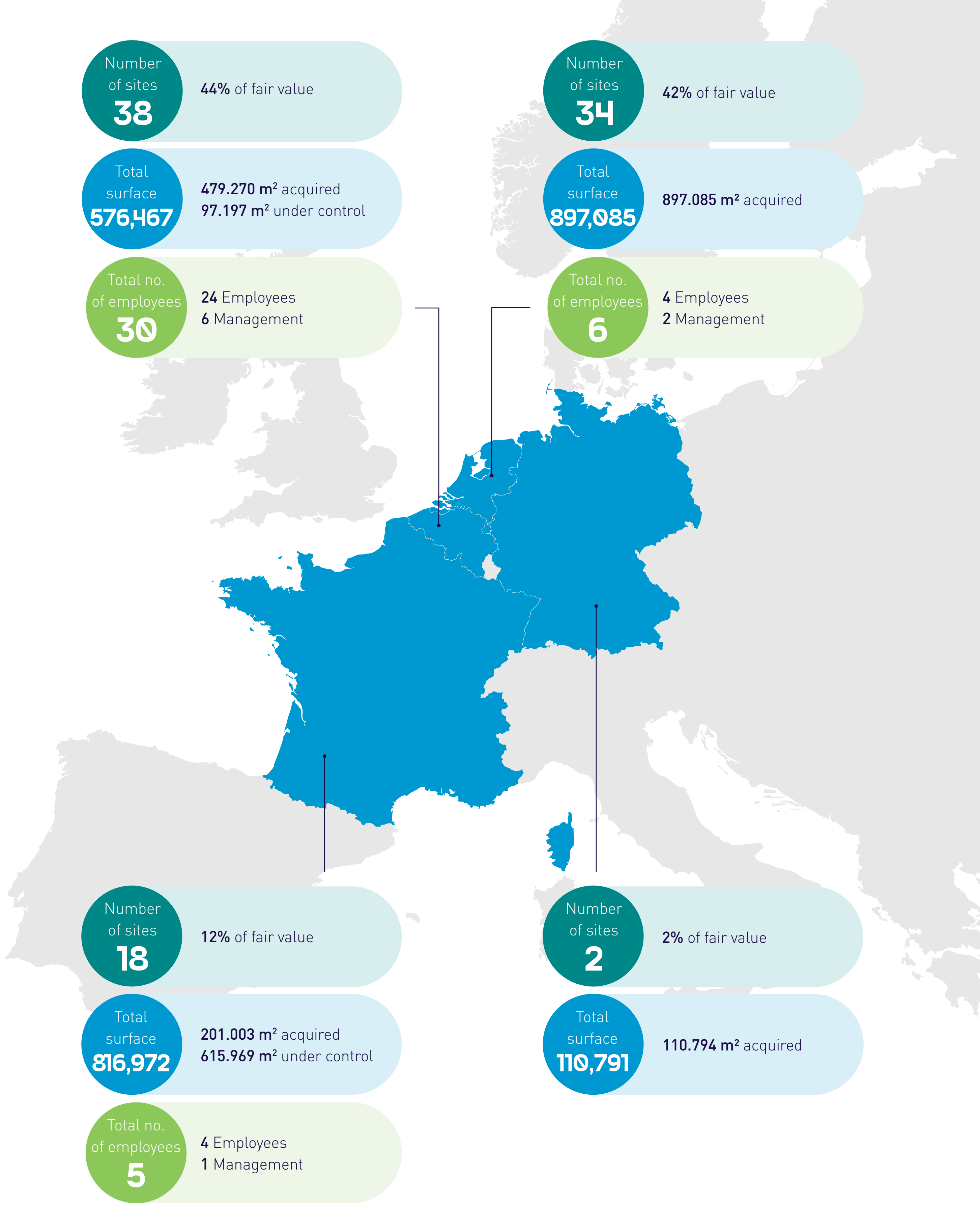
Employees
32 persons

Board of directors
7 persons

Female	**Male**
16	25
39%	61%

Average training hours/FTE
46

Average number of years experience in real estate, p.p.
10.1



Recognition ESG strategy

EPRA sBPR GOLD

GRESB 77/100 2022

2.3 What we do, who we are, and for whom we do it

2.3.1 What we do

We make space for the future. You can take that literally. Montea NV is a public regulated real estate company (RREC). We specialize in the **management and development of logistics real estate** in Belgium, the Netherlands, France and Germany. All those packages - from pool tables to shampoo, medicines, food, the latest fashion trends, building materials or cars - have to be collected and/or distributed somewhere. Preferably in logical, easily accessible places that do not squander floor space that has already become scarce. Well, such locations are what we are all about.

Our goal is to **develop and maintain a wide range of logistics real estate solutions**, partly by acquiring, partly by developing real estate ourselves. We prefer to hold our properties for the long term, so that rental income is stable and can lead to a stable and – insofar as possible - growing dividend for our shareholders.

The number of parcels going back and forth is growing, and so is the market for logistics real estate. We remain a reference player in this field in Belgium, the Netherlands, France and Germany. After all, we offer more than ordinary warehouses: thanks to flexible and innovative real estate solutions, Montea creates space to grow for its customers – space for their future.

We have been listed on Euronext Brussels and Euronext Paris since 2006. We launched our activities as a public real estate investment trust in that year by bringing together various real estate portfolios of logistics buildings. Thus, we are a public regulated real estate company or a company with REIT status in Belgium (as GVV, which stands for "gereglementeerde vastgoedvennootschap") and France (as SIIC, which stands for "société d'investissement immobilier cotée"). We are supervised by the FSMA (Belgian Financial Services and Markets Authority).

2.3.2 Who we are

We are Monteaneers.

We make space for self-development. Monteaneers are entrepreneurs, team players. They are fundamentally positive-minded and curious. Appreciation and the opportunity to further develop your talents further are a given here. We are on our way to becoming a specialized leader by always capitalizing on the strengths of all our employees. For we have all the **expertise, persuasiveness and communication skills** to be and remain a pioneer in the real estate sector.

Monteaneers respond to the customer's needs, achieve the best results and are committed to their own development and that of their team like no other. They secure value for all customers, shareholders and other stakeholders each and every day through **focus, entrepreneurship, expertise and team spirit** chiselled deep into their DNA.

At Montea, we always start from **equal opportunities** and apply a high level of ethics, non-discrimination and respect for the individual and the law - so everyone has the right to express themselves as well as the right to information and personal development.

Our **short decision-making lines and horizontal organizational structure** make for dynamic teamwork, which is pivotal to our growth process from commercial startup to international property management company.

Our board of directors

These characteristics of the Monteaneers can also be found in the members of the board of directors.

Our board of directors is composed in accordance with article 4 of the RECC Act. The remuneration and nomination committee always takes diversity into account when new directors are appointed, not only in terms of the gender of the directors, but also in terms of skills, experience and knowledge. The more diversity on the board, the more balanced our decision-making: issues and decisions are dealt with from different points of view. ESG expertise is accordingly one of the core criteria for new candidate members.

The seven members of the board of directors stem from very diverse backgrounds: from banking over pharma to the postal and real estate sectors. All have **extensive ESG expertise** thanks to experience gained at Belgian and international companies that have been committed to ESG for years, such as the Bpost Group, Aedifica and Befimmo.


Dirk De Pauw


Jo De Wolf


Peter Snoeck

Independent directors


Lieve Creten


Philippe Mathieu


Barbara De Saedeleer


Koen Van Gerven

Our roots

Montea is the life's work of Pierre De Pauw, one of Belgium's pioneers in logistics real estate since the late 1960s. He enshrined the principle of long-term value creation through the redevelopment of existing industrial sites. The IPO in 2006 marked a major acceleration for Montea: the value of the portfolio has risen from €100 million to more than €2 billion over a 16-year period. The successful growth story continues to be written by the founding family, which remains an active shareholder.

2.3.3 For whom we do it

For our customers

Without customers, there is no demand for real estate and so no Montea either. The needs of our customers are at the forefront of everything we do and every decision we make. They expect the best experience from us, whether it's finding the right location, or managing the right building or developing projects. We work closely together and take all feedback to heart, for this is the only way we can understand their needs fully and tailor our services and products accordingly.

For our shareholders

The belief our shareholders and investors show in us is of inestimable value. And we want to give such in return to them by growing our portfolio. We do this with value-added investments, i.e. not just growth for growth's sake, but by focusing on EPS growth while keeping our debt ratio under control. A robust balance sheet, optimal EPRA earnings, added value through proprietary developments and active portfolio management combine to boost value for our shareholders and investors.

For all our stakeholders

Our activities have a direct impact on society, particularly on mobility and the use of space. We are fully aware of this and are actively seeking to strike a workable balance for all our stakeholders.

We are only too happy to tell our well thought out, sustainable and ambitious story to our stakeholders who consist of our own team to (potential) customers and shareholders or journalists, policymakers and our colleagues in the real estate world.

We have identified **our key stakeholder groups** and are committed to consulting them regularly and involving them in decisions as much as possible.

Stakeholders	How (often) to engage?
Customers	• Create a long-term partnership • Continuous availability and interaction • Each site has its own Montea property manager • 'My Montea' online platform: accessible to all customers • Energy monitoring system platform
Employees	• Weekly management check-ins • Monthly team lunch and/or team moments • Quarterly strategy and project updates • Annual evaluation interviews • Biennial satisfaction survey • Minimum 1 team building activity per year • Continuous training
Investors / Capital markets	• Continuous transparent communication and reporting • Integrated annual report • Quarterly update on financial figures • Press releases • Accessibility at and participation in (international) exhibitions, roadshows and other bank/capital market initiatives • Own initiatives such as the organization of a property tour
Suppliers	• Establish a long-term relationship with suppliers • Annual evaluation of cooperation
Cities and Municipalities	• Continuous transparent communication through project consultations • Consultation and cooperation on upcoming projects • Preparatory meetings to obtain advice • Alignment of vision and mission projects
Policymakers	• Participation in sector consultation and making knowledge, vision and mission available • Participation in social discussions concerning the sectors in which we are active: e-commerce, night work, planning, etc. • Input for new regulations • Organization of and participation in seminars on socially relevant topics
Local communities and neighbours	• Support local organisations • Promote neighbourhood consultation on new projects • Promote good neighbourly relations • Establish local sustainability initiatives

3. How we make space for the future

Our strategy on the way to 2030 and 2050

3.1 Challenges in our society translated into...

3.1.1 ... five megatrends for the future

Our society is changing at dazzling speed. This has an impact on how we live (today and tomorrow) and what the future of our planet looks like, which must not be underestimated. As Montea has both feet firmly planted in the logistics and spatial sectors, we have an enormous impact and therefore responsibility as well.

So we asked ourselves the question: what are the burning issues in our society and in which of them can we play an important role? Where is our biggest impact and how can we exert a positive influence?

The exercise identified five themes. **Five megatrends that are inevitably part of Montea's future.** With these themes in mind, we eventually drew up our materiality matrix and are working towards our financial and ESG targets.

1 Energy transition

As property developers and investors, we cannot ignore the energy transition if we want to survive. Climate change and the scarcity of fossil fuels are forcing companies to assume their **social responsibility** and to contribute to a sustainable future, for instance by designing and erecting sustainable buildings that use less energy and generate fewer CO_2 emissions.

Developers as well as investors can **reduce a building's energy costs** by resorting to sustainable technologies and energy-efficient designs. This can lead to a higher sale or rental price, making it an even more attractive investment.

In a market where sustainability and energy efficiency are increasingly more important, we can **stand out from the competition** by focusing thereon, which can lead to a higher demand for the property and a better reputation in the market.

The energy transition moreover means that we have to prepare for **scarcity of supply** - such as the current congestion problem in the Netherlands - but also for **increasing demand for electricity** due to the use of more electric heat pumps and charging points for cars, vans and trucks. The integration and management of all renewable energy flows (solar and hydrogen, and battery storage) and of newer trends such as energy sharing also pose challenges.

Finally, the government is imposing increasingly more **stringent requirements** on the energy performance of buildings. It is therefore important that we comply with such regulations to avoid fines and other legal consequences.

2 Smart logistics

Logistics is an indispensable part of our lives. The COVID pandemic was quick to highlight how essential it is - from stocking department stores to delivering a bouquet of flowers to a loved one. Yet no one wants a big logistics building in their backyard; this stalemate is ever so relevant for us.

To make sustainable and smart logistics with consideration for society possible, we start from three action points for our buildings.

1. With our **strategic and multimodal locations**, we go for optimal accessibility via different means of transport: a motorway, airport, rail and/or waterway connection.
2. **Multifunctional buildings** can be used for different purposes and thus have a longer life cycle.
3. We encourage our customers to **optimize the logistics processes** by combining, consolidating and planning better and smarter. Fewer empty miles means less CO_2.

3 Liveable city

Millions of parcels cross our cities every day. But the city is first and foremost a place in which to live - the less traffic and transport, the more liable. That is why we strive for sustainable, smart and clean urban distribution.

Sustainable urban distribution ranges from electric cargo bikes to more efficient loading for transport. The following aspects are undeniably linked thereto and are part of our vision for the future:

1. We deploy **electric or hybrid means of transport** or other alternatives by providing the necessary infrastructure.
2. We build hubs **on the outskirts of the city**, so that smaller and sustainable vehicles can bring goods into the city.
3. **The distribution capacity** is **shared** among ourselves - including competitors - whereby we encourage our customers and help come up with innovative solutions.

④ Sustainable use of space

Space has become a scarce commodity. With the rising demand for warehouses, it is already overused. How can we use the available space as efficiently as possible and still keep meeting the demand?

An issue that has occupied our minds for longer than today and is the driving force behind three key actions.

1. We **cluster space on industrial estates**. We invest in sites on logistics industrial estates, where multimodal connections already exist and where new logistics needs are met. We also think about optimizing costs for our customers through, for instance, shared sprinkler facilities and a thorough management of energy, waste, water and green areas.
2. With **multi-storey buildings**, we make more intelligent use of the available space. By working in height, we limit the impact on the ground surface.
3. We will always give priority to **optimizing existing sites** and buildings. So reconversion has long been one of our fixed pillars. If renovation does not work (anymore), we redevelop a site: old, inefficient buildings are replaced by more sustainable ones. When we look for new land, we prefer sites that already had an industrial function.

⑤ Human Capital

In times when technology and globalization are changing the way we work and do business, the role of people cannot be underestimated. In the past year, we have once again seen our belief in and importance of people confirmed. Our employees continue to be the driving force behind our success.

This is definitely not a temporary trend for us. It is a permanent feature. We respect and support our employees. Thanks to a sustainable culture and sufficient investment in personal development, we see higher productivity, better operating results and a clear competitive edge. This is how we make Montea grow and prosper sustainably while creating long-term value for our shareholders.

For the sake of clarity, our employees want to work for a company that is not focused solely on profit, but has a positive impact on the world as well. We therefore consider it essential to invest also in sustainability and development as to attract and retain talented employees.

3.1.2 ... and more stringent regulations

Besides these five megatrends, there is an additional important pillar, namely the **changing regulatory landscape**. We have seen a lot of movement on the regulation front in recent years, and are monitoring this changing regulatory framework closely so as to meet future expectations at all times.

The **Paris Agreement** signed in 2015 includes an agreement between the relevant governments to limit global warming to 2°C (preferably 1.5°C). Against this backdrop, in 2020 Europe decided to usher in the **EU Green Deal** on behalf of all its member states: a growth strategy to make the EU a modern, resource-efficient and competitive economy with a climate-neutral Europe by 2050 as its goal. As an intermediate target, net greenhouse gas emissions should be reduced by at least 55% by 2030.

The **EU taxonomy** is an essential part of the EU Green Deal. It is a uniform classification system that determines which economic activities are 'green' and is intended to distinguish between projects and economic activities that do or do not have a positive impact on climate and the environment. The **Corporate Sustainability Reporting Directive (CSRD)** is a set of obligations to report on non-financial information. It ensures that companies consistently disclose sufficient information on the risks, opportunities and impacts of their activities on people and the environment. In 2026, we are expected to submit an initial report in line with the CSRD, based on 2025 data.

Besides changing legislation regarding sustainability at the European or national level, we also see a shift at the **local level**. There, we observe that environmental permits are becoming increasingly more difficult and take longer to obtain. In addition, local organizations or citizens' initiatives sometimes stand in the way of issuing a permit.

Finally, there is the uncertainty about future legislation that hinders the smooth handling of projects. Just think of the recent issues surrounding nitrogen in the Netherlands and now Belgium.

Important!
Although the EU Taxonomy and the CSRD are still in the midst of the implementation and development phase, we are convinced that these recent developments in the regulatory landscape will have a positive impact on the sustainable transition.

3.2 Our key themes (the materiality matrix)

The five megatrends or societal challenges thus expose the spearheads of the future of logistics real estate. As it is impossible for us as a company to work on everything all at once, we commissioned a study by Finch & Beak. Together, we uncovered the key themes on which we base our sustainability strategy.

3.2.1 How we pinned down the themes

Sector and framework analysis

First, we analysed the materialities (key themes) of **similar companies in the sector** and **examined trend reports and the most relevant frameworks and ratings** for reporting on sustainability: the European Real Estate Association (EPRA), GRESB, Sustainability Accounting Standards Board (SASB) and Euronext.

Selection

In selecting the themes, we took into account the **GRI and SASB guidelines and requirements**:

- We cover both internal and external factors.
- The themes can have an impact on Montea's operational and financial results.
- We can control and influence the themes.
- We do not include purely financial and operational themes in the matrix.

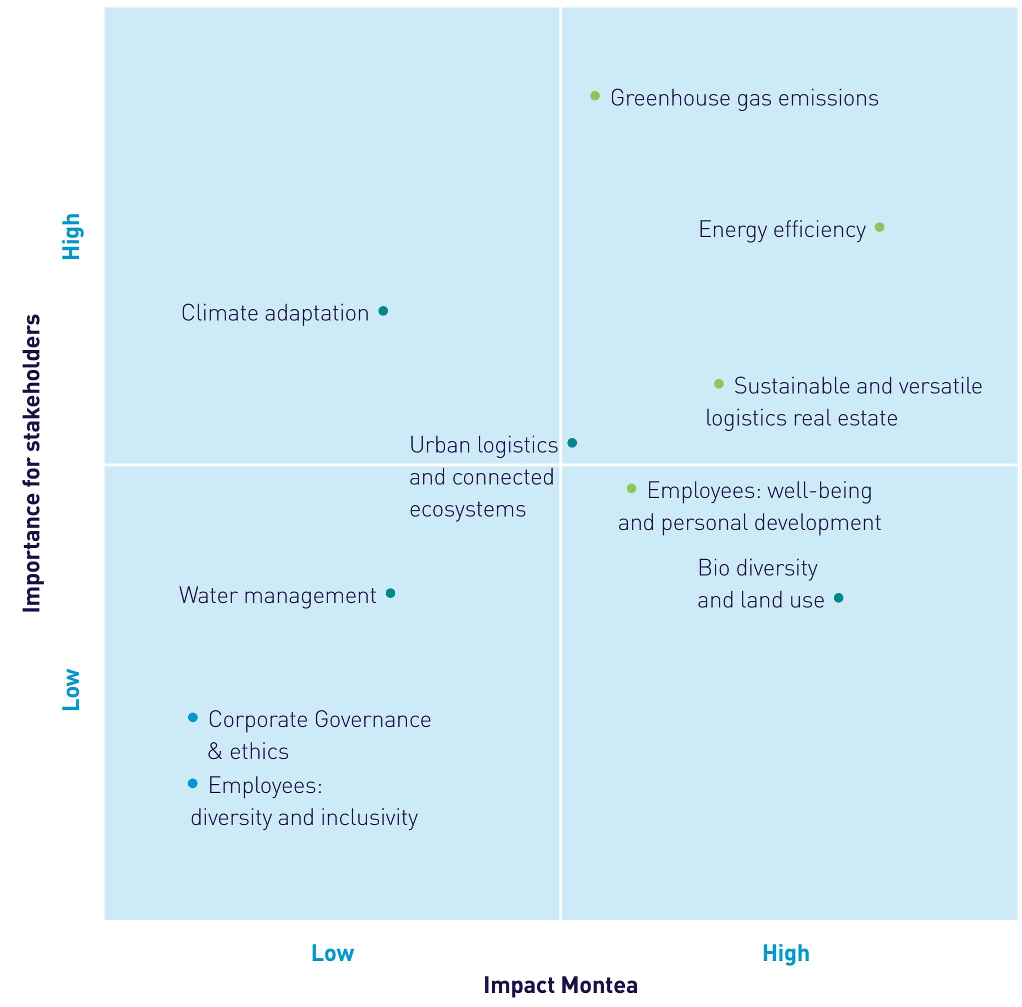
By this, we obtained a longlist of 15 potentially material themes. Workshops with the Environmental, Social, Governance (ESG) project team and management led to **10 material, priority themes**.

The materiality matrix

Finally, to arrive at the materiality matrix we mapped the answers to the following two questions for each material theme:

- How important do our stakeholders consider this theme?
- What impact can we have on the theme, taking into account risks and opportunities?

3.2.2 Result: our materiality matrix and four main themes



Management validated and finalized the matrix and immediately distilled the **four main themes**:

In addition, they also identified **four themes** that are important for **value creation**:

- Urban logistics and connected ecosystems
- Climate adaptation
- Water management
- Biodiversity and land use

The themes of **diversity, inclusiveness and corporate governance** are of great societal importance, but have been built into our structure for many years and have become a given and therefore received a lower score in the materiality index.

> We notice that sustainability is also an important topic for our tenants. An opportunity to tackle this together.

— Jimmy Gysels
Chief Property Management Montea

3.3 Our sustainable growth strategy

3.3.1 Our response to megatrends

We are looking ahead and making space for the future. Sustainability has been embedded in our DNA far longer than today: of course we want to - and will - reduce our environmental footprint and are constantly collecting relevant data to that end. But what will we do first and foremost? Use available space optimally and efficiently. This is ultimately the lynchpin of our business. In this way, we stay one step ahead of the market and ever-changing legislation and standards, striking a healthy balance with our relentless profit ambitions.

Based on the identified priority themes from the materiality matrix, our sustainable growth balance is inextricably linked to our overarching long-term strategy as set forth in chapter 2.

That growth strategy rests on three pillars:

1. **Future-proof logistics real estate with a view to sustainable growth**
2. **On the way to climate neutrality**
3. **Our people as the driving force and our social commitment**

Overarching long-term strategy	Our sustainable growth strategy
Sustainability	Pillar 1, Pillar 2, Pillar 3
People	Pillar 3
Value creation and growth	Pillar 1
Customer focus	Pillar 1, Pillar 2
Landbank and development	Pillar 1, Pillar 2
Innovation	Pillar 1, Pillar 2, Pillar 3
Communication and public relations	Pillar 1, Pillar 2, Pillar 3

With our sustainable growth strategy at the forefront, we still had to attach goals to it: concrete and clear, achievable yet ambitious.

We got down to work together with experienced experts to that end, and arrived at a sustainability vision for the medium (2030) and long (2050) term. For our final vision, we aligned the selected themes fully with our corporate strategy.

We used the Sustainable Development Goals (SDGs) as the overall framework for our sustainable growth strategy. The SDGs were set by the United Nations in 2015 as the new global sustainability agenda for 2030. They consist of 17 goals and 169 sub-targets that promote sustainable development.

3.3.2 Our sustainability approach

Being ambitious is one thing, but how do we plan to achieve such high targets? What approach should lead to success in 2030 and 2050? We set **realistic but also ambitious targets** for each of our main objectives.

Because Montea works on three tracks, we also split certain aspects of our sustainability approach according to our three categories, which you will find in the following chapters.

1 Our own Montea operations
From the cars we drive to the solar panels on the roof of our headquarters, our own operations cover everything relating to how Montea operates internally.

2 New developments
Everything that is newly developed or future new buildings, including our land bank, for example, falls under this category.

3 Our existing portfolio
All existing buildings and sites already in the portfolio today fall under this category.

3.3.3 Our strategic pillars for 2030/2050

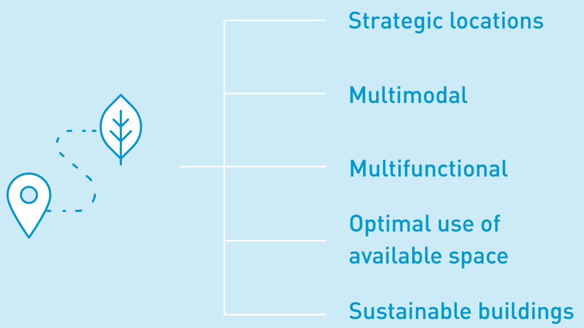
Pillar 1

Future proof logistics real estate with a view to sustainable growth

Ⓐ Sustainable and versatile logistics real estate
Logistics real estate is who we are and what we do. Making it sustainable and versatile is essential to ensure our long-term growth.

What does our strategy around this entail?

- We invest in **strategic locations** conducive to multifunctional and multimodal solutions. For instance, we continuously look for locations that make intermodal network expansion possible through good connections with road, rail, waterways and/or (air) ports.
- We construct **multifunctional and multimodal buildings** that take into account the life cycle and circularity of materials, avoid construction waste and at the same time watch over the well-being of the employees of our customers.
- We are very much aware of the current scarcity of land. We therefore want to make maximum use of the available space. Before taking on new sites, we look for land that has already had an industrial use in the past and, if necessary, needs to be thoroughly remediated. 30% of the developments of the last five years therefore took place on land that had a previous use. We want to continue to increase this percentage. Our current **land bank** of ca. 2.5 million m² therefore consists of 70% grey- and brownfield sites for industrial purposes.



Ⓑ Track'24
Ambitions and targets for 2030 and 2050 are obviously necessary, but we do not want to lose sight of value creation either. That is why in 2021 we proposed Track '24: **a growth plan to attain a number of intermediate targets in terms of financial value creation** in the years 2021 to 2024, always with sustainability targets in mind, in order to get a head start on the road to 2030.

What does our Track'24 strategy entail?

- **We are going for ambitious portfolio growth**: we aim for investment volume growth of more than €800 million over a four-year period. The focus is on sustainable and versatile logistics real estate, as set out above.
- **We have an eye for long-term profitability**: we have a strong financial base, low debt and high occupancy rates at our sites. So we can be ambitious for 2024:
    - growth in EPRA earnings per share to €4.30 (> 20% increase compared to 2020)
    - increase in dividend per share to € 3.45 (> 20% increase compared to 2020)
- With €589 million in projects already identified by the end of 2022, €534 million already realized and €55 million in execution, a lot of new projects in the pipeline, a substantial land bank of around 2.5 million m² and professional teams in four countries, we are responding to strong market demand.

We can achieve this growth by continuing to focus on our strengths:

- We literally offer our customers space to grow thanks to **flexible and innovative real estate solutions**. That is why we maintain an extensive network of brokers, landowners, property developers and contractors.
- We turn our market knowledge into **high-quality real estate investments**: sustainable added value for our customers and shareholders.
- We have a **passionate team** of logistics real estate experts. We understand what the customer needs and look for a qualitative solution tailored to the ever-changing economy.
- A share in Montea offers **diversified risk, profitable growth and a reliable dividend**.

track'24

Pillar 2

On the way to climate neutrality

Ⓒ Energy efficiency
We provide energy-efficient solutions and promote the use of renewable energy at Montea itself and in our portfolio.

Ⓓ Greenhouse gas emissions
We reduce Montea's direct and indirect carbon footprint by restricting the number of greenhouse gas emissions from our operations, our logistics property and our suppliers.

What does our strategy around this entail?
Within buildings, energy efficiency and greenhouse gas emissions are inextricably linked. The decisions we make on insulation, heating, ventilation, and renewable energy in new developments have a direct impact on later operational energy consumption, which in turn affects greenhouse gas emissions.

We will promote and provide **energy-efficient solutions** throughout our entire portfolio. In doing so, we have set priority actions in our own operations, new developments and the existing portfolio for the medium (2030) and long (2050) term.

Reducing **greenhouse gas emissions** is an issue where we can undoubtedly make a significant impact. Buildings account for as much as 36% of all greenhouse gas emissions in the EU[1], 1 mainly due to construction, use, renovation and demolition. We aim to reduce our direct and indirect carbon footprint by reducing greenhouse gas emissions from our operations, warehouses and entire value chain.

We divided the targets and results for this pillar according to our three categories: own operations, existing portfolio and new developments because each has its own specifications and focus areas.

(1) Source: European Commission: "In Focus – Energy-efficiency in buildings"

① Montea operations

Ⓐ Targets greenhouse gas emission

CO_2 2021 **Neutral**

CO_2 2030 **Net-zero**

- Since the end of 2021, our own operations have been carbon-neutral.
- By 2030, we should be net zero.

Ⓑ Actions

Use of green power
2021: 100% — 2022: **100%**

No fossil fuels **in 2023 100%**
2021: 36% — 2022: **36%**

All company cars are electric **in 2027 100%**
2021: 20% — 2022: **33%** (↑13%)

② Montea developments

Ⓐ Targets and greenhouse gas emission

CO_2 2030 **-55%**

CO_2 2050 **Net-zero**

- By 2030, we will emit 55% less CO_2 (embodied carbon) compared to 2019.
- By 2050, all our new construction projects will be CO_2 net-zero.

Ⓑ Actions

Reduce energy intensity compared to **2022 CCREM target** (1.5 °C scenario) **in 2030 -74%**
2021: -22% — 2022: **-48%** (↓ 26%)

③ Existing portfolio

Ⓐ Targets and greenhouse gas emissions

CO_2
2030
-55%

CO_2
2050
Net-zero

- By 2030, portfolio CO_2 emissions (operational carbon) will be reduced by 55% (-24% in 2022).
- By 2050, our entire portfolio will be Paris Proof, i.e. CO_2 net-zero.

Ⓑ Actions

Use of green power **in 2030 100%**

2021 **2022**
52% **50** %
↓ 2%

Use of energy-saving technology **in 2030 100%**

2021 **2022**
12% **23** %
↑ 11%

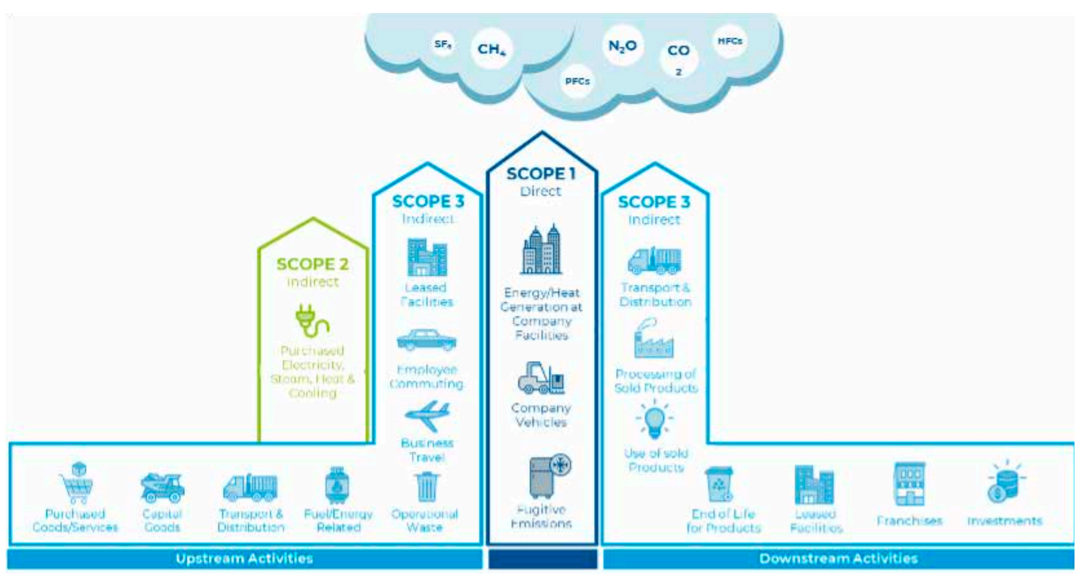
Use of renewable energy systems **in 2023 90%**

2021 **2022**
55% **71** %
↑ 16%

No fossil fuels **in 2050 100%**

2021 **2022**
5% **12** %
↑ 7%

How did we approach the measurements?



When we calculate the evolution of the carbon footprint, we always take 2019 as the base year. We analyse three scopes, as defined by Bilan Carbone and other international standards (including GHG Protocol and ISO 14069).

This table provides an overview of the scopes and content:

		Montea operations	New developments Embodied carbon	Existing portfolio Operational carbon
Scope 1		Direct emissions from company cars (fuel), heating (gas) and coolant leaks for Montea offices		Montea controlled direct emissions from heating (gas) and coolant leaks in Montea buildings
Scope 2		Emissions linked to the generation of purchased grey electricity for Montea offices		Montea controlled emissions linked to purchased grey electricity in Montea buildings
Scope 3	**Purchased goods and services**	Emissions from paper purchasing, data storage and subcontractors	Emissions from building materials, energy use on building sites and demolition work	
	Investment goods	Emissions from purchase of IT equipment		
	Fuel and energy related activities	Upstream emissions from scope 1 & 2 energy (fuel production, net losses, building power plant)		Montea controlled upstream emissions from scope 1 & 2 energy (fuel production, net losses, building power plant)
	Transport & distribution		Emissions by transport	
	Waste	Emissions from waste generated in Montea offices	Emissions from waste	
	Business travel	Emissions from business travel		
	Staff commuting	Emissions from Montea staff commuting		
	Downstream leased assets			Tenant controlled emissions from heating and electricity (direct and indirect)

As Montea's portfolio is continuously growing, a like-for-like analysis is conducted each time. This analysis makes it easier to analyse trends based on a constant measurement scope which is always included in the tables.

To calculate the carbon footprint, the various energy consumptions (kWh) are charted. These are multiplied by their specific CO_2e emissions (= emission factor; kg CO_2e/kWh) to obtain the total emissions (kg CO_2e).

Side note
To map the energy consumption of the portfolio, we use data mainly from the energy monitoring systems, supplemented by data we requested from external parties (tenants, grid operators, energy suppliers...).

However, we have control over energy and water procurement in only 19% of the existing lettable area of 1,892,069 m² (1,574,964 m² of buildings). In case we do not have control over procurement, we have encouraged tenants to switch to green energy, and they followed up on the matter. We also took other initiatives as set forth in this report.

Energy indicators are presented in accordance with the EPRA guidelines and can be found in the EPRA table in chapter 11.

Country	Portfolio (m²)	Buildings (m²)	Control over purchase energy	
Belgium	826,885	765,143	291,626	38%
Germany	35,965	3,528	-	0%
France	213,454	209,036	-	0%
The Netherlands	813,726	597,257	-	0%
Total	**1,890,029**	**1,574,964**	**291,626**	**19%**

Pillar 3

Our people as the driving force and our societal commitment

E Well-being and personal development of our employees
We provide a safe and healthy working environment for our employees. We are a company that grows and our Monteaneers grow with us. We are therefore resolutely committed to the professional and personal growth of each and every employee.

At the same time, as a company, we are also aware of the social role we bear. We are part of the local community and make various commitments. In so doing, we fully encourage our Monteaneers to get involved in socially relevant projects.

What does this strategy entail?

We want to create value for our customers, shareholders and all other stakeholders. This can only be done through the unremitting efforts of our employees, the Monteaneers. They are the heart of our organization. We form a strong team that is responsive to customer needs, focused on results and committed to the continuous development of its people. Focus, entrepreneurship, expertise and team spirit are embedded in our DNA.

- We implemented the Human Capital Scan: a biannual wellbeing survey for our employees.
- There are regular team-building activities.
- We prefer internal promotion to external recruitment.
- Every employee has a personal development plan.
- We set up an internal communication platform.
- We hold weekly management check-ins.

We support socially relevant initiatives and seek new projects each year to which we offer targeted support. We show our commitment both locally and internationally by participating in various initiatives.

- We offer targeted support to local initiatives.
- We offer relevant (inter)national support.
- We support university research on mobility challenges.
- We join associations where we can have an impact as part of a bigger picture.

4. Make progress for the future

An overview of our 2022 results

4.1 Pillar 1 results: Future-proof logistics with any eye on sustainable growth

In the previous chapter, you read all about our ambitious goals. But the proof of the pudding is still in the eating. How well are we doing? **What progress have we made?**

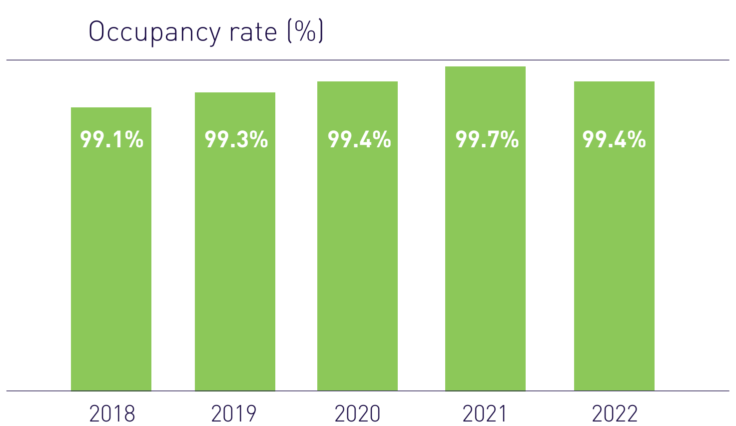
Interim results are invaluable: we know where we are on the right track and where we need to shift up a gear. We recognize trends and developments. In other words, we see where we currently stand and how close we are to our final goal.

4.1.1 Existing portfolio

Rental activity

The occupancy rate of our portfolio is **exceptionally high** and has been consistently above 99% since 2018. With an occupancy rate of 99.4% as at 31 December 2022 (99.7% in 2021), our portfolio remains almost fully let.

This high occupancy rate is a measure of the quality and good locations of the buildings. They clearly meet the real market demand, which allows as to state that we have made sustainable use of the space occupied, the raw materials used and the necessary energy resources for these buildings. 51% off the 9% of leases due to expire in 2023 have already been renewed or extended.



Divestment activity

No divestments took place in 2022.

4.1.2 Status of Track'24 (at portfolio level)

Since 2021, we have an identified[1] investment volume of €589 million, €534 million already realized and €55 million in execution. On these identified investments, we expect to realise an average net initial yield of 5.4% excluding the land bank (and 4.8% including the land bank).

By developing part of our extensive land bank, we have significant in-house potential that we can develop at an average initial yield of at least 6% based on current construction and rental prices. Profitable investments in further sustainability of our property portfolio are also at the core of our investment policy.

An overview of all acquisitions, development and expansion projects realized in 2022 is set out below.

4.1.2.1 Acquisitions

Overview of realised acquisitions[2]

During 2022 we realised a total acquisition volume of approximately € 235 million. All acquisitions were acquired at an investment value below or in line with the value determined by the independent property expert.

Acquisition of industrial estate, Saint-Priest (FR)
In the fourth quarter of 2022, we acquired a site of ca. 70,000 m² in Saint-Priest (FR). The investment budget for this site amounts to ca. €7.0 million. We expect to start developing the site in 2025.

Acquisition of an industrial site, Zwijndrecht (NL)[3]
In the beginning of the third quarter of 2022, we acquired a strategically located site in Zwijndrecht from LCN Capital Partners. This concerns a plot of land of ca. 64,000 m² with a warehouse production facility of ca. 25,700 m² with outside storage. The building is currently leased for a fixed period of 14 years to Jiffy Products International B.V.; a company specialized in the development of sustainable growth solutions for professional growers and breeders.

(1) The identified investment volume consists of the invested amount in the course of 2021 and 2022 and projects in execution.
(2) Included in the invested investment volume on 31/12/2022.
(3) See press release of 09/08/2022 or www.montea.com for more information.

Montea invests in urban logistics, Avignon (FR)[1]
At the beginning of the third quarter we acquired a warehouse in Avignon. It concerns a site of ca. 26,500 m² with a building of ca. 12,700 m². The building is currently let to DPL France - Rozenbal, a company specialized in the manufacturing and commercialization of household goods.

Acquisition of buildings from GVT, Alkmaar, Berkel and Rodenrijs & Echt (NL)[2]
During the first quarter of 2022, we reached an agreement on three new construction projects in the Netherlands that will be leased to GVT Transport & Logistics for a period of 10 years. The new construction project at Echt was delivered in the third quarter of 2022. Previously, during the first and second quarter of 2022, two new construction projects were already completed in Alkmaar & Berkel and Rodenrijs. All sites are extremely suitable for fine-meshed distribution.

Acquisition of a development site, Vorst (BE)
We managed to purchase a development plot of ca 6,000 m² in Vorst during the third quarter. The plot is adjacent to an existing site of ca. 65,000 m² already owned by us. We expect to start the redevelopment of ca. 20,000 m² in the course of 2023. The redevelopment includes a new urban distribution centre, for which the permit procedure has already started. Because the permit procedure is still pending, the redevelopment is not yet included in the identified investment volume.

Sale & lease back transactions, Catharijne & Zeewolde (NL)[3]
In 2013, we acquired a first distribution centre of ca. 24,700 m² in Almere. During the second quarter we strengthened our portfolio by concluding two sale and lease back transactions in Almere and Zeewolde. The sites are ideally located with direct access to the A6 (Amsterdam - North Netherlands) and A27 (Breda - Almere) motorways. The total ground surface of these sites is ca. 61,600 m² with ca. 37,650 m² logistics space and ca. 4,600 m² office space and mezzanine. A lease agreement has been signed for a fixed period of 10 years for both sites.


Avignon


Site GVT in Alkmaar


Site GVT in Berkel & Rodenrijs


Site GVT in Echt

(1) See press release of 09/08/2022 or www.montea.com for more information.
(2) See press release of 07/02/2022 or www.montea.com for more information.
(3) See press release of 09/08/2022 or www.montea.com for more information.

Acquisition of buildings leased to PostNL, Zwolle and 's Hertogenbosch (NL) [1]
During the first quarter of 2022, we reached an agreement with Urban Industrial for the acquisition of two buildings in Zwolle and 's Hertogenbosch, both currently leased to PostNL. The property in Zwolle is a 6-hectare site with a footprint of about 29,000 m². The property in 's Hertogenbosch is a 5-hectare site with a footprint of ca. 24,000 m². Both properties are strategically located at the entrance to the city and are thus ideally suited for e-commerce. Moreover, the presence of lots of outdoor space offers the possibility to extend.

Acquisition of building from Barsan, Tilburg (NL)[2]
At the start of the first quarter of 2022, we and a private investor reached an agreement on the acquisition of a logistics building in Tilburg leased to Barsan Group. The building has a surface area of 6,000 m² on a 2-hectare site. The site offers the possibility to extend the building in the future.

Acquisition of development site, Lembeek (BE)
In Lembeek, located near the access road to the Brussels ring road, we acquired a site of ca. 55,000 m² in the course of the first quarter, for an investment value of ca. €10.0 million. The location is suitable for both logistical activities and urban distribution (south of Brussels). Montea expects to start developing the site in the course of 2023.

Acquisition of building from Transuniverse, Ghent (BE)
In the course of the first quarter of 2022, we concluded an agreement with Transuniverse Forwarding NV on the acquisition of a strategically located building in Ghent. It concerns a land of ca. 46,000 m² on which there are currently buildings of ca. 27,000 m². The buildings are leased to Transuniverse Forwarding NV, which offers transport solutions tailored to the needs of its customers, and to Oxfam Fair Trade CV, which promotes fair world trade. The location of the building along the R4 in Ghent makes the site of strategic importance in the long term, for example for future last-mile deliveries to Ghent.

Overview of acquisitions to be completed after 2022[3]

Signing of purchase promise for a development site, Toury (FR)
We signed a purchase promise at the end of the fourth quarter for a development site of ca. 545,000 m² in Toury, which is located between Orléans and the Île de France region. We expect to purchase the site early in the second quarter of 2023. The investment budget for this site is ca. €21.5 million. We expect to start developing the site in the course of 2024.


Site PostNL in Zwolle


Site PostNL in s' Hertogenbosch


Barsan, Tilburg

(1) See press release of 04/01/2022 or www.montea.com for more information.
(2) See press release of 04/01/2022 or www.montea.com for more information.
(3) Included in the invested volume 'in execution" on 31/12/2022.

4.1.2.2 Development and extension projects

Projects delivered in the course of 2022[1]

An area of about 116,700 m² of pre-let projects and a pre-let parking tower of about 40,000 m² were completed in the course of 2022 for a total investment amount of €137.1 million (excluding investments for solar panels).

Structural cooperation with Cordeel, Tongeren (BE)[2]

At the end of 2021, we embarked on a new structural cooperation with the construction group Cordeel and its real estate division C-living (hereinafter referred to as the "Cordeel Group"). In the meantime, we entered into ongoing development projects of the Cordeel Group in Tongeren and Vilvoorde. Together we will give a new future to the various sites of ca. 390,000 m².

Planning
- **Q4 '21**: Montea acquires two sites of ca. 180.000 m2 in Tongeren
- On the first site a first pre-let (GXO Logistics) building has already been developed
- **Q4 '21:** start construction second building
- **Q4 '22** (28/12/2022): completion second building of ca. 22.000 m²

Figures

Tongeren development phase 1 – second building (22,000m²):
- Surface area: ca. 44,000 m²
- Surface area of distribution centre: ca. 22,000 m²
- Tenant: Tailormade Logistics for a fixed period of 6 year
- Investment budget for land + development: ca. € 24 million

Blue Gate, Antwerp (BE)

During the third quarter of 2022, Montea was able to deliver the first Belgian delivery station for Amazon Logistics on the Antwerp Urban Logistic Accommodation (AULA) site at Blue Gate Antwerp. The delivery station has been leased for a fixed period of 15 years.

Montea became the exclusive partner for the development of the Blue Gate Antwerp logistics site already in February 2016, with a strong focus on the development of "next generation" buildings that combine unique sustainability with low-impact urban distribution. In the third quarter of 2021, Montea started with the development of the distribution centre of ca. 8,500 m².

(1) Included in the invested investment volume on 31/12/2022.
(2) See press release of 04/01/2022 or www.montea.com for more information.

Planning
- **Q3 '21:** Montea acquires the land of approx. 38,000 m² on the AULA site
- **Q3 '21:** start construction of distribution centre and parking tower
- **Q3 '22** (27/09/2022): completion

Figures
- Surface of distribution centre: ca. 8,500 m²
- Surface of parking tower: 5 levels of ca. 8,000 m²
- Tenant: Amazon Logistics for a fixed term of 15 years
- Investment budget for the site + development: ca. € 41 million

Vosdonk industrial site, Etten-Leur (NL)[1]

Montea was able to deliver a new distribution centre of ca. 26,500 m² on the Vosdonk industrial site in Etten-Leur in the course of the third quarter of 2022. The distribution centre is leased for a fixed term of eight years to Raben Netherlands B.V. Already in 2019, Montea signed the purchase agreement for this brownfield of 37,520 m² which has been completely remediated since then.

Planning
- **Q4 '19:** Montea acquires the land of approx. 37.520 m²
- **Q3 '21:** start construction on the site
- **Q3 '22** (01/07/2022): completion

Figures
- Surface of the distribution centre: ca. 26,500 m²
- Tenant: Raben Netherlands B.V. for a fixed period of 8 years
- Investment value site + development: ca. € 20 million

Logistiek Park A12, Waddinxveen (NL)

During the first quarter of 2022, the first development phase of a distribution centre located at Waddinxveen, the Netherlands, has been delivered (50% of the plot of land acquired in 2020). This development is fully pre-let to HBM Machines B.V. for a fixed period of 10 years.

Planning
- Q3 '20: Montea acquires the land of approx. 60,000 m²
- Q1 '21: start construction on the site
- Q1 '22 (28/02/2022): completion of distribution centre with storage area of approx. ca. 50,000 m²

Figures

Development phase 1
- Surface storage area: ca. 50,000 m²
- Tenant: HBM Machines B.V. for a fixed term of 10 years
- Investment value: ca. € 40 million

(1) See press release of 03/06/2021 or www.montea.com for more information.

Cleantech recycle- and distribution centre, Tiel (NL)[1]
In the first quarter of 2022, Montea also delivered a 9,700 m² recycling and distribution centre for Re-match Netherlands B.V. The recycling and distribution centre was built on the ca. 48-hectare site in Tiel, which Montea acquired in September 2018. After completion of this development for Re-match, there is still 45 hectares of land available for development on the site, which in the meantime remains leased to Recycling Kombinatie REKO B.V. (for storage and processing of residual waste) and Struyk Verwo Infra B.V.

Planning
- **Q3 '18:** Montea acquires the leased land: 479,000 m² of which 31,800 m² has been released for the construction of a distribution centre
- **Q2 '21:** start construction on the released part of the land
- **Q1 '22** (25/03/2022): completion distribution centre

Figures
- Surface of the distribution centre: 9,700 m²
- Tenant: Re-Match for a fixed period of 20 years
- Investment value: ca. € 12 million

Projects in execution in 2022[2]

We started two projects during 2022 that will be delivered in the first quarter of 2023, namely the development of two distribution centres in Tongeren and Vilvoorde with a surface area of respectively ca. 20,000 m² and ca. 10,000 m², for a total investment budget of ca. €30.5 million.

Structural cooperation with Cordeel, Tongeren (phase 2) & Vilvoorde (BE)[3]
In the fourth quarter of 2022, in the context of the second phase under the structural cooperation with Cordeel, Montea acquired a site of ca. 187,000 m² in Tongeren. During 2022, the development of a first building of about 20,000 m² was started. In addition, we acquired, during the fourth quarter of 2022, a land of about 22,000 m² in Vilvoorde on which the construction of a building of ca. 100,000 m² has started.

(1) See press release of 26/04/2021 or www.montea.com for more information.
(2) Partly included in the investment volume on 31/12/2022 and partly included in the investment volume 'in execution' on 31/12/2022.
(3) See press release of 04/01/2022 or www.montea.com for more information.

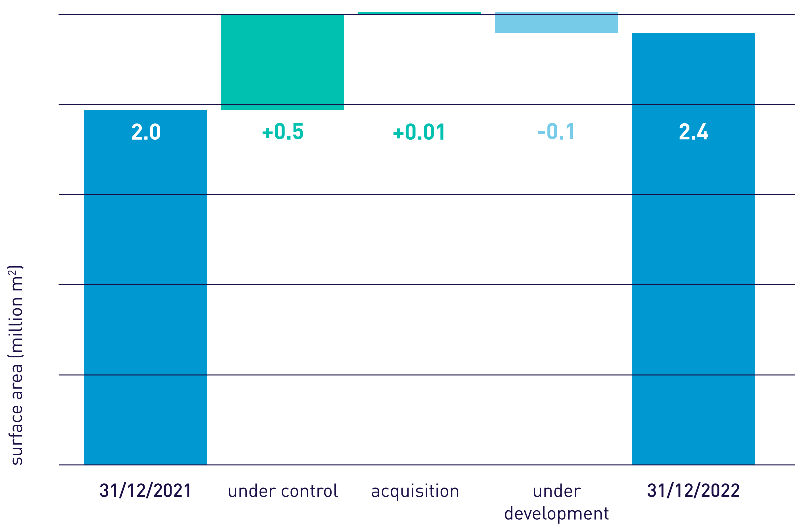
Planning
- Q4 '22: acquisition of the land
- Q3 '22: start of the construction on the sites
- Q1 '23: expected completion

Figures
Tongeren development phase 2 – first building (20,000 m²)
- Surface area: ca. 42,000 m²
- Surface area of distribution centre: ca. 20,000 m²
- Fixed lease of 6 years
- Estimated investment budget for land + development: ca. € 18 million

Vilvoorde
- Surface area: ca. 22,000 m²
- Surface area of distribution centre: ca. 10,000 m²
- Tenant: Storopack Benelux NV for a fixed period of 10 years
- Estimated investment budget for land + development: ca. € 13 million

Land bank: development potential

We closed 2022 with a land bank of ca. 2.5 million m² which will enable us to bring our ambitions to fruition in the coming years. In 2022, we managed to acquire ca. 156,000 m² of land, of which we already had ca. 150,000 m² under control. In Belgium, this concerns a development site in Lembeek of ca. 55,000 m² and an industrial land of ca. 6,000 m² in Vorst. In the Netherlands, we managed to acquire three expansion sites in Tilburg, Zwolle and 's Hertogenbosch of ca. 24,000 m², and in France a development site of ca. 70,000 m² in Senlis. In addition, in the last quarter of 2022 we managed to acquire control over a land reserve located in Toury of ca. 545,000 m² in France. Finally, developments were started in Belgium on two sites in Tongeren of respectively ca. 44,000 m² and ca. 42,000 m² and in Vilvoorde on a site of ca. 22,000 m².



Overview of identified projects

	Country	Location	Land-bank	Land (sqm)	GLA(sqm)	Delivery	Tenant	Lease duration	CapEx Track'24 2021-2024	
Developments & Land Positions	BE	Antwerp		13,000 m²	4,300 m²	Q1 '21	DHL Express	15 y	11 M€	45%
	NL	Schiphol		4,400 m²	4,400 m²	Q1 '21	Amazon Logistics	10 y	1 M€	
	BE	Willebroek		7,500 m²	2,000 m²	Q4 '21	Dachser	15 y	3 M€	
	NL	Waddinxveen		60,000 m²	50,000 m²	Q1 '22	HBM Machines	10 y	28 M€	
	NL	Tiel		31,800 m²	9,700 m²	Q1 '22	Re-Match	20 y	9 M€	
	NL	Etten-Leur		37,520 m²	26,500 m²	Q2 '22	Raben Netherlands B.V.	8 y	15 M€	
	BE	Antwerp		38,000 m²	8,500 m²	Q3 '22	Amazon Logistics	15 y	41 M€	
	DE	Mannheim	x	83,000 m²			FDT Flachdach	9 y	34 M€	
	DE	Leverkusen	x	28,000 m²			TMD Friction Services	2 y	10 M€	
	BE	Tongeren	x	95,000 m²			tbc	N.A.	13 M€	
	BE	Tongeren	x	145,000 m²			tbc	N.A.	17 M€	
	BE	Lembeek	x	55,000 m²			tbc	N.A.	10 M€	
	BE	Vorst	x	6,000 m²			tbc	N.A.	2 M€	
	FR	St-Priest	x	70,000 m²			tbc	N.A.	7 M€	
	FR	Toury	x	545,000 m²			tbc	N.A.	27 M€	
	Solar panels								27 M€	
	Other								14 M€	
Standing investments	NL	Ridderkerk		12,400 m²	6,800 m²	Q2 '21	VDH Forwarding & Warehousing	7 y	11 M€	55%
	BE	Brussels		35,000 m²	20,000 m²	Q2 '21	Van Moer Logistics	10 y	10 M€	
	BE	Ghent		15,500 m²	9,400 m²	Q4 '21	Publiganda	3 y	8 M€	
	BE	Tongeren		40,000 m²	20,000 m²	Q4 '21	XPO	3 y	22 M€	
	BE	Tongeren		44,000 m²	20,000 m²	Q4 '22	Tailormade Logistics	6 y	24 M€	
	BE	Tongeren		42,000 m²	20,000 m²	Q1 '23	Confidential	6 y	18 M€	
	BE	Vilvoorde		22,000 m²	10,000 m²	Q1 '23	Storopack Benelux	10 y	13 M€	
	NL	Zwolle	x	60,000 m²	33,000 m²	Q1 '22	PostNL	8 y	35 M€	
	NL	's Hertogenbosch	x	50,000 m²	27,000 m²	Q1 '22	PostNL	4 y	30 M€	
	NL	Tilburg	x	20,000 m²	6,000 m²	Q1 '22	Barsan	9 y	9 M€	
	NL	Alkmaar	x	8,000 m²	6,000 m²	Q1 '22	GVT Transport & Logistics	10 y	7 M€	
	BE	Ghent	x	46,000 m²	27,000 m²	Q1 '22	TransUniverse Forwarding	6 y	17 M€	
	NL	Berkel & Rodenrijs	x	9,000 m²	4,000 m²	Q2 '22	GVT Transport & Logistics	10 y	7 M€	
	NL	Almere	x	35,800 m²	25,800 m²	Q2 '22	Confidential	18 y		
	NL	Catharijne	x	7,500 m²	4,000 m²	Q2 '22	Confidential	10 y	62 M€	
	NL	Zeewolde		54,000 m²	36,600 m²	Q2 '22	Confidential	10 y		
	NL	Echt		13,000 m²	6,000 m²	Q3 '22	GVT Transport & Logistics	10 y	8 M€	
	NL	Zwijndrecht		64,000 m²	25,700 m²	Q3 '22	Jiffy Products International	14 y	30 M€	
	FR	Avignon		26,500 m²	12,700 m²	Q3 '22	Rozenbal	3 y	10 M€	
	Total			**1,823,920 m²**	**425,400 m²**				**589 M€**	

4.1.3 Montea's Green Finance Framework

We have set up a Green finance Framework to bolster our sustainability ambitions and issue green finance instruments, including bond loans and credit agreements with banks to (re)finance projects with a positive impact on the environment and society. All information on the Green Finance Framework can be found on Montea's website.

€ 615 million in green bonds

In early 2021, we took a big step in our Green Finance Framework by raising €235 million through green bonds:

- € 80 million with a maturity of 10 years and a coupon of 1.28%;
- € 85 million with a maturity of 12 years and a coupon of 1.42%;
- € 70 million with a maturity of 15 years and a coupon of 1.44%.

In second quarter of 2022, we completed a new US Private Placement through the issuance of €380 million in green bonds.

- € 175 million with a maturity of 8 years and a coupon of 3.18%;
- € 20 million with a maturity of 8 years and a coupon of 3.20%;
- € 25 million with a maturity of 8 years and a coupon of 3.26%;
- € 160 million with a maturity of 10 years and a coupon of 3.40%.

Through these transactions, more than 50% of the outstanding financing has now been issued under the Green Finance Framework. The coupons are so-called 'green bonds'. The proceeds were used to (re)finance sustainable projects.

Use of proceeds

Montea will invest an amount equal to the incremental net proceeds from the green finance instruments in:

Green buildings

- New, existing or renovated buildings that have obtained at least one of the following certificates:
  - BREEAM: "Outstanding" "Excellent", "Very Good"
  - LEED: "Platinum", "Gold"
  - DGNB: "Gold" and better
  - HQE: "Excellent", "Very Good" and better
- Existing buildings with an energy intensity of ≤ 75 kWh/m² per year
- New buildings with an energy intensity of ≤ 50 kWh/m² per year
- Renovated buildings whose energy efficiency has improved by at least 30% compared to a base year before renovation
- Implementation of improvements and renovations in buildings to improve energy and water efficiency or other environmentally friendly renovations

Renewable energy

- The acquisition, development, construction and/or installation of on-site energy generation and storage systems (maximum emissions of 100g CO_2e/kWh) for the buildings owned and/or managed by us or one of our subsidiaries

Project assessment and selection process

Projects are assessed by the Sustainable Executive Committee based on the criteria described above. Investments, expenditures and/or projects are proposed by the various internal departments.

The task of the het Sustainable Executive Committee consists of:

- Screening, selection and validation of appropriate projects against the Green Finance Framework.
- Validation of the annual reporting for investors.
- Adjustment of the Green Finance Framework depending on the adjustments to Montea's sustainability strategy or initiatives or changes in the standards of relevant external parties.

Reporting

We report on the progress and, where possible, on the environmental impact of 'Eligible Green Projects' for which a green finance instrument has been used. Such reporting will each time start one year after the green financial instruments have been allocated. Once that has been done, we will report annually on the impact of our 'Eligible Green Projects'.

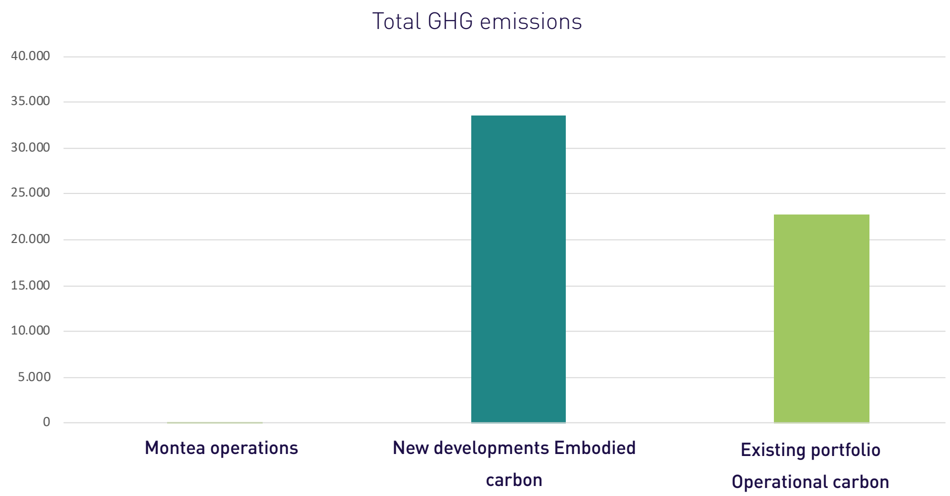
On 26 April 2022, we published for the first time our Green Finance Allocation and Impact report on the €235 million of green bonds issued in 2021 under the Green Finance Framework through a US private placement. The proceeds of this private placement were used exclusively to refinance sustainable projects such as sustainable buildings and renewable energy.

We are thereby saving 20,379 tCO_2e of GHG emissions per year (equivalent to the annual CO_2 uptake of 1,306 Ha of trees). The impact and allocation of the issuance of €380 million of Green unsecured notes raised during 2022 will be calculated in the same way. We will publish a second "Green Finance Allocation and Impact report" at the end of April 2023.

4.2 Pillar 2 results: On the way to climate neutrality

We are proud to announce that **our own operations are already carbon neutral**, thanks to offsetting. Our goal is to be net zero by 2030.

We are of course aware that a carbon-neutral label for our own operations is not enough. We can in fact create a much greater impact with our new and existing projects.



4.2.1 What do these figures mean?

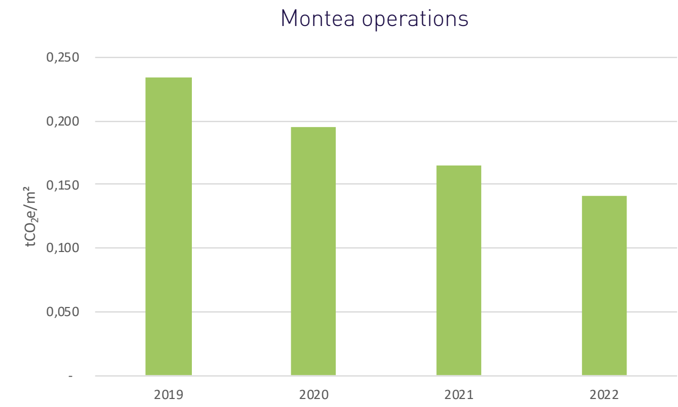
4.2.1.1 Montea operations

The first column in the table below shows the emissions from Montea operations in tCO_2e[1] .

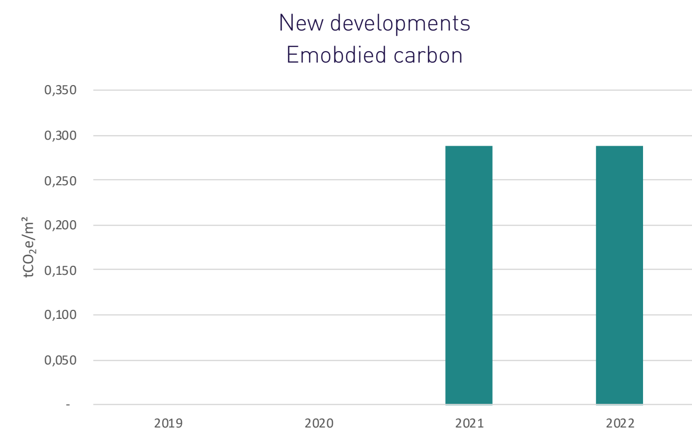
Emissions in tCO_2e	Montea operations	tCO_2e/m^2	tCO_2e/FTE
2019	234	0.23	8.4
2020	194	0.19	7.0
2021	169	0.16	5.3
2022	156	0.14	4.1

(1) tonnes of CO_2 equivalent; a standard unit for counting greenhouse gas emissions. Often referred to as the greenhouse gas CO_2. But besides CO_2, other, stronger greenhouse gases also have an impact on the climate, such as methane and nitrogen dioxide. When calculating the CO_2 footprint, all these greenhouse gases are included in the calculation. Methane and nitrogen dioxide are then converted into so-called CO_2 equivalents (CO_2e).

Expressed in m² (greenhouse gas emissions intensity), the progress is made more visible. If we look at the tCO_2e per full-time equivalent, we are improving by around 20% every year, and this is something we are proud of. We aspire to continue on this momentum and to reduce our emissions even further, an issue we discuss further in this chapter.



4.2.1.2 New developments



Emissions in tCO_2e	New developments Embodied carbon	tCO_2e/m^2
2019	not calculated	-
2020	not calculated	-
2021	6,431	0.288
2022	33,610	0.288

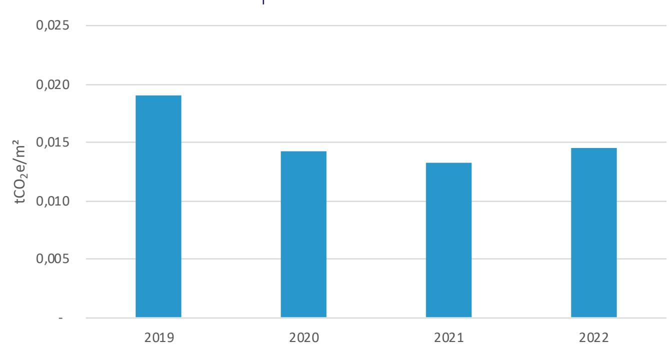
The table shows that emissions in tCO_2e increase sharply, with the graph showing that tCO_2e /m² remains at the same level. This in turn shows that the increase in emissions for new developments in 2022 can be explained by the number of new developments last year.

To determine the embodied carbon of a new development without any ambiguity, a full Life Cycle Assessment (LCA) study should be conducted. Such a life cycle analysis shows the environmental impact of a building and more specifically of its constituent materials during its technical lifetime. A correct Life Cycle Assessment requires having the correct environmental product declaration (EPD-file) of each product and material. In practice, these EPD files are not yet available complete or correct for all products. This makes the calculation difficult. We commissioned such a thorough study for the Amazon project at Blue Gate, after which we found that a typical Montea building has an embodied carbon of 0.288 tCO_2e/m². We applied this result to the number of m² we developed this and the past year, so this year's completed projects caused a significant increase compared to 2021.

To portray the development of embodied carbon correctly, we also want to have the same in-depth analysis of our future development in Vorst and Tiel to quantify our progress. As not all materials for this project have yet been determined, we will carry out this analysis and LCA calculation in 2023 to quantify our progress. In any event, the embodied carbon of new developments remains a difficult parameter to calculate and control.

4.2.1.3 Existing portfolio

Existing portfolio
Operational carbon



Emissions in tCO_2e	Existing portfolio Operational carbon	tCO_2e/m²	Energy intensity (kWh/m²)
2019	21,701	0.019	93.4
2020	17,411	0.014	76.7
2021	15,127	0.013	75.7
2022	22,800	0.014	75.1

We also observe a slight increase in emissions per tCO_2e/m² for the existing portfolio. In this case, GHG emissions depend on energy consumption within the portfolio, expressed in consumption per m² (energy intensity). We know that more energy was consumed in 2022, given the return to work after two years during which COVID-19 had a major impact. The fact that we still observe a decrease in energy intensity means that the introduction of our energy-saving measures to the existing portfolio and of newly completed projects with lower energy consumption are actually paying off.

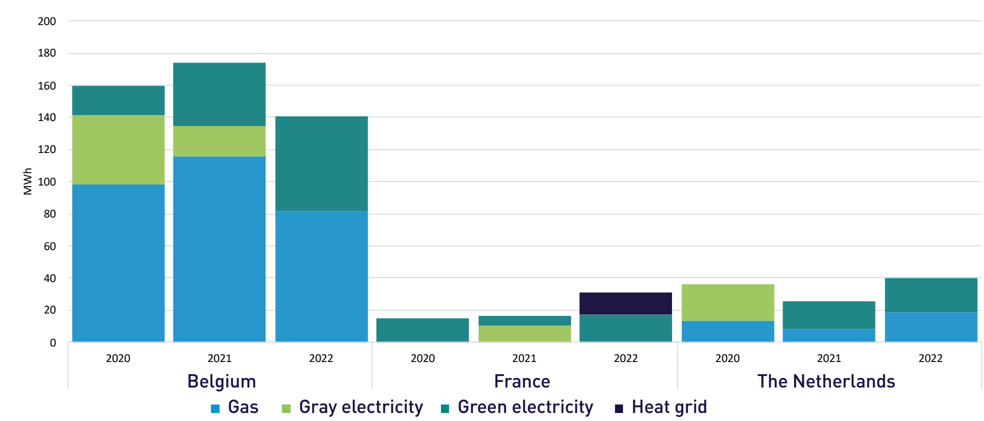
As a next step, consumption is expressed in tCO_2e using emission factors. Depending on how electricity is generated (via nuclear power plants, gas-fired power plants, etc.), a different emission factor is used. Under section 4.2.3.3. the emission factors are presented, where we see that they are higher in 2022 than in 2021. By applying these emission factors, we still end up seeing an increase in tCO_2e. We discuss this in greater detail later in this document (section 4.2.3).

4.2.2 Own operations

4.2.2.1 Own energy consumption

In 2022, the total energy consumption of our offices amounted to 212.1 MWh, or 191.59 kWh/m². Compared to 2021, where consumption per m² was 211.7 kWh/m², i.e. down by almost 10%. This is remarkable, given the massive return to office. Did the higher energy prices perhaps trigger more energy-conscious behaviour, even in the office? Meanwhile, all electricity is generated via 100% green electricity and we only light through LED with daylight and motion control.

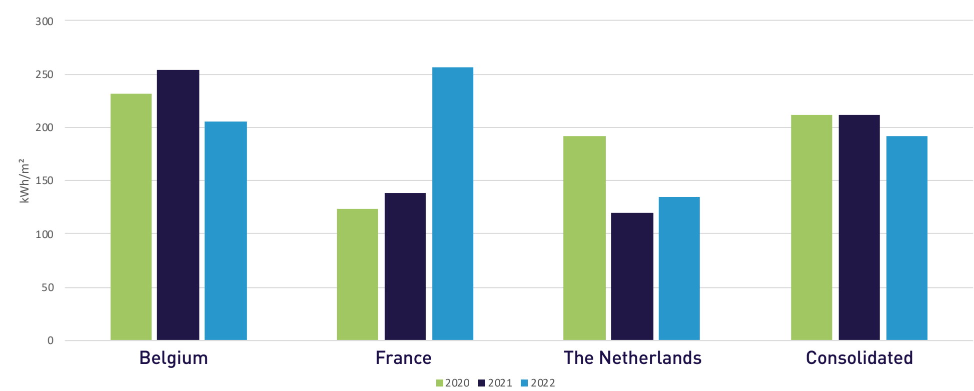
Consumption Montea offices



The increase in gas consumption in the Netherlands shown in the graph above is due to the start-up of our additional office in Amsterdam. In France, we switched from grey to green electricity. The building owner recently informed us that this office is connected to an existing heat network, whereupon consumption for 2022 was added to the graph. In the past, such consumption was not reported due to lack of information, so this gives a distorted picture. In Germany, we have only had a physical office since 2023, so data for this will be added only as of next year.

Energy consumption per m² (energy intensity) gives a clearer picture as shown in the graph below.

Energy intensity Montea offices



4.2.2.2 Own greenhouse gas emissions

To calculate greenhouse gas emissions, the amount of electricity consumed and its origin, the amount of waste produced, the number of company cars, etc. are mapped. An emission is then assigned to this in tCO_2e.

In 2022, we emitted 156 tCO_2e (4.3 tCO_2e per FTE), **an improvement compared to 2021**, when we emitted 169 tCO_2e (5.3 tCO_2e per FTE). We offset these remaining emissions by providing financial support to the Sah Wind Project in Turkey (more on that later in this chapter).

CO2 NEUTRAL COMPANY

156 tCO_2e =

16x the average emissions of a Belgian household

80 return flights Brussels→NY (economy)

100% offset

We see a reduction in our total greenhouse gas emissions (-8% compared to 2021) **and relative greenhouse gas emissions** (in tCO_2e/VTE) (-19% compared to 2021).

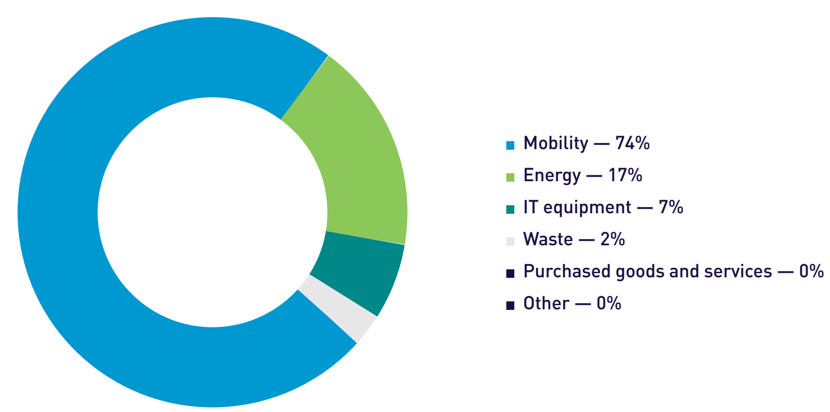
It is a satisfying achievement that, despite the expansion of the team and return to office after COVID-19 and the related increased mobility, and the higher emission factors, we still managed to reduce our emissions from our own operations.

4.2.2.3 What are we tackling now?

Mobility remains the largest source of greenhouse gas emissions at 115 tCO_2e (74%). Our goal of **an all-electric fleet by 2027** addresses this chunk of emissions. 33% of Montea's fleet already consists of electric cars at this time. Long delivery times of new cars is delaying the roll-out of the electric mobility plan. We assume that this is transitory and we will stay on course towards our target. Electric cars have to be powered somewhere, of course, so we installed charging infrastructure at all our offices.

We want to be net zero in scope 1, 2 and 3 (mobility employees and upstream emissions of scope 1 and 2) **by 2030**, without an offsetting mechanism. We use the principles of the Science Based Targets initiative for this purpose.

Greenhouse gas emissions per category



4.2.2.4 The Sah Wind Project in Turkey

To compensate the emission of our own operations, already now we support a project in Turkey.

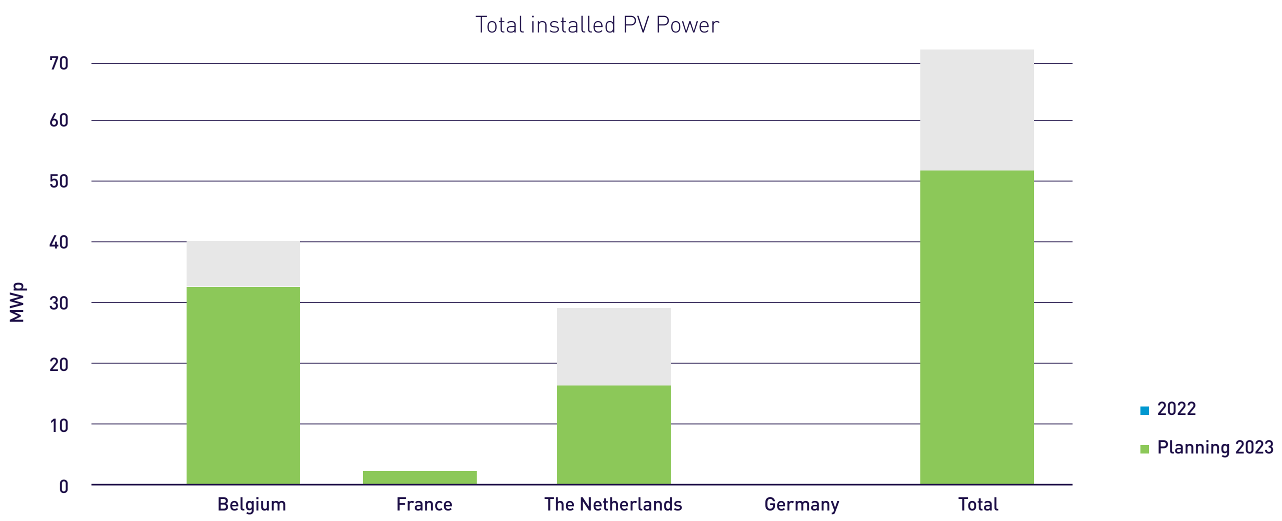
Located in north-west Turkey, the Sah wind project aims to provide clean energy in a sustainable, cost-effective way. 35 turbines generate green energy that is sent to the national grid. The project promotes the use of grid-connected renewable infrastructure and markets it. It therefore aims to demonstrate the viability of wind energy thereby contributing to Turkey's sustainable development ambitions.

The choice of this project is not a coincidence. On the one hand, this is close to our second pillar and the path to climate neutrality, on the other hand, this provides support for the country after the recent earthquake in Syria and Turkey.

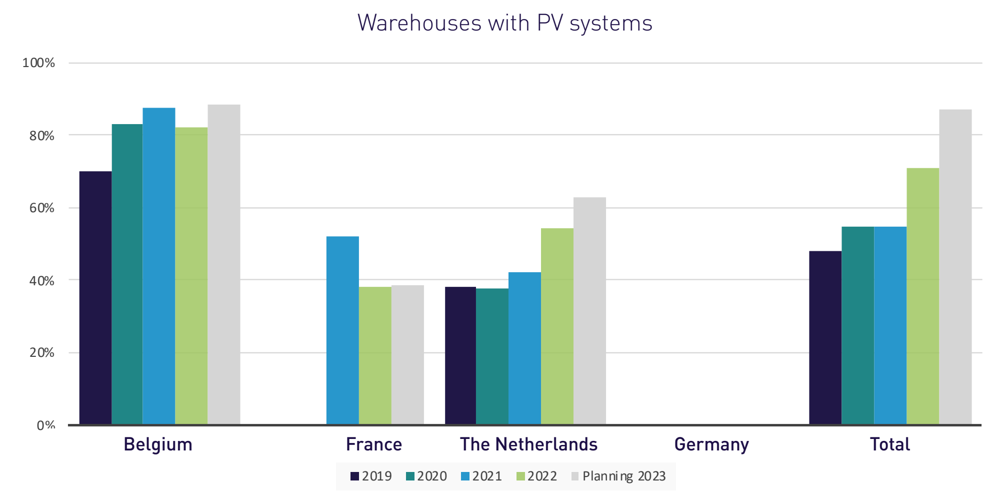
4.2.3 Existing portfolio

4.2.3.1 Renewable energy for the existing portfolio

With its generally flat roofs, logistics real estate is an ideal building form for installing **solar panels**, to which we are firmly committed. In 2022, our PV installations generated ca. 49,000 MWh, equivalent to the electricity consumption of 14,000 households. By this, emissions of 13,060 tCO_2e were avoided in 2022, equivalent to the CO_2 uptake of 840 hectares of forest. The PV installations also reduce electricity costs of tenants by ca. €350,000 on an annual basis.



71% of our sites (where technically possible) have a PV installation at this time, a figure we aim to increase to ca. 90% by the end of 2023. With the PV installations already planned, the tally already reaches 87%.



Energy saving measures of the existing portfolio

We are also taking action where we can at existing sites to save as much energy as possible. For instance, buildings can be heated and/or cooled in a more sustainable way with heat pumps (i.e. without fossil fuels). The aim is to disconnect half of our sites from the gas grid and switch to heat pumps by 2030.

Meanwhile, we are continuing the relighting programme in our warehouses. Lighting in all older buildings will be replaced with energy-efficient LEDs. 23% of our sites had energy-efficient lighting in place at the end of 2022. The goal is to increase this to 100% by 2030.

There are many other opportunities to save energy, and such energy-saving measures will be integrated into the multi-year maintenance plans drawn up for all sites.

Charging stations for electric cars

At the end of 2022, 44% of the sites had EV charging capabilities. We install charging stations at all our new construction projects, but investments in EV-charging are also being made at the existing portfolio to support our customers in their energy transition. We aim to equip at least 60% of our sites with charging capabilities by the end of 2023. We are also investigating options for installing charging facilities for electric trucks.

Rainwater recovery

At the end of 2022, 51% of our sites already had a rainwater recovery system where rainwater is collected and used inter alia for sanitary facilities. Collecting and reusing rainwater is mandatory in Flanders, but not in the Netherlands and France. We nonetheless also do our utmost to collect and reuse rainwater in new-build projects.

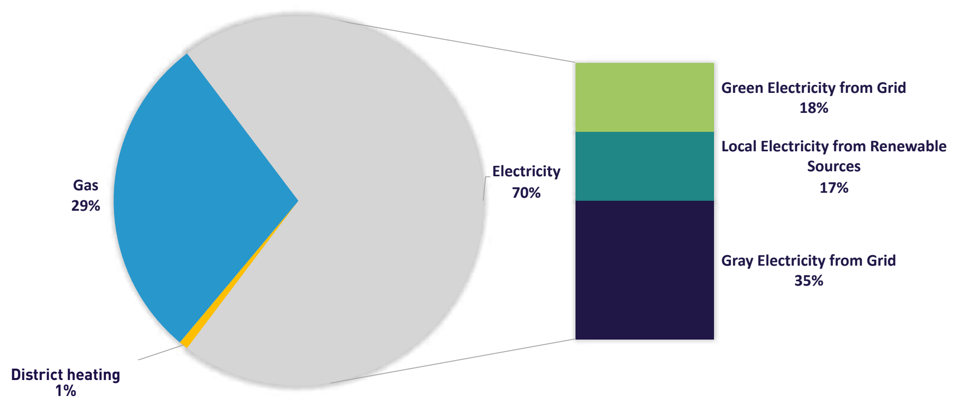
4.2.3.2 Energy consumption of the existing portfolio

To collect the data, we were able to make use of our thorough monitoring system, which enabled us to achieve a coverage for the measurement of electricity, gas and water (81%). The remaining 19% of consumption is reported to us by our tenants or extrapolated as and where necessary.

Type Energy	Energy (kWh)	Energy intensity (kWh/m²)	Coverage
Electricity	83,494,407	53.0	70%
Heat or cold network	943,421	0.6	1%
Gas	33,846,613	21.5	29%
Total	118,284,441	75.1	

When we map the total energy consumption of our existing portfolio, we see that 29% comes from gas while 70% of the energy consumed is electric. **50% of the total electricity consumption in our existing portfolio comes from renewable sources** (green electricity from external suppliers or local consumption of renewable generation).

Energy consumption existing portfolio



When we compare that total energy intensity of the portfolio to 2021, we see a decrease.

Year	Energy intensity (kWh/m²)	Coverage
2019	93.4	18%
2020	76.7	27%
2021	75.7	81%
2022	75.1	100%

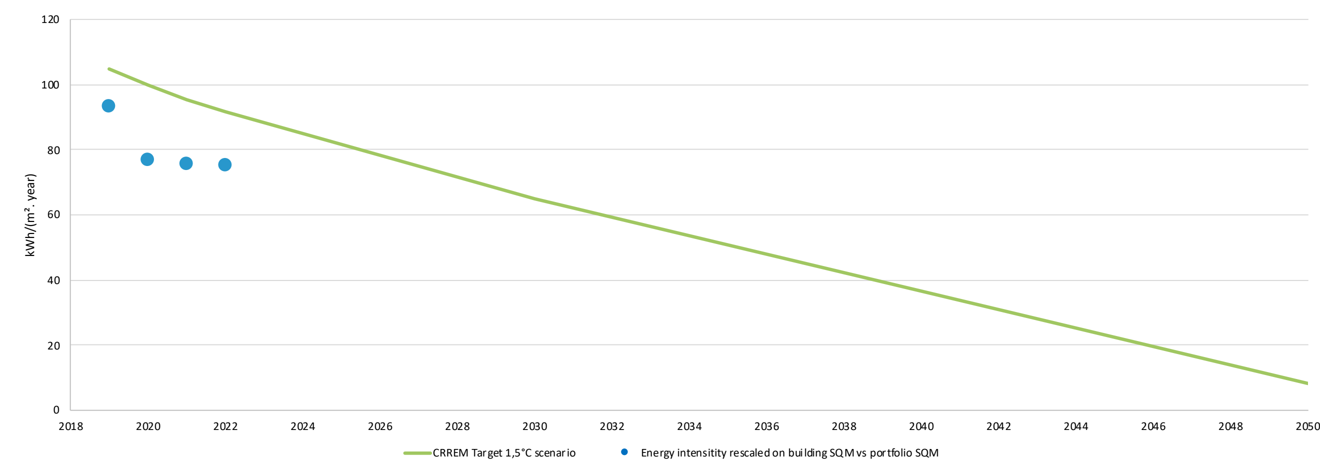
This decrease is due to several factors, such as the further introduction of energy-saving measures, such as the replacement of conventional lighting with LED lighting and the switch from gas heating to heat pumps. Our new developments are also bringing down the average energy intensity of our portfolio, as these will actually end up in the existing portfolio upon completion.

Based on all these initiatives, we would expect a larger decrease, but we note that electricity consumption was much higher in 2022 compared to 2021, which is the largest share in the above (+20% on an LFL basis). Causes can be identified in the switch from gas to heat pump, the rise of electric cars and the corresponding increase in the installation of a charging infrastructure and facilities. Also, returning to the workplace after a long home working period has an impact on the consumption of electricity at work.

Now, to get an idea of how we may see ourselves in a broader picture, we can **benchmark ourselves against the decarbonisation path established by the Carbon Risk Real Estate Monitor (CRREM)** which provides the real estate sector with transparent, science-based decarbonization paths in line with the Paris climate goals to limit global temperature rise.

If we compare the results of the analysis with the targets, we see that the **energy intensity is 18% lower than projected in the CRREM targets for 2022**.

Energy intensity existing portfolio



4.2.3.3 Operational greenhouse gas emissions of the existing portfolio

We can also express the energy consumption of our existing portfolio in terms of greenhouse gas emissions. The main parameter for operational greenhouse gas emissions is the greenhouse gas intensity (=kg CO_2e/m2). We start from the energy intensity (consumption of energy in kWh but represented in m²) multiplied by an emission factor. Emission factors are used to convert energy consumption in kWh into CO_2 equivalents and are published annually by specialized bodies. This has different emissions depending on how electricity is generated. For grey electricity, for example, determining the emission factor depends on whether it comes from nuclear or gas-fired power plants, or is imported.

The table below shows development of emission factors in 2022 compared to 2021. **The emission factors have risen sharply due to a changed energy mix in our various key countries.** Only in France we see a decreasing emission factor, namely for grey electricity that has become less CO_2 intensive due to the (re)start-up of nuclear power plants. Unfortunately, for the other emission factors, we see increases between 12% and 63%.

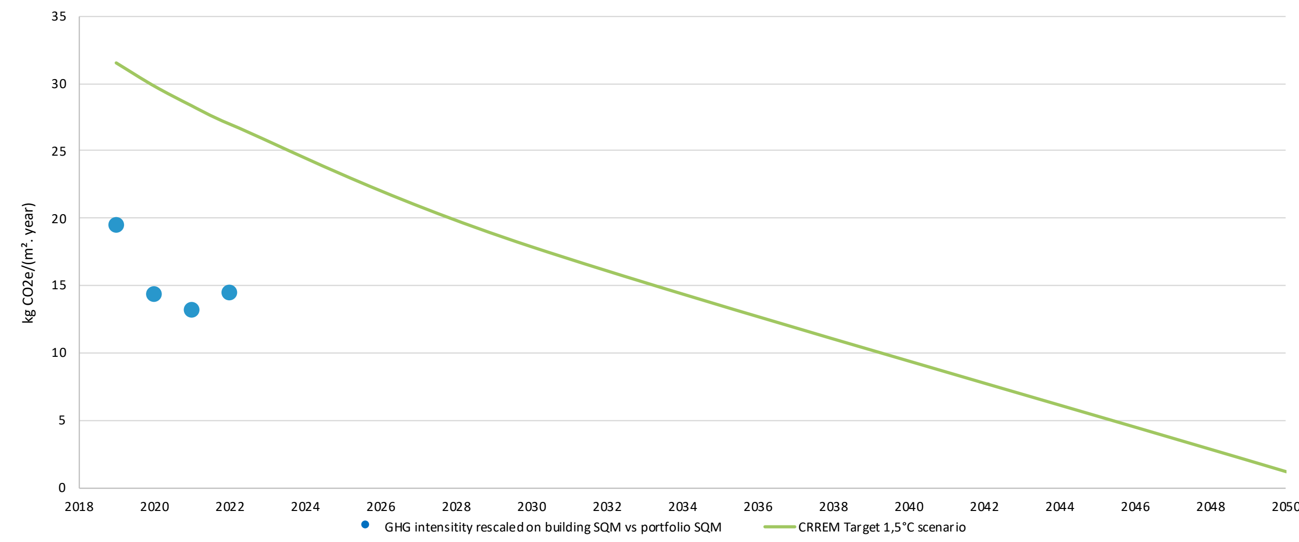
	Total Scope 1/2/3		
Emission factors (kg CO_2e/kWh)	2022	2021	Difference
Consumption grey electricity BE	0.236	0.211	12%
Consumption grey electricity FRA	0.083	0.109	-24%
Consumption grey electricity NLD	0.523	0.397	32%
Consumption grey electricity DE	0.533	0.404	32%
Consumption green electricity EU	0.025	0.015	63%
Generation and consumption of green electricity of solar panels on site - EU	0.044	0.032	36%
Natural gas fuel - EU	0.214	0.214	0%

So while we still saw a slight decrease in energy intensity, **there was a 10% increase in greenhouse gas intensity compared to 2021** due to the increase in emission factors.

Year	GHG intensity (kg CO_2e/m²)
2020	14.3
2021	13.2
2022	14.5

If we now again compare the results of the analysis with the targets set by CRREM, but this time in terms of greenhouse gas emissions, we still see that the **greenhouse gas intensity of our existing portfolio is much lower (-48%) than what was set in the 2022 targets**. This is mainly caused by the relatively large share of green power in the portfolio. The ultimate goal is to reach the Paris Agreement targets for the entire portfolio by 2050.

GHG emissions existing portfolio



4.2.3.4 Tenant engagement programme

We conducted a satisfaction survey in an effort to respond better to the needs and wishes of our tenants. For this, we sat down with about 50 tenants, with both people from the property team and management giving us feedback. The survey confirmed that general satisfaction among our tenants is very high. There is fast and open communication with our various departments and a good follow-up of problems.

We noticed that sustainability is also important for our tenants: an opportunity to tackle this issue together with them.

We want to help our customers emit fewer greenhouse gas emissions and reduce their energy costs, for if a building's consumption of (grey) energy decreases, greenhouse gas emissions will decrease too.

Mapping the portfolio's current greenhouse gas emissions and energy consumption can help. We and our tenants can in fact use such data to benchmark organizations and to determine which actions are most effective in reducing greenhouse gas emissions and, at the same time, energy costs.

We also want to help our customers save energy as a result of operational activities. Energy audits were ordered for all sites in France to identify further improvements. In the Netherlands, we offered all tenants a sustainability coach as a year-end gift. He will visit all sites in early 2023 and provide sustainability advice. The initiative was received enthusiastically.

4.2.3.5 Feasability study for a carbon neutral industrial estat

Europe is in full transition to a carbon-neutral economy by 2050, for which an extensive electrification of carbon-intensive activities is crucial. The activities in and around our buildings at the Hulst are no exception. A complex ecosystem such as that of **Hulst Park** requires a multifaceted approach with various technological solutions that takes into account the wishes and aspirations of all companies involved.

Montea, Quares and Toyota Material Handling, with support from the VUB (University of Brussels) and Flux 50, joined forces to make this business park a frontrunner on the way to carbon neutrality, and to examine how to achieve this objective through cooperation in the fields of renewable energy, mobility and logistics. The feasibility study will be carried out in the coming months, to study and optimize the possible scenarios for the energy transition of the Hulst. Several commercially available technical solutions are being studied: local renewable energy generation, locally produced green hydrogen, energy storage systems, battery electric vehicles and fuel cell electric vehicles.

Montea (as a board member) is involved in and a pioneer in making the **Schiphol Logistic Park (SLP)** more sustainable. After examining the sites on location, we will also look into joint opportunities to make them more sustainable, such as joint purchasing of services, which will reduce traffic on the site. The possibilities of exchanging generated solar energy will be explored further

Case study

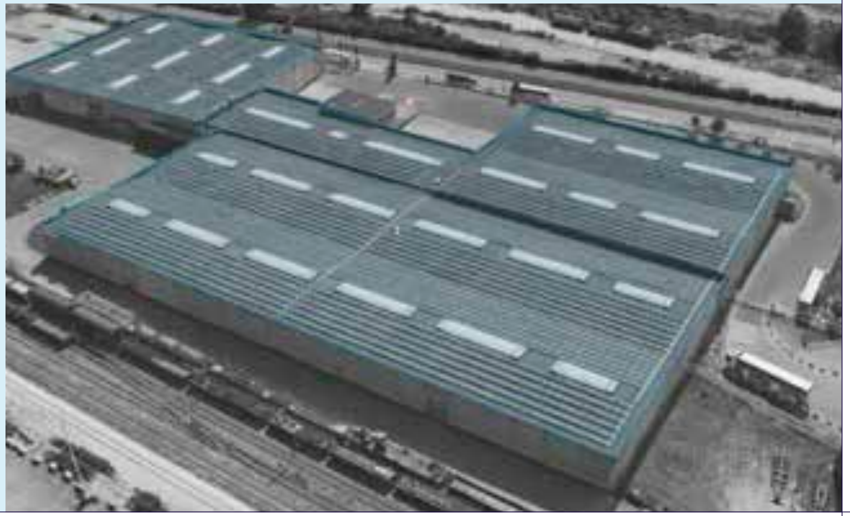
Energetic renovation in Brussels

At the end of 2020, we purchased this site on the Vilvoordselaan in Brussels: a 30 year old building of 20,404m² (including 444 m² of office space), leased on a long-term basis to Van Moer Rail NV. We bought the building when it was still empty because we believed in the future of water-bound logistics. Shortly thereafter after, we found a partner as a tenant in Van Moer Logistics to achieve this goal.

The techniques in the building were outdated or even not available. There was only outdated lighting and an oil-fired heating system. There was no ventilation or rainwater recovery.

As we want to make our portfolio Paris Proof by 2050, we decided to refurbish the site thoroughly in 2022. All these measures will moreover make better use of the green electricity generated by the solar panels:

- We are replacing the existing lighting with LEDs with daylight control with an investment cost of €215,000. This will save ca. 170,000 kWh/year and reduce 37 tonnes of CO2e/year (equivalent to the CO_2 uptake of 5 hectares of forest). This also implies savings of €22,000/year on energy costs for the tenant.
- We are replacing the oil-fired heating with a heat pump system (direct expansion with a water-bearing system) this to keep the volume of refrigerant low. For domestic hot water, we provide a heat pump boiler. The investment of €72,000 will mean energy savings of about 25,000 kWh and a reduction in emissions of about 7 tonnes of CO2e/year. This makes the site fossil fuel-free.
- Adding ventilation will mean an additional electricity consumption of almost 5,500 kWh/year and an additional 1.2 tonnes of CO2e/year of emissions, but increases user comfort significantly.
- We are replacing the skylights in the warehouse to improve the energy performance and to let more daylight in – with daylight control of the LED-lighting, this gives optimal use of lighting.
- The energy contract was adapted to swich from grey to green energy.



4.2.4 Nieuwe ontwikkelingen

4.2.4.1 Renewable energy in new developments

With generally flat roofs, logistics real estate is the ideal building form to install solar panels. We are therefore convinced that we can play a crucial role in reducing the carbon footprint and energy costs of our customers by putting maximum effort into solar panels (or PV installations).

A total of eight new PV installations were completed in 2022, for a total investment of ca. € 7.3 million. At the end of 2022, our PV portfolio consisted of 46 solar panel installations spread across Belgium, the Netherlands and France.

4.2.4.2 Energy efficiency in new developments

To reduce energy costs for and greenhouse gas emissions by tenants in the future, we set targets on the energy efficiency of new developments.

Target year	Target energy efficiency in new developments (kWh/m²)	Reduction
2021	75	0%
2022	50	33%
2030	25	67%

To achieve these goals, we created the Montea Blue Label: a sustainable building manual for new developments (more on this later).

Last year, we had a dynamic simulation drawn up for a generic building, based on the performance requirements set forth in our Montea Blue Label. The study shows that an energy efficiency of 25 kWh/(m².year)[1] is certainly achievable for new developments. This means an acceleration of our target as new developments in Belgium already meet this maximum requirement of 25 kWh/(m². year) today instead of by 2030. New developments in the Netherlands currently meet the targeted maximum performance requirement of 50 kWh/(m².year). Consolidated, this brings us to an average of 43.5 kWh/(m².year) in 2022 for new developments, or a 42% reduction compared to the reference year. This energy intensity is 48% lower compared to the CRREM targets for 2022.

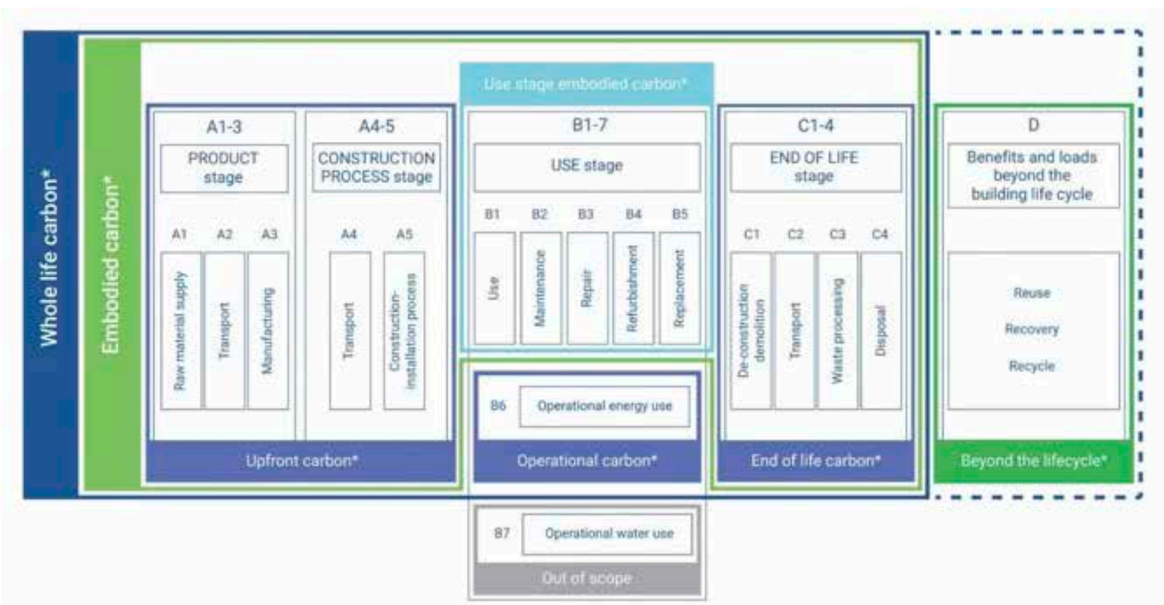
> With the Montea Blue Label for our new developments, we consciously set the bar high for ourselves and much more stringent than the legal requirements.
>
> **— Dirk Van Buggenhout**
> Chief Development Officer Montea

(1) This key indicator expresses how much energy a building consumes per square metre per year.

4.2.4.3 Embodied Carbon in new developments

We also want to firmly reduce the embodied carbon released when constructing new buildings. Since 76% of this is determined by the choice of product, it goes without saying that we continuously look for innovative, sustainable products (e.g. low-CO_2 concrete) and techniques. Furthermore, we avoid diesel on site. Materials are brought in by ship instead of trucks whenever possible and cement water is collected and disposed of – instead of being discharged -- on site. Finding the right suppliers and partners and taking big steps forward remains a challenge nonetheless, but we are rising to the challenge on that front too.

Determining the embodied carbon of a new building project unambiguously is actually a lot more difficult than it seems. To make a correct life cycle assessment, we need the correct environmental product declaration (EPD sheet) for each product and material. In practice, these EPD sheets are not yet available, complete or even correct for all products. This makes calculations difficult and increases the margin of error.



Cement-based products in particular play a decisive role in total CO_2 emissions in our type of buildings. This is due to the large volume, but also because of the large CO_2 impact per unit volume. We therefore conducted extensive research to reduce the volume of these types of products on the one hand and to reduce their CO_2 content on the other hand. In doing so, we still regularly collide with the limits of reality. For instance, low-CO_2 concrete is still in its infancy and it is very difficult to buy large volumes. The scarcity in the market then caused that a shift to other construction materials was very difficult last year.

4.2.4.4 Montea Blue Label – A sustainable building manual for new development projects

We make space for the future by taking into account, in every building, circularity, life cycle and the energy consumption. We reduce greenhouse gas emissions and we put the well being of the customers first. We don't use harmful materials and substances, and will always chose flexible design - to guarantee long life of a building.

We developed this **manual for new development projects** in order to ensure the longevity of the buildings. The instructions have since become part of the standard equipment of new development projects

- LED lighting;
- sustainable heat pumps for the entire building (no connection to the gas network);
- PV-installation;
- heat exchangers to reduce the amount of coolants;
- recovery and reuse of water;
- charging stations for electric vehicles;
- light catchers that provide more natural light in the warehouses. These are linked to light detection, whereby the lighting is dimmed depending on the amount of natural light;
- focus on a strong airtightness of the buildings (control with blower-door test) through an adapted design of the loading docks;
- a flower meadow around the building to promote biodiversity;
- a monitoring system that maps out all consumption ((rain)water, electricity, ...).

We discuss all sustainability aspects with stakeholders and implement them wherever possible for new developments.

We also reassess our material choices continuously, looking for innovative and circular materials that last a long time and allow for easy repair, dismantling, reuse or recycling, without having a major impact on the environment. The implementation of these measures and a smart and studied choice of materials will reduce the embodied carbon further in new developments.

The manual also clearly defines how to work with suppliers and what is expected of them. There is a ban on diesel units on the construction site, for instance. We ask our suppliers to handle all waste on site, to sort it in accordance with BREEAM guidelines and to transport construction material by water if possible.

Moreover, we have already installed an electric battery for all site power supplies on certain projects. This battery is charged at night by a limited site connection to the electric grid. This way of working ensures that a usually limited electrical power can be efficiently used during the construction phase to have a sufficient power during the day.

SUSTAINABLE AND FLEXIBLE DEVELOPMENT

1. Multifunctional spaces with standard dimensions and large spans allow for flexible use of the building.
2. A building with sufficient free height, making it suitable for multiple solutions.
3. Rainwater collection and reuse saves water and promotes sustainability.

SMART USE OF SPACE

4. Optimal use of floor space promotes efficient logistics.
5. Multi-storey design saves square metres of land.
6. Efficient parking through the use of parking garages.
7. Redeveloped brownfield combines environmental benefits with economic development and social improvement.
8. Located on a strategic and multimodal location.
9. Waiting zones for trucks limit nuisance in the wider vicinity of the site.

ENERGY EFFICIENT AND LOW CO_2

10. Monitoring of all major energy consumers ensures more efficient use of energy and awareness.
11. High-yield solar panels combined with energy storage ensure optimal use of renewable energy.
12. High-tech heat pumps generate renewable energy. In this way, our sites are disconnected from the gas grid and therefore are fossil-free.
13. SMART LEDs with motion and daylight sensors reduce energy consumption.
14. Super-insulated dock levellers reduce energy consumption.
15. High insulation value and improved airtightness reduces energy consumption and improves comfort.
16. Use of low-CO_2 materials drastically reduce embodied carbon.
17. Electric charging points for cars, e-vans, trucks and forklifts encourage electric driving and contribute to reducing overall emissions.

WELL-BEING

18. Bicycle parking with electric charging stations promote movement and health of employees.
19. Sports facilities promote health, performance and recovery of employees.
20. Atmospheric coffee corners are a social place to relax.
21. Green walls reduce stress and promote well-being and productivity.
22. Underfloor heating is comfortable and energy efficient.
23. Ventilation and cooling is energy-efficient, comfortable and promotes the health of employees.
24. Smart skylights or façade lights bring in natural daylight and create a pleasant and healthy working environment.
25. Waiting rooms and sanitary facilities for drivers ensure a pleasant environment for everyone.

BIODIVERSITY

26. Flower meadows, beehives, water buffer basins improve biodiversity.
27. Green car parks promote natural infiltration of rainwater, thermal regulation and water regulation.
28. Green roofs absorb rainwater, provide a haven for birds and insects, lower the ambient temperature and promote clean air.

CIRCULAR CONSTRUCTION

29. We determine the total environmental impact of a material throughout its life cycle using the LCA method.
30. The facades are built up in multiple layers and with non-adhesive materials.
31. The design takes into account circular building principles with respect to the implementation of building nodes and materials.
32. The use of PUR and PIR foams is avoided as much as possible because they are very harmful to the environment.
33. Cradle to Cradle (C2C) materials are given preference when choosing finishing materials.

ENVIRONMENT

34. Separating waste contributes to a better environment and circular economy.
35. Parking zones and loading docks for trucks are provided with an oil and petrol separator.
36. The use of coolants is limited by providing a hybrid system.
37. Biological purification of company wastewater reduces water consumption.

Case study

Amazon Logistics, Blue Gate Antwerp (BE)

In September 2022, we delivered the first Belgian delivery station for Amazon Logistics, on the Antwerp Urban Logistic Accommodation (AULA) site at Blue Gate Antwerp. The building consists of ca. 5,800 m² of storage space, ca. 2,200 m² of office space, ca. 500 m² of mezzanine and a parking tower with 5 floors of ca. 8,000 m² each. **The delivery station for Amazon thus qualifies for Building Research Establishment Environmental Assessment Method (BREAM) "Excellent" certification).**

The new delivery station is part of a larger site on which we are developing an urban logistics estate. It is located on **the first eco-effective, water-bound industrial estate in Belgium.** We have been the exclusive partner for the development of the logistics zone at Blue Gate Antwerp since 2016.

The new building, on the site of the old petroleum port, is a brownfield development and a textbook example of our Montea Blue Label building regulations.

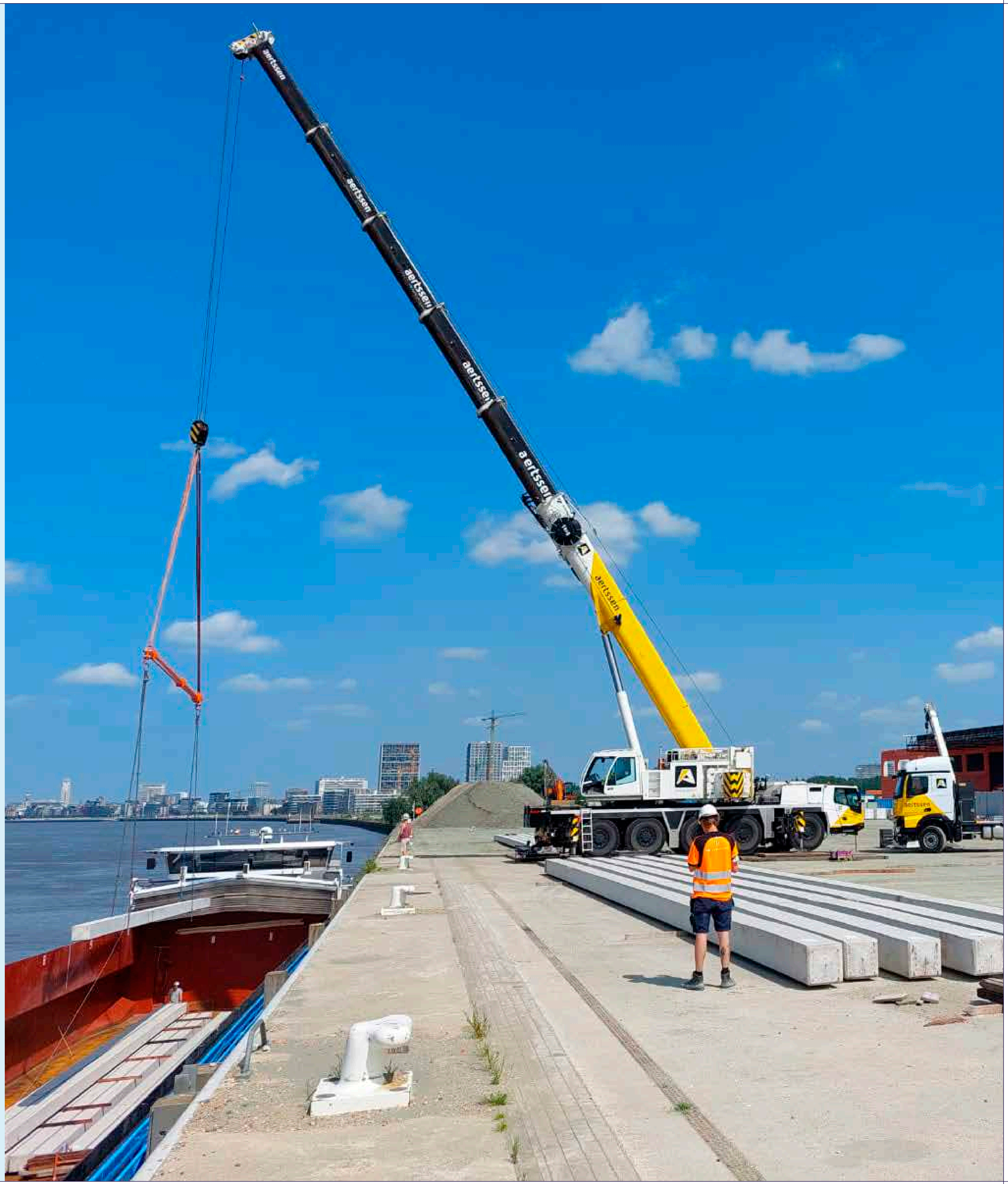
LED lighting was accordingly installed throughout, the heating is connected to Antwerp's heat grid, there is a 758 kWp PV installation to supply the building with renewable energy, and extra attention has been paid to efficient and circular insulation and airtightness of the building envelope so as to bring the total energy consumption below 25 kWh (m².year).

The facade and roof were constructed entirely in layers - all materials were mechanically fastened so that they can be dismantled separately in the future, without further contamination.

These applications result in a flexible building with efficient use of space, very low energy consumption and low CO_2 emissions as well - all with due attention to circularity and the life cycle of the materials used, and with an eye for the well-being of the people who work there.

A number of requirements were imposed on the contractors during the construction phase. Although their CO_2 impact on the overall construction process is rather limited, these measures create a general awareness among all the parties involved.

- A large part of the construction materials was brought in via the Schelde river.
- Diesel generators were banned on the construction site. Power was provided by a battery. This was charged at night with a limited yard connection to the power grid.
- A collection facility was set up for rinsing the concrete mixers after use so that cement water was not simply discharged.
- All waste streams were carefully sorted and an inventory was kept



4.3 Pillar 3 results: Our people as a driving force and our social commitment

4.3.1 Our people as a driving force

We want to create value for our customers, shareholders and all other stakeholders. This can only be done through the unremitting efforts of our employees, the Monteaneers, who are the heart of our organization. We form a strong team that is responsive to customer needs, focused on results and committed to the continuous development of its people. Focus, entrepreneurship, expertise and team spirit are embedded in our DNA.

It is crucial that employees feel valued and are given the space to develop their talents. To create a dedicated team, we build on the strengths of our people in all functional areas. Monteaneers are entrepreneurs, team players, fundamentally positive and curious by nature. We are on our way to becoming a specialized leader, with all the expertise, persuasiveness and communication skills to remain groundbreaking in the logistics real estate sector. Our short decision-making lines and horizontal organizational structure allow for dynamic cooperation among all team members. Our people have in all their strengths made us the major player in the logistics real estate market that we are today and tomorrow.

4.3.1.1 Recruiting and retaining talent

We cannot implement our growth strategy without the right talent.

A good mix of talent, cultures and personalities is important. We are therefore constantly looking for people who fit into our corporate culture, with an eye for diversity and through objective selection procedures.

A challenging and rewarding environment with attention to autonomy and empowerment fosters teamwork, growth, creativity and initiative. Our leaders show appreciation and trust. They are approachable and supportive, with attention to psychological safety and clear objectives.

Those who work with us are extremely satisfied with the varied and meaningful job, the impact of their role on results and the high level of autonomy. We encourage teamwork and good internal and external relations. For its part, the evaluation is not only about what we do, but also about how we achieve our goals and function in the team. Job satisfaction is high, commitment top and the atmosphere good.

(New) Montea talent

In 2022, we relied on our employee value proposition to hire 13 new talents: 8 in Belgium - 4 in France and 1 in the Netherlands, while only three employees left Montea. We put an increased focus on France with the onboarding of our country director, Luc Merigneux, along with some French key businesspeople. We are also proud of the arrival of our first Country Director for Germany, Patrick Abel. He started on 2 January 2023 and will gradually build up the German team. Also in Belgium, Xavier Van Reeth will join the team from 11 April 2023, as Country Director.

At the end of 2022, our workforce totalled 41 Monteaneers (excluding the board of directors): 25 men and 16 women.

With the arrival of Steven Claes as the first Chief Human Resources Officer in 2022, a new focus was placed on the entire recruitment process. We increased speed and efficiency around recruitment. We introduced an internal objective assessment of every final candidate to align job requirements with our cultural and value aspects.

We moreover improved the onboarding of new employees significantly to make sure that they feel immediately welcome (IT tools, introduction session, introduction to the company culture, regular check-ins...). It is essential that everyone in the team feels involved and valued. We give our employees a lot of autonomy and encourage them to contribute ideas. This policy ensures a high level of involvement and ownership among the employees. We have a great team and want to do everything we can to keep each of our employees on board and let them grow together with the company, within their capabilities and ambitions

4.3.1.2 Healthy, safe and sustainable

Mental well-being

We attach the utmost importance to the mental well-being of our employees, which we gauge through regular check-ins with managers and a biennial survey: the Human Capital Scan.

As we expand into Germany and grow in the other key countries, the connection between all employees is crucial. Setting up an internal digital communication platform will contribute to this as one of many enablers. We took the first steps in this direction in 2022 with an initial analysis of the offering.

This is in line with the wider need in the organization for (internal and external) communication and marketing to play an important role. We decided to look for a Head of Communication and Marketing to support the current team.

Finally, we encourage our employees to participate in sporting events such as the Kampenhoeve trail run (cf. infra).

(Re)-connecting teambuilding activities

After a long period of working from home, we found it useful to organize some functional and group-strengthening events. Our Monteaneers seized these moments to establish a solid foundation of (re)connection, friendship and informal gatherings.

Sustainability committee

Sustainability is an essential part of our strategic activities and we want to raise awareness and increase its importance among all our stakeholders. Our employees are also increasingly taking the initiative and responsibility to take actions.

The **Sustainability Committee** has as its purpose to raise awareness about the environment, bring change in environmental behaviour in the office and engage in corporate social responsibility projects.

Actions ranging from a car-free day to switching to recycled printing paper or collecting caps for the Belgian Guided Dog Centre have made the impact of this committee immediate.

Unlike the "Sustainable Executive Committee" in the previous chapter, the Sustainability Committee from this section sets up initiatives that relate to how we can integrate sustainability into behaviour and feelings at work.

Safety

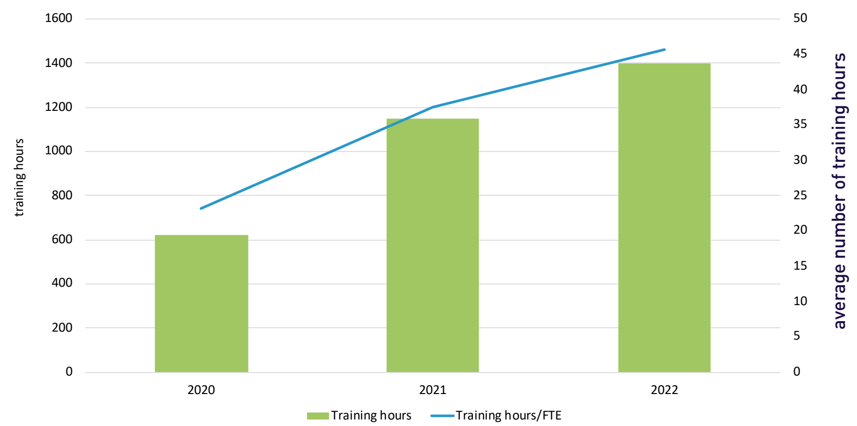
There were two workplace accidents at Montea – one Monteaneer suffered an accident in a team building activity, while another proved that riding a moped to work does not appear to be without risk.... Fortunately, both parties recovered quickly!

4.3.1.3 Personal development

The personal growth of our Monteaneers is paramount, not only for the quality of service to our customers, but also in order to strengthen our economic and social performance. Montea's vision for Track'24 and beyond is to promote the professional and personal growth of every employee at every stage of their career. In other words, to invest continuously in our employees so as to increase their efficiency and commitment.

In this way, we ensure that everyone is ready to take the next career step at any time. We will favour internal promotion over external recruitment where possible.

Decisions on training are made jointly by the employee, manager and HR. We will take into account market developments in the industry and competitors, development needs in the team, new trends and the potential for horizontal or vertical growth.



The objective for each employee to have an **individual development plan** as of 2023, focusing primarily on strengths but also on opportunities for growth. We link this to detailed team goals and objectives per business line in order to implement our corporate strategy.

We focus on both soft and job-related skills, always linked to the business strategy. All employees have inter alia access to an **online training platform** called Goodhabitz. Of course, everyone can also take formal and informal courses outside this platform and there are numerous opportunities within Montea's growth trajectory.

Our managers hold regular one-on-one meetings with their employees to keep their finger on the pulse in particular about the individual employee's goals, well-being and support needs. Those meetings form the basis for the more formal annual evaluation. In 2022, we introduced a formal appraisal system for both "what" was achieved and "how" it was achieved. From performance year 2023, we will extend our group objectives and strategy to the different functional (country) teams and possibly the individual level. **We want to link the objectives of the teams to the Montea targets clearly and consistently.**

4.3.1.4 Attractive and equal pay

All our employees receive a **correct and attractive pay package**, based on equal criteria for each employee in a category. In addition to the monthly salary and opportunities for personal development, we also provide fringe benefits, depending on what is customary. Differences in remuneration between men and women are mainly explained by the different positions and corresponding responsibilities.

In 2022, we benchmarked some countries in terms of benefits. Germany was fully reviewed to set up all market-based group (and/or individual) pension and risk insurance for all new entrants. France was also reviewed to check whether the existing plans for new entrants are market-compliant. We may take actions in different countries in 2023 based on these results. Benefits in Belgium are fully in line with the market. Hospitalization insurance was adjusted there in 2022 to remain competitive with our offer to the Monteaneers.

The full electrification of our **company cars** offers a nice benefit for our employees while clearly showing that Montea and its employees are opting for a sustainable future. Each eligible newcomer will sign up for an all-electric car and receive a charging station at home, at Montea's expense, if it can be placed.

We also implemented the 'new way of working (NWOW) policy' throughout 2022 to meet the mutual need for trust and flexibility. Employees can work a certain number of days per week outside the office, provided the position lends itself thereto, under **the NWOW model**. The aim is to achieve the best possible organisation at both individual and team level, taking into account the personal situation of each colleague, to ensure continuity and quality of service.

As a developing investor, we attach great importance to long-term bonding with all our stakeholders, including our employees. We consequently want to boost ownership by our employees within Montea. In addition to the existing **long-term incentive plans** in Belgium and the Netherlands for our employees (option and share purchase plan), a share-related plan has also been set up in France and Germany so that all employees can be part of our long-term objectives, and get integrated in our long-term strategy.

Finally, we introduced an **external benefits platform** so that employees in certain countries can enjoy exceptional employee discounts at national and international retailers. This is our way of offering our employees a helping hand in times of high inflation.

4.3.1.5 Organization

Innovation, sustainability and customer focus play a leading role in Montea. We believe in strong and sustainable alliances. Together with our stakeholders, we are developing an **out-of-the-box long-term vision** of where the sector as a whole and Montea in particular should be heading.

Innovation will pertain mainly to our services. What are others doing in the market and can this have value for us? We are mainly working on building business intelligence and an extensive network on a global scale. Sustainability is at the heart of that strategy.

We have grown strongly organically in recent years. The foregoing ambitions made us realize that there is a need for a **clear structure** in which responsibilities are defined with greater clarity.

Montea therefore built **"Fit for growth"** in 2022, based on an evolutionary rather than a revolutionary model. To arrive at a "performance-oriented, goal-oriented" organization where organic and innovative growth are a key driver, we built out corporate functions which are organized from headquarters and support the activities in the sub-countries. These functions are mainly the CEO - CFO and CHRO and their corresponding teams. The Chief Sustainability & Innovation Officer and Chief Marketing & Communications Officer will be added in the future.

Then we have the country functions. There is a Country Director, along with the team responsible for the asset side of the balance sheet for each country. A Country Director is responsible for supporting and developing a team focused on development, acquisition, property management, project management, etc.

As sustainability is key, we are currently looking for a Chief Sustainability & Innovation Officer to support the CEO, to serve as a key figure, responsible for a major part of the ESG agenda and disclosure, and take care of internal and external communication around it. The aim is to embed sustainability in everything we do and say and to ensure that our sustainability roadmap is translated into best-in-class projects in consultation with the various key stakeholders.

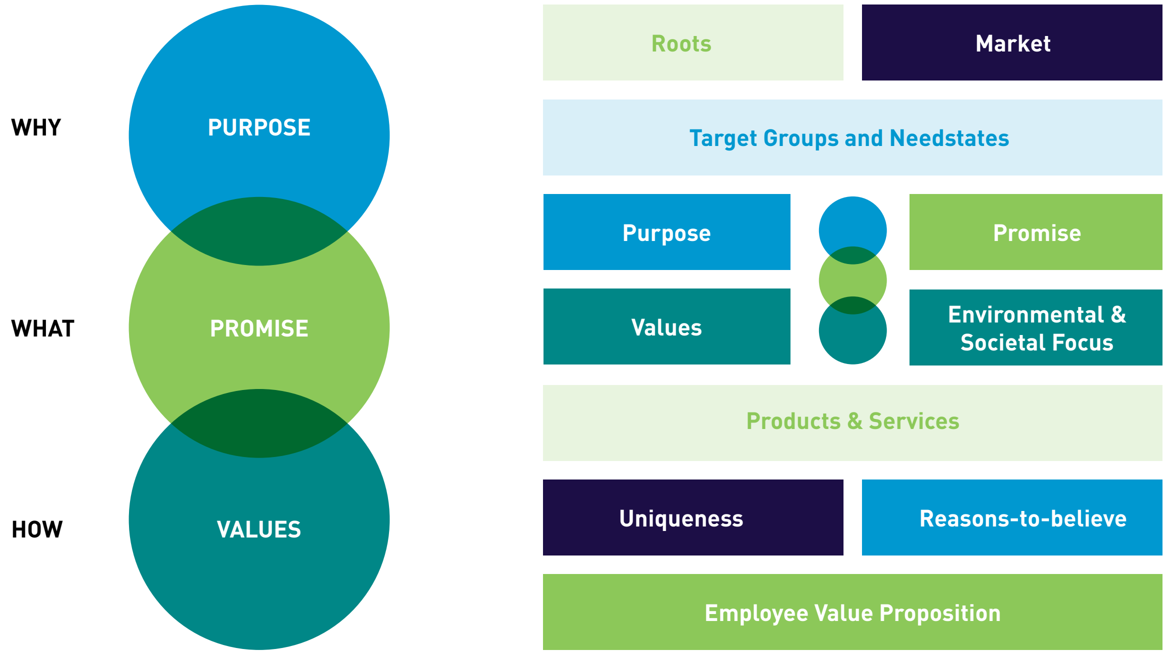
This new structure gives the countries a **clear full-time focus on the business development side** with support from the corporate services that are largely managed centrally. The Montea business model then consists of a combination of corporate services that operate in a rather structured, process-based and predictable way and the various country structures that are rather entrepreneurial and agile. The right mix of predictability and agility is essential for a listed company. Connectivity, transparency and open communication between the corporate structures and various countries will prove decisive.

4.3.1.6 Mission, vision, purpose and values

We strive for conscious innovative growth - growth that is 'performance-driven and purposeful'. The Human Capital Scan shows that we are a top organization to work for, where performance and goals are clearly present, although our Monteaneers have a hard time explaining exactly what the mission, purpose and attitudes are that make us such a great organization. It was and therefore still is important to make this underground flow very visible to our people so that we can make every Monteaneer a proud ambassador internally and externally and give him or her the necessary tools to write the Montea story.

In 2022, in consultation with the entire organization, the management team launched an exercise to identify 'the Montea brand passport'. This involved identifying the origin and market in which Montea operates, alongside the purpose, promise and attitudes at the heart of our existence. The entire organization was involved in several team sessions in which Montea's strategic goals were defined in day-to-day activities. This important work and further communication forms the basis for the future group and country strategy that we will roll out as of 2023 onwards and will contribute to our Track'24 objectives.

You could already read about the result of these efforts in Chapter 2.



The Human Capital Scan shows that we are a top organization to work for, where performance and goals are clearly present.

— **Steven Claes**
CHRO Montea

Case study

The Human Capital Scan

Attracting new talent is one thing, but to measure the continued commitment of our employees, we launched a Human Capital scan (survey) together with a renowned external partner in order to gauge what energizes them, what causes stress and how they can become physically and mentally stronger.

All Monteaneers received an anonymous questionnaire. The participation rate was very high (95%). The provider's scores were not based on numbers, but on green, orange and red batteries.

Based on the report, we are proud to announce that Montea is one of the best scoring workplaces in terms of motivation and engagement. The results show that Montea has strong leadership, high social energy through support between colleagues, a great team atmosphere and solidarity, support from the manager and recognition from colleagues. Furthermore, the degree of independence and variety in the working environment, available resources and team efficiency also score high.

All these elements lead to a clear job satisfaction, emotional loyalty and a very low intention to leave Montea. That said, there are also some minimal areas of concern. The CHRO therefore worked out a number of action points with management in the form of projects and internal and external workshops. Each (functional) team underwent a briefing on their own team results and devised team actions such as creating quiet spaces, a digital detox, buddy work on the work/life balance, focus moments, etc.).

Our challenge for the future is to maintain this great result as our company grows. We therefore undertake to conduct this survey biannually so as to be able to keep a pulse on the development.

Workplace		Energy		Impact
Energy sources	→	Enthusiasm	→	Healthy working
Leadership; Personal resources		Burn-out		Operate successfully
Stressors				

4.3.2 Our social commitment

We always encourage our Monteaneers to get involved in socially relevant projects.

AALST FOR UKRAINE

The local initiative 'Aalst for Ukraine' organized a collection of first aid goods and their transport to Ukraine.

Monteaneers signed up for this charity on their own initiative without hesitation. A huge amount of clothes, food and medical materials were collected and offered to the organizer of the initiative.

WATER4UKRAINE

We were sponsors yet again this year of Water Heroes, a non-profit organization that provides drinking water technology. Water Heroes provides modular water technology solutions with self-directed operation to convert river and lake water into high-quality drinking water. Through the system, Ukrainians gained access to safe drinking water.

Three water systems were sent this year: two to Kharkiv and one to Mikolaiv. Drinking water bottles from Aquaflanders will also be distributed at the local logistics centre in Lviv.

THE KAMPENHOEVE TRAIL RUN CHALLENGE

We sponsored teams for this Trail Run to benefit the Kampenhoeve, a donkey and horse centre for asinotherapy. They specifically target children and adults with mental and/or physical disabilities.

MUSIC FOR LIFE

Montea Belgium took part in Music For Life, a radio campaign against child poverty. Instead of giving each other presents at the Christmas party, Montea employees collected the money for this good cause. The amount collected was doubled by Montea and donated to the organization.

CAR FREE DAY

On 22 September, many Monteaneers took part in Car Free Day and thus came to the office on foot or by bike, which is not only good for the environment, but also for our physical and mental well-being.

THE SHIFT

In 2021, Montea signed a partnership with The Shift, a platform of various organizations united around one common goal: to work actively towards a more sustainable economy and society. Jo De Wolf is also a director of The Shift.

THE SHIFT

University of Antwerp - supporting the next generation of professionals

Since 2020 Montea supports the Dennie Lockefeer Chair with an annual sponsorship of € 10,000. Organised at the University of Anwerp, this chair conducts scientific research on the sue of navigable waterways as a solution to mobility challenges.

Since 2021, Montea has also been supporting a second project of the University of Antwerp: the 'Urban Logistics' summer school. In this context, Montea awards a financial prize to two students who write the best paper during the summer school.

In 2022, all Monteaneers at HQ were immersed in navigable inland waterways by an interactive session by Prof Christa Sys, transport economist at UIA, and PhD student Katrien Storms.

Montea also hosted a lecture from the Catholic University of Leuven in their offices, with Jo De Wolf acting as guest professor.

Montea is also a member of the following associations and organizations:

BE-REIT ASSOCIATION

SCIENCE BASED TARGETS

PARIS PROOF DGBC

GREEN DEAL CIRCULAIR BOUWEN

We, at Van Moer, look mainly at ports. We sail with 9 ships every day. I never had a ship stuck in a traffic jam.

— Jo Van Moer
Founder & CEO Van Moer Logistics

Vilvoordselaan, Brussels

5. Management report

5.1 Financial results

5.1.1 Key figures

		BE	FR	NL	DE	31/12/2022 12 months	31/12/2021 12 months
PROPERTY PORTFOLIO							
Property portfolio — buildings[1]							
Number of sites		**38**	**18**	**34**	**2**	**92**	**79**
Occupancy rate[2]	**%**	**100.0**	**99.4**	**98.8**	**100.0**	**99.4**	**99.7**
Total surface — property portfolio[3]	**m²**	**826,885**	**213,454**	**813,726**	**35,965**	**1,890,029**	**1,545,165**
Investment value[4]	**K€**	**908,251**	**252,008**	**952,863**	**37,928**	**2,151,050**	**1,635,073**
Fair value of the property portfolio[5]	**K€**	**994,953**	**250,754**	**889,807**	**35,511**	**2,171,024**	**1,698,123**
Real estate	K€	887,948	235,446	860,585	35,511	2,019,489	1,548,305
Projects under construction	K€	75,420	12,703	14,215	0	102,338	114,834
Solar panels	K€	31,585	2,605	15,007	0	49,197	34,983
Total surface — landbank	**m²**	**-**	**-**	**-**	**-**	**2,401,318**	**1,991,351**
Acquired, valued in property portfolio	**m²**	**-**	**-**	**-**	**-**	**1,688,152**	**1,429,246**
of which income generating	%	-	-	-	-	73	68
Under control, not valued in property portfolio	**m²**	**-**	**-**	**-**	**-**	**713,166**	**562,105**
CONSOLIDATED RESULTS							
Net rental result	K€	-	-	-	-	90,889	75,145
Property result	K€	-	-	-	-	99,913	84,743
Operating result before the portfolio result	K€	-	-	-	-	91,020	77,275
Operating margin[6]	%	-	-	-	-	91.1	91.2
Financial results (excl. changes in fair value of the financial instruments)[7]	K€	-	-	-	-	-17,948	-11,561
EPRA RESULT	K€					67,738	60,433
Weighted average number of shares		-	-	-	-	16,538,273	16,130,871
EPRA result per share[8]	**€**	**-**	**-**	**-**	**-**	**4.10**	**3.75**
Result on disposals of investment properties	K€	-	-	-	-	19	453
Changes in fair value of investment properties	K€	-	-	-	-	92,864	175,392
Deferred taxes on the result on the portfolio	K€	-	-	-	-	-14,570	-21,397
Result on the portfolio[9]	**K€**	**-**	**-**	**-**	**-**	**78,312**	**154,448**
Changes in fair value of the financial instruments[10]	**K€**	**-**	**-**	**-**	**-**	**58,408**	**12,967**
NET RESULT (IFRS)	K€					204,458	227,848
Net result per share	**€**	**-**	**-**	**-**	**-**	**12.36**	**14.12**

		BE	FR	NL	DE	31/12/2022 12 months	31/12/2021 12 months
CONSOLIDATED BALANCE SHEET							
Balance sheet total	**K€**	**-**	**-**	**-**	**-**	**2,327,712**	**1,752,917**
Debts and liabilities for calculation of debt ratio	**K€**	**-**	**-**	**-**	**-**	**963,636**	**675,905**
Debt ratio[11]	**%**	**-**	**-**	**-**	**-**	**42.1**	**38.6**
Net debt / EBITDA (adjusted)[12]	**x**	**-**	**-**	**-**	**-**	**8.4**	**7.3**
Hedge ratio	**%**	**-**	**-**	**-**	**-**	**96.0**	**92.7**
Average cost of debt	**%**	**-**	**-**	**-**	**-**	**1.9**	**1.8**
Weighted average maturity of financial debt	**Y**	**-**	**-**	**-**	**-**	**6.9**	**5.7**
Weighted average maturity hedging contracts	**Y**	**-**	**-**	**-**	**-**	**7.6**	**6.6**
IFRS NAV per share[13]	€	-	-	-	-	72.32	62.65
EPRA NRV per share[14]	€	-	-	-	-	79.33	70.56
EPRA NTA per share[15]	€	-	-	-	-	71.72	65.00
EPRA NDV per share[16]	€	-	-	-	-	66.75	62.49
Share price[17]	**€**	**-**	**-**	**-**	**-**	**66.60**	**132.20**
Premium/discount	**%**	**-**	**-**	**-**	**-**	**-7.9**	**111.0**

(1) Including real estate intended for sale..
(2) The occupancy rate is calculated on the basis of m². When calculating this occupancy rate, neither the numerator nor the denominator takes into account the unleased m² intended for redevelopment and the land bank.
(3) Surface of leased land (yielding landbank) is included for 20% of the total surface; after all, the average rental value of a site is about 20% of the rental value of a logistic building.
(4) Value of the portfolio without deduction of the transaction costs.
(5) Accounting value according to the IAS/IFRS rules, excluding real estate intended for own use.
(6) The operating margin is obtained by dividing the operating result before the result on the property portfolio by the property result.
(7) Financial result (excluding changes in the fair value of the financial instruments): this is the financial result in accordance with the Royal Decree of 13 July 2014 on regulated real estate investment companies excluding the variation in the fair value of the financial instruments and reflects the actual funding cost of the company.
(8) EPRA earnings: this is the net result (after incorporation of the operating result before the portfolio result, minus the financial results and corporation tax, excluding deferred taxes), minus the changes in fair value of investment properties and properties held for sale, minus the result on sale of investment properties and plus the changes in fair value of financial assets and liabilities.
(9) Result on the portfolio: this concerns the negative and/or positive changes in the fair value of the property portfolio, plus any capital gains or losses from the sale of real estate.
(10) Changes in the fair value of financial hedging instruments: this concerns the negative and/or positive changes in the fair value of the interest hedging instruments according to IFRS 9.
(11) Debt ratio according to the Royal Decree of 13 July 2014 on regulated real estate companies.
(12) To calculate Adjusted Net Debt/EBITDA, the numerator adjusts net financial debt for ongoing projects in under construction multiplied by the debt ratio, as these projects are not yet generating operational results, but are already included in the financial debts. In addition, there is also an adjustment in the denominator for the annualised impact of external growth.
(13) IIFRS NAV: Net Asset Value or intrinsic value before profit distribution for the current financial year in accordance with the IFRS balance sheet (excl. minority shareholdings). The IFRS NAV per share is calculated by dividing the equity according to IFRS by the number of shares entitled to dividends on the balance sheet date.
(14) EPRA Net Reinstatement Value: NRV assumes that entities never sell assets and aims to represent the value required to rebuild the entity. The aim of the metric is to also reflect what would be needed to recreate the company through the investment markets based on its current capital and financing structure, including Real Estate Transfer Taxes. EPRA NRV per share refers to the EPRA NRV based on the number of shares in circulation on the balance sheet date.
(15) EPRA Net Tangible Assets assumes that entities buy and sell assets, thereby crystallizing certain levels of deferred tax. The NTA is the NAV adjusted to include real estate and other investments at their fair value and exclude certain line items that are not expected to take shape in a business model with investment properties over the long term. EPRA NTA per share refers to the EPRA NTA based on the number of shares in circulation on the balance sheet date.
(16) EPRA Net Disposal Value provides the reader with a scenario of the disposal of the company's assets resulting in the settlement of deferred taxes and the liquidation of debt and financial instruments. EPRA NDV per share refers to the EPRA NDV based on the number of shares in circulation on the balance sheet date.
(17) Stock market price at the end of the period.

5.1.2 Summary

1. Montea's EPRA earnings amounted to €67.7 million, an increase of 12% compared to the EPRA earnings of €60.4 million in 2021. The EPRA earnings per share amount to €4.10 per share, an increase of 9% compared to 2021 (€3.75 per share). Hence, Montea has already covered 16% of the promised 20% for the period 2021-2024 over a period of two years.

2. The board of directors will propose to the general meeting of shareholders that a gross dividend of €3.30 per share will be paid, an increase of 9% compared to 2021.

3. The EPRA NTA per share is €71.72, representing an increase of 10% compared to 31 December 2021 (€65.00) mainly driven by the generation of EPRA profit following payment of the dividend earlier in 2022 and positive portfolio revaluations over 2022.

4. 2022 was the year with the largest single-year portfolio growth in Montea's history. During 2022, Montea realised an additional portfolio volume of €473 million. This increase consists of an investment volume of €362 million as well as latent capital gains from recently completed projects of €32 million and positive revaluations of the existing portfolio totalling €79 million.

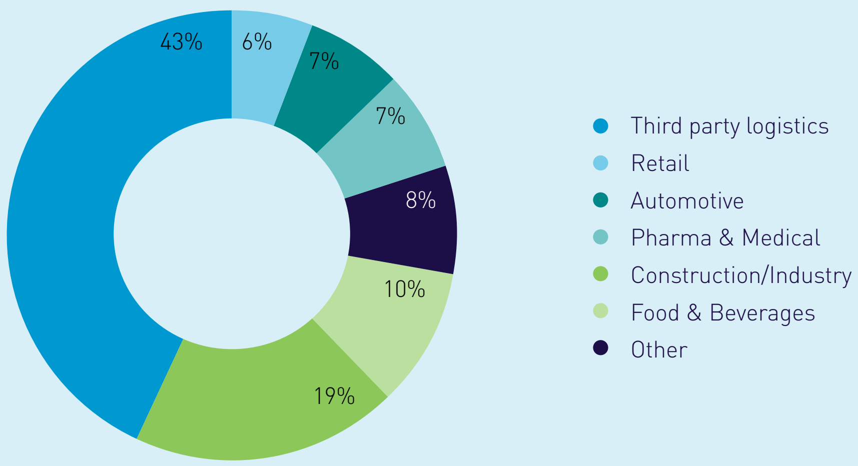
   The positive revaluations of the existing portfolio were mainly driven by an increase in estimated market rental values of 15.3% (€ 174 million) partly offset by an upward yield shift of 13 bps (€ - 81 million) and the adjustment of the transfer tax rate in the Netherlands from 8.0% to 10.4% as from 1 January 2023 (€ - 14 million). The transfer tax (= registration duties) is deducted when establishing the fair value. The portfolio is currently valued at an EPRA Net Initial Yield of 4.8%. The fair value of the property portfolio including developments and solar panels is up to €2,171 million, an increase of 28% compared to the end of 2021 (€1,698 million).

5. The market dynamics remain healthy. An occupancy rate of 99.4%, a remaining term of leases to first maturity of 7.4 years (excluding solar panels), as well as the continued focus on strategic multimodal prime locations with inflation-proof cash flow profile (rental income indexed to inflation), are a valuable winning asset. The strong demand for logistics real estate solutions versus the limited supply of new logistics developments, leads to upward pressure on market rents.

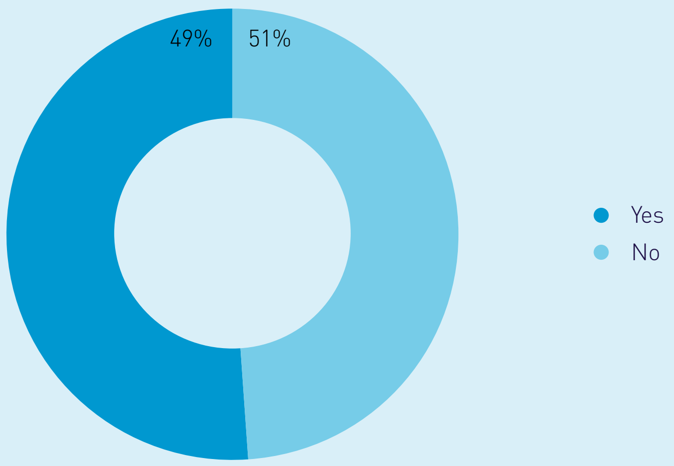
   Montea is focusing on diversifying its type of customers and their activities and is investing in strategic locations with high added value, thereby managing to build a healthy property portfolio of buildings in line with market standards.

6. With a debt ratio of 42.1% (based on an EPRA Net Initial Yield of 4.8%) and a Net Debt/EBITDA (adjusted) of 8.4 at the end of 2022, Montea's consolidated balance sheet demonstrates strong solvency. The average cost of debt at 31 December 2022 is 1.9% compared to 1.8% at the end of December 2021. Despite increased interest rates, the expected average cost of debt in 2023 and 2024 will be 2.3%. The average remaining maturity of the credit facilities is 6.9 years. At year-end, the debt is 96% hedged

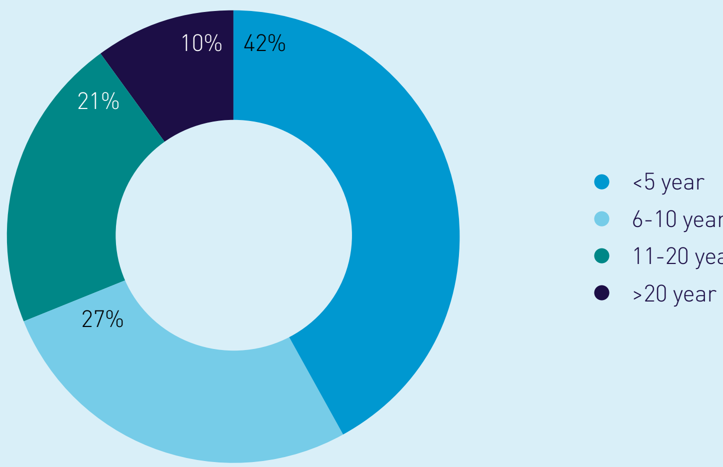
Industry diversification



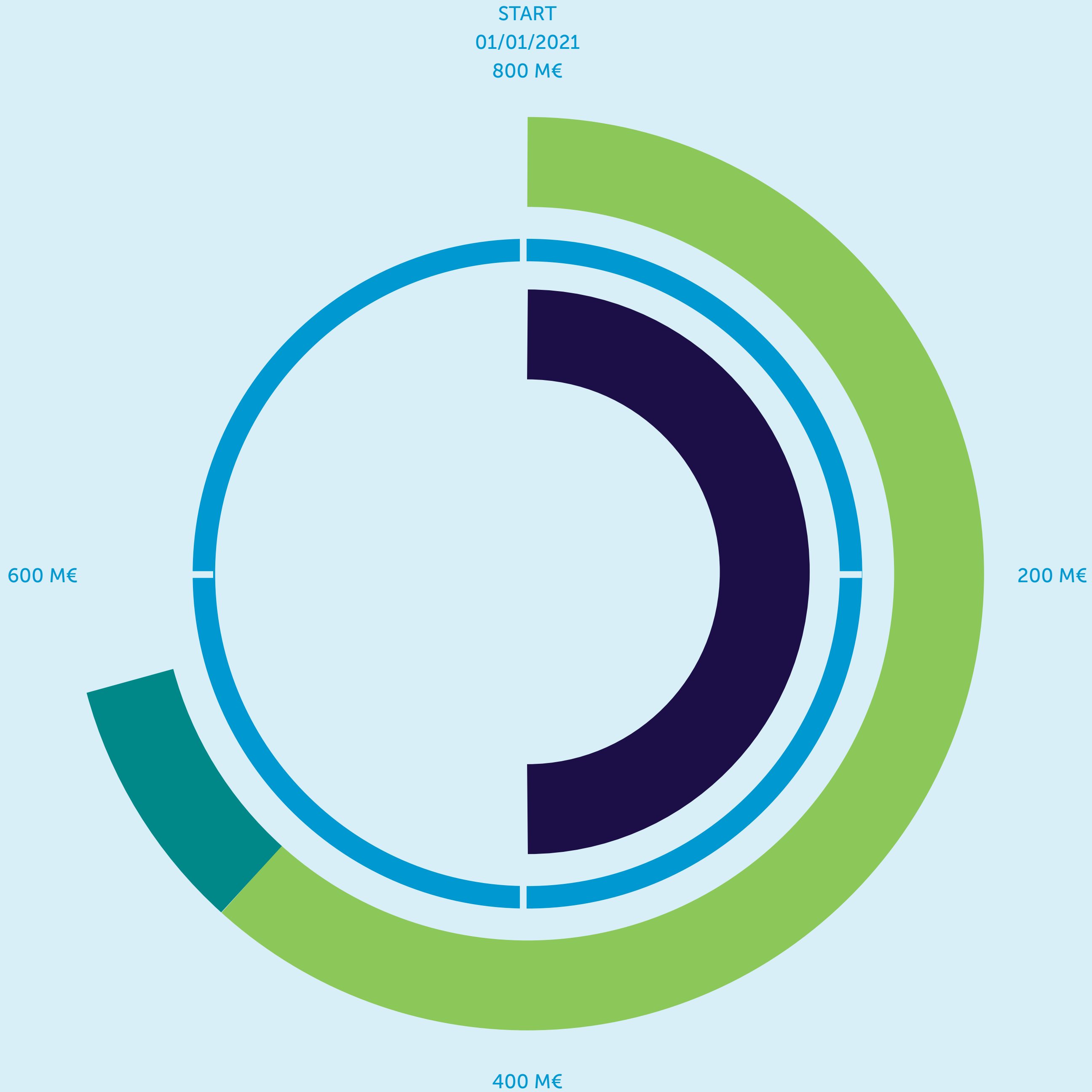
Multimodality[1]



Age of buildings



(1) Locations that allow intermodal network expansion through good connectivity to road, rail, waterways and/or (air) ports.



Track'24	800 M€
Track'24 on 31/12/2022	400 M€
Invested	534 M€
In execution	55 M€
Identified	**589 M€**

against increased interest rates on a long-term basis (average remaining maturity of 7.6 years).

7. Montea has a large liquidity buffer of €340 million. Montea's liquidity position was strengthened in 2022 mainly by the issue of €380 million in green unsecured notes via US Private Placement and by strengthening the shareholders' equity with over €102 million. By doing so, an additional buffer has been established to continue the Track'24 growth plan.

8. Montea has an identified[1] investment volume of €589 million since the beginning of 2021, €534 million already realized and €55 million in execution, at an average net initial yield of 5.4% excluding the land bank[2]
    - 4.9% on standing investments
    - 6.7% on development and extension projects

At the end of 2022, two years after the launch of Track'24, Montea is thus ahead of schedule to achieve the targeted investment volume of more than €800 million over the period from 2021 to 2024. Profitability, a controlled balance sheet and a strong liquidity position remain the focus in the further roll-out of Track'24 despite increased market volatility, a weakening macroeconomic outlook and higher interest rates. By bringing part of its spacious land bank of ca. 2.5 million m² into development, Montea has a substantial in-house potential that can be developed at an average initial yield of at least 6% based on current construction and rental prices. Profitable investments into making our property portfolio even more sustainable are also at the core of our investment policy. An overview of our projects in 2022 (new developments and acquisitions), is included in chapter 4.

(1) The identified investment volume consists of the invested amount invested in the course of 2021 and 2022 and ongoing projects in execution.
(2) Including the land bank, the net initial yield amounts to 4.8%.

5.1.3 Financial results

5.1.3.1 Historical figures

For a description of Montea's financial position and operating results for financial years 2020 and 2021, please refer to the sections below. These results include changes in the financial situation and results of operations and, where they are significant and to the extent necessary for proper understanding, the causes of these changes.

5.1.3.2 Summary of the consolidated financial statements

(Analytical) condensed form of the statement as at 31 December 2022

Condensed consolidated income statement (EUR x 1.000) Analytical	31/12/2022 12 months	31/12/2021 12 months
CONSOLIDATED RESULTS		
Net rental result	**90,889**	**75,145**
Property result	**99,913**	**84,743**
% compared to net rental result	**109.9%**	**112.8%**
Total property charges	**-2,003**	**-2,574**
Operating property result	**97,910**	**82,169**
Gerneral corporate expenses	-6,742	-5,052
Other operating income and expenses	-148	158
Operating result before the portfolio result	**91,020**	**77,275**
% compared to net rental result	**100.1%**	**102.8%**
Financial result excl. changes in fair value of the hedging instruments	**-17,948**	**-11,561**
EPRA result before taxes	**73,072**	**65,714**
Taxes	-5,334	-5,281
EPRA EARNINGS	**67,738**	**60,433**
EPRA EARNINGS PER SHARE	**4.10**	**3.75**
Result on disposal of investment properties	19	453
Result on disposal of other non-financial assets	0	0
Changes in fair value of investment properties	92,864	175,392
Deferred taxes on portfolio result	-14,570	-21,397
Other portfolio result	0	0
PORTFOLIO RESULT	**78,312**	**154,448**
Changes in fair value of financial assets and liabilities	58,408	12,967
RESULT IN FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES	**58,408**	**12,967**
NET RESULT	**204,458**	**227,848**
NET RESULT PER SHARE	**12.36**	**14.12**

Net rental income

The net rental income amounted to €90.9 million in 2022, up by 21% (or €15.7 million) compared to the same period in 2021 (€75.1 million). This increase is mainly due to the acquisitions of new properties, leased land and completed projects, which generate additional rental income. With an unchanged portfolio (and therefore excluding new purchases, sales and project developments between both comparative periods 2022 and 2021), the level of rental income increased by 3.3%, mainly driven by indexation of leases (3.0%) and the reletting of vacant units in the building in Aalst (Belgium) and Le Mesnil-Amelot (France) (0.3%).

Property result

The property result amounted to €99.9 million in 2022, up €15.2 million (or 18%) compared to the same period last year (€84.7 million). The €15.7 million increase in net rental income is partly offset by a decrease in other rental-related income compared to 2021 in which a one-off payment was included[1].

Operating result before result on property portfolio

Property costs, overheads and other operating income and expenses, which are part of the operating result before the result on property portfolio, were up by €1.4 million compared to 2021. This is due to the growth of the portfolio. Despite these movements, the operating property result for the portfolio still increases by 18% compared to the same period last year (from €77.3 million in 2021 to €91.0 million in 2022).

The operating margin[2] is 91.1% for the full year 2022, compared to 91.2% for 2021.

Financial result

The negative financial result excluding variations in the fair value of hedge instruments amounted to €-17.9 million, compared to €-11,6 million the previous year, an increase of 55% (€ 6.4 million), which is mainly due to a higher recorded debt in 2022 to finance the investments carried out in the course of 2022.

The total financial debt (including bond loans and leasing debts, including the recurring cost of land under concession) on 31 December 2022 is covered for 96,0%.

Calculated on the basis of the average financial debt, the average financing cost[3]*, amounted to 1.9% for financial year 2022 compared to 1.8% for financial year 2021.

(1) Montea received a one-off payment in the first quarter of 2021 following an agreement under the terms of which Montea waives a right of pre-emption on a possible sale of a plot of land with buildings in Tilburg.
(2) The operating margin is obtained by dividing the operating result before the result on the property portfolio by the property result.
(3) This financial cost is an average over the last 5 quarters and is based on the total financial result compared to the average of the opening and closing balance of the financial debt without taking into account the valuation of the hedging instruments and interest costs related to lease obligations booked in accordance with IFRS 16.

Taxes

Despite the fact that Montea does not yet have the approval of the Dutch tax administration regarding the FBI status, it conducted its accounts up to and including 2020 as if it had already obtained such status. The basis of this can be found in the 'level playing field' principle with other sufficiently comparable Belgian REITs with existing agreements regarding the FBI status.

Based on new facts (withdrawal of the fiscal ruling as of 1 January 2021 in the case of sufficiently similar Belgian REITs) Montea has, for the sake of caution, taken into account in the income statement the possibility that the FBI status could be refused for the period as of 1 January 2021. As such, a tax provision of €4.4 million was included in the 2022 income statement, namely the difference between the fiscally transparent FBI status and the regular taxed sphere. Supported by European law, however, Montea's efforts remain focused on being able to apply the FBI status in the Netherlands in 2021 and 2022. Just like the tax return for 2021, the 2022 tax return will therefore be submitted as FBI since Montea continues to believe that it meets all the conditions to be able to claim FBI status for the aforenamed periods.

EPRA earnings

The EPRA earnings in 2022 amounted to € 67.7 million, up €7.3 million or 12% compared to financial year 2021 (€ 60.4 million). The increase in the EPRA earnings is due mainly to the strong growth of the property portfolio, whereby operating and financial costs are closely monitored and managed as such.

The EPRA result per share is €4.10 per share for 2022, representing an increase of 9% compared to the EPRA result per share for 2021 (€3.75 per share), taking into account the 3% increase in the weighted average number of shares.

Result on the property portfolio[1]

The result on the property portfolio for the 2022 financial year amounted to €78.3 million or €4.74 per share[2], down 49% compared to 2021 (€ 154.4 million). In 2021, the positive result of €154.4 million was mainly due to a yield shift decrease of 68 bps. In 2022, positive revaluations of the existing portfolio are mainly driven by a 15.3% increase in estimated market rental values, but partly offset by an upward yield shift of 13 bps and the adjustment of the transfer tax rate in the Netherlands from 8.0% to 10.4% from 1 January 2023. The provision for deferred taxes on the Dutch portfolio equity, accrued on the basis of a principle of prudence (non-obtained FBI status, see section 'Taxes'), has a decrease of €6.8 million in 2022 compared to 2021.

The result on the property portfolio is not a cash item and has no impact on the EPRA earnings.

(1) Result on the property portfolio: this is the negative and/or positive change in the fair value of the property portfolio + any loss or gain resulting from the disposal of property, taking into account any deferred taxes.
(2) Calculated as the result on the property portfolio based on the weighted average number of shares.

Changes in the fair value of financial instruments

The positive change in the fair value of financial instruments amounted to €58.4 million or €3.53 per share at the end of 2021 compared to a change of €13.0 million at the end of 2021. The positive impact of €45.4 million arises from the change of the fair value of the concluded interest rate hedges as at the end of December 2022 as a result of rising long-term interest rates during the year 2022.

The changes in the fair value of financial instruments are not a cash item and have no impact on the EPRA earnings.

Net results (IFRS)

The net result consists of the EPRA earnings, the result on the property portfolio and the changes in fair value of financial instruments partly offset by a provision for deferred tax on the Dutch portfolio result that was processed based on a principle of caution (not obtaining FBI status, see section 'Taxes').

The net result for 2022 (€204.5 million) was down by €23.4 million or 10% compared to last year as a result of the drop in the booked result of the property portfolio, partly offset by the increase in changes in the fair value of financial instruments in 2022 compared to 2021.

The net result (IFRS) per share[1] amounted to €12.36 compared to €14.12 per share in 2021.

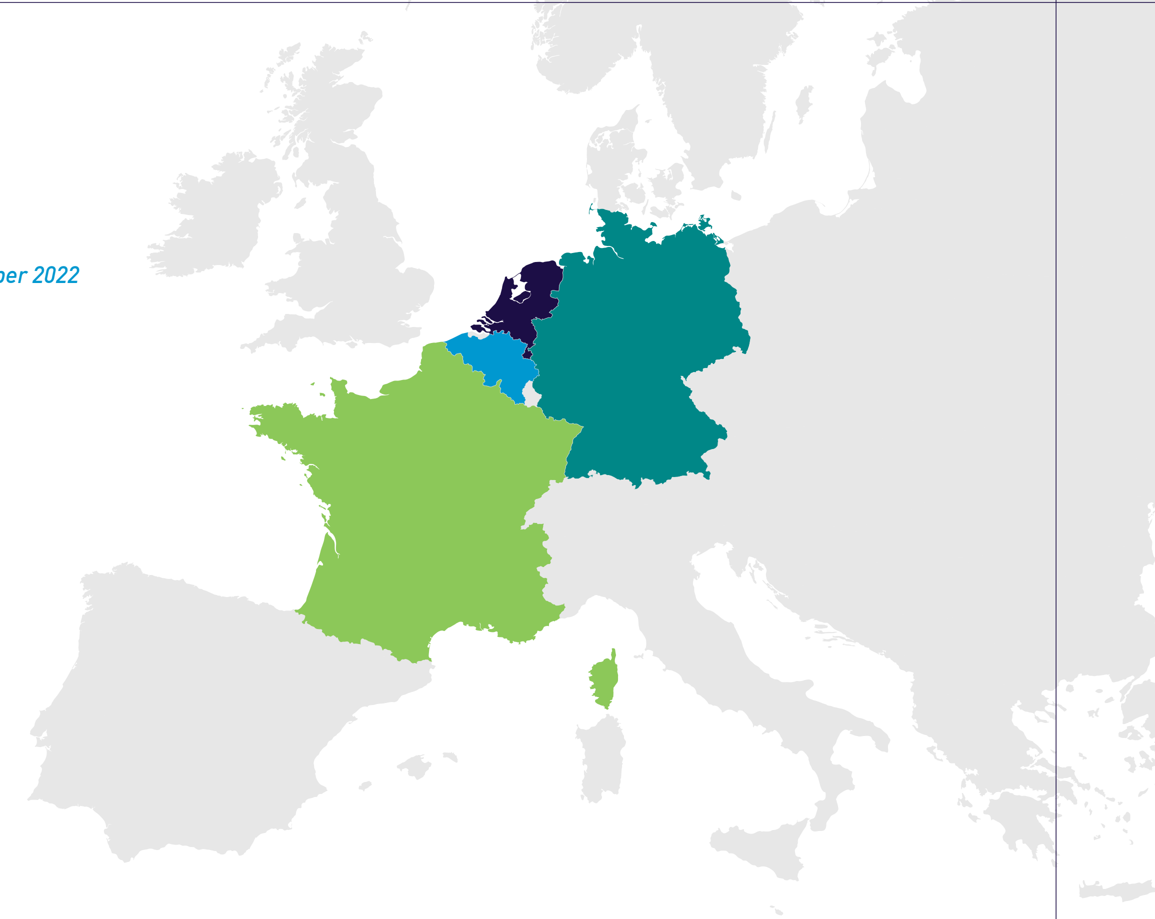
Condensed consolidated balance sheet as at 31 December 2022

As at 31/12/2022, the total assets (€2,327.7 million) consist mainly of investment property (87% of the total), solar panels (2% of the total), and developments (4% of the total). The remaining amount of the assets (7% of the total) consists of the other tangible and financial fixed assets including assets for own use and current assets containing the cash investments, trade and tax receivables.

	Condensed consolidated balance sheet (EUR)	31/12/2022	31/12/2021
I.	**NON-CURRENT ASSETS**	**2,215,999,976**	**1,703,679,775**
III.	**CURRENT ASSETS**	**111,711,946**	**49,237,090**
	TOTAL ASSETS	2,327,711,922	1,752,916,865
	SHAREHOLDERS' EQUITY	**1,301,220,020**	**1,016,279,778**
I.	Shareholders' equity attributable to shareholders of the parent company	1,297,636,079	1,015,097,127
III.	Minority interests	3,583,941	1,182,651
	LIABILITIES	**1,026,491,902**	**736,637,087**
I.	Non-current liabilities	909,109,354	597,218,066
III.	Current liabilities	117,382,548	139,419,021
	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	2,327,711,922	1,752,916,865

(1) Calculated on the basis of the weighted average number of shares.

Value and composition of the property portfolio as at 31 December 2022



	Number of sites	m²	Fair value	Occupancy rate	% of portfolio
France	18	213,000	€ 251 Mio	99.4%	11.6%
Belgium	38	827,000	€ 995 Mio	100%	44.0%
The Netherlands	34	814,000	€ 890 Mio	98.8%	42.6%
Germany	2	36,000	€ 36 Mio	100%	1.8%
TOTAL END 2022	92	1,890,000	€ 2.171 Mio	99.4%	100%

- The total area of the property portfolio amounts to 1,890,029 m², spread across 92 sites composed of 38 sites in Belgium, 18 in France, 34 in the Netherlands and 2 in Germany.
- The occupancy rate amounted to 99.4% as at 31/12/2022 compared to 99.7% at the end of December 2021. The limited vacancy is located in Le Mesnil-Amelot (FR) previously let to Mondial Air Fret and in Aalsmeer (NL) previously let to Scotch & Soda.
- Montea's total property portfolio amounts to €2,171.0 million, consisting of the valuation of the property portfolio-buildings (€2,019.5 million), the fair value of ongoing developments (€102.3 million) and the fair value of solar panels (€49.2 million).
- The yield on the total investment properties is 4.98% based on a fully let portfolio, compared to 5.07% as at 31/12/2021. Taking into account the current vacancy rate, the gross yield is 4.96%, compared to 4.98% on 31/12/2021.

		Total 31/12/2022	Belgium	France	The Netherlands	Germany	Total 31/12/2021
Property portfolio — Buildings[1]							
Number of sites		92	38	18	34	2	79
Total area - property portfolio	m^2	1,890,029	826,885	213,454	813,726	35,965	1,545,165
Annual contractual rents	K€	100,136	-	-	-	-	77,133
Gross yield	%	4.96	-	-	-	-	4.98
Current yield on 100% occupancy	%	4.98	-	-	-	-	5.07
Un-let property area	m^2	11,110	0	1,250	9,860	0	4,135
Rental value of un-let property parts[2]	K€	831	0	118	714	0	279
Occupancy rate	%	99.4	100.0	99.4	98.8	100.0	99.7
Investment value	K€	2,151,050	908,251	252,008	952,863	37,928	1,635,073
Fair value	**K€**	**2,019,489**	**887,948**	**235,446**	**860,585**	**35,511**	**1,548,305**
Property portfolio — Solar panels[3]							
Fair value	**K€**	**49,197**	**31,585**	**2,605**	**15,007**	**0**	**34,983**
Property portfolio — Developments							
Fair value	**K€**	**102,338**	**75,420**	**12,703**	**14,215**	**0**	**114,834**
Property portfolio — Total							
Fair value	**K€**	**2,171,024**	**994,953**	**250,754**	**889,807**	**35,511**	**1,698,123**

(1) Including buildings held for sale,
(2) Area of leased land is included at 20% of the total area; indeed, the rental value of a land is about 20% of the rental value of a logistics property, Excluding the estimated rental value of projects under construction and/or renovation,
(3) The fair value of the investment in solar panels is included in item "D" of fixed assets in the balance sheet,

- The contractual annual rental income (excluding rental guarantees) amounted to €100.1 million, up by 30% compared to 31/12/2021, mainly due to the growth of the property portfolio.
- The fair value of the ongoing developments amounted to €102.3 million and consists of:
  - the ongoing project development and the purchased site in Tongeren (BE) – cf. section 4.1.2.2
  - the ongoing project development in Vilvoorde (BE) – cf. section 4.1.2.2
  - the land located in Lembeek (BE) – cf. section 4.1.2.1
  - the land located in Lummen (BE)
  - the phase 2 land in Waddinxveen (NL)
  - the land located in Senlis (FR)
  - the land located in Saint-Priest (FR) – cf. section 4.1.2.1
  - solar panels under construction (NL + FR) – cf. section 4.2.4.1
- The fair value of the solar panels of €49.2 million concerns 46 solar panel projects spread across Belgium, France and the Netherlands.
- Montea has a total land bank of 2,401,318 m² that will lead to a future development potential of ca. 1,200,000 m².

Acquired landbank	Under control	Total landbank
1,688,152 m^2	713,166 m^2	2,401,318 m^2
73% income generating → 5.6% yield on cost € 315.3 mio market value € 186.8 market value / m^2		

Approximately 1.7 million m² (or 70%) of this land bank has been purchased and is valued in the real estate portfolio for a total of €308.7 million. Moreover, 73% of this land reserve yields an immediate return of 5.6% on average.

In addition, Montea has about 0.7 million m² (or 30% of the total land bank) under control by means of contracted partnership agreements.

		Total 31/12/2022	Total%	Total 31/12/2021	Total%
Landbank					
Total surface	**m^2**	**2,401,318**	**100%**	**1,991,351**	**100%**
Acquierd, valued in property portfolio	m^2	1,688,152	70%	1,429,246	72%
of which income generating	%	73%	-	68%	-
Under control, not valued in property portfolio	m^2	713,166	30%	562,105	28%
Fair value	**K€**	**315,336**	**100%**	**259,424**	**100%**
Acquired, valued in property portfolio	K€	315,336	100%	259,424	100%
of which income generating	%	73%	-	68%	-
Under control, not valued in property portfolio	K€	0	0%	0	0%

Composition of equity and liabilities as at 31 December 2022

The total liabilities consist of shareholders' equity of €1,301.2 million and a total debt of €1,026.5 million.

The equity attributable to shareholders of the parent company (IFRS) amounted to €1,297.6 million as at 31 December 2022 compared to €1,015.1 million as at the end of 2021. The portion of minority interests (IFRS) amounted to €3.6 million as at 31 December 2022 compared to €1.2 million as at the end of 2021. This non-controlling interest arises from the set-up of the cooperation arrangement with the Cordeel Group.

The total liabilities (€1,026.5 million) consist of:

Financial liabilities

- €216.7 million in lines of credit taken out with 7 financial institutions. Montea has €489.5 million of contracted credit lines as at 31 December 2022 and an undrawn capacity of €272.8 million;
- €665.0 million of contracted bond loans, which were fully drawn down, including €235.0 million of Green Bonds that Montea concluded in 2021 (US Private Placement) and €380 million of Green unsecured notes concluded in 2022 (US Private Placement);
- More than 50% of the outstanding financing (or €615.0 million) has now been issued under the Green Finance Framework.

Other liabilities

- a current lease liability of €51.8 million, mainly formed by the recognition of a lease liability relating to the concession land (IFRS 16), and for the financing of the solar panels on the Aalst site;
- €36.2 million in deferred taxes; and other debts and accruals10 for an amount of €56.8 million.

The societal megatrends are strongly embedded in our objectives and will continue to be our signposts.

— Hylcke Okkinga
Country director The Netherlands Montea

5.2 Capital resources

5.2.1 General financing policy

Montea's total capital amounts to €367,352,910.39 on 31 December 2022, represented by 18,025,220 shares listed on both Euronext Brussels and Euronext Paris. All issued shares are fully paid up and without nominal value. The shares are registered and dematerialised and each share entitles the holder to one vote. Montea held 82,854 treasury shares on 31 December 2022.

The Sole Director is authorised to increase the capital in on one or more instalments on the dates and in accordance with the arrangements he shall determine, in accordance with applicable legislation, with restrictions as to the nature of the capital increases and never exceeding the legal maximum amount of €367,352,910.39) three hundred and sixty-seven million three hundred and fifty-two thousand nine hundred and ten euro and thirty-nine euro cents) (see section 11.1.6).

The financing cost is the largest cost item in Montea's result. Montea accordingly manages the cost of its financing proactively. First and foremost, the Company wants to guarantee that its various financing resources are available over the longest possible period. Furthermore, the Company strives for variable rate financing that is for the most part covered by hedging instruments.

This policy is based on the fact that this provides protection against disruptive fluctuations in economic cycles.

In times of high economic activity, the financing cost may increase. This is in principle offset by higher operating income (such as higher occupancy and higher inflation). This compensation is rather limited and therefore a hedging policy has been adopted for the largest part of the debt.

Key financial figures 2022 vs. 2021

Debt ratio

42.1% — 2022
38.6% — 2021

Net debt/EBITDA (adjusted)

8.4 — 2022
7.3 — 2021

Hedge ratio

96.0% — 2022
92.7% — 2021

Weighted average maturity of hedging instruments

7.6 years — 2022
6.6 years — 2022

Weighted average maturity of financial debt

6.9 years — 2022
5.7 years — 2022

Average cost of debt

1.9% — 2022
1.8% — 2021

Interest coverage ratio

5.1 — 2022
6.7 — 2021

5.2.2 Cash flows

The cash flow statement as at 31 December 2022 is explained below:

Consolidated cash flow statement (EUR x 1,000)	31/12/2022 12 months	31/12/2021 12 months
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	**15,172**	**5,057**
NET CASH FLOW FROM OPERATING ACTIVITIES (A)+(B)+(C) = (A1)	**84,458**	**73,518**
Net result	204,458	227,848
Net interest costs	17,931	11,487
Financial income	-171	-21
Taxes	19,904	26,678
Gain (-)/loss (+) on disposal of investment properties	-19	-453
Cash flow from operating activities before adjustments of non-cash items and working capital (A)	**242,103**	**265,539**
Changes in fair value of hedging instruments	-58,408	-12,967
Changes in fair value of investment properties	-92,864	-175,392
Equity-settled share-based payment expense	-7,751	58
Depreciation and amortization (addition (+)/reversal (-)) on fixed assets	432	346
Impairment losses on receivables, inventories and other assets	-160	426
Adjustments for non-cash items (B)	**-158,751**	**-187,529**
Decrease (+)/increase (-) in trade and other receivables	-9,879	-6,961
Increase (+)/decrease (-) in trade and other payables	10,985	2,469
Increase (+)/decrease (-) in working capital requirement (C)	**1,106**	**-4,492**
NET CASH FLOW FROM INVESTMENT ACTIVITIES (B1)	**-362,371**	**-150,995**
Acquisitions	**-362,424**	**-166,389**
Payments regarding acquisitions of real estate investments	-291,228	-82,243
Payments regarding acquisitions of shares in real estate companies	-70,598	-81,654
Purchase of other tangible and intangible fixed assets	-598	-2,501
Disposals	**53**	**15,395**
Proceeds from sale of investment properties	53	15,395
NET FINANCIAL CASH FLOW (C1)	**330,507**	**87,591**
Net effect of withdrawal and repayment of loans	**280,062**	**127,626**
Capital increase	**120,211**	**16,232**
Dividends paid	**-49,109**	**-45,308**
Interests paid	**-20,657**	**-10,960**
KAS EN KASEQUIVALENTEN OP HET EINDE VAN HET BOEKJAAR (A1+B1+C1)	**67,766**	**15,172**

5.2.3 Financing structure

The capitalization and indebtedness figures were taken from the financial accounts prepared in accordance with IFRS, as approved by the EU, for the period ending on 31 December 2022.

This information is best read together with the financial statements and related notes.

5.2.3.1 Capitalization as at 31 December 20222

The consolidated equity amounted to €1,301,220,020.05 as at 31 December 2022.

CHANGES IN SHAREHOLDERS' EQUITY (EUR x 1,000)	Share capital	Share premiums	Reserves	Results	Minority interest	Share-holders' equity
ON 31/12/2020	**319,812**	**222,274**	**118,215**	**155,009**	**0**	**815,311**
Elements directly recognized as equity	**3,965**	**12,419**	**863**	**0**	**1,183**	**18,429**
Capital increase	3,814	12,419	0	0	0	16,232
Impact on fair value of estimated transfer rights and costs resulting from hypothetical disposal of investment properties	0	0	0	0	0	0
Positive change in value of solar panels (IAS 16)	0	0	227	0	0	227
Own shares held for employee option plan	151	0	171	0	0	323
Minority interest	0	0	0	0	1,183	1,183
Corrections	0	0	465	0	161	465
Dividends	0	0	-45,308	0	0	-45,308
Result carried forward	0	0	155,009	-155,009	0	0
Result for the financial year	0	0	0	227,848	0	227,848
ON 31/12/2021	323,777	234,693	228,779	227,848	1,183	1,016,280

CHANGES IN SHAREHOLDERS' EQUITY (EUR x 1,000)	Share capital	Share premiums	Reserves	Results	Minority interest	Share-holders' equity
ON 31/12/2021	**323,777**	**234,693**	**228,779**	**227,848**	**1,183**	**1,016,280**
Elements directly recognized as equity	**29,467**	**84,584**	**13,092**	**0**	**2,448**	**129,591**
Capital increase	35,627	84,584	0	0	0	120,211
Impact on fair value of estimated transfer rights and costs resulting from hypothetical disposal of investment properties	0	0	0	0	0	0
Positive change in value of solar panels (IAS 16)	0	0	14,928	0	0	14,928
Own shares held for employee option plan	-6,160	0	-1,695	0	0	-7,856
Minority interest	0	0	0	0	2,287	2,287
Corrections	0	0	-141	0	161	20
Dividends	0	0	-49,109	0	0	-49,109
Result carried forward	0	0	227,848	-227,848	0	0
Result for the financial year	0	0	46	204,458	-46	204,458
ON 31/12/2022	353,244	319,277	420,656	204,458	3,584	1,301,220

5.2.3.2 Indebtedness as at 31 December 2022

The Company takes due care to enter into the necessary financing in a timely manner. The balance between cost of financing, term and diversification of financing sources is always paramount.

Montea's financial liabilities as at 31 December 2022 amounted to €932.9 million (€873.0 million long-term and €59.9 million short-term) and consisted of:

Financial debts (EUR x 1,000)	31/12/2022	31/12/2021
Non-current financial debts	**872,967**	**556,509**
Credit institutions	159,333	310,833
Bonds	662,450	198,758
Securities and bank guarantees deposited	1,938	1,588
Financial leasing	595	718
Other[1]	48,652	44,612
Current financial debts	**59,919**	**92,940**
Credit institutions	57,333	90,833
Bonds	0	0
Financial leasing	110	104
Other[1]	2,475	2,003
Total	**932,886**	**649,449**

The Company has total drawn credit lines of €216.7 million. Montea's confirmed bilateral credit lines total €489.5 million with 7 financial institutions as at 31 December 2022. An undrawn capacity of €272.8 million remains, which means that 44.3% of credit lines have been drawn. The weighted average term of these credit lines was 3.7 years as at 31 December 2022.

Furthermore, Montea also has a total amount of € 665 million in bond loans, which have been fully drawn. They consist mainly of € 235 million in Green Bonds that Montea concluded in 2021 (US Private Placement) and €380 million in Green unsecured notes concluded in 2022 (US Private Placement). As at 31 December 2022, the weighted average term of the current bond loans was still 9.3 years.

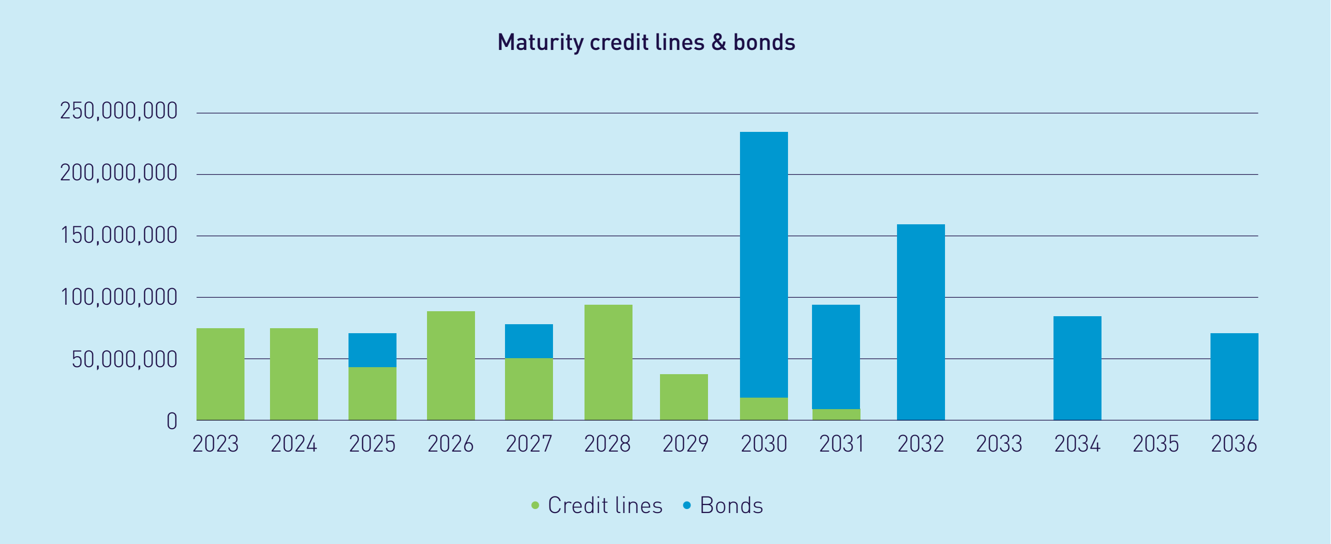
Moreover, there is a total amount of leasing debts of €51.8 million, divided into long and short terms, consisting mainly of the recognition of a leasing obligation for the concession land (following IFRS 16) and for the financing of the solar panels at the Aalst site.

(1) The title "Other" mainly includes the lease obligations, related to the concession land, in accordance with IFRS16.

The weighted average term of the financial debts (credit lines, bond loans and leasing obligations) was 6.9 years at 31 December 2022, i.e. an increase compared to 31 December 2021 (5.7 years), following the contracted US private placement in the course of 2022.

The average cost of debt was 1.9% over 2022 (compared to 1.8% in the same period last year). The Interest Coverage Ratio equalled 5.1x at the end of December 2022 compared to 6.7x at the end of 2021. Montea therefore more than meets the covenants in terms of interest coverage ratio it has concluded with its financial institutions.

The table below shows the year in which the credit lines and bond loans expired as at 31 December 2022. The Company always ensures that not all debts mature in the same year.



Notwithstanding the foregoing, the Company has not granted any mortgage, pledge on commercial property or power of attorney to establish either a mortgage mandate or a pledge mandate on commercial property.

Debt ratio

The Company's Debt Ratio should not exceed 65% according to the RREC Royal Decree. The Company has entered into covenants with the financial institutions whereby the consolidated Debt Ratio may not exceed 60%. The terms of the Bonds stipulated a maximum consolidated Debt Ratio of 65%.

With a Debt Ratio[1] (based on an EPRA Net Initial Yield of 4.8%) of 42.1% at the end of 2022 (compared to 39.5% at the end of 2021) and a Net Debt/EBITDA (adjusted) of 8.4 at year-end 2022, Montea's consolidated balance sheet attests to strong solvency.

Hedging of interest rate risk

As already mentioned, Montea pursues a financing policy whereby it hedges a large part of its financial debt. The hedge ratio, which represents the percentage of financial debt with a fixed interest rate or with a variable interest rate that is then covered by a hedging instrument, was 96% at the end of 2022.

As at 31 December 2022, the Company had concluded a total of €612.5 million of hedging contracts of the IRS and interest rate cap type.

The weighted average maturity of interest rate hedging instruments is 7.6 years at the end of December 2022. For a description of Montea's hedging instruments, see section 9 (Note 17: Changes in fair value of financial assets and liabilities) of this report.

Covenants and securities

The contractual provisions of the credit facilities stipulate that Montea remains qualified as a regulated real estate company (RREC) in Belgium, including a maximum debt ratio of 60% and a minimum Interest Coverage Ratio. The contractual stipulations of the bond loans also provide for a maximum debt ratio and a minimum Interest Coverage Ratio.

Montea confirms that all these conditions were met throughout financial year 2022. The Interest Coverage Ratio was 5.1x as at 31 December 2022, compared to 6.7x at the end of the previous year.

(1) Calculated in accordance with the RREC Royal Decree of 13 July 2014.

5.2.4 Further strengthening of the financing structure in 2022

Since the beginning of 2021, Montea has an identified[1] investment volume of over €589 million of which €534 million already realized and €55 million in execution. Prior to this, an appropriate financing strategy was drawn up to meet these investment commitments and to perpetuate the company's solid capital structure.

In the course of 2022, the company strengthened its financial resources as follows:

5.2.4.1 Result optional dividend – 55% of the shareholders support Montea's growth by opting for shares[2]

To support its further growth, Montea once again offered its shareholders an optional dividend. A total of 55% of coupons no. 24 (representing the dividend for the 2021 financial year) were exchanged for new shares. 207,400 new shares were issued for a total issue amount of €18,915,502.20 (€4,226,812.00 in capital and €14,688,690.20 in share premium) under the authorized capital. The newly created shares were admitted to trading on Euronext Brussels and Euronext Paris as of 14 June 2022. Following this transaction, the Montea share capital is represented by 16,422,856 shares.

5.2.4.2 US Private Placement: issue of € 380 million Green bonds

In the second quarter of 2022, Montea successfully completed a new US Private Placement by issuing €380 million in Green unsecured notes. The bonds are split into four tranches:

€ 175 million	8-years maturity (closing 17/08/2022 - maturity 17/08/2030)	coupon 3.18%
€ 20 million	8-years maturity (closing 02/11/2022 - maturity 02/11/2030)	coupon 3.20%
€ 25 million	8-years maturity (closing 07/12/2022 - maturity 07/12/2030)	coupon 3.26%
€ 160 million	10-years maturity (closing 15/06/2022 - maturity 15/06/2032)	coupon 3.40%

The bonds were placed through a US private placement with seven internationally renowned investors. This issue is the largest financing transaction in Montea's history and ensures liquidity until the end of 2023. The average remaining maturity of the debt increases to 6.9 years.

As a result of this transaction, more than 50% of the outstanding financing has now been issued under the Green Finance Framework. The proceeds will be used exclusively to (re)finance qualifying sustainable assets such as certified buildings, renewable energy, energy-efficiency programs, etc. in accordance with the criteria included in the Framework.

(1) The identified investment volume consists of the amount invested in the course of 2021 and 2022 and of projects in execution.
(2) See press release of 08/06/2022 or www.montea.com for more information.

5.2.4.3 Successful placement of new shares via ABB[1]

In the beginning of November 2022, Montea successfully issued 1,602,364 new shares within its authorized capital at € 64.00 per new share via a private placement with qualified and/or institutional investors through a so-called accelerated book building. This private placement resulted in gross proceeds of €102,551,296.

This transaction has a lowering effect on the debt ratio and supports the healthy balance sheet in times of increased market volatility, a weakening macroeconomic outlook and higher interest rates. In addition, the proceeds strengthen Montea's liquidity position and enable it to respond quickly to investment opportunities, with a focus on sustainable, multimodal and multifunctional logistics real estate located in prime strategic locations.

The new shares were issued with coupon no. 25 and following attached and are entitled to a dividend as of 1 January 2022.

Following the completion of the private placement, Montea's total issued capital amounts to €367,352,910.39 represented by 18,025,220 fully paid-up ordinary shares.

5.2.4.4 Refinancing of exsting credit lines

To date Montea already managed to refinance € 106 million of the contracted credit lines that matured in 2022 and 2023. Following this, the average maturity of the credit lines extended to 6.9 years.

5.2.4.5 Financing of investments

The future investment commitments will be financed with contracted lines of credit that are still available. Taking into account a debt ratio of 42.1%, Montea has sufficient buffer to raise additional debt in the form of credit lines, bond loans and/or through a commercial paper programme.

(1) See press release of 09/11/2022 or www.montea.com for more information.

5.3 Significant events after the balance sheet date

Montea appoints Patrick Abel as Country Director Germany[1]

In 2020, Montea decided to enter the German market after Belgium, France and the Netherlands so as to increase its international presence. To this end, Montea entered into a partnership with the German IMPEC Group GmbH. This collaboration led to the purchase of two development sites at strategic locations in Mannheim and Leverkusen.

Today Montea wishes to strengthen its presence and clout, with the recruitment of Patrick Abel, as Country Director Germany. In line with Montea's growth strategy in the other countries where Montea is active, Patrick will develop his own team around logistics property management with the aim of further growing the portfolio through in-house developments, acquisitions and strategic partnerships.

Patrick Abel has 20 years of experience in the German real estate sector. For the past 5 years, he was a member of the board of directors of Palmira Capital Partners with a clear focus on the Pan-European logistics sector. Patrick studied economics and business administration and earned a postgraduate degree in Real Estate Asset Management. He is well established in the sector and can build on a network of developers, property owners, brokers, lawyers and consultancies. In short, he is the perfect man to shape Montea's strong growth story in Germany as well.

The new Country Director Germany will perform his duties as of January from Frankfurt, where he will build up a local Montea team and help support the Track'24 growth plan.

(1) See press release of 03/01/2023 or www.montea.com for more information.

Montea appoints Xavier Van Reeth as Country Director Belgium[1]

As from April, Xavier Van Reeth will join the Montea team as Country Director Belgium. In this role, he will lead the Belgian team that's responsible for managing existing clients as well as the further growth of the property portfolio in Belgium. As regards managing the existing portfolio, the focus will be on maintaining the strong results through delivering optimal service and a thorough customer care service. With regard to growth, the focus will be on further expanding the portfolio through in-house developments, sale-and-leasebacks and strategic partnerships with both landowners and developers.

With the arrival of Xavier Van Reeth, Montea brings on board more than 15 years of experience in the logistics real estate sector. For the past 10 years, Xavier has worked as Head of Industrial & Logistics at CBRE, which will continue to be a leading real estate partner. Xavier has an excellent reputation as a team player and has a vast experience in servicing logistics players. This makes him a perfect fit with Montea's DNA and reputation.

(1) See press release of 02/03/2023 or www.montea.com for more information.

Halfway through our ambitious growth plan we have already achieved more than half of our target to achieve an investment volume of more than €800 million.

— **Els Vervaecke**
CFO Montea

5.4 Profit forecasts or estimates

5.4.1 Outlook

Result-oriented targets in line with Track'24

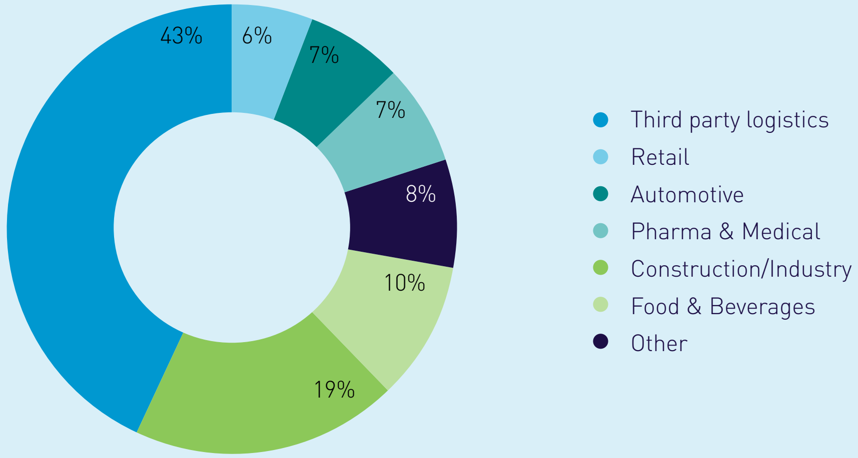
Montea presents its result-oriented targets for 2023:

- Growth of EPRA earnings by 13% to €76.4 million leading to an EPRA result of €4.20 per share
- Growth of dividend per share to €3.38
- Investment volume to be realized of ca. €160 million at an average initial yield of at least 6%, mainly on own land locations

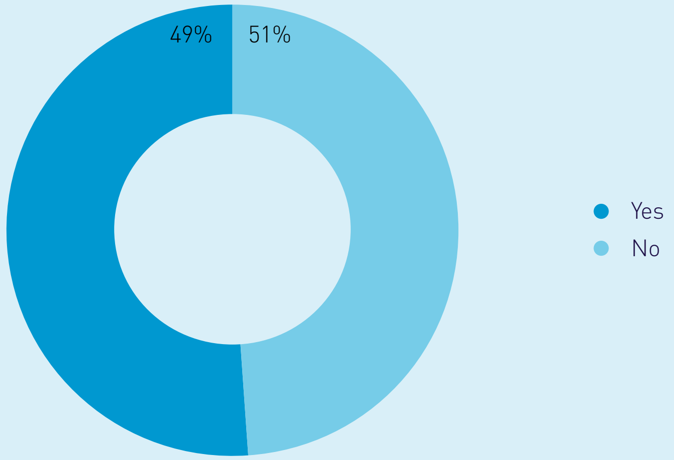
Maintaining strong fundamentals in a volatile macro environment

Montea aims to maintain its strong fundamentals in 2023 as well and will stick to its strategy of subjecting its portfolio to continuous arbitrage. This strategy results in exceptional estate-related performance indicators such as high occupancy rates (consistently above 99% since 2018) and long-term average remaining term of leases until first termination option (7.4 years on 31/12/2022). Logistics real estate is one of the few sectors that is able to pass on a large part of the current inflation to the customers through the automatic indexation of lease agreements. With a weighted average inflation forecast of 6.4% in 2023, Montea expects to be able to pass on almost 5% to customers on average. The effect of passing on indexation in the 2023 Like-for-Like rental income is estimated at 4.7%. Thanks to its focus on the type of customers and their activity (such as health care sector, recycling industry...) as well as on strategic locations with high added value (such as airports, water-bound locations...), Montea succeeds in developing its real estate portfolio in an optimal fashion.

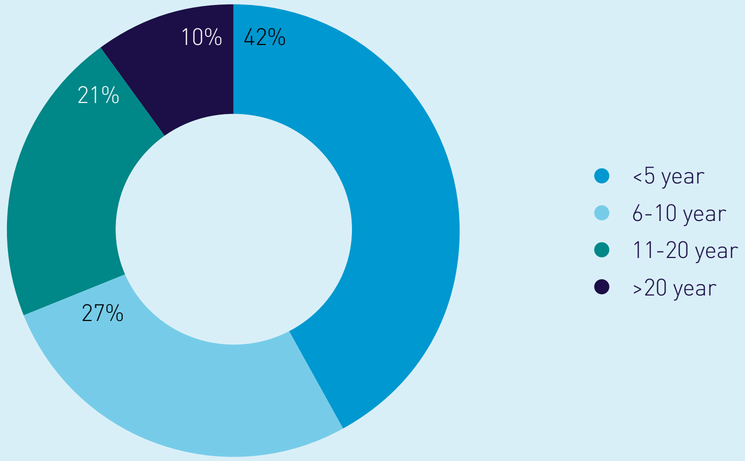
Industry diversification



Multimodality[1]



Age of buildings



(1) Locations that allow intermodal network expansion through good connectivity to road, rail, waterways and/or (air) ports.

Macro-economic situation

The world is currently characterized by extraordinary macro-economic times, heightened geopolitical tensions, high market volatility and a very challenging interest rate environment. With a debt ratio of 42.1% and Net Debt/ EBITDA (adjusted) of 8.4 at year-end 2022, Montea's consolidated balance sheet attests to strong solvency. The average cost of debt in 2023 and 2024 is expected to be 2.3%, notwithstanding the higher interest rates.

Montea is aware of the challenges faced by some customers. However, the COVID-19 crisis showed that Montea has a robust, qualitative and diversified customer portfolio (at country, sector and site level), which is expected to limit the risk of defaults by customers.

In addition, demand for additional storage space remains high. Logistics is gaining in importance due to key trends such as the uncertain global supply chain, building larger strategic inventories and reshoring. Demand is also compounded by the continued growth of the e-commerce sector. Montea tries to respond to these challenges by offering innovative real estate solutions. Furthermore, we are also noticing upward pressure on market rents due to land scarcity in various markets.

Reaffirmation of Track'24

- EPRA earnings per share is to increase to €4.30 in 2024
- Dividend per share is to increase to €3.45 in 2024
- Investment volume of more than €800 million over the period 2021-2024
- Montea aspires to reduce CO2 emissions from its own operations by 50% by the end of 2024 - in line with the 2030 target of CO2 net-zero
- Montea aspires to reduce the CO2 emissions of its buildings by 20% by the end of 2024 - in line with the 2050 target, namely bringing emissions in line with the targets of the Paris Climate Conference (Paris Proof)

5.4.2 Assumptions about prospects for EPRA results

In the outlook we describe the expected EPRA consolidated earnings and the consolidated balance sheet for financial year 2023 based on the figures presented in the annual report as at 31 December 2022, the information available after the balance sheet date, and the calculated forecasts based on the development of property, economic, and financial markets.

These forecasts and estimates should not be interpreted as a certainty as Montea's activities and the market in which it operates are subject to uncertainties and risks, Hence, this forward-looking information does not constitute a commitment on the part of the company and it is possible that expectations may not be achieved.

5.4.3 Assumptions

Montea applies the customary accounting methods to prepare the consolidated accounts as at 31 December 2022 in accordance with IFRS as applied by the European Union and implemented by the RREC Royal Decree.

The assumptions are rather conservative but realistic. In the preparation of the Outlook 2023, a realization of an investment volume of approximately €160 million over 2023 was taken into account to determine investment properties.

5.4.4 Assumptions about factors that Montea can influence directly

Net rental income

The net rental income is estimated on the basis of the current contracts, taking into account the assumption for the indexation (see below) of the leases which is applied for each contract separately taking into account the anniversary date of the lease. For the leases that have a termination option in 2023, estimates of re-letting (extension or renewal) are made on an individual basis.

The investments realised in 2022 have only a limited impact on the 2022 net rental income, but contribute for a full year to net rental income of 2023.

The net rental income also takes into account the announced investments:

i. Investments that will be completed in 2023 (see section 4.1.2.2) contribute to the net rental income, on average, one month after the expected completion date.
ii. Investments in solar panel projects (see section 4.2.4.1) do not contribute to the net rental income with the exception of the Netherlands. The income linked to these investments is included in 'Other rental-related operating income and charges'.
iii. An additional ambition in the amount of €105 million does not contribute to the net rental income for 2023. The majority of Montea's investments are build-to-suit developments that contribute to the net rental income only after a development period. Completion is only expected in 2024. The investments do however contribute to the financial result as they already generate intercalary interests

Other rent-related operating income and charges

This section includes the rental charges borne by the owner as well as the passing on of these rental charges to the tenants. For existing projects and identified investments, these charges and revenues are recognized in accordance with the lease agreement. As no rents are provided for the investments under the additional ambition, no other rental-related operating expenses and revenues were included for these investments.

Furthermore, this section includes revenues from solar panels, which are based on forward curves, given the volatility in energy prices. Solar panel revenues also take into account the estimated excess profit tax. The solar panel investments included in 2023 (see section 4.2.4.1) generate revenues in Belgium and France on average two months after the expected completion date.

The property management fee that Montea charges its customers is also included in this section. Newly concluded contracts in 2023 that are linked to identified investments are taken duly into account here

Real estate costs

These costs include mainly brokerage commissions, internal management fees and taxes and charges relating to unlet buildings. These costs were estimated on the current portfolio for 2023 (depending on the conservative renewal or reletting assumptions, see "Net Rental Income").

Company general overheads

These costs comprise mainly:

- Rent of offices in France, the Netherlands and Germany;
- Marketing costs, financial and commercial communications;
- Estimated fees due to consultants such as real estate experts, lawyers, tax experts, IT costs and the auditor's remuneration;
- The annual subscription tax on regulated real estate companies;
- The fee payable for the listing on Euronext Brussels and Euronext Paris as well as the fee of the FSMA;
- Montea's internal operating costs, i.e. the remuneration of the Sole Director and the costs of the personnel excluding internal management fees; and
- The annual depreciation charge on investments excluding investment properties (furniture, rolling stock and intangible fixed assets).

Overheads are included in the forecasts based on effective estimates by cost category. Marketing and personnel costs are provided on the basis of best approximate estimates. Montea foresees further investments in personnel, not least in the various country teams to gain sufficient clout.

Interest charges

The estimated interest charges are based on the evolution of the average financial debt:

- the real financial outstanding debt of €882.4 million as at 31 December 2022, consisting of €216.7 million of outstanding credit lines, €665.0 million of outstanding bond loans; €0.7 million of financial leasing debts;
- the expected changes in financial debt in 2023; the inclusion of already contracted and new credit lines to finance current and new investments and the repayment of bond loans maturing will be refinanced.

The overall average financing cost for 2023 is calculated in line with the average cost of debt for 2022, taking into account a hedging ratio in accordance with the hedging policy (see section 8.1.1 Evolution of interest rates).

The total financial cost is then reduced by an estimated amount of capitalized interest calculated on current project developments and the ambition included for 2023. The calculated intercalary interest is thereby neutralized in the financial cost account and included in the investment cost of the project on the asset side of the balance sheet until said developments are delivered and thus start generating rental income.

Taxes

This item includes the annual corporate income tax payable. Montea's taxable basis is virtually zero given the fiscal transparency the Company enjoys. Its taxable basis is limited to the so-called 'disallowed expenses' other than depreciation and loss of value on shares, and the received 'abnormal or gratuitous benefits' (RREC (Belgium), SIIC (France), FBI (Netherlands)). The corresponding dividend tax is estimated on the estimated taxable basis of the Montea SA fiscal unit (branch in France). Corporate income tax (rate = 25.8%) is based on an estimate of the taxable basis of Montea Netherlands and its subsidiaries. A corporate income tax rate of 15.825% is provided for Germany. For the other companies, direct subsidiaries of Montea that do not qualify as SIIC (France) or FBI (Netherlands), an estimate is made based on the estimated local results.

5.4.5 Assumptions about factors beyond Montea's direct control

The development of rental income takes into account an indexation level in 2023 based on the International Monetary Fund's economic consensus expectations for that year. Montea limits the potential impact of inflation by including a clause in its leases under the terms of which the current rent is indexed and also by concluding hedging contracts for the majority of its financing with variable interest rates.

Interest rates are determined on the basis of the future interest rate curve (3-month Euribor forward curve), taking into account the (planned) hedging instruments.

The changes in the fair value of the hedging instruments are not a cash item and therefore have no impact on the EPRA earnings. No assumptions were therefore made regarding this item.

The same reasoning applies to changes in the fair value of the property portfolio.

The outlook may moreover be affected by market, operational, financial, regulatory and (geo) political risks.

5.4.6 Forecast of EPRA earnings

Based on the foregoing assumptions and the current outlook for 2023, Montea expects the EPRA earnings to grow by 13% to €76.4 million or €4.20 per share in 2023.

Post-money (EUR X 1,000)	31/12/2023 12 maanden	31/12/2022 12 maanden
Net rental result	106,616	90,889
Property result	115,685	99,913
Total Property charges	-3,531	-2,003
Operating property result	**112,154**	**97,910**
General corporate expenses	-9,025	-6,742
Other operating income and expenses	-90	-148
Operating result before portfolio result	**103,039**	**91,020**
Operating margin[1]	89%	91%
Financial result excl. changes in fair value of the hedging instruments	**-18,590**	**-17,984**
Taxes	-8,018	-5,334
EPRA result[2]	**76,431**	**67,738**
Result on disposal of investment properties	-	19
Result on disposal of other non-financial assets	-	-
Changes in fair value of investment properties	-	92,864
Deferred taxes on portfolio result	-	-14,570
Operating result	**-**	**78,312**
Changes in fair value of financial assets and liabilities	-	58,408
Net result	**76,431**	**204,458**
Number of shares in circulation entitled to the result of the period	18,203,481	17,942,366
Weighted average of number of shares of the period	18,177,597	16,538,273
NET RESULT PER SHARE[3]	4.20	11.40
EPRA RESULT PER SHARE[3]	4.20	3.78
EPRA RESULT PER SHARE[4]	4.20	4.10

(1) Operating margin is obtained by dividing the operating result before portfolio result by the property result.
(2) The EPRA Result is equal to the Net Result excluding the impact of the result on the portfolio (code XVI, code XVII and code XVIII of the income statement) and the impact of the variation on interest rate hedging instruments.
(3) EPRA Result and Net Result per share calculated on the basis of the number of shares in issue entitled to participate in the result of the period.
(4) EPRA Earnings per share calculated on the basis of the weighted average number of shares of the period.

5.4.7 Projected consolidated balance sheet

The following assumptions were made when drawing up the projected consolidated balance sheet:

Montea aims to realise an investment volume of ca. €160 million over 2023.

The projected EPRA earnings, a distribution ratio of 80%, the offer of an optional dividend and the debt ratio at the end of 2022 were taken into account for the performance of debt-to-equity ratio. The projected investments could be financed entirely through borrowed capital, leading to a projected debt ratio of ca. 44% at the end of 2023.

In euro	Q4 2023	Q4 2022
Investment properties	2,331,024,258	2,171,024,258
Hedging instruments	40,366,767	40,366,767
Other assets	116,320,897	116,320,897
TOTAL ASSETS	2,487,711,922	2,327,711,922
Shareholders' equity	**1,333,185,755**	**1,301,220,020**
Liabilities	**1,154,526,167**	**1,026,491,902**
Non-current liabilities	**1,073,826,167**	**909,109,354**
Provisions	-	-
Other non-current financial liabilities	-6,747	-6,747
Deferred taxes - liabilities	40,865,672	36,148,859
Other non-current liabilities	1,032,967,242	872,967,242
Current liabilities	**80,700,000**	**117,382,548**
Provisions	-	-
Other current financial liabilities	-	-
Accrued charges and deferred income	26,713,629	26,713,629
Other current liabilities	53,986,371	90,668,918
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	2,487,711,922	2,327,711,922
DEBT RATIO	44.4%	42.1%

The demand for modern, sustainable and smart logistics property solutions will continue to rise.

— Cedric Montanus
Country Director The Netherlands Montea

5.4.8 Dividend forecast

The dividend policy is determined by Montea's board of directors and proposed to the annual general meeting of shareholders after the end of the financial year. Based on the projected EPRA earnings for 2023, Montea expects a further increase in the dividend per share, in line with the increase in the EPRA earnings per share, which will lead to a gross dividend of €3.38 per share taking into account a pay-out ratio of 80%.

5.4.9 Statement

Montea declares that the profit forecast was drawn up and prepared on a basis that is both (i) comparable with that of the historical financial information, and (ii) in accordance with its accounting policies.

5.4.10 Auditor's report on the outlook for 2023

For the auditor's report, please refer to chapter 10 (Expert reports).

6. Montea on the stock market

6.1 Performance of the Montea share

The Montea share is aimed at Belgian and foreign private or institutional investors attracted by an indirect investment in logistics real estate and obtaining an attractive dividend yield with a moderate risk profile.

The Montea share has been listed on Euronext Brussels (MONT) since October 2006 and on Euronext Paris (MONTP) since December 2006. It is part of compartment C (Mid Caps).

Based on the closing price on 31/12/2022 (€ 66.60), the Montea share was 7.9% below its IFRS NAV.

The board of directors of the Sole Director will propose to the Montea general meeting of shareholders of May 16, 2023 to distribute a gross dividend of €3.30 per share, which corresponds to €2.31 net per share. The withholding tax on dividends from regulated real estate companies is 30% (subject to certain exceptions) (article 269 of the Income Tax Code 1992).

Key figures for the Montea share:

Stock market performance	31/12/2022	31/12/2021
Share price (€)		
At closing	66.60	132.20
Highest	137.00	136.00
Lowest	62.20	86.60
Average	94.14	108.51
Net asset value per share (€)		
IFRS NAV	72.32	62.65
EPRA NTA	71.72	65.00
Premium/discount compared to IFRS NAV (%)	**-7.9%**	**111.0%**
Dividend return[1] (%)	**5.0%**	**2.3%**
Dividend (€)		
Gross dividend per share	3.30	3.03
Net dividend per share	2.31	2.12
Volume (number of securities)		
Average daily volume	17,583	13,988
Volume of the period	4,518,768	3,608,990
Number of shares (at the end of the period)	**18,025,220**	**16,215,456**
Market capitalisation (K €)		
Market capitalisation at closing	1,200,480	2,143,683
Ratios (%)		
"Velocity"[2]	**25%**	**22%**

1 Gross dividend divided by average stock price.
2 Volume of period divided by number of shares.

6.2 Capital and shareholder structure

6.2.1 Capital

Montea's consolidated capital on December 31, 2022 amounts to €367,352,910.39 including the cost of the capital increase and variations in the value of own shares.

Share capital and share premiums (EUR x 1.000)	31/12/2022	Optional dividend	31/12/2021	Optional dividend	31/12/2020
Capital	**367,353**	36,883	**330,470**	3,908	**326,562**
Costs capital increase	**-7,306**	-1,256	**-6,050**	-94	**-5,956**
Capital shares options staff	**-6,803**	-6,160	**-643**	151	**-794**
Subscription premium	**319,277**	84,584	**234,693**	12,419	**222,274**
Number of shares	**18,025,220**	1,809,764	**16,215,456**	191,762	**16,023,694**

The capital is represented by 18,025,220 fully paid-up ordinary shares without nominal value. There are no preference shares. Each of these shares confers one voting right at the general meeting (with the exception of the Company's own shares of which the voting right is suspended) and these shares therefore represent the denominator for the purposes of notifications in the event that the threshold set forth in the articles of association or the legal thresholds under the Transparency regulations are reached, exceeded or fallen below. The capital may be increased or reduced in accordance with the legal provisions and the articles of association. The Sole Director also has the authority to increase the capital within the limits of the authorisation granted in respect of the authorised capital (for more details on this, see section 11.1.6 of this annual financial report and article 6.3 of Montea's articles of association).

6.2.2 Shareholder structure

Montea's shareholder structure, based on the information in the transparency notifications received, is as follows:

Shareholders	Number of shares as at 31/12/2022	%	Number of shares as at 31/12/2021	%
De Pauw Family: Dirk, Marie, Bernadette, Dominika, Beatrijs, de onverdeeldheid De Pauw, Montea Management NV	2,053,020	11.39%	2,053,020	12.66%
Belfius Insurance Belgium - Galileelaan 5, 1210 Brussels	433,516	2.41%	1,017,346	6.27%
Federale Verzekeringen - Rue de l'Etuve 12, 1000 Brussels	788,215	4.37%	788,215	4.86%
Patronale Life – Bischoffsheimlaan 33, 1000 Brussels	964,785	5.35%	964,785	5.95%
Ethias NV, Rue des Croisiers 24, 4000 Luik	607,130	3.37%	607,130	3.74%
BlackRock Group	660,939	3.67%	673,663	3.97%
Public (free float)	12,517,615	69.45%	10,141,297	62.54%
Total	18,025,220	100.00%	16,215,456	100.00%

The transparency notifications as well as the control chains are available on the Montea website.

On the date of publication of this annual report, the Company has not received any transparency notice in relation to a shareholder position after December 31, 2022.

The main shareholders do not have divergent voting rights. There are no known arrangements of which the entry into force at a later date may result in a change of control over the issuer.

De Pauw Family

The De Pauw family consists of:

- Dirk De Pauw, Marie De Pauw, Bernadette De Pauw, Dominika De Pauw and Beatrijs De Pauw and their respective children;
- the De Pauw indivision;
- Montea Management NV , which is controlled by the five aforementioned De Pauw siblings.

Based on the information in the transparency notifications received, they held 11.39% of the voting rights of Montea on December 31, 2022. The De Pauw family acts through mutual consultation. This can be derived from the notifications to the FSMA. This information is also available on the website of Montea.

6.3 Transparency notification

Any person who directly or indirectly acquires voting securities of the Company, must declare to the FSMA, as well as to the Company, the number of securities that he/she owns in case the voting rights pertaining to the voting rights securities that he/she holds actively or passively exceed the statutory threshold of 3% of the total voting rights pertaining to the securities of the Company. The same notification is also required in case a transfer, directly or indirectly, of voting rights securities results in the voting rights falling below this 3% threshold. The provisions of articles 6 to 17 of the Act of May 2, 2007 apply to the aforementioned quota.

Pursuant to article 6 of the Act of May 2, 2007, the same notification requirement applies in case the legal thresholds of 5%, 10%, 15%, etc. are exceeded or fallen below, actively or passively, each time per tranche of 5%-points.

All the transparency notifications received by Montea are available on the website.

6.4 Shareholder's agenda

11/05/2023	Interim statement – results at 31/03/2023 (before market opening)
11/05/2023	Analysts' meeting regarding the results at 31/03/2023 (11:00 a.m.)
16/05/2023	General shareholders' meeting (10:00 a.m.)
17/08/2023	Half-yearly financial report – results at 30/06/2023 (after market hours)
18/08/2023	Analysts' meeting regarding the half-yearly financial report (11:00 a.m.)
27/10/2023	Interim statement – results at 30/09/2023 (before market opening)
27/10/2023	Analysts' meeting regarding the results at 30/09/2023 (11:00 a.m.)

Montea offers more than ordinary warehouses and wants to offer flexible and innovative real estate solutions to its tenants.

7. Corporate Governance Declaration

This corporate governance statement describes the most important rules that Montea has adopted in application of the legislation and recommendations on corporate governance and the way it applied these during the financial year 2022. The applicable legislation includes not only the Code of Companies and Associations, but also the RREC Act and the RREC Royal Decree.

Montea applies the Belgian Corporate Governance Code 2020 as reference code since January 1, 2020 (hereinafter Code 2020). In case Montea deviates from the Code 2020, this is explained in the below corporate governance statement in accordance with article 3:6, §2 of the Code of Companies and Associations, thereby taking into account the size of the company and the nature of its activities.

This statement of corporate governance is part of the annual report in accordance with article 3:6, §2 of the Code of Companies and Associations.

Montea is incorporated as a public limited liability company (naamloze vennootschap/société anonyme) and only has one statutory appointed director, Montea Management NV, which in turn is incorporated as a public limited liability company having a monistic board structure.

7.1 Corporate governance statement

7.1.1 Compliance with Code 2020 and Corporate Governance Charter

In 2022, the Company and its Sole Director complied with the recommendations of the Code 2020 and the legal provisions on corporate governance by applying these mutatis mutandis to the organisation of the board of directors of the Sole Director. As governing body of the Company's Sole Director, it is in fact the board of directors of the Sole Director that decides, as a board, on Montea's values and strategy, its willingness to take risks and its main policies.

The structure of Montea and its Sole Director is thus transparent with regard to corporate governance. In the Corporate Governance Charter as last amended on October 28, 2021 (see https://montea.com/investor-relations/eng/corporate-documents) and in this corporate governance statement, the term "board of directors" thus refers to the board of directors of the Sole Director.

The Company complies with the provisions of the Code 2020, with the exception of the following provisions:

- The remuneration of the non-executive directors is not paid partly in the form of shares in the Company, which constitutes a deviation from recommendation 7.6 of the Code 2020. The aim of this recommendation is to align the interests of the non-executive directors with the long-term interests of the shareholders. As a RREC, Montea aims for a robust profit and dividend per share, in line with the perspective of a long-term shareholder. This strategy is clearly reflected in the growth plan (Track'24) and the ESG strategy, as approved by the board of directors. Therefore, there is no immediate need to pay these non-executive directors, nor the independent directors, partly in shares. This is reviewed on a regular basis.
- The Company has not set a minimum threshold in terms of shares to be held by members of executive management as recommended by recommendation 7.8 of the Code 2020. Montea is of the opinion that this is not required as there is both a share option plan and a share purchase plan in favour of certain members of the executive management (see section 7.8 of this annual report) and these persons are thus incentivised to take into account the perspective of a long-term shareholder.
- The contracts of the executive management do not provide for any claw-back right regarding variable remuneration awarded on the basis of incorrect financial data, which constitutes a deviation from recommendation 7.12 of the Code 2020. This recommendation will be taken into account when concluding any future contracts with the executive management. Montea does not, however, wish to amend the existing contracts for this specific point.
- Contrary to recommendation 8.7 of the Code 2020, the Company has not entered into a relationship agreement with one of its major shareholders. As at the date of this annual report, Montea's largest shareholder, the De Pauw family, has two representatives on the board of directors, meaning that it is closely involved in Montea's policy. The Company is of opinion that concluding such a relationship agreement is therefore not required at present. This position is re-evaluated annually.

7.2 Description of the internal control and risk management systems

7.2.1 General

The board of directors is responsible for assessing the risks that are characteristic of the Company and the effectiveness of the internal audit.

In turn, the Company's executive management is responsible for putting in place a system for monitoring risk management and the effectiveness of internal audit.

Montea organises the way the Company's internal audit and risks are managed by:

- defining its audit environment (the general legal, financial and operational context);
- identifying and ranking the main risks to which the Company is exposed[1];
- analysing the extent to which the Company manages these risks.

As part of this process, special attention is also paid to the reliability of the reporting and financial communication process.

7.2.2 Audit environment

The main characteristics of the audit environment consist of:

- **The risk culture:** Montea acts as a good custodian with a view to generate stable and recurrent income. Montea adopts a cautious approach regarding its investment policy and will avoid any speculative projects.
- **A clear description of the Company's purpose:** Montea is a leading regulated real estate company in logistic property, listed on the stock exchange. Montea has set itself the aim of building up a diversified property portfolio on the basis of both own developments and standing investments, that generate stable and recurrent income. In doing so, Montea takes into account the evolutions of the logistics world in Belgium, The Netherlands, Germany and France.
- **A definition of the role of the various management bodies:** Montea has a board of directors, an audit committee, a remuneration and nomination committee and three investment committees. The audit committee has the specific task of monitoring the company's internal audit and risk management. Montea is assisted by external advisors (EY, Deloitte Legal, KPMG, Animo Law, Primexis, ABAB, Meijburg & Co and Bartsch) for accounting and tax matters. These parties only provide support (for the avoidance of doubt, this is not a delegation of management tasks).
- **Company organization:** The Company is organised into various departments through a clear organisation chart. Each person within the organisation is aware of what powers and responsibilities have been allocated to them.
- **Measures to ensure sufficient capabilities:** The Company ensures to have sufficient competence from:
    - the directors: in view of their experience the directors have the skills they need to carry out their mandate, including in the area of accountancy and general financial matters, legal matters and general knowledge of the logistics (real estate) market;
    - the executive management and staff: filling in the various functions is assured by a recruitment process based on defined profiles, an assessment policy and appropriate remuneration based on achievable and measurable objectives, and appropriate training for all positions within the Company.

7.2.3 Risk analysis and audit activities

The person in charge with the Company's risk management draws up a list of all risks that are yearly evaluated by the audit committee. The risks that are sufficiently specific and material to the Company are discussed in the chapter "Risk factors" of this annual report.

The Company's specific audit processes can be subdivided into the following categories:

- **Audits on legal and contractual basis:** Every transaction in respect of the purchase and sale of property can be traced in terms of origin, the parties involved, the nature of the transaction and the time it was carried out, by using notarial deeds or other transaction documents such as a share purchase agreement.
- **Audits based on internal procedures:**
    - signing of the purchase, sale and lease contracts by the permanent representative of the Sole Director;
    - approval of the incoming invoices by at least two persons (the responsible and the manager of the respective department);
    - approval of each outgoing payment by at least two persons.
- **Audit based on financial matters:**
    - wherever needed, the Company is assisted by an external adviser on accounting matters and tax practices;
    - an overview of any discrepancies of actual figures from the budget and the actual figures of the previous year is systematically drawn up;
    - ad hoc samples are carried out according to materiality.

(1) For the description of the sufficiently material and specific risks, see section 8 "Risk factors".

- **Audit activities of the main financial, market and legal risks such as:**
  - consulting external databases regarding the creditworthiness of the customers;
  - monitoring on a proactive basis the debt ratio, interest rate risk and liquidity risk;
  - continuously monitoring the diversification of the tenant base and the vacancy rate;
  - monitoring on a regular basis the valuation of the buildings, together with real estate experts;
  - closely monitoring developments in the legal and regulatory (tax) framework that applies to Montea and its subsidiaries, together with external advisors.

7.2.4 Financial information and communication

The general communication within the Company is adapted to its size. This is based mainly on general personnel communication, internal work meetings and general e-mail traffic.

The preparation and communication of financial information is organised on a quarterly, half-yearly and annual basis. Retrospective planning is carried out annually. The internal accounting team (local employees in Belgium, France and the Netherlands, assistance from external auditor in Germany) provides the accounting figures. These figures are consolidated and verified by the controlling team that reports to the CFO.

7.2.5 Monitoring and evaluation of internal audit

The quality of the internal audit is verified during the financial year by:

- the audit committee;
- the statutory auditor within the framework of their half-yearly and annual review of the financial figures;
- the person in charge of the internal audit: as of January 1, 2021 (for a period of 3 years until December 31, 2023) the independent internal audit function is delegated to and exercised by the external service provider Trifinance Belgium NV, represented by Mr Alexander Van Caeneghem. An internal audit programme was drawn up together with Trifinance Belgium NV to follow up the internal audit.

The ultimate responsibility for the internal audit lies with the effective leader Jo De Wolf. .

7.3 Administrative, executive and supervisory bodies and management

7.3.1 General

In accordance with the Code of Companies and Associations and its articles of association, Montea is managed by Montea Management NV, the Sole Director. Montea Management NV is appointed as statutory sole director of Montea for a period until September 30, 2026.

The Sole Director is in turn represented by its permanent representative, Mr Jo De Wolf.

The Sole Director is managed by a board of directors that is composed in such a way that Montea can be managed in accordance with the RREC Act and the RREC Royal Decree and has at least three independent directors within the meaning of article 7:87 of the Code of Companies and Associations juncto recommendation 3.5 of the Code 2020.

The structure of Montea and its Sole Director is transparent. This means that all rules of the RREC Act and RREC Royal Decree apply to the Sole Director and its directors. To that end Montea has extended the corporate governance principles to the directors of the Sole Director.

The corporate governance structure of Montea can be summarised schematically as follow:

- **the management bodies, on two levels:**
  - the Sole Director, represented by its permanent representative, Mr Jo De Wolf;
  - the board of directors of the Sole Director;
- **the executive management**
- **the supervisory bodies:**
  - internal supervision: the effective leaders, compliance officer, person tasked with the risk management and the person tasked with the internal audit;
  - external: the statutory auditor and the FSMA.

The persons who form part of the company's management, as well as the Sole Director, hold office at the registered office of Montea (solely for matters relating to Montea).

7.3.2 Board of directors

7.3.2.1 Appointment – Qualification requirements - Composition

Appointment

The directors are appointed by the general meeting of shareholders of the Sole Director by a simple majority from a list of candidates presented by the board of directors on the advice of the renumeration and nomination committee. With the exception of one share held by Jo De Wolf, the general meeting of shareholders of the Sole Director is composed of the five children of the late Mr. Pierre De Pauw, who each hold 20% of the shares.

The members of the board of directors of the Sole Director are, in accordance with article 14, §1 of the RREC Act, natural persons only. The directors are in principle appointed for a (renewable) period of maximum four years, as to ensure sufficient rotation.

Nominations for (renewal of) appointments, or the non-renewal or the resignation of directors will be submitted in advance to the FSMA for approval and/or communication purposes pursuant to article 14, §4 (4) of the RREC Act.

The appointment process is led by the chairman of the board of directors. Nominee directors or candidates for reappointment as director are nominated by the board of directors to the shareholders of the Sole Director on recommendation of the remuneration and nomination committee.

Prior to any new (re)appointment, an evaluation is made of the skills, knowledge and experience already present in the board of directors. This ensures the necessary diversity and complementarity of the diverse backgrounds and skills of the directors.

Qualification requirements

The members of the board of directors are evaluated on the basis of the following criteria:

- knowledge of the transport and logistics sector;
- knowledge of the construction sector and of the logistics property market;
- knowledge of the logistics goods flow;
- experience as a director of a listed (real estate) company;
- international experience;
- knowledge of ESG in the broad sense;
- knowledge of human resources;
- knowledge of the operation of and contacts with players in the seaports;
- general financial knowledge and knowledge of accounting legislation, including IFRS rules;
- entrepreneurial mindset.

Non-executive directors may not hold more than five (5) directorships in listed companies simultaneously. Any changes to their other commitments outside Montea are to be reported to the chairman of the board of directors in a timely manner.

In the selection and evaluation of directors, particular emphasis is placed on knowledge and experience of ESG-related matters. This is also clearly reflected within the current composition of the board of directors: all non-executive independent directors have extensive experience and significant knowledge of ESG-related matters thanks to their many years of experience (at C-level) at Belgian and international (listed) companies with a solid track record on ESG (for more details see section "curricula" below).

In accordance with article 13 of the RREC Act, at least three directors must be independent within the meaning of article 7:87 of the Code of Companies and Associations juncto recommendation 3.5 Code 2020. At present, four directors meet these independence criteria: Philippe Mathieu, Koen Van Gerven, Barbara De Saedeleer and Lieve Creten.

Composition

The board of directors consists of seven members and is composed as follows as at December 31, 2022[1]:

Name	Title	Commencement of the first term of mandate	End of term of mandate
Dirk De Pauw	Executive director and, as of 1/10/2014 also chairman of the board of directors	01/10/2006	20/05/2025
Jo De Wolf	Executive director, Chief Executive Officer (CEO)	30/09/2010	19/05/2026
Peter Snoeck	Non-executive director	01/10/2006	20/05/2025
Philippe Mathieu	Independent, non-executive director	15/05/2018	20/05/2025
Barbara De Saedeleer	Independent, non-executive director	18/05/2021	21/05/2024
Koen Van Gerven	Independent, non-executive director	18/05/2021	21/05/2024
Lieve Creten	Independent, non-executive director	17/05/2022	20/05/2025

It was decided at the general meeting of Montea Management NV on May 17, 2022 to:

- extend the term of mandate of Jo De Wolf as executive director by four years until the annual general meeting of May 19, 2026;
- appoint Lieve Creten as independent non-executive director for a term of three years until the annual general meeting of shareholders of May 20, 2025, to replace Sophie Maes whose mandate expired on May 17, 2022.

(1) Sophie Maes was member of the board of directors until May 17, 2022.

Curricula Vitae

A concise curriculum vitae of each of the directors and the effective leaders is provided below together with an indication of the other mandates they have held as members of the administrative, management or supervisory bodies in other companies during the past five years (excluding the Company's perimeter companies).

Dirk De Pauw

- Chairman of the board of directors and of the investment committees
- Start of term of mandate: 1/10/2006 - Reappointed until 20/05/2025

Dirk De Pauw, born in 1956, is one of the founding shareholders of Montea. He earned his degree in accounting and business management from the IHNUS in Ghent and then attended additional training courses at the Vlerick Leuven Gent Management School.

a) Mandates that expired in the last five years: until February 29, 2020 Dirk De Pauw was the effective leader of Montea in accordance with article 14 of the RREC Act. Until December 2021, Dirk De Pauw was a director of Project Planning Degroote CV, as the permanent representative of DDP Management BV. He was also a director of Tack Buro BV until this entity merged with CLIPS NV in early 2022.

b) Current mandates: Dirk De Pauw is chairman of the board of directors of the Sole Director and, as permanent representative of DDP Management BV, chairman of Montea's investment committees.

He is also managing director of CLIPS NV (since 1982), K&D Invest NV (since 2006) and Fadep NV (since 2018). In addition, he is chairman of the board of directors of Vastgoedgroep Degroote (since 2022).

Jo De Wolf

- Executive director and CEO – Effective leader
- Start of term of mandate: 30/09/2010 – Reappointed until 19/05/2026

Jo De Wolf, born in 1974, holds a master's degree in applied economics from KU Leuven, an MBA from the Vlerick Management School and completed the Master's Real Estate programme at the KU Leuven.

a) Mandates that expired in the last five years: none.

b) Current mandates: Jo De Wolf is executive director and managing director of the Sole Director. He has also been appointed effective leader of Montea in accordance with article 14 of the RREC Act. In addition, he has been a director of non-profit association BVS-UPSI VZW (Professional association of the real estate sector) since May 2011. Since December 2016, he has been a director of Good Life Investment Fund CV. Jo De Wolf is also director of The Shift VZW since June 2021.

Finally, since January 2020, as permanent representative of Lupus AM BV, he has been the chairman of the board of directors (as well as independent director) of Premier Development Fund 2 BV.

Jimmy Gysels

- Effective leader
- Start of term of mandate: March 1, 2020

Jimmy Gysels, born in 1971, earned his degree in industrial engineering in Brussels. He then earned a postgraduate degree in real estate engineering.

a) Mandates that expired in the last five years: director in PUBSTONE NV and PUBSTONE PROPERTIES BV (both ended in September 2019)

b) Current mandates: Jimmy Gysels has been effective leader of Montea since March 1, 2020 in accordance with article 14 of the RREC Act.

Peter Snoeck

- Non-executive Director
- Start of term of mandate: 1/10/2006 – Reappointed until 20/05/2025

Peter Snoeck, born in 1957, earned his degree of industrial engineer electromechanical in Ghent. He then studied business management at the KUL and completed training as a real estate agent.

a) Mandates that expired in the last five years: none.

b) Current mandates: Peter Snoeck was an executive director of the Sole Director from 2006 to 2018. Since 2018, he has been a non-executive director. Peter Snoeck is also a director of DBS-projects NV, DPCo NV and ImmoLux NV.

Philippe Mathieu

- Independent, non-executive director
- Start of term of mandate: 15/05/2018 - Appointed until 20/05/2025

Philippe Mathieu, born in 1967, holds a degree in Applied Economics (KU Leuven) and also obtained a Master's degree in Business Administration (MBA) in 1990.

a) Mandates that expired in the last five years: ECS Corporate NV, Arco Information NV and as permanent representative of ECS Corporate NV, managing director of 2XL NV.
b) Current mandates: Philippe is an independent non-executive director with the Sole Director and also chairman of the audit committee. As permanent representative of Sobelder NV, he is also CEO of ECS Corporate NV and chairman of Invale NV. As permanent representative of ECS Corporate NV, he is also managing director of ECS European Containers NV, DD Trans NV, 2XL France SAS, 2XL UK and chairman of the board of directors of 2XL NV and ECS Technics BV. In addition, he is vice-chairman of the board of directors of De Warande VZW, director of VOKA West-Vlaanderen and managing director of Sobelder NV.

Sophie Maes

- Independent, non-executive director
- Start of term of mandate: 03/10/2013 – End of term of mandate: 17/05/2022

Sophie Maes, born in 1957, holds a Master's degree in Commercial and Financial Sciences.

a) Mandates that expired in the last five years:

- In her own name:

Director mandates with Espace Belliard NV, Alides NV, Fonsny NV, R. Maes NV, Imco SCI, Alides Projects NV, Krekelendries NV, Immo Spa NV, ACS Technics NV, Building Hotel Maes NV, Investissement Leopold SA, ACS Technics NV, Stocznia Cesarska Development SpZoo and Stocznia Cesarska Management SpZoo.

- On behalf of the company Insumat NV:

Director mandates with Aedifica NV, Aalterpaint NV, Alides Projects NV, Investera NV, Investpool NV, ACS Technics NV, Alides Properties NV, Espace Belliard NV, Fonsny NV, Immo Spa NV, Krekelendries NV, Alides Land NV, VIA NV, VINEA NV, Rinkkaai NV, Gdansk Development Holding NV, Parkrand NV, Edegem NV, Prins Boudewijn NV, Piper NV, Spitfire NV, Alides Lux SPRL and P+eState CV.

b) Current mandates:

- In her own name:

Sophie was an independant non-executive director with the Sole Director until May 17, 2022. In addition, Sophie holds directorships at Insumat NV, Investissement Leopold NV, Profin BV, Algemene Bouw Maes NV, Voka – Kamer van Koophandel Oost-Vlaanderen, VOKA Vlaams Economisch Verbond VZW, BVS-UPSI VZW and BNP Paribas Fortis Bank (Advisory Board).

- On behalf of the company Insumat NV:

Director mandates at Alides REIM NV, Building Hotel Maes NV, Ghent Industrial Investment and Gindac NV.

Barbara De Saedeleer

- Independent, non-executive director
- Start of term of mandate: 18/05/2021 – Appointed until 21/05/2024

Barbara De Saedeleer, born in 1970, earned a master's degree in business and finance, with a specialization in quantitative business economics at the VLEKHO Business School in Brussels. She also holds a degree in marketing.

a) Mandates that expired in the last five years: Independent non-executive director at Befimmo NV.

b) Current mandates: Independent non-executive director at the Sole Director since May 18, 2021. In addition, Barbara is independent non-executive director at Beaulieu International Group NV, where she is also chairman of the audit committee and member of the remuneration committee, and independent non-executive director at UTB NV.

Koen Van Gerven

- Independent, non-executive director
- Start of term of mandate: 18/05/2021 – Appointed until 21/05/2024

Koen Van Gerven, born in 1959, graduated as a business engineer in policy informatics at the KU Leuven. Afterwards, he obtained an MBA from Cornell University in the US.

a) Mandates that expired in the last five years: Director mandates at International Post Corporation (until 2019), bpost NV (also CEO, until 2020), Voka VZW (until 2020), VBO-FEB VZW (until 2020) and Certipost NV (until 2020).

b) Current mandates: Koen has been an independent non-executive director with the Sole Director since May 18, 2021. In addition, Koen is an independent non-executive director at: ING Belgium NV (also chairman of the audit committee and member of the risk committee), SDworx NV (also member of the audit committee), WorxInvest NV (also chairman of the audit committee), Universitair Ziekenhuis Gasthuisberg (also member of the remuneration committee), Z.org Kuleuven VZW (also member of the audit committee), Algemeen Ziekenhuis Diest VZW (also chairman of the board of directors and chairman of the remuneration committee), Plexus Ziekenhuis Netwerk VZW and KU Leuven.

Lieve Creten

- Independent, non-executive director
- Start of term of mandate: 17/05/2022 – Appointment until 20/05/2025

Lieve Creten, born in 1965, obtained a master's degree in commercial engineering at KU Leuven, as well as a postgraduate degree in tax sciences. Additionally, as from 1995, she is a certified accountant.

a) Mandates that expired in the last five years: Member of the executive committee of Deloitte Belgium.

b) Current mandates: Independent non-executive director with the Sole Director since May 17, 2022. In addition, Lieve is independent director, member of the remuneration committee and chairman of the audit committee of Barco NV, independent director, as well as president of the audit committee and member of the remuneration committee of CFE NV, and member of the board of directors of Artsen zonder Grenzen (Belgium).

7.3.2.2 Mission

Montea Management NV acts in the exclusive interest of Montea in carrying out its mission as Sole Director. In this context, the board of directors has, in particular, the following tasks:

- defining the strategy of Montea in the medium and long term, the risk profile and in particular the sectors and the geographical area of activity in line with the relevant legal requirements;
- approving the operational plans and main policies developed by the executive management to implement the approved strategy of the Company;
- approving major investment decisions in line with legal requirements;
- determining the Company's readiness to take risks in order to achieve the Company's strategic objective;
- monitoring and approving the periodic financial information;
- supervising the executive management, in particular in the light of the monitoring of the strategy;
- approving the information to be disseminated to the public;
- proposing profit appropriation;
- appointing the independent real estate experts within the meaning of the RREC Act;
- approving the internal audit and risk management framework and assessment of the implementation of this framework;
- reviewing the Company's compliance with applicable laws and other regulations, as well as the application of internal guidelines in this respect;
- approving and annually reviewing the code of conduct;
- engaging with (potential) shareholders through appropriate investor relations programmes;
- deciding on the powers that are to be entrusted individually or collectively to the CEO and/or other members of the executive management and on a clear delegation policy;
- drawing up a remuneration policy of the Company for non-executive directors and the executive management;
- drawing up and annually evaluating a succession plan for each member of the executive management and each member of the board of directors;
- deciding on the remuneration of the members of the executive management (incl. CEO) after advice from the remuneration and nomination committee and annually evaluating the performance of the members of the executive management against the agreed performance criteria and targets;
- being available for advice to the executive management, also outside meetings;
- supporting the executive management in the performance of its duties, but also being prepared to challenge the executive management in a constructive manner whenever this is appropriate;
- the other tasks expressly assigned to the Sole Director by the articles of association or by law.

7.3.2.3 Activity report of the board of directors

In 2022 the board of directors met physically seven times, six telephone meetings took place and written resolutions were approved once. The directors were present as indicated in the table below:

Name	Capacity/Function	Attendance 2022[1]
Dirk De Pauw	Chairman and executive director	14/14
Jo De Wolf	Managing director	13/14
Peter Snoeck	Non-executive director	13/14
Philippe Mathieu	Independent, non-executive director	14/14
Barbara De Saedeleer	Independent, non-executive director	14/14
Koen Van Gerven	Independent, non-executive director	13/14
Lieve Creten (since May 17, 2022)	Independent, non-executive director	6/6
Sophie Maes (until May 17, 2022)	Independent, non-executive director	8/8

(1) 7 of the 14 boards of directors were organised by video conference or by way of written resolutions. In line with the remuneration policy no attendance fees were paid for such meetings.

Topics dealt with at the meetings of the board of directors included the following:

- consideration of the reports of the renumeration and nomination committee and audit committee;
- (dis)investment files on advice of the investment committees;
- quarterly, half-yearly and annual consolidated and statutory financial statements, the growth plan (Track'24) and press releases;
- ESG-report;
- US private placement of bonds;
- annual budget;
- risk factors;
- impact of changed market conditions on current and future investment and financial strategy;
- capital increase in the context of the optional dividend;
- capital increase through private placement of new shares with institutional and/or qualified investors through "accelerated bookbuilding";
- reappointment of statutory auditor and (re)appointment directors;
- share buy-back programme;
- proposed adjustments to the remuneration policy;
- new offers under share option plans and share purchase plans;
- approval adjustments of the Suppliers Code of Conduct and new Community Engagement Policy.

7.3.2.4 Functioning of the board of directors

In order to optimize the functioning of the board of directors, the board of directors has set up the following advisory committees to assist and advise the board of directors in their specific areas;

- the audit committee;
- the remuneration and nomination committee ; and
- three investment committees (Internal, Netherlands and France).

After each meeting, the board of directors receives from each committee a report on the findings and recommendations. Interim information is provided to the directors on an ad hoc basis and any director may at any time request any information through the chairman of the board of directors.

Individual directors and the members of the committees may at all times, via the chairman of the board of directors, request the board of directors to call upon external experts (legal advisors, tax advisors, etc.) at the Company's expense.

In accordance with article 4 of Montea's Corporate Governance Charter, the board of directors and its committees are supported by a secretary. In 2021 Jörg Heirman was appointed secretary.

7.3.2.5 Chairman of the board of directors

The chairman of the board of directors is elected by the board of directors among its members. The chairman is appointed on the basis of his knowledge, skills, experience, and ability to mediate.

The function of chairman cannot be combined with that of CEO.

The chairman has the particular task to:

- take care of the leadership and the smooth running of the board of directors. He/she shall ensure that there is sufficient time for reflection and discussion before reaching a decision;
- see to it that the directors and the committees receive accurate, concise, timely and clear information before the meetings, so that they can make a substantiated and informed contribution to the meetings;
- ensure that the directors and committees are informed in good time before the meetings and, if necessary, in between meetings;
- act as an intermediary, with respect to the executive responsibilities of the executive management, between the board of directors and the executive management;
- maintain close relations with the CEO;
- chair, lead and ensure the proper conduct of shareholders' meetings;
- periodically assess the size and composition of the board of directors and its committees;
- draw up succession plans for directors and members of the executive management;
- assist the remuneration and nomination committee in the (re)appointment of directors;
- evaluate the performance of the board of directors and its committees;
- provide the means for directors to update their skills and knowledge of the Company in order to fulfil their role.

7.3.2.6 Professional development of directors

The professional development of the directors is guaranteed by on the one hand, the personal development of each director in his or her own field, and on the other hand by the organisation of various in-house trainings and seminars.

In 2022, Montea organised informal training sessions for the directors, given by internal and external professionals on, among other things, the evolution of the logistics property market, important macro-economic evolutions and the global evolutions in short- and long-term interests.

7.3.2.7 Evaluation of directors

The directors are evaluated at different levels:

- the board of directors evaluates its own performance, its interaction with executive management, its size, composition and operation, as well as that of its committees at least every three years. The evaluation is done in accordance with a methodology approved by the board of directors. The board of directors is assisted in this task by the remuneration and nomination committee and, if necessary, by external experts;
- the directors evaluate each other on a permanent basis. If there are any problems or remarks about the contribution of a director, this can be put forward as an item on the agenda of the board of directors or the remuneration and nomination committee or it can be discussed with the chairman. The chairman can then, at his discretion, take the appropriate steps.

The contribution of each director is evaluated individually each year by the remuneration and nomination committee, so that, if necessary, the composition of the board of directors can be adjusted. In case of a reappointment, an evaluation of the director's contribution takes place.

The board of directors ensures that the succession of the directors can be secured. It ensures that all appointments and reappointments, both of executive and non-executive directors, allow for a balance of skills and experience within the board of directors.

7.3.3 Committees of the board of directors

The board of directors has set up three specialized committees to assist and advise the board in their specific areas: the audit committee, the remuneration and nomination committee and the investment committees.

7.3.3.1 Audit committee

Composition of the audit committee

The audit committee was set up in accordance with article 7:99 of the Code of Companies and Associations and assists the board of directors in fulfilling its supervisory role regarding the internal and external audit in the broadest sense.

In 2022, the audit committee was composed of the following non-executive and independent directors:

- Philippe Mathieu, chairman of the audit committee;

Our energy-efficient two-level building consists of a hub with a depot on top for further parcel delivery. For DPD, the Vilvoorde site is the first two-level building in Belgium.

— **Richard de Haas**
CEO DPD (Belgium) NV

Tyraslaan, Vilvoorde

- Barbara De Saedeleer;
- Koen Van Gerven;
- Sophie Maes (until May 17, 2022);
- Lieve Creten (as from May 17, 2022).

Pursuant to article 7:99 of the Code of Companies and Associations, at least one member of the audit committee must have the necessary expertise in accounting and audit. In this respect, reference can be made to the extensive experience and expertise of the entire committee:

- Philippe Mathieu has, amongst others, experience as former president of the board of directors and the audit committee, and present CEO, of ECS Corporate NV and (former) member of several executive committees. He is also chairman of the audit committee of De Warande VZW.
- Barbara De Saedeleer has relevant experience as, amongst others, regional director of Corporate Banking Oost-Vlaanderen at Parisbas Bank - Artesia - Dexia, CFO and member of the executive committee at Omega Pharma NV, Chief Investments and Operations Officer at Ghelamco NV and independent non-executive director at Beaulieu International Group NV where she is also chairman of the audit committee.
- Koen Van Gerven has, amongst others, relevant experience as CEO at bpost and independent non-executive director at, inter alia, SDworx NV, WorxInvest NV, Universitair Ziekenhuis Gasthuisberg, Algemeen Ziekenhuis Diest and ING Belgium NV. He is also chairman of the audit committee of WorxInvest NV and ING Belgium NV.
- Lieve Creten's relevant experience includes being member of the remuneration committee and chairman of the audit committee of Barco NV, independent director and chairman of the audit committee of Telenet NV, independent director and chairman of the audit committee of CFE NV and member of the board of directors of Artsen zonder Grenzen (Belgium).

When the audit committee discusses the annual financial audit, an external financial advisor and/or the statutory auditor may be invited, if desired. The members of the audit committee have a collective expertise in Montea's activities.

Mission of the audit committee

The audit committee is tasked with the statutory duties described in article 7:99 of the Code of Companies and Associations. The tasks of the audit committee include amongst others:

- assisting the board of directors in its supervisory responsibilities, in particular with regard to information to shareholders and third parties;
- monitoring the financial reporting process, more specifically the quarterly, half-yearly and annual results;
- monitoring the statutory audit of the statutory and consolidated financial statements;
- monitoring the effectiveness of the Company's internal audit and risk management systems;
- monitoring the internal audit;
- assessing and monitoring the independence of the statutory auditor, as well as the approval of the remuneration of this auditor, with particular reference to the provision of additional services to the Company;
- analysing the observations made by the statutory auditor and, where necessary, formulating recommendations for the board of directors;
- ensuring that all legal regulations with regard to possible conflicting interests are strictly applied;
- checking to what extent management complies with the findings of the internal audit function;
- analysing the matters relating to the audit plan and all matters arising from the audit process.

In addition, the recommendations to (re)appoint the statutory auditor made by the board of directors at the general meeting, can only be made upon proposal by the audit committee.

The audit committee reports, after each meeting, to the board of directors on the performance of its duties.

Audit committee activity report

In 2022, the audit committee met six times physically. The members were present as indicated in the table below:

Name	Capacity/Function	Attendance in 2022 (physically)[1]
Phillippe Mathieu	Independent, non-executive director and chairman	6/6
Barbara De Saedeleer	Independent, non-executive director	6/6
Koen Van Gerven	Independent, non-executive director	5/6
Sophie Maes (until May 17, 2022)	Independent, non-executive director	3/3
Lieve Creten (sinds 17 mei 2022)	Onafhankelijk, niet-uitvoerend bestuurder	3/3

(1) For all six meetings of the audit committee attendance fees were paid.

Among the matters discussed were the following:

- quarterly, half-yearly and annual consolidated and statutory financial statements;
- financing and hedging strategy;
- follow-up of FBI status;
- capital increase under the optional dividend;
- capital increase through private placement of new shares with institutional and/or qualified investors via "accelerated bookbuilding";
- issuance of bonds through a US private placement;
- annual budget;
- annual financial figures audited by the statutory auditor;
- risk factors;
- internal audit (including work performed and risk matrix);

- reappointment of the statutory auditor;
- allocation & impact report under Green Finance Framework and issuance of bonds through a US private placement in 2022.

The statutory auditor was present at two meetings of the audit committee. At all meetings, the above items were also discussed with the CEO and the CFO.

Evaluation of the audit committee

The most important criteria for evaluating the audit committee and its members are:

- accounting and auditing;
- experience in other audit committees;
- analysis, managing and monitoring of financial and business risks.

The evaluation of the members and the operation of the audit committee is performed on a permanent basis, on the one hand, by colleagues and, on the other hand, by the full board of directors. If someone has questions regarding the contribution of a colleague/member, he/she can discuss this with the chairman of the board of directors. The chairman of the audit committee can then, at his discretion, take the necessary steps.

7.3.3.2 Remuneration and nomination committee

Composition of remuneration and nomination committee

The board of directors has set up a remuneration committee in accordance with article 7:100 of the Code of Companies and Associations. The remuneration committee also acts as nomination committee.

In 2022, the remuneration and nomination committee consisted of the following non-executive independent directors:

- Sophie Maes (until May 17, 20221);
- Philippe Mathieu;
- Barbara De Saedeleer;
- Lieve Creten (as from May 17, 2022).

Until May 17, 2022, Sophie Maes assumed the role as chairwoman of the remuneration and nomination committee. From May 17, 2022, Barbara De Saedeleer assumed this role.

This composition ensures that the committee has the necessary expertise in the field of remuneration policy because of their broad professional experience:

- Barbara De Saedeleer has in particular relevant experience as regional director Corporate Banking Oost-Vlaanderen at Parisbas Bank - Artesia - Dexia, CFO and member of the executive committee at Omega Pharma NV, Chief Investments and Operations Officer at Ghelamco NV and independent non-executive director at Beaulieu International Group NV.
- Philippe Mathieu's relevant experience includes being former chairman of the board of directors and remuneration and nomination committee, and present CEO, of ECS Corporate NV and (former) member of various executive committees.
- Lieve Creten has in particular relevant experience as member of the remuneration committee and chairman of the audit committee of Barco NV and as a certified auditor, partner and member of the executive committee of Deloitte Belgium.

Tasks of the remuneration and nomination committee

The remuneration and nomination committee performs the following tasks:

- makes proposals to the board of directors on the remuneration policy of directors and the members of the executive management and, where applicable, also on the resulting proposals to be presented to the shareholders by the board of directors;
- makes proposals to the board on the individual remuneration of the directors and the members of the executive management, including variable remuneration and long-term performance bonuses, whether or not linked to shares, in the form of share options or other financial instruments, and severance payments, and where appropriate, on the resulting proposals to be submitted by the board of directors to the shareholders;
- prepares the remuneration report to be included by the board of directors to the corporate governance statement in the annual report;
- explains the remuneration report at the annual general meeting of shareholders;
- conducts the annual evaluation of the performance of the executive management on the basis of the agreed performance criteria and objectives;
- makes recommendations to the board of directors with regard to the appointment of directors and members of the executive management;
- leads the (re-)appointment process of directors;
- develops plans for an orderly succession of directors;
- monitors the regular succession of members of the executive management;
- sets up appropriate talent development programmes and promoting diversity in leadership.

Remuneration and nomination committee activity report

Name	Capacity/Function	Attendance in 2022 (physically)[1]
Sophie Maes (until May 17, 2022)	Independent, non-executive director	2/2
Philippe Mathieu	Independent, non-executive director	4/4
Barbara De Saedeleer	Independent, non-executive director	4/4
Lieve Creten (as from May 17, 2022)	Independent, non-executive director	1/2

(1) For alle the meetings of the remuneration and nomination committee attendance fees were paid.

The remuneration and nomination committee met four times in 2022. The members were present as set out in the table below:
Amongst others, the following matters were discussed:

- proposal of adjustments to the remuneration policy;
- discussion and preparation of the 2022 remuneration report;
- discussion and evaluation of the global human resources policy;
- renewal of offerings under the stock option plan and the share purchase plan;
- discussion and preparation of the remuneration method of the personnel and executive management;
- discussion LTIP for certain members of the executive management and the country directors.

The CEO, CFO and CHRO attend the meetings of the remuneration and nomination committee, it being understood that they leave the meeting if their performance and/or remuneration is being discussed.

Evaluation of the remuneration and nomination committee

The functioning of the remuneration and nomination committee is evaluated by means of the experience of its members in the field of personnel management, remuneration policy, remuneration systems and experience in other remuneration (and nomination) committees.

The evaluation of the members and operation of the remuneration and nomination committee is done on a permanent basis by colleagues on the one hand and by the full board of directors on the other hand. If someone has questions regarding the contribution of a colleague/member, he/she can discuss this with the chairman of the board of directors. The chairman can then, at his discretion, take the necessary steps.

7.3.4 Investment committees

Composition of the investment committees

Three investment committees have been set up in Montea, which are responsible for preparing investment and disinvestment files for the board of directors. The investment files for the Netherlands and France are handled respectively in the investment committee the Netherlands and the investment committee France. The investment files for the other countries where Montea is active (Belgium and Germany) are handled in the Internal investment committee.

The investment committees consist of the members of the executive management, complemented by one or more non-executive directors as well as one or more external persons as appropriate.

The **investment committee Internal**, consists of the following persons:

- DDP Management BV, represented by Dirk De Pauw, chairman of the investment committee;
- Jo De Wolf (CEO);
- Elijarah BV, represented by Els Vervaecke (CFO);
- PDM CommV, represented by Peter Demuynck (Chief Strategy & Innovation, hereinafter "CSI");
- Domenique Mannsperger (IMPEC) (until December 2022);
- Patrick Abel (country director Germany) (as from January 2023);
- PSN Management BV, represented by Peter Snoeck;
- LVW Int. BV, represented by Dirk Lannoo, strategic advisor (as from September 2022);
- Patrick Abel (country director Germany) (as from January 2023).

The **investment committee France**, consists of the following persons:

- DDP Management BV, represented by Dirk De Pauw, chairman of the investment committee;
- Jo De Wolf (CEO);
- Elijarah BV, represented by Els Vervaecke (CFO);
- Luc Merigneux (country director France)
- Gilles Saubier;
- SAS Casamagna, represented by Laurent Horbette;
- LVW Int. BV, represented by Dirk Lannoo, strategic advisor (as from September 2022).

The **investment committee the Netherlands** consists of the following persons:

- DDP Management BV, represented by Dirk De Pauw, chairman of the investment committee;
- Jo De Wolf (CEO);
- Elijarah BV, represented by Els Vervaecke (CFO);
- PDM CommV, represented by Peter Demuynck (CSI);
- BrightSite B.V., represented by Hylcke Okkinga and Cedric Montanus (country directors the Netherlands);
- PSN Management BV, represented by Peter Snoeck;
- ADK Invest BV, represented by Ard De Keijzer;

- Rien MTMA, represented by Rien van den Heuvel;
- LVW Int. BV, represented by Dirk Lannoo, strategic advisor (as from September 2022).

Tasks investment committees

The investment committees are responsible for the preparation of the investment and divestment files for the board of directors. The investment committees also follow up the negotiations with the various counterparties of Montea. These negotiations are mainly related to the acquisition and the divestment of real estate assets, the conclusion of major lease agreements and/or acquisitions of property companies.

The creation and advice of the investment committees in no way affect the decision-making powers of the board of directors which remains solely responsible for deciding on (dis)investments.

Activity report investment committees

In 2022 the investment committee Internal met three times. The members were present as indicated in the table below:

Name	Title[1]	Attendance in 2022[2]
DDP Management BV, represented by Dirk De Pauw	Chairman	3/3
Jo De Wolf	Member	3/3
Elijarah BV, represented by Els Vervaecke	Member	3/3
PSN Management BV, represented by Peter Snoeck	Member	3/3
PDM CommV, represented by Peter Demuynck	Member	3/3
Domenique Mannsperger (IMPEC)[7]	Member	2/3
LVW Int. BV, represented by Dirk Lannoo (as from September 2022)	Member	1/1

(1) The only directors and members of the executive management who receive compensation in connection with the investment committees in accordance with the remuneration policy are Peter Snoeck (via PSN Management BV) as a member of the Internal investment committee and the investment committee the Netherlands and Dirk De Pauw (via DPP Management BV) as chairman of all investment committees.
(2) As from January 1, 2023 IMPEC is no longer member of the Internal investment committee. As from the first of January 2023, Patrick Abel, country director Germany, is a member of this investment committee.

In 2022 the investment committee the Netherlands met four times. The members were present as indicated in the table below:

Name	Title	Attendance in 2022
DDP Management BV, represented by Dirk De Pauw	Chairman	4/4
Jo De Wolf	Member	4/4
Elijarah BV, represented by Els Vervaecke	Member	4/4
PSN Management BV, represented by Peter Snoeck	Member	4/4
PDM CommV, represented by Peter Demuynck	Member	4/4
BrightSite B.V., represented by Hylcke Okkinga and Cedric Montanus	Member	4/4
ADK Invest B.V., represented by Ard De Keijzer	Member	3/4
Rien MTMA, represented by Rien van den Heuvel	Member	4/4
LVW Int. BV, represented by Dirk Lannoo (as from September 2022)	Member	1/4

For France the ongoing (dis)investment files in France were discussed during the Internal investment committee, with the exception of one investment committee France organised in autumn 2022 after Luc Merigneux was appointed country director France in June 2022.

The members were present as indicated in the table below:

Name	Title	Attendance in 2022
DDP Management BV, represented by Dirk De Pauw	Chairman	1/1
Luc Merigneux	Member	1/1
Jo De Wolf	Member	1/1
Elijarah BV, represented by Els Vervaecke	Member	1/1
Gilles Saubier	Member	1/1
SAS Casamagna, represented by Laurent Horbette	Member	1/1
LVW Int. BV, represented by Dirk Lannoo (as from September 2022)	Member	1/1

7.3.5 Executive management and day-to-day management

7.3.5.1 Composition of executive management, day-to-day management and effective leaders

The board of directors has entrusted the operational management of Montea to the executive management. The executive management consists, at the time of this annual report, of:

Name	Title
Jo De Wolf	Chief Executive Officer (CEO)
Elijarah BV, represented by Els Vervaecke	Chief Financial Officer (CFO)
Jimmy Gysels	Chief Property Management (CPM)

The executive management is assisted in carrying out its duties by the various country directors:

- for Belgium: PDM CommV, represented by Peter Demuynck. As from April 2023 the function of country director Belgium is performed by Xavier Van Reeth.
- for the Netherlands: BrightSite B.V., represented by Hylcke Okkinga and Cedric Montanus (country directors Netherlands).
- for France: Until the beginning of June 2022 the local team in France was managed by the executive management from Belgium. On June 7, 2022 Luc Merigneux was appointed as country director France.
- for Germany: In 2022 the investments in Germany were managed by the executive management. On January 2, 2023 Patrick Abel was appointed as country director Germany. He will build up a local team and further shape the growth story in Germany.

On HR matters, the executive management is assisted since February 2022 by a Chief Human Resources Officer (SC4People BV, represented by Steven Claes) and for strategy and innovation by the Chief Strategy & Innovation (PDM CommV, represented by Peter Demuynck).

Jo De Wolf and Jimmy Gysels were appointed as effective leaders within the meaning of article 14 of the RREC Act.

7.3.5.2 Tasks of the executive management

The executive management is tasked in particular with:

- making proposals to the board of directors with regard to the Company's strategy and its implementation;
- preparing the decisions that have to be taken by the board of directors in order to fulfil its mission and to provide the information required for this purpose in due course;
- implementing the decisions of the board of directors;
- the operational management of the Company;
- establishing internal audits, without prejudice to the supervisory role of the board of directors, based on what has been approved by the board of directors;
- the submission of complete, timely, reliable and accurate preparation of the financial statements to the board of directors, in accordance with the applicable accounting standards and the Company's policy in this area;
- preparing the publication of the annual accounts and other relevant financial and non-financial information;
- presenting a balanced and understandable assessment of the financial situation to the board of directors;
- reporting and given account to the board of directors on the performance of its duties.

The executive management is charged in particular with the management of the property, advice on and monitoring the financing policy, the preparation of all legally required reporting and providing all required information to the public or competent authorities.

7.3.5.3 Operation of the executive management

The executive management works closely together and in constant consultation. When the executive management does not reach an agreement, the decision is left to the board of directors.

The executive management meets weekly. This also closely involves the country directors and other executives (Chief Development, Chief Human Resources Officer and Chief Strategy & Innovation). On these meetings are, inter alia, discussed: operational matters relating to the daily management, the status of current projects and leases and evaluation of new projects under study.

The executive management regularly reports to the board of directors on the fulfilment of its tasks.

The executive management provides the board of directors with all relevant business and financial information. These include, amongst others: key figures, an analytic presentation of the results versus the budget, an overview of the evolution of the property portfolio, the consolidated financial statements and details on the consolidated financial statements.

Proposals for decisions that the board of directors must take are explained to the board of directors by the CEO.

7.3.5.4 Audit – Internal supervision – Supervision of the executive management

The supervision of the executive management is the responsibility of the full board of directors of the Sole Director. The executive management is evaluated based on performance and targets.

7.3.6 Diversity policy

In formulating its advice to the board of directors with respect to the directors to be appointed, the remuneration and nomination committee takes into account the envisaged diversity within the board of directors. Such diversity is not only gender related but also relates to other criteria such as competencies, experience and knowledge. A diversification of the board of directors contributes to a balanced decision-making process by analysing possible problems from different perspective.

The Montea board of directors currently has two female members. Moreover, the current members of the board of directors have a diverse background such as the real estate sector, the logistics sector, the pharmaceutical sector, the postal sector, the banking sector and the telecom sector.

The board of directors also takes particular account of these principles of diversity in the composition of the executive management.

7.3.7 Other persons involved

7.3.7.1 Compliance officer

Compliance is an independent function within Montea. It focuses on investigating and encouraging compliance by Montea of the rules relating to its business.

Supervision of the rules relating to compliance and integrity are embedded in the position of the compliance officer. The independent compliance function resides with Jimmy Gysels, also Chief Property Manager of Montea.

The compliance officer is charged with investigating and encouraging compliance by the Company of the rules relating to the integrity of its business activities. The rules cover the requirements that arise from the company's policy and its status, as well as other statutory and regulatory requirements. It therefore relates to a part of the corporate culture in which emphasis is placed on honesty and integrity, compliance with high ethical standards in conducting business, and compliance with the applicable regulations. Hence the compliance officer is also charged with supervising compliance with the rules on market abuse, such as those imposed by the Act of August 2, 2002 relating to supervision of the finance sector and financial services, Regulation (EU) 596/2014 of the European Parliament and of the Council of April 16, 2014 on market abuse. The compliance officer is also charged with supervising compliance with the rules regarding conflicts of interest, as set out in the articles of association and Montea's Corporate Governance Charter and the applicable legislation and regulation.

The compliance officer reports to the effective leader and CEO, Jo De Wolf.

7.3.7.2 Person in charge of the company's risk management

Risk is a constantly present element in the business world. Montea identifies the existing risks in all of its processes and builds in the necessary internal audits to restrict exposure to these risks.

The awareness of risks in its internal and external environment is demonstrated on various levels by the Company to its staff by setting a good example by the management.

It is the task of the board of directors to monitor identification of the risks and the way those risks are audited. The board of directors pays attention to the various risk factors to which the Company is exposed. The constant developments on the property and financial markets require the constant tracking of risks associated with monitoring the Company's results and financial condition.

The audit committee, which assists the board of directors in carrying out its supervisory role, submits the necessary recommendations to the board of directors regarding risk management and the audit of financial risks. Together with the management and the statutory auditor, the audit committee monitors the principal risks and the measures needed to audit these risks.

At Montea, Jan Van Doorslaer (Finance & Risk Manager) is in charge of the risk management function with effect as from April 1, 2020. His duties include responsibility for drawing up, developing, monitoring, updating and implementing the risk management policy and the risk management functions. He reports to the effective leader and CEO, Jo De Wolf

7.3.7.3 Internal audit

Internal audit is an independent assessment that focuses on examining and assessing the proper operation, effectiveness and efficiency of internal auditing. Internal audit assists the members of the organisation in the effective execution of their responsibilities and provides them in this regard with analyses, evaluations, recommendations, advice and information regarding the activities examined.

The scope of internal audit covers, in general, the examination and evaluation of the suitability and effectiveness of internal auditing, as well as the extent to which the allocated responsibilities are complied with.

The person charged with internal auditing examines the company's compliance with the policy lines, risk management (both measurable and non-measurable risks), reliability (including integrity, correctness and completeness) and the timeliness of the financial and management information, as well as external reporting, the continuity and reliability of the IT-systems and the operation of the various services within the company.

The person charged with internal auditing examines and assesses all aspects of Montea's overall business. In doing so, he or she uses various types of audit, such as:

- the financial audit, aimed at verifying the reliability of the accounts and the resulting financial statements. This is done on the basis of an audit plan agreed with the statutory auditor;
- the compliance audit, aimed at checking compliance with legislation, regulations, policy lines and procedures;
- the operational audit, focused on checking the quality and suitability of the systems and procedures, the critical analysis of the organisation structures and the assessment of the conclusive nature of the methods and resources used in relation to the objectives;
- the management audit, focused on assessing the quality of the management function in terms of the company's objectives.

As of January 1, 2021, the internal audit function at Montea is externally delegated to Trifinance, represented by Alexander Van Caeneghem (this appointment runs until December 31, 2023). The latter reports to the executive management, who in turn reports to the full board of directors, where appropriate via the audit committee. The person responsible for internal audit can also inform the chairman of the board of directors or Montea's statutory auditor directly. He has access to all the company's documents, files and information data, including the management information and the minutes of the advisory and decision-making bodies, to the extent necessary for the performance of his duties.

The ultimate responsibility for the internal audit lies with the effective leader Jo De Wolf, who has the professional reliability and appropriate expertise required to perform this task.

7.3.7.4 Person in charge of the financial service

Euroclear Belgium SA/NV is responsible for the financial service of the company.

The execution of this financial service entailed a total cost of € 27,527.53 (exclusive of VAT) for 2022. This fee includes both a fixed fee per year and a variable fee per distributed dividend for the non-nominative shares.

7.3.7.5 Research and development activities

Montea has no research and development activities.

We want to be clear about what we stand for and how we want to profile ourselves in the future. Montea stands for ambition, leadership, focus on sustainability and attention to people.

— Jo De Wolf
CEO Montea

7.4 Conflicts of interest

7.4.1 Code of Companies and Assocations

Pursuant to article 7:96 of the Code of Companies and Associations, every director who, directly or indirectly, holds a financial interest that conflicts with a decision or action that comes under the authority of the board of directors, is required to report this to the other members of the board of directors, nor may he or she take part in the board's deliberations.

Pursuant to article 7:97 of the Code of Companies and Associations, every decision or transaction relating to a related party within the meaning of IAS 24, including subsidiaries in which the controlling shareholder holds a stake of at least 25% and including decisions or transactions by subsidiaries, must be submitted to a committee of three independent directors who will draw up a written recommendation for the board of directors. A report will also be prepared by the statutory auditor on the fairness of the data in the advisory committee. Finally, a press release will have to be issued at the latest when the decision is taken, including the independent committee's advice and the statutory auditor's assessment. Customary decisions and transactions at market conditions (and securities), transaction value <1% of consolidated net assets, decisions regarding remuneration, acquisition or disposal of treasury shares, payment of intern dividends and capital increases within the framework of the authorized capital, without restriction or withdrawal of preferential rights shall be exempted from this procedure.

In the course of the 2022 financial year, the board of directors applied the procedure provided for in article 7:96 juncto article 7:102, §1 (2) of the Code of Companies and Associations in the cases listed below. The procedure provided for in article 7:97 Code of Companies and Associations did not have to be applied.

Excerpt from the minutes of the board of directors' meeting of February 8, 2022

"Reporting of conflicts of interest

The chairman asks the directors to declare any possible conflict of interest in relation to the items on the agenda of this meeting.

The following directors declared that they had a direct or indirect interest of a financial nature which conflicts with a decision that falls under the competence of the board of directors:

a) Jo De Wolf declares to have a conflict of interest with regard to the following agenda items:

a. agenda item 7.a.iv (Evaluation and remuneration - individual) as in this context there will be deliberation and decision concerning his evaluation and variable remuneration as CEO in relation to FY 2021;

b. agenda item 7.a.v (Variable remuneration executive management) as in this context there will be amongst others deliberation and decision concerning his variable remuneration and KPIs as CEO in relation to FY 2022;

c. agenda item 7.b.i.1. (Jo De Wolf – reappointment) as this deals with his reappointment as director of the Company;

d. agenda item 7.c (Remuneration proposal CEO) as this deals with a new remuneration proposal to Jo De Wolf as CEO of Montea;

e. agenda item 7.d (LTIP senior management and country directors) as this deals with a new LTIP for certain members of the executive management.

b) Philippe Mathieu, Sofie Maes, Koen Van Gerven and Barbara De Saedeleer declare to have a conflict of interest regarding agenda item 7.b.iv (Remuneration committees and Chairman of the board of directors) as this includes the remuneration of the independent directors and they are all independent director.

c) Dirk De Pauw declares to have a conflict of interest regarding agenda item 7.b.iv (Remuneration committees and Chairman board of directors) as this includes the remuneration of his function as chairman of the board of directors and investment committees.

[...]

Evaluation and remuneration – individual

Pursuant to article 7:96 of the Code of Companies and Associations Jo De Wolf leaves the meeting as this agenda item deals with his financial remuneration for the calendar year 2022. Els Vervaecke also leaves the meeting.

The directors take note of the advice of the remuneration and nomination committee concerning the fixed and variable remuneration for the members of the executive management for 2022:

- Jo De Wolf: In 2021 his fixed gross base remuneration was 666,000 EUR and the target bonus was 220,000 EUR. The remuneration and nomination committee advises to adapt the gross base remuneration as from January 2022 to 700,000 EUR, with a target bonus of 30%, being 210,000 EUR.

[...]

DECISION: The board of directors unanimously decides to approve this proposal of remuneration for the executive management for the calendar year 2022 and considers these remunerations to be in line with the market.

[...]

Variable remuneration executive management

Pursuant to article 7:96 of the Code of Companies and Associations Jo De Wolf leaves the meeting as this agenda item concerns, at the one hand, the allocation of his variable remuneration over 2021 and, on the other hand, the determination of the parameters for his variable remuneration for 2022. Els Vervaecke also leaves the meeting.

Evaluation KPIs 2021

The directors take note of the conclusion of the remuneration and nomination committee that all set KPIs for 2021 were achieved and its recommendation to grant the award level "on target", and the corresponding variable remuneration. This variable remuneration is as follows.
- Chief Executive Officer – Jo De Wolf: allocation target bonus 2021 of 220,000 EUR.
[...]

DECISION: The board of directors unanimously decides to award the KPIs 2021 for the executive management to award level "on target" and the corresponding variable remuneration. The board of directors considers that this variable remuneration is in line with the market.

Determination of KPIs 2022

The directors take note of the advice of the remuneration and nomination committee to approve the proposed KPIs for 2022 for the executive management.

DECISION: The board of directors unanimously decides to approve the proposed KPIs for the executive management for 2022.
[...]

Board of directors & committees

Composition & (re)appointments directors

Jo De Wolf – reappointment

Pursuant to article 7:96 of the Code of companies and associations Jo De Wolf leaves the meeting as this agenda item concerns his reappointment as director and managing director of the Company.

The directors take note of the advice of the remuneration and nomination committee to reappoint Jo De Wolf as director and managing director of the Company for an additional period of four year. The directors unanimously agree that Jo De Wolf has performed these functions very well so far.

DECISION: The board of directors unanimously decides to propose the reappointment of Jo De Wolf as director and managing director of the Company to the general meeting of the Company of May 17, 2022 for an additional period of four year.

Remuneration committees and Chairman of the Board of Directors

Pursuant to article 7:96 of the Code of Companies and Associations Koen Van Gerven, Barbara De Saedeleer, Philippe Mathieu and Sophie Maes leave the meeting as this agenda item includes their remuneration as independent non-executive director.

The directors still present take note of the remunerations for the members of the remuneration and nomination committee, the audit committee, the board of directors and the investment committees of Montea concerning the meetings held in 2021. These remunerations were determined in line with the remuneration policy.

DECISION: The board of directors unanimously decides to approve the remunerations for the members of the remuneration and nomination committee, the audit committee, the board of directors and the investment committees of the Company concerning the meetings held in 2021.

Koen Van Gerven, Barbara De Saedeleer, Philippe Mathieu and Sophie Maes rejoin the meeting.

Pursuant to article 7:96 of the Code of Companies and Associations Dirk De Pauw leaves the meeting as this agenda item concerns the remuneration of his function as chairman of the board of directors and the investment committees.

The directors take note of the remuneration paid to Dirk De Pauw as chairman of the board of directors of Montea Management NV and as chairman of the investment committees (on behalf of DDP Management BV) for the meetings held in 2021.
[...]

More specifically, the following remuneration is proposed to Dirk De Pauw and DDP Management BV:
- *remuneration duties as chairman of the board of directors of Montea Management NV (Dirk De Pauw): 60,000 EUR;*
- *remuneration as chairman investment committees (DDP Management BV): 160,000 EUR.*

DECISION: The board of directors unanimously decides to (i) approve the remunerations of Dirk De Pauw as chairman of the board of directors of Montea Management NV and as chairman of the investment committees (on behalf of DDP Management BV) for 2021, and (ii) approve the proposal of remuneration for these functions for 2022.
[...]

Remuneration proposition CEO

Pursuant to article 7:96 of the Code of Companies and Associations Jo De Wolf leaves the meeting as this agenda item concerns his remuneration as CEO. Els Vervaecke and Jörg Heirman also leave the meeting.

The directors take note of the proposal made to and accepted by the CEO.
[...]

DECISION: The board of directors unanimously decides to approve this remuneration proposal to the CEO."

Excerpt from the minutes of the board of directors' meeting of August 17, 2022

"Reporting of conflicts of interest

he chairman asked the directors to disclose any potential conflict of interest regarding the items on the agenda of this meeting.

Jo De Wolf declares that he has a direct interest of a financial nature which conflicts with a decision that falls under the competence of the board of directors concerning agenda item 4.e (Long Term Incentive Plan Chief Executive Officer/Chief Financial Officer) as this concerns the approval of a LTIP which is offered to him in his function as CEO of Montea.
[...]

Long Term Incentive Plan Chief Executive Officer/Chief Financial Officer

The Long Term Incentive Plan for CEO and CFO, as proposed by the remuneration and nomination committee, is discussed.
[...]

The directors take note of the financial consequences for Montea if the KPIs are achieved on target (i.e. EUR 700,000 cash bonus to Lupus BV and EUR 425,000 cash bonus to Elijarah BV).
[...]

The directors discuss that it is necessary for a listed company like Montea to incentivise long-term executive management, in line with what is recommended by the Corporate Governance Code.

In this way, the long-term interests of the executive management are (partly) aligned with the long-term interests of the company. It is discussed that the proposed LTI is in line with what is offered to the executive management of peers of Montea and is a clear incentive for the CEO and CFO to further grow Montea. The board of directors believes that the LTI is therefore justified and in Montea's best interests.

DECISION: The board of directors unanimously decides to approve the proposed LTIP for the CEO and CFO and to deliver the offer letters to, respectively, the CEO and CFO. Each director is authorised to sign these offer letters, acting alone, on behalf of the Company, as the sole director of Montea."

Excerpt of the minutes of the board of directors' meeting of October 27, 2022

"Reporting of conflicts of interest

The chairman asked the directors to disclose any potential conflict of interest regarding the items on the agenda of this meeting.

Lieve Creten, Barbara De Saedeleer and Philippe Mathieu declare to have a direct interest of proprietary nature which conflicts with agenda item 4.c) (Benchmark remuneration non-executive directors) as this concerns the remuneration they receive by virtue of their mandate as non-executive independent director of Montea.

Pursuant to article 7:96 of the Code of Companies and Associations, Lieve Creten, Barbara De Saedeleer and Philippe Mathieu cannot participate in the deliberation and decision-making of the agenda item concerned and these minutes must contain the following entries: nature of the transaction, justification of the decisions taken and the financial consequences of the transactions for the Company. These entries are included above and under the relevant agenda item.

The statutory auditor of Montea will be notified of this conflict of interest.

No other director declares that he/she has another possible conflict of interest concerning the items on the agenda.
[...]

Benchmark remunerations non-executive independent directors

Prior to the discussion of this agenda item Philippe Mathieu, Lieve Creten and Barbara De Saedeleer announce that they have a conflict of interest regarding the following item. The remaining executive and/or non-independent directors (Dirk De Pauw, Jo De Wolf and Peter Snoeck) announced that they have discussed this agenda item between them prior to the meeting and now wish to communicate their decision and have this recorded.

Based on the benchmark conducted regarding the remuneration of the independent non-executive directors, a proposal was made regarding the remuneration of the non-executive independent directors, to be applied from January 1, 2023.

DECISION: The board of directors (consisting for this agenda item only of Dirk De Pauw, Jo De Wolf and Peter Snoeck) unanimously approves the proposed amendment to the remuneration for non-executive independent directors, with effect from January 1, 2023. Taking into account the benchmark carried out and the need to attract and retain quality and professional non-executive independent directors, the board of directors is of the opinion that this remuneration is in line with the market and in the interest of the Company."

7.4.2 RREC Act

Pursuant to article 37 of the RREC Act, the FSMA has to be informed when any benefit is gained in a transaction by certain parties referred to in this article. The Company must show the importance of the planned transaction, as well as the fact that the planned transaction falls within the normal course of its corporate strategy. These transactions must be carried out at market conditions and must be disclosed immediately. Pursuant to article 49, §2 of the RREC Act, the fair value, as established by the real estate expert, will be the maximum price in a transaction with the parties referred to in article 37, when the Company acquires real estate, or the minimum price when the Company disposes of real estate. Furthermore, these transactions must be explained in the annual report.

In the course of the financial year, the Company applied article 37 of the RREC Act three times in the framework of the following transactions:

- Share buy-back programme of maximum 70,000 shares (January 2022), persons concerned: Jo De Wolf, as director of the Sole Director and effective leader[1].
- Capital increase under the authorised capital by the Company by means of an optional dividend (June 2022), persons concerned[2]:
  - Montea Management NV as Sole Director;
  - Dirk De Pauw, as director of the Sole Director;
  - Jo De Wolf, as director of the Sole Director and effective leader;
  - Peter Snoeck, as director of the Sole Director;
  - Jimmy Gysels, as effective leader;
  - Koen Van Gerven, as director of the Sole Director;
  - Elijarah BV, represented by Els Vervaecke, as member of the executive management;
  - The reference shareholder: De Pauw Family.
- Share buy-back programme of maximum 25,000 shares (May 2022), persons concerned[3]:
  - Jo De Wolf, as director of the Sole Director and effective leader;
  - Jimmy Gysels, as effective leader;
  - Elijarah BV, represented by Els Vervaecke, as member of the executive management.

There are no significant arrangements and/or agreements with major shareholders, customers, suppliers or other persons on the basis of which persons were selected as members of the administrative, management or supervisory bodies or as members of the management of the company.

As at December 31, 2022, other than those mentioned in this annual report, there are no potential conflicts of interest between Montea, on the one hand, and the members of the administrative, management of supervisory bodies, on the other hand.

(1) See press release of 06/01/2022 or www.montea.com for more information.
(2) See press release of 17/05/2022 or www.montea.com for more information.
(3) See press release of 23/05/2022 or www.montea.com for more information.

There are no further particularities to be communicated about any restrictions to which the members of the administrative, management or supervisory bodies and the members of the executive management have agreed with regard to the disposal within a certain period of time of Montea's securities held by them.

7.5 Family ties between shareholders, directors and effective leaders

There are no known arrangements whose triggering at a later date may result in a change in control over Montea.

De Pauw Family

The De Pauw family consists of:

- Dirk De Pauw, Marie De Pauw, Bernadette De Pauw, Dominika De Pauw and Beatrijs De Pauw (brother and four sisters) and their respective children;
- the De Pauw indivision;
- Montea Management NV, which is controlled by the five aforementioned De Pauw siblings.

Based on the notifications received by Montea within the framework of the transparency regulations, they hold, on December 31, 2022, 11.39% of the voting rights of Montea.

The De Pauw family acts through mutual consultation. This can be derived from the notifications to the FSMA. This information is also available on the website of Montea.

As already mentioned, Mr Dirk De Pauw is chairman of the board of directors of the Sole Director. Peter Snoeck, the spouse of Dominika De Pauw, is a non-executive director.

7.6 Information pursuant to article 34 of the Royal Decree of November 14, 2007 – Elements that may have an impact in case of a public takeover bid

Pursuant to Article 34 of the Royal Decree of November 14, 2007, Montea lists and, where appropriate, explains the following elements, to the extent that said elements are of such nature as to have an effect in the event of a public takeover bid.

7.6.1 Capital structure (on December 31, 2022)

The capital, € 367,352,910.39 is represented by 18,025,220 shares without nominal value, each representing a one/eighteen million twenty-five thousand two hundred and twentieth (1/18.025.220) part of the capital. There are no preference shares. Each of these shares confers one voting right (with the exception of the Company's own shares of which the voting right is suspended) at the general meeting of shareholders and these shares therefore represent the denominator for the purposes of notification in the event that the thresholds in the articles of association or legal thresholds are reached, exceeded or fallen below (transparency regulations). The voting right is not restricted either by law or by the articles of association.

7.6.2 Legal or statutory restriction on the transfer of securities

The transfer of Montea shares is not subject to any legal or statutory restrictions.

7.6.3 Special control rights

Montea has no holders of securities to which special control rights are attached, other than certain veto rights in favour of its Sole Director (see article 24 of the articles of association).

7.6.4 Shareholders' agreements known to Montea that may give rise to restrictions on the transfer of securities and/or exercise of voting rights

To the best of Montea's knowledge, there are no shareholders' agreements which might give rise to restrictions on the transfer of securities and/or on voting rights.

7.6.5 Mechanism for controlling any share plan for employees where the controlling rights are not exercised directly by the employees

Montea does not have such a share plan for employees.

7.6.6 Governing body

Montea is managed by the Sole Director, Montea Management NV. Montea Management NV was appointed in the articles of association as sole director for a period ending on September 30, 2026. The main effect of Montea having a sole director is that, under the articles of association, the Sole Director has extensive powers and the right to veto certain major decisions and amendments to the articles of association[1].

Pursuant to article 2:51 of the Code of Companies and Associations, Montea Management NV is permanently represented for the performance of the mandate of statutory sole director by Mr Jo

(1) Reference is made to article 24 of the articles of association.

De Wolf. The Sole Director may resign at any time to the extent possible in the context of the commitments he has entered into towards Montea and to the extent that this resignation does not cause Montea any difficulties.

The mandate of Sole Director can only be revoked by a court order after a claim by the general meeting of shareholders of Montea on the basis of reasonable grounds has been established.

When the general meeting must decide on this issue, the Sole Director shall not vote. The Sole Director continues to exercise his duties until his resignation, following a court decision, which has the force of res judicata. The Sole Director must be organized in such a way that, in the framework of its board of directors, at least two individuals in a group are jointly responsible for monitoring the person(s) responsible for the executive management of operations in the interest of Montea.

The members of the governing body of the Sole Director must be natural persons and need to possess the professional reliability and the required experience as prescribed by the RREC Act. In the event of loss, on account of all members of the governing body or the body of daily management of the Sole Director, of the required professional reliability or required experience, as required by the RREC Act, the Sole Director or the statutory auditor must convene a general meeting of Montea to deliberate on the possible loss of these requirements and the measures to be taken. If one or more members of the bodies entrusted with the management or the executive management of the Sole Director no longer meet the above requirements, the Sole Director must replace them within the month. When this period has expired, a general meeting of shareholders of Montea must be convened, as described above, without prejudice to the measures that can be taken by the FSMA in connection with the exercise of its powers.

The mission of the Sole Director consists, in particular, of taking all actions that are useful or necessary for achieving the object of Montea, with the exception of those that are reserved by law or under the articles of association for the general meeting of shareholders of Montea

7.6.7 Amendments to the articles of assocation

With respect to the amendments to the articles of association of Montea reference is made to the rules imposed by the RREC Act and the RREC Royal Decree according to which, inter alia, any draft amendment to the articles of association must be submitted in advance to the FSMA for approval. In addition, article 24 of Montea's articles of association and the Code of Companies and Associations must be complied with.

7.6.8 Authorized capital

The Sole Director was authorised by the extraordinary general meeting of February 10, 2023 to increase the capital in one or more instalments. For more details on this authorisation reference is made to section 11.1.6.2 of this annual report and article 6.3 of the articles of association of Montea.

7.6.9 Purchase of own shares

7.6.9.1 Statutory authorization

The Sole Director is authorized for a period of five years, starting from the publication in the Annexes to the Belgian Official Gazette of the decision of the extraordinary general meeting of shareholders of November 9, 2020, to acquire or pledge the Company's own shares (even outside the stock exchange) on behalf of the Company with a maximum of 10% of the total number of issued shares. This at a unit price that may not be lower than 75% and not higher than 125% of the average of the closing price of the Montea share on the regulated market Euronext Brussels during the last 20 trading days prior to the date of transaction (acquisition and pledge).

The authorizations referred to above do not affect the possibilities of the board of directors to acquire, take as security or alienate shares in the Company, in accordance with the applicable legal provisions, if no authorization is required by the articles of association or the authorization of the general meeting of shareholders, or if such authorization is no longer required.

7.6.9.2 Share buy-back programme

On December 31, 2022 the Company owned 82,854 own shares. Within the limits of statutory authorisation to acquire own shares Montea successfully implemented three share buy-back programmes of respectively 70,000, 25,000 and 50,000 shares in the course of 2022[1].

On the date of this annual report Montea holds 76,874 of its own shares 0.43% of a total of 18,025,220 shares.

7.6.10 Contractual conditions

There are no major agreements to which Montea is party that would take effect, be amended or expire if control over Montea changes as a result of a public takeover bid, with the exception of the following agreements:

- The relevant provisions in the terms and conditions of issue of the bonds issued in 2015;
- The change of control provisions in the credit agreements which Montea concluded with BNP Paribas Fortis, KBC Bank, Belfius Bank, ING Bank, Aion Bank, Nagelmackers, Argenta and ABN AMRO respectively;
- The change of control provisions in the terms and conditions of the bonds issued through a US Private Placement (2021 & 2022).

The loans entered into by the Company that contain provisions subject to a change of control over the Company were approved and disclosed by the general meeting of shareholders pursuant to article 7:151 of the Code of Companies and Associations, with the exception of the loan entered into by the Company with ABN AMRO on November 30, 2022 and the issue of bonds through a US Private Placement in accordance with the Note Purchase Agreement of June 15, 2022. These will be presented for approval at the general meeting of shareholders of May 16, 2023.

(1) All press releases regarding these share buy-back programmes can be consulted via: https://montea.com/investor-relations/buyback-own-shares.

7.7 Statement of the board of directors of the Sole Director

The board of directors of the Sole Director of Montea declares that

- In the course of the previous five years:
  - i. no director or member of the executive management was convicted of fraud;
  - ii. no director or member of the executive management, in his capacity of member of the administrative, management or supervisory body, was involved in a bankruptcy, moratorium or dissolution;
  - iii. no director or member of the executive management has been charged with an offence and/or been subject to an official public nomination sanction by a statutory or regulatory authority; and
  - iv. no director or member of the executive management has been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer of financial instruments or from acting in the management or conduct of the affairs of any issuer or in the management or conduct of the affairs of any issuer.

- No contract of employment has been concluded with the directors or members of the executive management that provides for the payment of compensation at the end of the contract. There is a management contract between Montea Management NV and some directors and members of the executive management that provides for the payment of an indemnity.

- They are not aware of the fact that the directors or members of the executive management do or do not hold shares in Montea as at December 31, 2022, with the exception of Dirk De Pauw, Jo De Wolf, Peter Snoeck, PSN Management BV (permanently represented by Peter Snoeck), Els Vervaecke, Elijarah BV (permanently represented by Els Vervaecke), Jimmy Gysels and Koen Van Gerven.

- No options have been granted on the Montea shares to date, with the exception of options granted to some members of the executive management and certain members of personnel.[1]

(1) For more information, see section 7.8.2.3.

7.8 Remuneration report

This remuneration report pertains to all remuneration of the directors and members of the executive management that was granted during or was due in the financial year 2022. It includes the amounts coming from Montea, its perimeter companies and the Sole Director.

Pursuant to article 7:89/1 of the Code of Companies and Associations and recommendation 7:3 of the Code 2020 Montea adopted a remuneration policy on May 18, 2021. An updated version of the remuneration policy was approved by the general meeting of May 17, 2022. The main change in the current version compared to the previous version was the introduction of the possibility of introducing a long-term incentive plan to meet market demand to base part of executive management remuneration on longer-term performance targets.

The remuneration policy can be consulted on the Company's website.

The remuneration report below was drawn up in line with Montea's remuneration policy. In order to have a complete picture of the remuneration of the directors and members of the executive management that was awarded during or was due in financial year 2022, this remuneration report should be read together with Montea's remuneration policy.

7.8.1 Remuneration of the Sole Director in financial year 2022

The articles of association of the Company provide that the mandate of Montea Management NV as Sole Director is compensated. In accordance with article 13 of the articles of association of Montea, this remuneration consists of two parts: a fixed part and a variable part.

The fixed part of the remuneration of the Sole Director is established every year by the general meeting of shareholders of Montea. This lump sum cannot be less than € 15,000 per year and meets the criteria of article 35, §1, 1st subparagraph of the RREC Act.

The variable statutory portion is equal to 0.25% of the amount equal to the sum of the consolidated net results of the Company, excluding any fluctuations in the fair value of the assets and hedging instruments. This remuneration meets the criteria of article 35, §1, 2nd subparagraph of the RREC Act. The Sole Director is entitled to reimbursement of the actual costs incurred, directly related to its function and of which sufficient proof is provided.

In the course of the financial year that closed on December 31, 2022, the remuneration of the Sole Director amounted to € 974,088.38 exclusive of VAT. This amount essentially covers the total remuneration of the board of directors of the Sole Director, the remuneration of the managing director and the operating costs of Montea Management NV.

The definitive allocation of this remuneration to the Sole Director will be submitted for approval at the annual general meeting of shareholders of May 16, 2023.

7.8.2 Remuneration of the members of the board of directors, members of the investment committees and the executive management in financial year 2022

7.8.2.1 Total remuneration in financial year 2022

The members of the board of directors, members of the investment committees and the members of the executive management were remunerated in 2022 in line with the remuneration policy.

Regarding attendance fees for those entitled to receive such remuneration in line with the remuneration policy, an attendance fee of €1,500 per meeting was granted in 2022 for meetings of the board of directors, the audit committee and the remuneration and nomination committee and an attendance fee of €2,000 per meeting for meetings of the investment committees.

For the directors and the executive management the remuneration defined in the remuneration policy resulted in the following total amount for financial year 2022:

TOTAL REMUNERATION DIRECTORS, MEMBERS OF THE INVESTMENT COMMITTEES AND THE EXECUTIVE MANAGEMENT										
	1. Fixed remuneration			2. Variable remuneration						
Name, profile	Base fee	Attendance fees[1]	Other benefits	One-year variable	Multi-year variable	3. Exceptional items	4. Group insurance	5. Total remuneration	6. Proportion fixed and variable remuneration	
Dirk De Pauw	**€ 220,000**	**-**	**-**	**-**	**-**	**-**	**-**	**€ 220,000**	**Fixed 100%**	**Variable 0%**
president of the board of directors	€ 60,000	-	-	-	-	-	-	€ 60,000	Fixed 100%	Variable 0%
president of the investment committees[2]	€ 160,000	-	-	-	-	-	-	€ 160,000	Fixed 100%	Variable 0%
Jo De Wolf	**€ 653,668**	**-**	**€ 5,120**	**€ 262,500**	**-**	**-**	**€ 41,212**	**€ 962,500**	**Fixed[3] 73%**	**Variable 27%**
executive director	-	-	-	-	-	-	-	-	-	-
member of the investment committees	-	-	-	-	-	-	-	-	-	-
CEO	€ 653,668	-	€ 5,120	€ 262,500	-	-	€ 41,212	€ 962,500	Fixed 73%	Variable 27%
Peter Snoeck	**-**	**€ 16,000**	**-**	**-**	**-**	**-**	**-**	**€ 16,000**	**Fixed 100%**	**Variable 0%**
non-independent, non-executive director	-	-	-	-	-	-	-	-	-	-
member of the investment committee Intern and the Netherlands[4]	-	€ 16,000	-	-	-	-	-	€ 16,000	Fixed 100%	Variable 0%
Sophie Maes (until May 17, 2022)	**€ 12,500**	**€ 12,000**	**-**	**-**	**-**	**-**	**-**	**€ 24,500**	**Fixed 100%**	**Variable 0%**
independent, non-executive director	€ 10,000	€ 4,500	-	-	-	-	-	€ 14,500	Fixed 100%	Variable 0%
member of the audit committee	-	€ 4,500	-	-	-	-	-	€ 34,500	Fixed 100%	Variable 0%
president and member of the remuneration and nomination committee	€ 2,500	€ 3,000	-	-	-	-	-	€ 5,500	Fixed 100%	Variable 0%
Lieve Creten (as from May 17, 2022)	**€ 20,000**	**€ 12,000**	**-**	**-**	**-**	**-**	**-**	**€ 32,000**	**Fixed 100%**	**Variable 0%**
independent, non-executive director	€ 20,000	€ 6,000	-	-	-	-	-	€ 26,000	Fixed 100%	Variable 0%
member of the remuneration and nomination committee	-	€ 1,500	-	-	-	-	-	€ 1,500	Fixed 100%	Variable 0%
member of the audit committee	-	€ 4,500	-	-	-	-	-	€ 4,500	Fixed 100%	Variable 0%
Philippe Mathieu	**€ 35,000**	**€ 25,500**	**-**	**-**	**-**	**-**	**-**	**€ 60,500**	**Fixed 100%**	**Variable 0%**
independent, non-executive director	€ 20,000	€ 10,500	-	-	-	-	-	€ 30,500	Fixed 100%	Variable 0%
member of the remuneration and nomination committee	-	€ 6,000	-	-	-	-	-	€ 6,000	Fixed 100%	Variable 0%
president and member of the audit committee	€ 15,000	€ 9,000	-	-	-	-	-	€ 24,000	Fixed 100%	Variable 0%
Barbara De Saedeleer	**€ 25,000**	**€ 25,500**	**-**	**-**	**-**	**-**	**-**	**€ 50,500**	**Fixed 100%**	**Variable 0%**
independent, non-executive director	€ 20,000	€ 10,500	-	-	-	-	-	€ 30,500	Fixed 100%	Variable 0%
president and member of the remuneration and nomination committee	€ 5,000	€ 6,000	-	-	-	-	-	€ 11,000	Fixed 100%	Variable 0%
member of the audit committee	-	€ 9,000	-	-	-	-	-	€ 9,000	Fixed 100%	Variable 0%
Koen Van Gerven	**€ 20,000**	**€ 16,500**	**-**	**-**	**-**	**-**	**-**	**€ 36,500**	**Fixed 100%**	**Variable 0%**
independent, non-executive director	€ 20,000	€ 9,000	-	-	-	-	-	€ 29,000	Fixed 100%	Variable 0%
member of the audit committee	-	€ 7,500	-	-	-	-	-	€ 7,500	Fixed 100%	Variable 0%
Other members of the executive management	**€ 519,526**	**-**	**€ 18,312**	**€ 160,253**	**-**	**-**	**€ 11,370**	**€ 709,461**	**Fixed 77%**	**Variable 23%**

(1) In line with the remuneration policy no attendance fees are paid for meetings that are organised by conference call or in writing. For more information on the number of meetings that were organised in this manner, reference is made to section 7.3.3.
(2) On behalf of DDP Management BV. This is the consolidated remuneration for the presidency of all (three) investment committees within Montea.
(3) The ratio between Jo De Wolf's fixed remuneration and variable remuneration is in line with the staggering rule provided for in Article 7:91 WVV because in 2022 an LTIP (cash) was offered to the CEO (€700 000 @target) and CFO (€425 000 @target). This LTIP relates to the achievement of KPIs measured over a 5-year period from 2022 to 2026 and, if achieved, will be paid out in full in early 2027.
(4) On behalf of PSN Management BV.

7.8.2.2 Application of the performance criteria in financial year 2022

The performance criteria that determine the variable remuneration of the members of the executive management for financial year 2022, were set by the board of directors on advice of the remuneration and nomination committee at the beginning of the financial year 2022.

The performance achieved on each of these performance criteria and the associated variable compensation are as follows:

Performance criteria	Relative weighting	Measured performance
Jo De Wolf, CEO		
Achieving projected growth of the real estate portfolio in logistics real estate	30%	Outstanding
Achieving the targeted increase in EPRA earnings per share (EPS)	20%	Outstanding
Achieving or maintaning a target occupancy rate for the buildings	20%	Overachieved
Achieving 1 ESG KPI	15%	On target
Organising and participating in initiatives to keep team spirit, performance and staff satisfaction high	15%	On target
Total CEO		€ 262,500
Other members of the executive management		
Achieving projected growth of the real estate portfolio in logistics real estate	30%	Outstanding
Achieving the targeted increase in EPRA earnings per share (EPS)	20%	Outstanding
Achieving or maintaning a target occupancy rate for the buildings	20%	Overachieved
Achieving 1 ESG KPI	15%	On target
Organising and participating in initiatives to keep team spirit, performance and staff satisfaction high	15%	On target
Total other members of the executive management:		€ 160,253

7.8.2.3 Share-based remuneration in financial year 2022

In 2022, Montea set up a share purchase plan for the benefit of certain employees and members of the Company's management. The beneficiaries under the share purchase plan have the option (but not the obligation) to purchase a certain number of shares at a market price minus a discount that is justified by, among other things, a lock-up of 3.5 years.

Under this purchase plan, on April 14, 2022 69,258 shares were purchased by Jo De Wolf (CEO) and 1,000 shares by Els Vervaecke (permanent representative of Elijarah BV, CFO). These shares were purchased at a unit price of € 90.24 calculated as 83.33% of the average closing price of the Montea share on Euronext Brussels during the twenty trading days prior to the date of the offer (March 11, 2022).

An overview of the shareholdings of the members of Montea's administrative, management and supervisory bodies as at December 31, 2022 is as follows:

Name	Represented by	Number of shares
Jo De Wolf	-	123,877
Elijarah BV	Els Vervaecke	784
Els Vervaecke	-	6,121
Jimmy Gysels	-	205
PSN Management	Peter Snoeck	1,070
Peter Snoeck[1]	-	168,209
DDP Management BV	Dirk De Pauw	-
Dirk De Pauw	-	77,509
Philippe Mathieu	-	-
Barbara De Saedeleer	-	-
Koen Van Gerven	-	100
Lieve Creten	-	-

(1) These shares are held within the matrimonial community. The matrimonial community also holds 120,000 in usufruct.

Montea set up a stock option plan in 2021 and 2022 in favour of certain members of the (executive and non-executive) management and certain employees, designated at the discretion of the board of directors on the recommendation of the remuneration and nomination committee. The beneficiaries under the stock option plan have the possibility to acquire options with a term of ten years which can be exercised at a price equal to the lower of (a) the closing price of the Montea share on Euronext Brussels on the trading day preceding the day of the offer, and (b) the average closing price of the Montea share on Euronext Brussels during the period of 20 calendar days preceding the date of the offer. The options become vested after a period of three years.

An overview of the stock options offered to the members of executive management is as follows:

REMUNERATION IN SHARE OPTIONS										
	The main conditions of the share option plans						Information regarding the reported financial year			
							Opening balance	During the year[1]		Closing balance
Name Position	1. Identification of the Plan	2. Award date	3. Vesting date	4. End of retention period	5. Exercise period[2]	6. Exercise price	7. Share options held at the beginning of the year	8. a) Share options awarded b) Value underlying shares @ offer date	9. a) Share options vested b) Value underlying shares @ vesting date c) Value @ exerices price d) Capital gains @ vesting date	10. Share options awarded and unvested
Jo De Wolf Executive, CEO	SOP 2020	18/12/2020	31/12/2023	N/A	1/03/2024 - 18/12/2030	€ 90.70	0	a) 2,500 b) € 226,750		2,500
	SOP 2021	22/12/2021	31/12/2024	N/A	1/03/2025 - 22/12/2031	€ 127.60	2,500	a) 2,500 b) € 319,000		2,500
									Total:	5,000
Jimmy Gysels Executive, CPM	SOP 2020	18/12/2020	31/12/2023	N/A	1/03/2024 - 18/12/2030	€ 90.70	0	a) 2,500 b) € 226,750		2,500
	SOP 2021	22/12/2021	31/12/2024	N/A	1/03/2025 - 22/12/2031	€ 127.60	2,500	a) 2,500 b) € 319,000		2,500
	SOP 2022	16/12/2022	31/12/2025	N/A	1/03/2026 - 16/12/2032	€ 65.60	5,000	a) 2,500 b) € 164,000		2,500
									Total:	7,500

(1) During the year no options were exercised and no options expired.
(2) The exercise periods are limited to the period from 1 to 15 March, 1 to 15 June, 1 to 15 September and 1 to 15 December of each year and the last two months before their expiry date up to and including this expiry date.

7.8.2.4 Evolution of remuneration and benefits

The table below provides an overview of the annual change in total remuneration, Montea's developments and performance, the average remuneration of the employees and the ratio between the highest remuneration of the management members and the lowest remuneration of the employees on the basis of full-time equivalent.

The company interprets article 3:6, §3 (5) of the Code of Companies and Associations in such a way that the requirement to include the five-year development of the remuneration in relation to the Company's performance and the average remuneration of the employees applies only as of 2020 and consequently does not require that figures from before 2020 be included in the comparison. It will therefore show the evolution in the remuneration report as of 2020, but not retroactively.

	2022 vs 2021	2021 vs 2020	2020 vs 2019
Annual change in remuneration of the members of the board of directors and executive management[1]			
Fixed remuneration	€ 116,036	€ 175,259	€ 186,616
Variable remuneration	€ 38,370	€ 4,831	€ 87,545
Annual change in the evolution of performance			
Portfolio growth	+28%	+25%	+18%
EPS	+9%	+7%	+7%
DPS	+9%	+7%	+11%
Occupancy rate	-0.3%	+0.3%	+0.1%
Property result	+18%	+14%	+9%
EPRA result	+12%	+8%	+12%
Annual change in average employee remuneration[2]			
Belgian employees	2%	-3%	3%
Dutch employees	6%	2%	17%
French employees[3]	32%	0%	6%
On a consolidated basis	10%	-2%	8%
Ratio of highest management remuneration to lowest employee remuneration[4]	**16**	**14**	**14**

(1) The increase in fixed remuneration is partly explained by more physical board meetings and an increase in the fixed remuneration of the chairman of the board and the CEO in line with the market. The increase in variable remuneration lies in the achievement of overachievement on certain KPIs.
(2) The average remuneration shown is that of all employees as defined by Belgian law, with the exception of persons who are also part of the executive management. The average remuneration of an employee is calculated based on the figures of this annual report. Social security, pension and benefit costs are excluded.
(3) The increase in the average remuneration of the French employees is due to the expansion of the French team (among others, a new country director).
(4) The ratio was calculated based on total cost to the company. The variable remuneration is included in the year that includes the performance year (this is only equal to the short-term variable cash remuneration as described above).

7.8.2.5 Severance payments in financial year 2022

No severance payments were granted or paid out in financial year 2022 as no contracts with members of the executive committee were terminated.

7.8.2.6 Claw-back rights applied in financial year 2022

No possible claw-back rights were applied in 2022.

7.8.2.7 Deviations from the remuneration policy in financial year 2022

In 2022, the application of the remuneration policy for directors and the executive management was in line with (the adjustments to) the remuneration policy as approved by the general meetings on May 18, 2021 and May 17, 2022. There was no deviation.

8. Risk factors

Only the risk factors identified by the Company as specific and material are described below. The non-specific risks, in particular the risks which do not only concern a company such as Montea, are not included in this overview. Furthermore, Montea considers, in accordance with the Prospectus Regulation, the significance of the risk based on the probability that it will occur and the expected scope of its negative effect. In accordance with point 32 of the ESMA Guidelines and article 16 of the Prospectus Regulation, for each category, the most material risks are mentioned first.

8.1 Risk factors relating to Montea's financial situation

8.1.1 Evolution of the interest rates

Short and/or long-term interest rates on the (international) financial markets may fluctuate significantly.

With the exception of the financial agreements concerning other financial debts[1], € 640 million of bond loans and € 67 million of bilateral credit lines, Montea concludes all its financial debts at a variable interest rate (bilateral credit lines at EURIBOR (1,3 or 6) months + margin). In principle, an increase in the interest rate makes financing with borrowed capital more expensive for the Company. The total financial debt subject to variable interest rates on December 31, 2022 amounted to € 175 million.

In order to cover the risk of rising interest rates, Montea pursues a hedging policy that is aimed to cover 80% to 100% of the interest rates on its existing financial debts, including expected debts. On December 31, 2022 , 96% of the amounts drawn under the credit lines and bond loans are covered by hedging instruments (swaps and caps) or credit lines/bond loans with fixed interest rates. An increase in short-term interest rates of 100 basis points, calculated as at December 31, 2022, would cause an increase of the total financial cost of € 0.3 million.

For a further explanation on the fair value of financial liabilities, see section 9.2 (Note 39: Fair value hierarchy - Financial liabilities). Further information regarding net interest expenses can be found in section 9.2 (Note 15: Net interest expenses) and for explanations regarding interest expenses, reference is made to section 5.4.4 (subtitle: interest expenses). For a further explanation regarding our general financing policy and financing structure, see sections 5.2.1 and 5.2.3.

(1) Montea has a financial leasing debt relating to a current financial agreement of € 705,403 (< 0.1% of the total financial debt).

8.1.2 Liquidity risk

In order to finance its activities and investments, Montea depends to a large extent on its ability to raise financial resources. That ability can be disrupted by various (external) factors, e.g. disruptions in the international financial debt and equity capital markets, a reduction in the credit-granting capacity of banks, a deterioration of Montea's creditworthiness, a negative perception by investors with regard to real estate companies, etc. Each of these events could lead to Montea experiencing difficulties in gaining access to financing under its existing or new credit facilities, or on the capital markets. This could potentially lead to, amongst others, in particular not being able to finance acquisitions or projects, a lack of sufficient financial resources to pay interest and operational costs and to repay the outstanding capital of loans and/or bonds, etc. on the due date.

The liquidity risk is limited inter alia by the diversification of the financing sources: 24.6 % of the total financial debt consists of credit lines taken, 75.3 % of bond loans and 0.1 % of other financial debts (leasing). Moreover, Montea always foresees a sufficiently large liquidity buffer to meet its short-term obligations. At year-end, this buffer amounts to € 340 million[1].

For more details about Montea's financing policy, see section 5.2.1.

8.2 Legal and regulatory risks

8.2.1 Public domain and airport zones

8.2.1.1 Concessions and rights of superficies

For certain sites, Montea has a building right (opstalrecht/superficie) or a concession right on public domain. In particular, reference is made to (i) the building right agreements Montea or its subsidiaries concluded with Brussels Airport Company (BAC) for sites located in the airport zone, and (ii) the concession agreements Montea or its subsidiaries concluded with North Sea Port Flanders (formerly 'Gent Zeehaven') or with De Vlaamse Waterweg[2].

These building and concession rights are limited in time. These rights may also, for reasons of public interest, be terminated by the lessor / grantor before their foreseen expiry date.

The associated risk for Montea is twofold. On the one hand, Montea risks losing prematurely its building or concession right on the site, and therefore also its investment / its building(s) on the site. On the other hand, Montea risks being exposed to claims for damages from the user(s) of that (those) building(s) because together with the building lease or concession right on the site, the user agreement also necessarily ends prematurely.

(1) Montea's liquidity position was mainly strengthened in 2022 by issuing € 380 million of green unsecured notes via US Private Placement

(2) Or with one of its legal predecessors Waterwegen en Zeekanaal or De Scheepvaart. For more information on the off-balance sheet obligations in this regard, see section 9.2 (Note 43: Off-balance sheet obligations).

Overall, € 367,683,984 (or 18.2% of the total value) of Montea's property portfolio is subject to this risk as at December 31, 2022. The consolidated rental income linked to these sites was € 18,863,038 (or 18.7 % of the total rental income) in 2022. If the building and concession rights for this part of the property portfolio were to be terminated early, this rental income would lapse going forward.

This double risk is however almost always mitigated by (a) provisions in the user agreement pursuant to which, in case of such termination, the user cannot claim damages from Montea and/or (b) the fact that, in case of such termination, the lessor / grantor under the building right agreement / concession agreement is obliged to compensate the full damage of Montea (including damage claims from the user).

To date, this risk has not materialised.

8.2.1.2 (Safety) regulations

Certain Montea sites located on public property or in airport zone are subject to specific (safety) regulations. If these regulations were to change/strengthen, this could have an impact on the rentability of the properties concerned or in some cases activate certain contractual termination options for the users. Overall, € 175,458,376 (or 8.7% of the value) of Montea's property portfolio is subject to this risk on December 31, 2022. Collectively, these assets generate € 8,769,111 of rental income.

To date, this risk (changed legislation concerning the night flight regime & corresponding reduction of the user fee or premature termination) under this use agreement has not materialised.

8.2.2 Legislative and fiscal framework for public regulated real estate companies[1]

As a regulated real estate company (RREC) Montea benefits from a favorable tax regime. The results (rental income and capital gains on sales minus operating costs and financial charges) are exempt from corporate tax at the level of the RREC (but not at the level of the perimeter companies). Dividends paid out by a RREC are subject to a withholding tax rate of, in principle, 30%. However, this favorable tax regime is also subject to obligations and restrictions to which Montea must adhere. For instance, as a RREC, Montea may only invest a maximum of 20% of its consolidated assets in "other real estate" as defined in Article 2, 5° vi to xi of the RREC Act. This limit has not been exceeded by Montea as at December 31, 2022.

In case of loss of recognition of the RREC status, which presupposes a serious and persistent failure by Montea to comply with the provisions of the RREC ACT or the RREC Royal Decree, Montea would lose the benefit of this favorable tax regime.

(1) For more information on the RREC status, reference is made to section 11.5.1.

In addition, the loss of recognition as a public RREC is generally considered under credit agreements to trigger the early repayment of bank credits (Montea has € 217 million of drawn credit facilities on December 31, 2022), which could reduce Montea's liquidity. Finally, Montea is exposed to the risk of future changes to the RREC regime.

8.2.3 Legislative and fiscal framework for the "Fiscale Beleggingsinstelling" FBI[1]

In order to implement its real estate investments in the Netherlands, Montea filed an application in September 2013 to benefit from the fiscal regime of the 'Fiscale Beleggingsinstelling' (hereinafter **"FBI"**) (as referred to in Article 28 of the Corporate Tax Act of 1969) in respect of Montea Nederland N.V. and its subsidiaries. To date, the Company's Dutch subsidiary, Montea Nederland N.V. and its subsidiaries, have not yet received a final decision from the Dutch tax administration approving the FBI status.

In July 2022, the research institute 'Stichting Economisch Onderzoek' (SEO)) completed an evaluation on the effectiveness and efficiency of the FBI regime and presented this to the Dutch Ministry of Finance. The evaluation report suggests solutions for several bottlenecks of the (real estate) FBI regime. In the offer letter to the people's representatives, the Secretary of State for Finance indicated that he would evaluate these solution directions and present his policy intentions after the summer.

In mid-September 2022, the Secretary of State for Finance gave follow-up to this in the announcement of the Dutch budget for 2023 which indicated that the cabinet would introduce a so-called real estate measure in the corporate income tax, as a result of which FBIs would no longer be able to invest directly in real estate from 2024. In early December 2022, the Finance Cabinet responded to the previously favourable evaluation report by the independent Dutch research institute SEO and shared the decision to postpone the entry into force of this abolition by one year to January 1, 2025.

Montea Nederland N.V. and its subsidiaries would therefore no longer be able to claim FBI status as of 2025. Real estate FBIs are expected to restructure before 2025. The cabinet response also indicated that flanking measures will be taken in 2024 to facilitate the restructuring of real estate FBIs.

The ongoing dialogue that Montea Nederland N.V. and its subsidiaries maintain with the Dutch tax administration is not impacted by the announced 2025 real estate measure. This measure will have no retroactive effect.

The refusal of the FBI status with respect to the years 2015 to 2020 would have a negative impact of €9.4 million (or € 0.57 per share[2]) on the EPRA-result. The granting of FBI status with respect to the years 2015 to 2020 would have a positive impact of €11.7 million on Montea's liquidity position.

(1) For more information on the FBI status, reference is made to section 11.5.4.
(2) Based on a weighted average number of shares of 16,538,273 for 2022.

The refusal of the FBI-status with respect to the years 2021 and 2022 would have no impact on the EPRA-result. The granting of the FBI status with respect to the years 2021 and 2022 would have a positive impact of €8.4 million (or €0.50 per share) on the EPRA result as well as a positive impact of €40.7 million (or €2.46 per share) on the portfolio result via reversal of the anticipated deferred tax on the property.

Supported by European law, however, Montea's efforts remain focused on being able to qualify for FBI status in the Netherlands from 2021 as well. The tax return will therefore be submitted as FBI (at least until 2024) since Montea continues to believe that it fulfils all the conditions to be able to claim FBI status.

For further explanation on the FBI status, please refer to section 11.5.4.

8.2.4 Legislative and fiscal framework for SIIC[1]

For its real estate investments in France, Montea has opted for the tax system of the listed real estate investment trusts ("Sociétés d'Investissements Immobiliers Cotées", hereinafter **"SIIC"**), in accordance with article 208-C of the Code Général des Impôts français (**"CGI"**). The main advantage of this scheme consists of being exempted from French corporate tax, subject to meeting a distribution obligation for certain income derived from real estate (rents, realised capital gains on property, real estate income from subsidiaries), largely modelled on the RREC scheme for Belgian corporate tax.

A number of special conditions are attached to the system. For example, the company must be listed on a French or foreign regulated market and the object of the company must be geared primarily to the acquisition or construction of immovable property with a view to leasing, or the acquisition of a direct or indirect equity interest in companies with a similar object.

If Montea were to lose its SIIC status, e.g. because it no longer complies with one or more conditions under French law, it will be required to make a number of subsequent payments for French corporate income tax purposes at a rate of 25%. Montea estimates the annual financial impact in such case at € 0.02 per share[2] at maximum based on the earnings in 2022, without taking into account growth assumptions of the current portfolio.

Notwithstanding the fact that a SIIC is exempt from French corporation tax, France withholds a withholding tax on the undistributed profits of a French branch (the so-called "branch remittance tax"). Montea invokes the double taxation treaty between Belgium and France so that this French withholding tax results in a 5% tax leakage on the after-tax profits of the French branch. In 2021, Belgium and France concluded a new double taxation treaty that has not yet entered into force. Montea expects that the French withholding tax limitation will no longer apply once the new double tax treaty enters into force (from 2024 at the earliest). Assuming that the French branch qualifies as SIIC, the annual financial impact is an additional withholding tax of 20%, being the difference between the so-called branch remittance tax of 25% and the currently applied reduced withholding tax of 5%.

(1) For more information regarding the SIIC-status see section 11.5.3.
(2) Calculated here on the weighted average number of shares as at December 31, 2022. The maximum impact if the SICC status is lost is € 0.3 million.

8.3 Risks relating to the corporate structure of Montea

8.3.1 Risks relating to the Sole Director

In its capacity as controlling shareholder of the Sole Director[1], the De Pauw Family has an important influence, as it determines who will become director of the Sole Director, taking into account the legal rules on corporate governance and Montea's Corporate Governance Charter. Moreover, the general meeting of shareholders of Montea can deliberate and decide only when the Sole Director is present. The Sole Director must also give his consent to the most important decisions of the general meeting of Montea (including any amendments to the articles of association). As a result of this statutory veto right, and given that the Sole Director is practically irremovable, the decision-making power of the general meeting of shareholders may be blocked, as a result of which necessary or useful decisions for Montea cannot be taken by the general meeting. There is a risk therefore that all or part of the voting rights attached to the shares are eroded.

8.3.2 Risks relating to a possible change of control

When Montea would amend its articles of association and would take a legal form other than a public limited liability company with a sole director or would appoint another sole director in replacement of Montea Management NV, the change of control provisions under the bonds[2] may be activated. As a result, any bondholder could, by means of a written notification to the registered office of Montea with a copy to the respective "agent", require that his or her bonds be declared immediately due and payable at their nominal value plus accrued interests (if any) up to the date of payment, without further formalities, unless such default has been remedied or a waiver from the bond holders is obtained. This may also activate the change of control clause under bilateral credits, thereby entitling the financial institutions concerned to claim all outstanding amounts. As at December 31, 2022, Montea had more than €665 million in bond loans drawn down and €216.7 million in credit lines.

(1) For more information on the structure of the Sole Director, reference is made to section 8.
(2) More information regarding the financial obligations following the Bonds can be found in section 9.2 (Note 39: Fair value hierarchy - Financial liabilities).

8.4 Risks relating to Montea's property portfolio

8.4.1 Construction and development risk

The Montea property portfolio is expanded not only by acquiring existing buildings, but also by development projects. Such projects sometimes involve risks other than risks related the traditional acquisition of existing buildings. Following potential risks must be noted: finding the right partners to carry out the development, delay of the development or poor execution (resulting in reduced rental income, postponement, or loss of expected rental income), an increase in construction costs, organizational problems in the supply of the necessary raw materials or materials and the risk that the necessary permits are not granted or are contested. In this respect, Montea is to a large extent subject to macro-economic developments, such as the rising cost price of raw materials and building materials and disruptions in the supply chain. In 2022, the potential impact of the armed conflict in Ukraine on the timing and budget of development projects, as well as the average financing cost, was monitored in particular. The Montea operational team proactively monitors these risks, and ongoing projects are discussed on a weekly basis to monitor timing and budget. Montea also does its best to negotiate contracts that minimize these risks, e.g. increases in building costs are not passed on to Montea where possible, obtaining a building permit is a suspensive condition for the project, and the projects in which Montea invests are pre-let as much as possible.

In addition, Montea sometimes concludes an agreement for build-to-suit projects with a developer under which Montea undertakes to purchase the building in question (or the company to which the building belongs) at a price agreed in advance, provided that a number of conditions precedents are fulfilled. These conditions precedent pertain in particular to the delivery of the guarantee, the first rent payment, obtaining the necessary permits and the provisional handover of the building. If the building is delivered later than planned or if one or more of the conditions precedents are not fulfilled, Montea may decide not to take over the building (or the company to which the building belongs), or to do so only at a later date, which may have an impact on the projected results of Montea and its future property portfolio.[1]

8.4.2 Vacancy

Montea is exposed to the risks associated with the departure of its tenants and the renegotiation of their lease agreements. A higher vacancy rate will imply additional costs, including, but not limited to, the charging of normally recoverable costs (property tax, management costs, etc.) and commercial costs related to reletting and/or downward revision of rents. In addition, increased vacancy will lead to a reduction in income and cash flows.

Montea's investment strategy focuses in particular on sustainable and versatile logistics real estate, consisting of strategic top locations, multimodal sites, multifunctional buildings and maximum use of space. Montea has a professional team that is dedicated to finding new tenants and managing the relationship with its customers actively. In addition, vacancies are avoided and a stable cash flow of rental income is assured because a large part of the property portfolio is let on long-term leases, which makes it possible to spread the risk of rental vacancy.

On December 31, 2022 the remaining duration of the leases until maturity was 7.4 years (excluding solar panels). The occupancy rate as at December 31, 2022 was 99.4%, i.e. a quasi-full letting of the property portfolio.

8.4.3 Climate risk

The sustainability strategy determines how Montea will contribute to the climate objectives in order to limit the effects of climate change as much as possible. Climate change also entails changing risks. Montea builds its portfolio with these changing needs in mind.

Montea sees the most important direct risk of climate change in extreme weather conditions. Damage caused by extreme weather conditions and natural disasters is covered by various insurances. The direct financial impact (in the short and medium term) is therefore not considered to be material. A significant increase in the number of claims (at Montea or in general) could affect the insurability of the portfolio and insurance premiums in the longer term. To date, Montea is not aware of any material impact on its portfolio with respect to this risk.

8.5 Market risks

8.5.1 Concentration risk

Given the scope of the projects in which Montea invests, there is a risk that Montea is too dependent on the continued existence of an asset group or on a contractual relationship with one single client. The concentration of the tenant base can affect the diversification of the group and cause a drop in income and cash flows when a tenant leaves or experiences financial difficulties.

To limit and spread these risks, Montea must diversify its property portfolio, in accordance with the RREC Act geographically, per type of real estate and per category of tenant. More specifically, Montea may not carry out any transaction that would result in more than 20% of its consolidated assets being invested in properties that form a single asset group, or, of this percentage would already exceed 20% for one ore more asset groups, increase it further.

Montea has always strived for a highly diversified tenant base, spread over several sites. The aforementioned diversification threshold of 20% had not been reached on December 31, 2022.

The buildings rented by the largest tenant Amazon represent 4.8% of the total annual contracted rental income. The value of the largest property in the portfolio represents 5.1% of the total fair value of the portfolio (site in Tiel, leased to Recycling Reko Tiel and Struyk Verwo Infra).

The proceeds from solar panels represent 7.7 % of the income.

(1) More information on the forecasted result and the future property portfolio of Montea can be read in section 6.4.

8.5.2 Negative change in the fair value of buildings

The fair value of Montea's property investments is subject to change and depends on various factors, some of which are external and thus beyond Montea's control (such as falling demand or occupancy rates in the markets in which Montea operates, changes in expected investment yields or increases in transaction costs relating to the acquisition or transfer of property).

In addition, the valuation of real estate may be influenced by a number of qualitative factors, including, but not limited to, its technical condition, additional obligations regarding the sustainability of buildings, its commercial positioning, capital expenditure requirements for fitting out, establishment and layout.

Each quarter, the fair value of investment properties is determined by independent valuation experts.

A substantial fall in the fair value of its real estate could potentially entail considerable losses, which could have a negative impact on Montea's results and financial situation, namely a negative influence on the net result and the NAV, a fall in the fair value of the real estate investments resulting in an increase in debt, and the partial or total inability to pay out dividends in case of accumulated negative variations in the fair value exceed the distributable reserves.

Montea has an investment strategy that focuses on quality assets offering stable income and ensures adequate monitoring of its assets, combined with a prudent debt policy. Montea monitors its debt ratio and the evolution of the fair value of its investment properties on a regular basis. We refer to section 9.2 (Note 20: Real estate investments) for a sensitivity analysis with regard to the fair value of the investment properties.

9. Financial report

9.1 Consolidated financial statements and valuation rules

9.1.1 Historical financial information

The following sections of Montea's annual financial reports for the financial years 2020, 2021 and 2022 are included by reference and may be consulted at the registered office or via Montea's website (www.montea.com).

	Page
ANNUAL FINANCIAL REPORT 2020	
Financial statements, including consolidated financial statements	150-222
Management report	24-148
Real estate report	43-64
ANNUAL FINANCIAL REPORT 2021	
Financial statements, including consolidated financial statements	167-236
Management report	35-167
Real estate report	57-78
ANNUAL FINANCIAL REPORT 2022	
Financial statements, including consolidated financial statements	224-323
Management report	103-145
Real estate report	372-383

The consolidated financial statements for financial years 2020, 2021 and 2022 were audited by Montea's statutory auditor. The auditor's reports can be found in the chapter "Auditor's report to the general meeting of shareholders of Montea NV" in Montea's annual financial reports for financial years 2020, 2021 and 2022, and include an unqualified opinion.

There were no changes to the financial reporting framework.

9.1.2 Consolidated balance sheet as at 31 December 2022[1]

		CONSOLIDATED BALANCE SHEET (EUR x 1.000)	31/12/2022	31/12/2021
		NON-CURRENT ASSETS	**2,216,000**	**1,703,680**
I.	A.	Goodwill	0	0
	B.	Intangible assets	567	727
	C.	Investment properties	2,124,563	1,665,521
	D.	Other tangible assets	50,273	36,103
	E.	Non-current financial assets	40,367	1,106
	F.	Finance lease receivables	0	0
	G.	Trade receivables and other non-current assets	230	221
	H.	Deferred taxes (assets)	0	0
	I.	Participations in associates and joint ventures according to the equity method	0	0
		CURRENT ASSETS	**111,712**	**49,237**
II.	A.	Assets held for sale	0	0
	B.	Current financial assets	0	0
	C.	Finance lease receivables	0	0
	D.	Trade receivables	24,607	16,469
	E.	Tax receivables and other current assets	13,458	13,104
	F.	Cash and cash equivalents	67,766	15,172
	G.	Deferred charges and accrued income	5,881	4,492
		TOTAL ASSETS	2,327,712	1,752,917

		CONSOLIDATED BALANCE SHEET (EUR x 1.000)	31/12/2022	31/12/2021
		TOTAL SHAREHOLDERS' EQUITY	**1,301,220**	**1,016,280**
I.		**Shareholders' equity attributable to shareholders of the parent company**	**1,297,636**	**1,015,097**
	A.	Share capital	353,244	323,777
	B.	Share premiums	319,277	234,693
	C.	Reserves	420,657	228,780
	D.	Net result of the financial year	204,458	227,848
II.		**Minority interests**	**3,584**	**1,183**
		LIABILITIES	**1,026,492**	**736,637**
I.		**Non-current liabilities**	**909,109**	**597,218**
	A.	Provisions	0	0
	B.	Non-current financial debts	872,967	556,509
		a. Credit institutions	161,271	312,421
		b. Financial leasings	595	718
		c. Other	711,101	243,370
	C.	Other non-current financial liabilities	-7	19,130
	D.	Trade debts and other non-current debts	0	0
	E.	Other non-current liabilities	0	0
	F.	Deferred taxes - liabilities	36,149	21,579
II.		**Current liabilities**	**117,383**	**139,419**
	A.	Provisions	0	0
	B.	Current financial debts	59,919	92,940
		a. Credit institutions	57,333	90,833
		b. Financial leasings	110	104
		c. Other	2,475	2,003
	C.	Other current financial liabilities	0	0
	D.	Trade debts and other current debts	28,407	26,113
		a. Exit tax	6,067	4,194
		b. Other	22,340	21,920
	E.	Other current liabilities	2,343	342
	F.	Accrued charges and deferred income	26,714	20,023
		TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	2,327,712	1,752,917

(1) No significant change in the financial or trading position of the group has occurred since the end of the last reporting period for which either audited or interim financial information has been published except for those included under section Alternative Performance Indicators (APMs).

9.1.3 Consolidated statement of realized and unrealized results before profit distribution as at 31 December 2022[1]

	CONSOLIDATED PROFIT & LOSS ACCOUNT (EUR x 1.000)	31/12/2022 12 months	31/12/2021 12 months
I.	Rental income	90,729	75,571
II.	Reversal of lease payments sold and discounted	0	0
III.	Rental-related expenses	160	-426
	NET RENTAL RESULT	**90,889**	**75,145**
IV.	Recovery of property charges	0	0
V.	Recovery of rental charges and taxes normally borne by tenants on let properties	10,177	8,780
VI.	Costs payable by tenants and borne by the landlord for rental damage and refurbishment at end of lease	0	0
VII.	Rental charges and taxes normally borne by tenants on let properties	-11,257	-9,262
VIII.	Other rental-related income and expenses	10,105	10,080
	PROPERTY RESULT	**99,913**	**84,743**
IX.	Technical costs	-30	-1
X.	Commercial costs	-127	-222
XI.	Charges and taxes of non-let properties	-349	-314
XII.	Property management costs	-1,459	-1,985
XIII.	Other property charges	-38	-52
	PROPERTY CHARGES	**-2,003**	**-2,574**
	PROPERTY OPERATING RESULT	**97,910**	**82,169**
XIV.	General corporate expenses	-6,742	-5,052
XV.	Other operating income and expenses	-148	158
	OPERATING RESULT BEFORE PORTFOLIO RESULT	**91,020**	**77,275**
XVI.	Result on disposal of investment properties	19	453
XVII.	Result on disposal of other non-financial assets	0	0
XVIII.	Changes in fair value of investment properties	92,864	175,392
XIX.	Other portfolio result	0	0

(1) The Consolidated statement of realized and unrealized results before profit distribution as at 31 December takes into account 16,538,273 shares, the weighted average number of shares for 2022. The total number of shares outstanding at the end of the 2022 financial year is 18,025,220. Montea reports in the consolidated statement of realized and unrealized results before profit distribution as at 31 December 2022, the EPRA result per share and net result per share, based on the weighted average number of shares.

	CONSOLIDATED PROFIT & LOSS ACCOUNT (EUR x 1.000)	31/12/2022 12 months	31/12/2021 12 months
	OPERATING RESULT	**183,903**	**253,120**
XX.	Financial income	171	21
XXI.	Net interest charges	-17,931	-11,487
XXII.	Other financial charges	-189	-94
XXIII.	Changes in fair value of financial assets & liabilities	58,408	12,967
	FINANCIAL RESULT	**40,460**	**1,406**
XXIV.	Share in the result of associates and joint ventures	0	0
	PRE-TAX RESULT	**224,362**	**254,526**
XXV.	Income tax	-19,904	-26,678
XXVI.	Exit tax	0	0
	TAXES	**-19,904**	**-26,678**
	NET RESULT	**204,458**	**227,848**
	Attributable to:		
	Shareholders of the parent company	204,505	227,685
	Minority interests	-46	162
	Number of shares in circulation at the end of the period	18,025,220	16,215,456
	Weighted average number of shares for the period	16,538,273	16,130,871
	NET RESULT per share (EUR)	**12.36**	**14.12**

9.1.4 Consolidated result before profit distribution as at 31 December 2022[1]

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (EUR x 1.000)	31/12/2022 12 months	31/12/2021 12 months
NET RESULT	**204,458**	**227,848**
Other items of the comprehensive income	**14,928**	**227**
Items taken in the result:	**0**	**0**
Impact on fair value of estimated transfer rights and costs resulting from hypothetical disposal of investments properties	0	0
Changes in the effective part of the fair value of authorized cash flow hedges	0	0
Items not taken in the result:	**14,928**	**227**
Impact of changes in fair value of solar panels	14,928	227
COMPREHENSIVE INCOME	**219,387**	**228,074**
Attributable to:		
Shareholders of the parent company	219,433	227,912
Minority interests	-46	162

(1) The Consolidated statement of realized and unrealized results before profit distribution as at 31 December takes into account 16,538,273 shares, the weighted average number of shares for 2022. The total number of shares outstanding at the end of the 2022 financial year is 18,025,220. Montea reports in the consolidated statement of realized and unrealized results before profit distribution as at 31 December 2022, the EPRA result per share and net result per share, based on the weighted average number of shares.

9.1.5 Consolidated cash flow statement as at 31 December 2022

CONSOLIDATED CASH FLOW STATEMENT (EUR x 1.000)	31/12/2022 12 months	31/12/2021 12 months
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	**15,172**	**5,057**
NET CASH FLOW FROM OPERATING ACTIVITIES (A)+(B)+(C) = (A1)	**84,458**	**73,518**
Net result	204,458	227,848
Net interest costs	17,931	11,487
Financial income	-171	-21
Taxes	19,904	26,678
Gain (-)/loss (+) on disposal of investment properties	-19	-453
Cash flow from operating activities before adjustments of non-cash items and working capital (A)	**242,103**	**265,539**
Changes in fair value of hedging instruments	-58,408	-12,967
Changes in fair value of investment properties	-92,864	-175,392
Equity-settled share-based payment expense	-7,751	58
Depreciation and amortization (addition (+)/reversal (-)) on fixed assets	432	346
Impairment losses on receivables, inventories and other assets	-160	426
Adjustments for non-cash items (B)	**-158,751**	**-187,529**
Decrease (+)/increase (-) in trade and other receivables	-9,879	-6,961
Increase (+)/decrease (-) in trade and other payables	10,985	2,469
Increase (+)/decrease (-) in working capital requirement (C)	**1,106**	**-4,492**
NET CASH FLOW FROM INVESTMENT ACTIVITIES (B1)	**-362,371**	**-150,995**
Acquisitions	**-362,424**	**-166,389**
Payments regarding acquisitions of real estate investments	-291,228	-82,243
Payments regarding acquisitions of shares in real estate companies	-70,598	-81,645
Purchase of other tangible and intangible fixed assets	-598	-2,501
Disposals	**53**	**15,395**
Proceeds from sale of investment properties	53	15,395
Proceeds from sale of buildings held for sale	0	0
Proceeds from sale of shares in real estate companies	0	0
NET FINANCIAL CASH FLOW (C1)	**330,507**	**87,591**
Net effect of withdrawal and repayment of loans	**280,062**	**127,626**
Capital increase	**120,211**	**16,232**
Dividends paid	**- 49,109**	**-45,308**
Interests paid	**-20,657**	**-10,960**
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR (A1+B1+C1)	**67,766**	**15,172**

9.1.6 Statement of changes in the consolidated equity and reserves as at 31 December 2022

For more information regarding the above table, reference is made to section 9.1, notes 29, 30, 31 and 32.

Changes in shareholders' equity (EUR x 1.000)	Share capital	Share premiums	Reserves	Result	Minority interests	Shareholders' equity
ON 31/12/2020	**319,812**	**222,274**	**118,215**	**155,009**	**0**	**815,311**
Elements directly recognized as equity	**3,965**	**12,419**	**863**	**0**	**1,183**	**18,429**
Capital increase	3,814	12,419	0	0	0	16,232
Impact on fair value of estimated transfer rights and costs resulting from hypothetical disposal of investment properties	0	0	0	0	0	0
Positive change in value of solar panels (IAS 16)	0	0	227	0	0	227
Own shares	151	0	171	0	0	323
Minority interests	0	0	0	0	1,183	1,183
Corrections	0	0	465	0	0	465
Dividends	0	0	-45,308	0	0	-45,308
Result carried forward	0	0	155,009	-155,009	0	0
Result for the financial year	0	0	0	227,848	0	227,848
ON 31/12/2021	**323,777**	**234,693**	**228,779**	**227,848**	**1,183**	**1,016,280**
Elements directly recognized as equity	**29,467**	**84,584**	**13,092**	**0**	**2,448**	**129,591**
Capital increase	35,627	84,584	0	0	0	120,211
Impact on fair value of estimated transfer rights and costs resulting from hypothetical disposal of investment properties	0	0	0	0	0	0
Positive change in value of solar panels (IAS 16)	0	0	14,928	0	0	14,928
Own shares	-6,160	0	-1,695	0	0	-7,856
Minority interests	0	0	0	0	2,287	2,287
Corrections	0	0	-141	0	161	20
Dividends	0	0	-49,109	0	0	-49,109
Result carried forward	0	0	227,848	-227,848	0	0
Result for the financial year	0	0	46	204,458	-46	204,458
ON 31/12/2022	**353,244**	**319,277**	**420,656**	**204,458**	**3,584**	**1,301,220**

9.1.7 Annexes to the consolidated financial statements as at 31 December 2022

9.1.7.1 Background

Statement of compliance

The company's financial statements have been drawn up in accordance with the requirements of International Financial Reporting Standards (IFRS) as approved by the EU, as issued by the 'International Accounting Standards Board (IASB)' and as interpreted by the 'International Financial Interpretations Committee of the IASB'. Investment properties (inclusive of projects) and the financial instruments are booked at fair value. The other headings of the consolidated financial statement have been drawn up on the basis of historical cost. Where indicated that figures are in thousands of euros, minor rounding differences may occur.

The consolidated financial statements have been prepared on an accrual basis and on a going concern basis over a foreseeable time horizon.

Consolidation principles

Subsidiaries[1]
Subsidiaries are entities controlled by the company.

A company has control over another company when it is exposed or entitled to variable remuneration from its involvement in that company and is in a position to influence that remuneration based on its power.

IFRS 10 requires that control can exist only if the three following conditions are cumulatively met by the parent company:

- have "power" over the subsidiaries;
- be exposed to the rights to the net income / net expenditure resulting from its influence over its subsidiaries; i.e. the "investor" is exposed - or has claims – to the variable (net) income (both positive and negative) from its involvement with the "investee" (subsidiaries).
- be in a position to use its power over its subsidiaries in order to influence the net income / net expenditure, i.e. the "investor" can effectively exercise the existing rights to generate the (net) proceeds.

The financial statements of the subsidiaries are included in the consolidated financial statements from the date on which the company exercises control until the date on which control ceases. The accounting policies of the subsidiaries are adjusted as and where necessary to ensure consistency with the principles adopted by the group.

With the exception of the subsidiaries that are merged during the financial year, the financial statements of subsidiaries pertain to the same accounting period as that of the consolidating company. Minority interests are those in subsidiaries that are neither directly nor indirectly held by the group.

Intercompany transactions
Intra-group balances and transactions, and any unrealized profits arising within the group, are eliminated in proportion to the group interest in the company. Unrealized losses are eliminated in the same way as unrealized profits, but only to the extent that there is no indication of impairment.

Use of estimates and assessments

The preparation of the consolidated financial statements in accordance with IFRS requires good management to be able to make judgements, estimates and assumptions that apply to the policies and regulations and the reporting of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical events and various factors considered reasonable under the circumstances. Actual results may differ from such estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Such reviews and accounting estimates are recognized in the period in which the estimate is revised, both in cases where the estimate affects the audited financial year as well as when it affects the future. With the exception of estimates relating to the determination of the fair value of investment properties, solar panels and derivatives, there are no significant assumptions as at 31 December 2022 concerning the future and other key sources of estimation uncertainty on the balance sheet date that carry a significant risk of a material adjustment in the carrying amount of assets and liabilities of the next financial year (reference is made to note 20).

(1) Companies included in the consolidation, each with their own shareholding: Montea NV (BE0417186211), Montea Services BV (BE0742.845.794), Montea GTE 1 NV (BE0757.964.037), F.C.B. NV (BE0440810659), Hoecor NV (BE0736839318), Gula NV (BE0462368712), Challenge Office Park NV (BE0473589929), Corhoe NV (BE0736839417), Montea SA (497673145 RCS Paris), SCI Montea France (100%) (493288948 RCS Paris), SCI 3R (100%) (400790366 RCS Paris), SCI Sagittaire (100%) (433787967 RCS Paris), SCI Saxo (100%) (485123129 RCS Paris), SCI Sévigné (100%) (438357659 RCS Paris), SCI Socrate (100%) (481979292 RCS Paris), SCI APJ (100%) (435365945 RCS Paris), SCI MM1 (100%) (393 856 463 RCS Paris), Montea Green Energy France (100%) (889967162 RCS Paris), SFG B.V. (100%) (KvK 60209526), Montea Nederland N.V. (100%) (KvK 58852794), Montea Almere N.V. (100%) (KvK 58854134), Montea Rotterdam N.V. (100%) (KvK 59755636), Montea Oss N.V. (100%) (KvK 61787671), Montea Beuningen N.V. (100%) (KvK 61787264), Montea 's Heerenberg NV (100%) (KvK 62392670), Europand Eindhoven B.V. (100%) (KvK 20121920) en Montea Tiel N.V. (100%) (KvK 73544884), Montea Logistics I B.V. (KvK 78460271), Montea Logistics II B.V. (KvK 85056804), Montea Logistics III B.V. (KvK 85082414), Montea Amsterdam Holding B.V. (KvK 88194345), Montea Holtum I B.V. (KvK 88201848), Montea Holtum II B.V. (KvK 88201570), Montea Holtum III B.V. (KvK 88204391), Montea Holtum IV B.V. (KvK 88203514), Montea Panoven I B.V. (KvK 88294978), Montea Panoven II B.V. (KvK 88294668), Montea Panoven III B.V. (KvK 88294854), Montea Panoven IV B.V. (KvK 88295192), Montea GTE 2 GmbH (HRB 742615). With the exception of Montea Management NV, sole director of Montea NV, all the aforementioned companies are included in the consolidation.

9.1.7.2 Valuation rules

Investment properties

Investment properties comprise all buildings and land that can be leased and generate rental income (in whole or in part), including buildings where a limited portion is held for own use. In application of IAS 40, investment properties are valued at fair value. Two external independent experts, Jones Lang LaSalle BV, 23 Marnixlaan, 1000 Brussels represented by Rod Scrivener and Stadim BV, 180 Mechelsesteenweg, 2018 Antwerp represented by Anton Braet, prepare a valuation of the property portfolio on a quarterly basis.

Any profit or loss, after the acquisition of a building, resulting from a change in fair value is booked in the income statement. The valuation is carried out in accordance with the capitalization method issued by the International Valuation Standards Committee.

The fair value (as defined in IFRS 13) is the price that would be received on the sale of an asset or paid to transfer a liability in a normal transaction between market parties at the evaluation date. The fair value should reflect current leases, current cash flows and reasonable assumptions regarding expected rental income and expenses.

The sale of an investment property is usually subject to the payment of registration fees or a value-added tax to the public authorities. The Belgian Association of Asset Managers (BEAMA) published a communication on the scope of such registration fees on 8 February 2006. An analysis of a large number of Belgian transactions led to the conclusion that the impact of acquisition costs on important Belgian investment properties exceeding a value of €2,500,000 is limited to 2.5%. This is because a range of property transfer methods are used in Belgium. This percentage will be reviewed annually as and where necessary, and adjusted per 0.5% tranche. Properties below the €2,500,000 threshold and foreign properties remain subject to the usual registration tax and their fair value therefore corresponds to the value exclusive of registration, notary and VAT costs. The registration fee for properties valued in France is generally 1.8% when the building is less than 5 years old and between 6.9% and 7.5% in all other cases, depending on the department. For the Netherlands, theoretical local registration duties deducted from the investment value average 10.4% and in Germany they depend on the exact location and market value of the building.

The investment value in Belgium corresponds to the fair value plus 2.5% acquisition costs (for investment property exceeding a value of €2,500,000). The fair value can thus be calculated by dividing the value deed-in-hand by 1.025.

Since 2018, the following valuation rule applies with regard to transaction costs (which is equal to the difference between the fair value of the real estate and the investment value of the real esate): the transaction costs are recognized via the income statement (portfolio result) upon acquisition. It is only after income recognition that they enter Reserves in the account "Reserve for the Balance of Changes in Fair Value of Property".

Realized profit/losses on sales are recognized in the income statement under the heading "Result on sale of investment properties". The realized result is determined as the difference between the sale price and the fair value of the last valuation.

Concessions

Concessions paid are treated as operating leases under IFRS 16.

Project developments

Real estate that is being constructed or developed for future use as investment property is recognized under "investment property" and valuated at fair value.

All direct development-related costs are capitalized, as well as directly attributable interest expenses are capitalized, in accordance with the provisions of IAS 23 – Borrowing costs.

Other tangible fixed assets

All tangible fixed assets that do not meet the definition of investment property or the definition of development project are included under this section. The other tangible fixed assets are initially recognized at cost and subsequently valued in accordance with the cost model. Additional costs are activated only if the future economic benefits relating to the tangible fixed assets increase for the Company. Other tangible fixed assets are depreciated using the linear depreciation method. The following percentages apply on an annual basis:

- installations, machinery and equipment: 20%-25%
- furniture and rolling stock: 20%
- IT equipment: 33%
- property for own use: 2%

Solar panels are valued on the basis of the revaluation model in accordance with IAS 16 – Property, Plant and Equipment. After the initial take-up, an asset for which the fair value can be reliably established needs to be entered in the accounts at the revalued value, i.e. the fair value at the time of revaluation, minus any depreciations accumulated later and any extraordinary reductions in value accumulated later. The fair value is determined based on the discounting method of future returns.

The service life of the solar panels is estimated at 20 years.

The valuation of the solar panels is determined on a quarterly basis.

The capital gain on start-up of a new site in terms of solar panels is recognized in a separate component of equity, as a result of the application of the discounted future revenue method, which results in a higher market value than the original cost of the solar panels. Losses are also recognized in this component unless realized or unless the fair value falls below the initial cost. In the latter cases, they are recorded in the result.

Montea assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication is present, an estimate of the asset's recoverable amount is made.

Where the book value of an asset exceeds its recoverable amount, a specific impairment loss is recognized to bring the book value of the asset to its recoverable amount.
The recoverable amount of an asset is defined as the higher of fair value less cost to sell (assuming a non-forced sale) or value in use (based on the present value of estimated future cash flows). The resulting impairments are charged to the income statement.

The business value is the present value of expected future cash flows. To determine the business value, the expected future cash flows are discounted at a pre-tax interest rate that reflects both the current market interest rate and the specific risks relating to the asset.

The recoverable amount for assets that do not generate cash flows themselves is determined for the cash-flow generating unit to which those assets belong.

Previously recognized impairments are reversed through the income statement in case there has been a change in the estimate used to determine the asset's recoverable amount since the last specific impairment loss was recognized.

Financial fixed assets

The financial fixed assets are recognized at fair value. The claims and guarantees for the receivables are instead booked at face value. A reduction is made in the case of a permanent write-down or devaluation.

Cash and cash equivalents

Cash and cash equivalents include bank accounts, cash and short-term investments.

Equity

The capital comprises the net cash obtained upon incorporation, merger or capital increase, whereby the direct external costs are deducted (such as registration fees, legal, notary and publication costs, etc.).

When the company proceeds to buy back own shares, the amount paid, including directly attributable costs, is deducted from the equity (unavailable reserves). Dividends are part of retained earnings until the general meeting of shareholders decide to distribute the dividends.

Since 2018, the following valuation rule applies with regard to transaction costs (which is equal to the difference between the fair value of the property and the investment value of the property): the mutation rights and costs are recognized through the income statement upon acquisition (portfolio result). It is only after income recognition that they enter the reserves in the account "Reserve for the Balance of Changes in the Fair Value of the Property."

Provisions

A provision is recognized if the company has a legal or contractual obligation as a result of a past event, whereby an outflow of cash will probably be required to meet the obligation and if it can be reliably estimated. Provisions are measured at the discounted value of expected future cash flows at market interest rates.

Debts

Trade and other debts are measured at their nominal value on the balance sheet date. Interest-bearing debts are initially recognized at cost less directly attributable costs. The difference between the book value and the refundable amount is subsequently included in the income statement over the period of the loan using the effective interest method.

Revenues

The revenues include gross rental income and income from services, development and property management. They are measured at the fair value of the indemnity received or receivable. Revenues are recorded only as from the moment when it is sufficiently certain that the economic benefits will flow to the company. Costs of gratuities and benefits granted to tenants are recognized as a deduction from rental income over the term of the lease, being the period between the entry into force and the first termination option (on a straight-line basis). Indemnification for early termination of leases are included immediately in the income state.

The revenues relating to the solar panels (green power certificates and electricity generated) are recognized at the time of receipt of these revenues, in accordance with IAS 18. The principles of

IAS 20 are also applied. There are no green power certificates that were not sold at the end of the financial year. These green power certificates are paid by the government and not by the energy suppliers.

Costs

The costs are measured at the fair value of the indemnity paid or due.

Executed works in the buildings
A distinction is drawn for works carried out in the buildings between:

- maintenance and repair works: these are costs that do not increase the expected future economic benefits of the building and as such are charged in full to the result of the period in which they are incurred;
- extensive renovation works: these are costs resulting from occasional works on the building which increase the expected economic benefits of the building substantially. The costs directly attributable to these works such as materials, contracting work, architects' fees and any other consultants, etc., are activated;
- rental benefits: these are concessions made by the lessor to the lessee to persuade the latter to rent existing or additional premises. These costs are spread over the period running from the start of the lease to the first break and are deducted from rental income.

Commissions paid to real estate brokers
Commissions relating to the rental of buildings are charged against profit in the period in which they were incurred. Commissions relating to the acquisition of buildings, registration fees and other additional costs are considered to be part of the acquisition price of the building and are consequently activated. Commissions paid when buildings are sold are deducted from the acquisition price received to determine the profit or loss made.

General expenses
General expenses are costs related to the management and general operation of the RREC. These include general administrative costs, personnel costs for general management and depreciation of assets used for general management.

Financial result

The financial result consists, on the one hand, of interest expenses on loans, additional financing expenses and income from investments, and, on the other hand, of positive and negative changes in the fair value of hedging instruments. Interest income and costs are recognized pro rata temporis in the income statement. Any dividend income is booked in the income statement on the day the dividend is granted.

Taxes and exit tax

The tax on the profit for the financial year comprises current tax expense. Tax on profit or loss is recognized in the income statement except for items recognized directly in equity. Deferred tax assets and liabilities are recognized using the liability method for all temporary differences between the tax base and the book value for financial reporting purposes for both assets and liabilities. Deferred tax assets are recognized only if they are likely to be offset in the future against taxable profits.

The exit tax is the tax on capital gains and on tax-free reserves resulting from a merger, split, contribution in kind or transfer of a regulated real estate investment company with a company that is such a regulated real estate company[1].

If the latter is incorporated for the first time in the consolidation of the group, a provision for exit tax is included together with a revaluation value equal to the difference between the value with costs for the buyer (investment value minus all sales-related costs such as registration and notary fees) of the building at the time of acquisition and book value. The exit tax is in principle charged to the contributor of a property or company, but Montea has to book it due to the fact that the tax is only assessed after a certain period of time. This tax is deducted from the value of the property or company to be transferred.

Any subsequent adjustment of this exit tax liability is taken into the income statement. The amount of the exit tax may still vary after the transfer or merger from which this variation may arise.

Financial derivative instruments

Montea concludes loans with financial institutions at variable interest rates. The Company uses IRS-type financial hedging instruments to hedge the risk of a rise in these variable interest rates. The variable interest rates attached to the loans are therefore, to a large extent, swapped into a fixed interest rate. Pursuant to its financial policy and the applicable regulations, Montea does not hold or issue derivative instruments for speculative purposes.

The hedging instruments, however, do not meet the conditions of the "hedging" type referred to in IFRS 9, and as a result all movements in the fair value of the instrument are recognized in full in the income statement. The market-to-market value at balance sheet date is used to determine the fair value.

Given the clarification on the accounting treatment of the unwinding of swaps, and to achieve better alignment with EPRA guidance, it was decided to recognise, as from 2017 onwards, the unwinding of swaps through the P&L section: changes in the fair value of financial assets and liabilities.

(1) The exit tax is the tax on the difference between fair value and book value and tax-free reserves and amounts to 15% for mergers taking place from 2020 onwards. For mergers that took place in 2019, the exit tax was 12.5% +2% crisis contribution.

Off-balance sheet rights and obligations

These rights and obligations are measured at nominal value based on the amount stipulated in the contract. If no nominal value is available or valuation is not possible, the rights and obligations are stated pro memorie.

New standards and interpretations

New or amended standards and interpretations in force for the financial year beginning on 1 January 2022

Montea has not used these, unless stated otherwise. These standards as amended by the IASB and interpretations issued by the IFRIC are not expected to have a material impact on the presentation, the notes or the results of the company.

The nature and impact of the following new and amended standards and interpretations are explained below:

- Amendments to IAS 16 Property, plant and equipment relating to proceeds before intended use
- Amendments to IAS 37 Provisions, contingent liabilities and contingent assets related to qualifying costs for onerous contracts
- Amendments to IFRS 3 Business combinations - references to conceptual framework
- Annual improvement cycle 2018-2020

Amendments to IAS 16 Property, plant and equipment– Proceeds before intended use

The amendments 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.

Entities are required to apply the amendment to annual reporting periods beginning on or after 1 January 2022. The amendments must be applied retrospectively but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments.

The amendments had no impact on the consolidated financial statement of Montea.

Amendments to IAS 37 Provisions, contingent liabilities and contingent assets – onerous contracts – cost of fulfilling a contract

The amendments specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

The amendments had no impact on the consolidated financial statement of Montea.

Amendments to IFRS 3 Business combinations – references to the conceptual framework

The amendments replaced the reference to an old version of the IASB's Conceptual Framework (the 1989 Framework) with a reference to the current version issued in March 2018 (the Conceptual Framework). The amendments further added an exception to the recognition principle in IFRS 3. That is, for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21, if incurred separately, an acquirer would apply IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to identify the obligations it has assumed in a business combination. The amendment further added an explicit statement in the standard that an acquirer cannot recognize contingent assets acquired in a business combination.

Companies are required to apply the amendments business acquisitions on or after the beginning of annual reporting period beginning on or after 1 January 2022.

As Montea's current practice is in line with the changes, these changes had no impact on the consolidated financial statements.

Annual improvement cycle - 2018-2020

The IASB published the annual improvements cycle 2018 - 2020 to its standards and interpretations. These improvements include:

- **IFRS 9 Financial Instruments** – The amendment clarifies the fees that an entity recognizes when estimating whether the terms of a new or amended financial liability are substantially different from the terms of the original financial liability. These include only fees paid or received between the borrower and lender, including fees paid or received by either the borrower or lender on behalf of the counterparty. An entity applies the amendment to financial liabilities modified or exchanged on or after the beginning of the financial year in which the entity first applies the amendment. An entity applies the amendments to financial liabilities modified or exchanged on or after the beginning of the financial year in which it first applies the amendment. These amendments had no impact on the consolidated financial statement of Montea.

- **Illustrative examples to IFRS 16 Leases** – The amendment removes the example of payments by the lessor related to leasehold improvements in illustrative example 13 to IFRS 16. This removes potential confusion about the treatment of leasehold improvements when applying IFRS 16. These amendments will have no impact on Montea's consolidated financial statements.
- **IAS 41 Agriculture** – The amendments remove the requirement to exclude cash flows relating to taxes from fair value measurements. An entity applies the amendments for annual periods beginning on or after 1 January 2022. Early application is permitted. These amendments will have no impact on Montea's consolidated financial statements.

New or amended standards and interpretations that are published, but not yet in force for the financial year beginning on 1 January 2022

A number of new standards, amendments to standards and interpretations are not yet applicable in 2022, but may be applied earlier. Unless stated otherwise, Montea has not availed itself thereof. These standards amended by the IASB and interpretations issued by the IFRIC are not expected to have a material impact on the presentation, notes or results of the company:

- **Amendments to IAS 1 Presentation of Financial Statements:** Classification of short and long-term debt, effective (the 2020 and 2021 amendments) as from 1 January 2024[1]
- **Amendments to IAS 1 Presentation of Financial Statements and IFRS Statement of Practice 2:** Disclosure of accounting policies, effective as from 1 January 2023
- **Amendments to IAS 8 Accounting policies, changes in accounting estimates and errors:** Definition of estimates, effective as from 1 January 2023
- **Amendments to IAS 12 Income Taxes:** Deferred taxes related to assets and liabilities arising from a single transaction, effective as from 1 January 2023
- **Amendments to IFRS 16 Leases:** Lease obligation in a sale & leaseback, effective as from 1 January 2024[2]
- **Amendments to IFRS 17 Insurance Contracts:** Initial application of IFRS 17 and IFRS 9 - Comparative information, effective as from 1 January 2023
- **IFRS 17 Insurance Contracts:** effective as from 1 January 2023

(1) Not yet approved by the EU as at 22 December 2022.
(2) Not yet approved by the EU as at 22 December 2022.

Amendments to IAS 1 Presentation of Financial Statements - Classification of Short-Term and Long-Term Debt (the 2020 and 2021 amendments)

The amendments clarify the criteria for determining whether a debt should be classified as short-term or long-term. The amendments clarify:

- The right to defer settlement– the amendments clarify that if an entity's right to defer settlement of a debt depends on meeting future covenants, the entity has a right to defer settlement of the debt even if the covenants have not been met at the end of the reporting period.
- Expected deferrals - the amendments state that the classification of a debt is not affected by the probability that the entity will exercise its right to defer settlement of the debt for at least 12 months after the reporting period.
- Settlement by way of own equity instruments - the amendments clarify that there is an exception to the requirement that settlement of liabilities by way of own equity instruments impacts the classification of liabilities.
- Notes - the amendments require additional notes from an entity that classifies debt arising from debt agreements as non-current when it has the right to defer settlement of those debts contingent on meeting future covenants within 12 months.

Entities are required to apply the amendments for annual periods beginning on or after 1 January 2024. The amendments must be applied retrospectively in accordance with IAS 8 Accounting policies, changes in accounting estimates and errors.

As Montea's current practice is in line with the changes, these changes had no impact on the consolidated financial statements.

Amendments to IAS 1 Presentation of Financial Statements and IFRS Statement of Practice 2: Disclosure of Accounting Policies, effective as from 1 January 2023

The amendments provide guidance on the application of materiality assessments to accounting policy disclosures. The amendments to IAS 1 replace the requirement to disclose "significant" accounting policies with a requirement to disclose "material" accounting policies.

The Practice Statement includes guidance and illustrative examples that assist in applying the materiality concept in making judgements about accounting policies.

The amendments to IAS 1 will be effective for annual periods beginning on or after 1 January 2023. Early application is permitted.

Amendments to IAS 8 Accounting policies, changes in accounting estimates and errors: Definition of estimates, effective as from 1 January 2023

The amendments introduce a new definition of estimates. Estimates are defined as "monetary amounts in the financial statements about which measurement is uncertain".

The amendments clarify what changes in estimates are and how they differ from changes in accounting policies and corrections of errors. These also clarify how entities use valuation techniques and inputs to make estimates.

The amendments will be effective for annual periods beginning on or after 1 January 2023, with early adoption permitted.

Amendments to IAS 12 Income Taxes: Deferred tax Relating to assets and liabilities arising from a single transaction, effective as from 1 January 2023

The amendments limit the scope of the initial recognition exemption under IAS 12 Income Taxes so that it no longer applies to transactions that give rise to the same taxable and deductible temporary differences.

The amendments also clarify that when payments made to settle a liability are deductible for tax purposes, it is a matter of judgement (taking into account the applicable tax laws) whether such deductions are attributable for tax purposes to the liability component (and interest expense) recognized in the financial statements or to the related asset component (and interest expense). This assessment is important to determine whether temporary differences exist on initial recognition of the asset and liability.

The amendments apply to financial years beginning on or after 1 January 2023, with early adoption permitted. The amendments apply prospectively to transactions occurring on or after the beginning of the earliest comparative period presented.

Amendments to IFRS 16 Leases: Lease liability in a sale and leaseback, effective as from 1 January 2024

The amendments specify how a seller-lessee should value a lease liability that arises in a Sale and Leaseback transaction so that it does not recognize an amount of gain or loss related to the retained right-of-use. The amendment does not define specific valuation requirements for lease obligations arising in a Leaseback. The initial measurement of a lease liability arising from a Leaseback may result in the determination by a seller-lessee of lease payments that are different from the general definition of lease payments in Appendix A of IFRS 16. The seller-lessee will need to determine an accounting policy that results in information that is relevant and reliable in line with IAS 8 Accounting policies, changes in estimates and errors.

Entities are required to apply the amendments for annual periods beginning on or after 1 January 2024. The amendments should be applied retrospectively in line with IAS 8 Accounting policies, changes in accounting estimates and errors.

Amendments to IFRS 17 Insurance Contracts: Initial Application of IFRS 17 and IFRS 9 - Comparative Information, effective as from 1 January 2023

The amendment added a transitional option for a "classification overlay" to address potential accounting mismatches between financial assets and liabilities under insurance contracts in the comparative information presented upon initial application of IFRS 17. If an entity chooses to apply the 'classification overlay', it can do so only for comparative periods for which it applies IFRS 17 (i.e., from the effective date to the date of first application of IFRS 17). No changes were made to the entry requirements of IFRS 9 Financial Instruments.

The amendment is effective for the financial year in which IFRS 17 Insurance Contracts is first applied. This standard does not apply to Montea.

Amendments to IFRS 17 Insurance contracts

IFRS 17 is a new standard for insurance contracts, which deals with recognition and measurement, presentation, and explanation. Once effective, IFRS 17 will replace IFRS 4 - Insurance contracts (IFRS 4), which was published in 2005. IFRS 17 applies to all types of insurance contracts (i.e. life insurance, non-life insurance, direct insurance, and reinsurance), regardless of the type of entity issuing them, as well as to certain guarantees and financial instruments with discretionary participation features. Some exceptions to the scope apply. The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. Unlike the requirements of IFRS 4, which were largely based on carrying forward previously used local accounting policies, IFRS 17 provides a comprehensive model for insurance contracts that covers all relevant accounting aspects.

The core of IFRS 17 is the general model, supplemented by

- A specific adjustment for contracts with direct profit-sharing elements (the variable compensation approach);
- A simplified approach (the premium allocation approach) mainly for contracts with a short duration

IFRS 17 applies to financial years commencing on or after 1 January 2023. Adjustment of previous financial years is mandatory. Earlier application is permitted provided IFRS 9 and IFRS 15 are applied on or before the date of first application of IFRS 17.

This standard does not apply to Montea.

9.2 Notes

9.2.1 Financial annexes to the consolidated financial statements as at 31 December 2022

9.2.1.1 Notes to the consolidated balance sheet and income statement

Note 1: Rental income

Montea leases its investment properties through lease agreements. The revenues are gross rental income generated by these lease agreements and appear under this heading.

The table below provides an overview of the rental income for the full year:

RENTAL INCOME (EUR x 1.000)	31/12/2022 12 months	31/12/2021 12 months	31/12/2020 12 months
Rent	89,150	75,235	69,521
Guaranteed rental income	0	0	0
Rental discounts	1,579	336	540
Rental incentives	0	0	0
Compensation for early breach rental contracts	0	0	0
Compensation financial leasing	0	0	0
TOTAL	**90,729**	**75,571**	**70,061**

The rental income in 2022 increased by 20.1% (€15.2 million) compared to 2021, to €90.7 million. This in an increase of €15.2 million in rental income driven mainly by:

- Volume effects: acquisitions or completion of new sites (€14.2 million), partially offset by sales or vacancies (- €1.9 million)
- Indexation of lease agreements and other adjustments (€ 2.6 million)
- Lease activity or renegotiation of contracts (€0.3 million) in the sites at Le Mesnil Amelot (FR), Aalst, Bornem and Willebroek (BE).

Below the details on the rental income per site:

RENTAL INCOME (EUR x 1.000)		31/12/2022 12 months	31/12/2021 12 months	31/12/2020 12 months
Belgium		**39,301**	**35,462**	**35,033**
Aalst	Tragel 48-58	1,699	1,722	2,212
Bornem	Industrieweg 4-24	625	575	616
Grimbergen	Eppegemsestwg 31-33	1,272	1,259	1,247
Hoboken	Smallandlaan 7	134	137	135
Puurs	Rijksweg 85-89	278	261	257
Nivelles	Rue de la Technique 11	560	508	508
Puurs	Schoonmansveld 18	500	470	405
Erembodegem	Industrielaan 27	886	890	881
Mechelen	Zandvoortstraat 16	1,150	1,089	1,072
Vorst	Humaniteitslaan 292	1,516	1,654	2,153
Milmort	Avenue du Parc Industriel	1,015	983	971
Heppignies	Rue Brigade Piron	0	714	860
Zaventem	Brucargo 830	2,365	2,318	2,311
Zaventem	Brucargo 763	352	344	341
Zaventem	Brucargo 831	703	672	666
Gent	Evenstuk	1,865	1,840	1,823
Gent	Korte Mate	656	582	601
Zaventem	Brucargo 738-1	532	512	506
Willebroek	De Hulst Triton	974	844	887
Willebroek	De Hulst Dachser	1,392	1,133	1,093
Willebroek	De Hulst Federal Mogul	1,547	1,540	1,535
Erembodegem	Waterkeringstraat 1	1,157	1,104	1,096
Bornem	Industrieweg 3	813	770	766
Zaventem	Brucargo	3,519	3,450	3,382
Willebroek	De Hulst Metro	678	666	667
Willebroek	De Hulst Decathlon	2,131	2,093	2,076
Genk	Mainfreight	571	544	546
Zaventem	Brucargo - Saco	379	361	379
Bilzen	Kruisbosstraat 5	2,027	1,989	1,951
Zaventem	Brucargo 832	757	719	715
Liège	Rue Saint Exupéry	1,250	1,171	1,173
Saintes	Amtoys / Noukies	382	361	359
Lummen	Dellestraat	409	391	387
Vilvoorde	Tyraslaan	604	604	453
Bornem	Industrieweg 15	10	0	0
Antwerpen	Blue Gate, D'herbouvillekaai	707	0	0
Brussel	Vilvoordselaan 140	937	587	0

RENTAL INCOME (EUR x 1.000)		31/12/2022 12 months	31/12/2021 12 months	31/12/2020 12 months
Antwerpen	Blue Gate, Olieweg	593	569	0
Gent	Ottergemsesteenweg-Zuid 717	449	13	0
Tongeren	Michielenweg	1,070	24	0
Gent	Industrieweg 118	839	0	0
Severance payments		0	0	0
France		**11,116**	**11,253**	**10,458**
Roissy	Rue de la Belle Etoile 280+ 383	332	324	320
Décines	Rue a Rimbaud 1	389	360	363
Le Mesnil Amelot	Rue du Gué 4, Rue de la Grande Borne	1,020	686	378
Alfortville	Le Techniparc	244	240	238
Le Mesnil Amelot	Rue du Gué 1-3	513	590	497
Saint-Priest	Chemin de la Fouilousse	661	649	649
Marennes	La Donnière	930	913	913
Saint-Laurent-Blangy	Actiparc	0	119	591
Saint-Martin-de-Crau	Ecopole	0	732	883
Saint-Priest	Parc des Lumières	539	528	531
Camphin	Rue des Blattiers	2,389	2,347	2,347
Lesquin	Rue des Saules	290	282	281
Le Mesnil Amelot	Rue de la Grande Borne	177	151	232
Alfortville	Rue Félix Mothiron 8	177	172	173
Le Mesnil Amelot	Rue de Guivry	91	82	89
Sevigne Roissy-en-France	Rue de la Belle Etoile	664	652	659
Lyon - Meyzieu	Avenue Lionel Terray	966	955	520
Athies	Actiparc	1,491	1,470	793
Avignon	Rue du petit Mas	244	0	0
Severance payments		0	0	0
The Netherlands		**38,453**	**28,297**	**24,571**
Almere	Stichtse Kant	1,241	1,207	1,193
Waddinxveen	Exportweg	1,360	1,292	1,271
Oss	Vollenhovermeer	1,512	1,344	1,261
Beuningen	Zilverwerf	1,271	1,172	1,117
Heerlen	Business Park Aventis	2,935	2,830	2,785
Apeldoorn	Ijseldijk	627	601	591
Tilburg	Gesworenhoekseweg	1,226	1,127	1,067
Aalsmeer	Japanlaan - Borgesius	2,049	1,837	1,808
Aalsmeer	Japanlaan - Scotch & Soda	348	737	666
Eindhoven	De Keten - Jan De Rijk	1,486	1,359	1,330
Tilburg	Brakman - NSK	1,070	1,051	1,032

RENTAL INCOME (EUR x 1.000)		31/12/2022 12 months	31/12/2021 12 months	31/12/2020 12 months
Etten-Leur	Parallelweg - BAS Logistics	906	880	875
Hoofddorp	Willem Brocadesdreef	717	682	681
Rozenburg	Hanedaweg 10	606	581	571
Tiel	Panovenweg	3,563	3,532	3,600
Born	Verloren van Themaatweg	2,134	2,076	2,048
Oss	Kantsingel	748	716	704
Waddinxveen	Dirk Verheulweg	1,470	1,421	1,349
Tiel	De Geer	356	351	345
Amsterdam	Schiphol	1,010	976	203
Amsterdam	Schiphol	1,143	1,005	65
Waddinxveen	Louis Dobbelmannweg 2742	2,109	0	0
Echt	Havenweg 18	1,221	1,193	13
Tiel	Panovenweg 12	680	0	0
Etten-Leur	Parallelweg 3	623	0	0
Ridderkerk	Handelsweg 180	560	328	0
Tilburg	Castorstraat 8	371	0	0
Zwolle	Anthony Fokkerstraat 2	1,459	0	0
s Hertogenbosch	De Steenbok 2	1,275	0	0
Berkel en Rodenrijs	Edisonstraat 4	172	0	0
Alkmaar	Albastraat 2	247	0	0
Echt	Fahrenheitweg	122	0	0
Almere	Catharijne 1	163	0	0
Zeewolde	Handelsweg 3	1,005	0	0
Zwijndrecht	Oudemaasweg 1	668	0	0
Severance payments		0	0	0
Germany		**1,860**	**558**	**0**
Leverkusen	Schlebuscherstraße 99	600	125	0
Mannheim	Eisenbahnstraße 6-8	1,260	433	0
Severance payments		0	0	0
TOTAL		**90,729**	**75,571**	**70,061**

If we take into account all properties that have been part of the property portfolio for a full year in the last three years (i.e. excluding the acquisition of new sites or divestments - total of 64 sites), rental income is as follows (see also table on the next page):

- 2020: € 65,015 K
- 2021: € 64,988 K
- 2022: € 67,785 K

The 3.5% increase in rental income for Belgium compared to 2021 is mainly due to the annual indexation, partially offset by the partial redevelopment of the sites in Aalst and Vorst.

The rental income for France increased by 5.5% in 2022 compared to 2021 mainly due to the annual indexation and temporary vacancy in the Le Mesnil Amelot site in previous years.

In the Netherlands, the rental income increased by 5.1% in 2022 compared to 2021 mainly due to the annual indexation.

RENTAL INCOME (EUR x 1.000)		31/12/2022 12 months	31/12/2021 12 months	31/12/2020 12 months
Belgium		**34,093**	**32,951**	**33,719**
Aalst	Tragel 48-58	1,699	1,722	2,212
Bornem	Industrieweg 4-24	625	575	616
Grimbergen	Eppegemsestwg 31-33	1,272	1,259	1,247
Hoboken	Smallandlaan 7	134	137	135
Puurs	Rijksweg 85-89	278	261	257
Nivelles	Rue de la Technique 11	560	508	508
Puurs	Schoonmansveld 18	500	470	405
Erembodegem	Industrielaan 27	886	890	881
Mechelen	Zandvoortstraat 16	1,150	1,089	1,072
Vorst	Humaniteitslaan 292	1,516	1,654	2,153
Milmort	Avenue du Parc Industriel	1,015	983	971
Zaventem	Brucargo 830	2,365	2,318	2,311
Zaventem	Brucargo 763	352	344	341
Zaventem	Brucargo 831	703	672	666
Gent	Evenstuk	1,865	1,840	1,823
Gent	Korte Mate	656	582	601
Zaventem	Brucargo 738-1	532	512	506
Willebroek	De Hulst Triton	974	844	887
Willebroek	De Hulst Dachser	1,392	1,133	1,093

RENTAL INCOME (EUR x 1.000)		31/12/2022 12 months	31/12/2021 12 months	31/12/2020 12 months
Willebroek	De Hulst Federal Mogul	1,547	1,540	1,535
Erembodegem	Waterkeringstraat 1	1,157	1,104	1,096
Bornem	Industrieweg 3	813	770	766
Zaventem	Brucargo	3,519	3,450	3,382
Willebroek	De Hulst Metro	678	666	667
Willebroek	De Hulst Decathlon	2,131	2,093	2,076
Genk	Mainfreight	571	544	546
Zaventem	Brucargo - Saco	379	361	379
Bilzen	Kruisbosstraat 5	2,027	1,989	1,951
Zaventem	Brucargo 832	757	719	715
Lummen	Dellestraat	409	391	387
Liège	Rue Saint Exupéry	1,250	1,171	1,173
Saintes	Amtoys / Noukies	382	361	359
France		**8,415**	**7,978**	**7,671**
Roissy	Rue de la Belle Etoile 280+ 383	332	324	320
Décines	Rue a Rimbaud 1	389	360	363
Le Mesnil Amelot	Rue du Gué 4, Rue de la Grande Borne	1,020	686	378
Alfortville	Le Techniparc	244	240	238
Sevigne Roissy-en-France	Rue de la Belle Etoile	664	652	659
Le Mesnil Amelot	Rue du Gué 1-3	513	590	497
Saint-Priest	Chemin de la Fouilousse	661	649	649
Marennes	La Donnière	930	913	913
Saint-Priest	Parc des Lumières	539	528	531
Camphin	Rue des Blattiers	2,389	2,347	2,347
Lesquin	Rue des Saules	290	282	281
Le Mesnil Amelot	Rue de la Grande Borne	177	151	232
Alfortville	Rue Félix Mothiron 8	177	172	173
Le Mesnil Amelot	Rue de Guivry	91	82	89
The Netherlands		**25,277**	**24,059**	**23,625**
Almere	Stichtse Kant	1,241	1,207	1,193
Waddinxveen	Exportweg	1,360	1,292	1,271
Oss	Vollenhovermeer	1,512	1,344	1,261
Beuningen	Zilverwerf	1,271	1,172	1,117
Heerlen	Business Park Aventis	2,935	2,830	2,785
Apeldoorn	Ijseldijk	627	601	591
Tilburg	Geswornenhoekseweg	1,226	1,127	1,067
Aalsmeer	Japanlaan - Borgesius	2,049	1,837	1,808
Eindhoven	De Keten - Jan De Rijk	1,486	1,359	1,330

RENTAL INCOME (EUR x 1.000)		31/12/2022 12 months	31/12/2021 12 months	31/12/2020 12 months
Tilburg	Brakman - NSK	1,070	1,051	1,032
Etten-Leur	Parallelweg - BAS Logistics	906	880	875
Hoofddorp	Willem Brocadesdreef	717	682	681
Rozenburg	Hanedaweg 10	606	581	571
Tiel	Panovenweg	3,563	3,532	3,600
Born	Verloren van Themaatweg	2,134	2,076	2,048
Oss	Kantsingel	748	716	704
Waddinxveen	Dirk Verheulweg	1,470	1,421	1,349
Tiel	De Geer	356	351	345
TOTAL		67,785	64,988	65,015

Note 2: Rental-related costs

RENTAL-RELATED EXPENSES (EUR x 1.000)	31/12/2022 12 months	31/12/2021 12 months	31/12/2020 12 months
Rent to pay on leased assets	0	0	0
Depreciations on trade receivables	-213	-766	-465
Reversal of write-downs on trade receivables	373	340	0
TOTAL	160	-426	-465

Montea applies IFRS 16 to financial years commencing as of 1 January 2019 which implies that leasing obligations (such as leases and concession agreements) must be expressed on the balance sheet of the lessee by including a right of use as investment property and an associated leasing obligation as long-term debt. There are no changes for the valuation of the property portfolio for Montea as a property owner and therefore lessee. Montea will continue to value its property portfolio at fair value in accordance with IAS 40. For these concession agreements, Montea, as lessor, will recognize the right of use as investment property and the corresponding leasing obligation as long-term debt in the balance sheet and consequently, as of 2019, the recurrent concession fees will be processed through the financial result instead of the net rental result.

Montea also applies IFRS 9. When Montea uses external legal advice to collect rental and/or other funds, a write-down is recognized if the collection is uncertain in nature. When the funds are received, a reversal of the impairment is recorded. The method of determining impairment has not been adjusted. The impairment made in 2021 is a result of the judicial liquidation of Office Dépot. The impairment was reversed in 2022 is because of funds received pertained to this judicial liquidation.

Note 3: Rental charges and taxes normally borne by the tenant on leased properties and recovery of these rental charges and taxes

RENTAL CHARGES AND TAXES NORMALLY BORNE BY TENANTS ON LET PROPERTIES (EUR x 1.000)	31/12/2022 12 months	31/12/2021 12 months	31/12/2020 12 months
Recovery of charges and taxes normally borne by tenants on let properties	**10,177**	**8,780**	**7,466**
Reinvoicing of rental charges borne by tenants	5,025	4,391	3,471
Reinvoicing of taxes on let properties	5,152	4,389	3,995
Rental charges and taxes normally borne by tenants on let properties	**-11,257**	**-9,262**	**-7,762**
Rental charges borne by tenants	-5,180	-4,669	-3,508
Taxes on let properties	-6,078	-4,593	-4,254
TOTAL	-1,080	-481	-296

The drop in the net impact to €1,080 K is largely due to the additional rentals at the various locations owned by the Montea group.
The largest cost for vacant properties is the property withholding tax and insurance (whether charged or not). Property withholding taxes and taxes on leased properties amounted to €6,078 K in 2022 (6.8% of rental income, which amounted to €89,150 K on 31/12/2022).

Note 4: Other rental-related income and expenses

OTHER RENTAL-RELATED INCOME AND EXPENSES (EUR x 1.000)	31/12/2022 12 months	31/12/2021 12 months	31/12/2020 12 months
Property management fee	430	406	394
Solar panel income	6,859	4,837	3,128
Other	2,815	4,837	1,552
TOTAL	10,105	10,080	5,074

The property management fee refers to the contractually agreed management fee, which in the majority of contracts is a percentage of the annual rent payable.

The income from the solar panels consists, on the one hand, of the generated electricity that is passed on to the tenants and the grid operator and, on the other hand, of the income from the green certificates. The increase is mainly explained by the increased prices for electricity, which is partly offset by related decreases in allowances (subsidies and certificates).

The revenues are recognized at the time they are received, in accordance with IFRS 15. There are no green certificates that were not sold at the end of the financial year. These green certificates are paid by the government and not by the energy suppliers.

The item "Other" includes mainly re-invoicing of additional work to customers. Furthermore, this item also includes other income, such as interventions by the insurer following claims covered by our insurance policy.

Note 5: Technical costs

TECHNICAL COSTS (EUR x 1.000)	31/12/2022 12 months	31/12/2021 12 months	31/12/2020 12 months
Recurring tecnical costs	**-1**	**-1**	**-17**
Repairs	-1	-1	-17
Compensations for general guarantees	0	0	0
Insurance premiums	0	0	0
Non-recurring technical costs	**-28**	**0**	**0**
Major repairs	0	0	0
Claims	-28	0	0
TOTAL	-30	-1	-17

Technical costs in 2022 pertain mainly to minor repair and maintenance works on the property portfolio.

Note 6: Commercial costs

COMMERCIAL COSTS (EUR x 1.000)	31/12/2022 12 months	31/12/2021 12 months	31/12/2020 12 months
Brokers' fees	-37	-77	-62
Publicity	0	-5	0
Fees of lawyers and other legal costs	-90	-140	-34
TOTAL	-127	-222	-95

The commercial costs include mainly brokerage commissions and legal fees and costs. Due to limited vacancy in the portfolio, brokerage commissions decreased compared to 2021 which included commissions after signing the new lease of the previously vacant units in Le Mesnil Amelot. In addition, costs included for legal fees and costs also decreased, as 2021 included higher costs following the judicial liquidation of Office Dépot.

Note 7: Costs of unleased buildings

CHARGES AND TAXES OF NON-LET PROPERTIES (EUR x 1.000)	31/12/2022 12 months	31/12/2021 12 months	31/12/2020 12 months
Charges	-237	-102	-72
Property withholding tax	-112	-212	-83
Insurance premiums	0	0	0
TOTAL	-349	-314	-156

The costs of unlet buildings increased slightly by €35 K, due mainly to the partial redevelopment of the building in Saint Martin de Crau (FR), partly offset by less property tax payable, whereas in 2021 there was a higher cost due to the partial redevelopment of the sites in Vorst (BE) and Aalst (BE).

Note 8: Property management costs

PROPERTY MANAGEMENT COSTS (EUR x 1.000)	31/12/2022 12 months	31/12/2021 12 months	31/12/2020 12 months
Internal property management costs	-1,459	-1,985	-1,913
External property management costs	0	0	0
TOTAL	-1,459	-1,985	-1,913

These costs include the costs relating to the internal team responsible for the management and marketing of the property as well as the costs directly attributable to management.

Note 9: Other property costs

OTHER PROPERTY CHARGES (EUR x 1.000)	31/12/2022 12 months	31/12/2021 12 months	31/12/2020 12 months
Other property charges	-38	-52	-48
TOTAL	-38	-52	-48

"Other property costs" in 2022 include mainly the costs relating to the maintenance of the solar panels.

Note 10: Company general expenses

GENERAL CORPORATE EXPENSES (EUR x 1.000)	31/12/2022 12 months	31/12/2021 12 months	31/12/2020 12 months
Office costs	-260	-182	-182
Representation costs	-106	-73	-107
Fees	-658	-566	-433
Real estate expert	-297	-156	-160
Auditor	-141	-138	-73
Legal advisors	-205	-259	-194
Other	-15	-13	-6
Listing fees	-616	-878	-741
Marketing and communication	-818	-441	-310
Personnel costs and manager's fees	-3.853	-2.567	-2.327
Amortizations	-432	-346	-278
TOTAL	**-6,742**	**-5,052**	**-4,378**

The general expenses comprise mainly costs relating to the day-to-day management and costs incurred in connection with the obligations for listed companies.

A total of €11,119K in general costs was incurred. Of this sum,

- € 2,917 K (26.2%) was capitalized on existing sites and newly ongoing projects. These are project management costs;
- € 1,459K (13.1 %) transferred to property costs (included in property management costs, included in note 8). These costs include the costs relating to the internal team responsible for the management and marketing of the property on the one hand and the costs directly attributable to management on the other hand.

60.6% of these costs (€6,742K) are therefore retained as general expenses of the company.

The fee of the statutory auditor, EY Bedrijfsrevisoren, represented by Mr Christophe Boschmans (acting on behalf of a private limited liability company) and Christel Weymeersch (acting on behalf of a private limited liability company), in respect of the fees under the legal assignment for the audit and revision of the company and consolidated accounts, amounts to € 67,650 (excl. VAT). In addition to the aforementioned fee, the following other audit activities were performed by the auditor:

- Audit mandate subsidiaries: € 37,876.61;
- Statutory and FSMA assignments: € 24,032.00;
- Tax advice: €3,324.99;
- Other: €28,927.00.

These audit activities were approved in the deliberation of the audit committee. Apart from the fees for the statutory auditor, real estate experts and the Sole Director, no other significant fees were due in 2022.

The average headcount and breakdown of staff costs can be shown as follows:

	31/12/2022 12 months	31/12/2021 12 months	31/12/2020 12 months
Average workforce (in FTE[1])	**28**	**25**	**23**
a) Workers	0	0	0
b) Employees	28	25	23
Administrative employees	19	13	13
Technical employees	9	11	10
Geografical location workforce (in FTE[1])	**28**	**25**	**23**
West-Europe	28	25	23
Belgium	22	17	16
France	2	4	4
The Netherlands	3	4	3
Central- and Eastern-Europe	0	0	0
Personnel costs (in EUR x 1000)	**3,131**	**2,822**	**2,923**
a) Salaries and direct social benefits	2,452	2,308	2,153
b) Employer contributions to social security	537	431	657
c) Employer premiums for non-statutory insurances	83	35	66
d) Other personnel costs	60	48	48

(1) FTE stands for Fulltime equivalent

Montea has taken out a group insurance policy of the defined contribution plan for its permanent staff with an external insurance company. The insurance plan premiums are paid by Montea. The insurance company has confirmed that on 31 December 2022 the deficit to guarantee the statutory minimum return is not material.

For the remuneration of the executive management, cf. the remuneration report.

Note 11: Other operating income and expenses

OTHER OPERATING INCOME AND EXPENSES (EUR x 1.000)	31/12/2022 12 months	31/12/2021 12 months	31/12/2020 12 months
Other operating income	209	238	38
Other operating expenses	-357	-80	-171
TOTAL	-148	158	-133

Other operating income include mainly:
- indemnities received;
- non-recurring revenues.

Other operating expenditures consists mainly of:
- costs of registrations and legal formalities;
- corporate contributions;
- costs incurred for projects that were not retained

Note 12: Result on sale of investment properties

RESULT ON DISPOSAL OF INVESTMENT PROPERTIES (EUR X 1.000)	31/12/2022 12 months	31/12/2021 12 months	31/12/2020 12 months
Net sale of investment property (sales price - transaction costs)	53	15.395	0
Fair value of sold real estate	-34	-14.942	0
TOTAL	19	453	0

The limited capital gain of €19K in 2022 is due to a compulsory purchase in Vilvoorde (BE). In 2021, the capital gain of €453K was the combined result of disposals of buildings at Saint-Laurent-Blangy (FR) and Heppignies (BE).

Note 13: Changes in the fair value of investment properties

CHANGES IN FAIR VALUE OF INVESTMENT PROPERTIES (EUR x 1.000)	31/12/2022 12 months	31/12/2021 12 months	31/12/2020 12 months
Positive changes in fair value of investment properties	221,540	192,709	123,211
Negative changes in fair value of investment properties	-128,676	-17,317	-15,903
TOTAL	92,864	175,392	107,308

When the balance of all positive and negative changes is considered overall, their result on the property portfolio amounts to €92,864K at 31 December 2022. Positive changes in the fair value of investment properties are largely due to the decrease in investment returns for projects with long-term leases as well as rising market rental values. Negative variations in the fair value of the investment properties are largely due to write-downs booked as a result of leases approaching expiry or being terminated, the booking in profit or loss of initial transaction costs when acquiring or developing new properties (see section 9.1.7.2 Valuation rules – investment properties) and the booking out through profit or loss of remaining rent-free periods.

When Montea invests in a building (major alteration works), these investments are booked on the asset side of the balance sheet. When the real estate expert does not or does not fully value these additional works according to the cost price of these works, Montea records a negative variation in the valuation of the property.

See also note 20 on valuation methodology and sensitivity of valuations.

Note 14: Financial income

FINANCIAL INCOME (EUR x 1.000)	31/12/2022 12 months	31/12/2021 12 months	31/12/2020 12 months
Interests and dividends received	119	0	0
Compensation financial leasing	0	0	0
Net realized gains on sale of financial assets	0	0	0
Net realized gains on sale of financial leasing receivables and similar receivables	0	0	0
Other	53	21	94
TOTAL	171	21	94

The financial income amounts to €171K and consists mainly of interest receivable for short-term money investments, in addition to "other" financial income for default interest received, following late payments from customers.

Note 15: Net interest charges

NET INTEREST CHARGES (EUR x 1.000)	31/12/2022 12 months	31/12/2021 12 months	31/12/2020 12 months
Nominal interest charges on loans	-16,058	-8,221	-8,149
Reinstatement of the nominal amount for financial debts	0	2	0
Costs from authorized hedges	-1,970	-3,258	-2,773
Income from authorized hedges	99	0	0
Other interest charges	-2	-11	-16
TOTAL	-17,931	-11,487	-10,938

The net interest charges increased by €6,443K or 56.1%.

The nominal interest charges on loans increase by €7,837K compared to 2021, mainly because of the higher net debt position due to increased investments.

The cost of hedging instruments decreased by €1,288K compared to 2021 mainly due to the decrease in financial debt for which interest rate hedging contracts of the IRS (Interest Rate Swap) type are concluded and a higher hedging ratio during 2022 (96.0% at the end of 2022) compared to 2021 (92.7% at the end of 2021). The average financing cost increased compared to last year, from 1.8% in 2021 to 1.9%[1] for financial year 2022.

The impact of hedging instruments on the average finance expense is 0.2%, i.e. the average finance cost without the hedging instruments would be 1.7%.

Note 16: Other financial charges

OTHER FINANCIAL CHARGES (EUR x 1.000)	31/12/2022 12 months	31/12/2021 12 months	31/12/2020 12 months
Bank charges and other commissions	-189	-90	-91
Net realized losses on sale of financial assets	0	0	0
Net realized losses on sale of financial leasing receivables and similar receivables	0	0	0
Other	0	-4	-15
TOTAL	-189	-94	-107

The financial charges comprise mainly administration costs for the closing of new credit lines.

(1) This financial cost is an average over the whole year, including leasing debts, and was calculated based on the total financial result compared to the average of the opening and closing balance of the financial debt, without taking into account the valuation of hedging instruments and the impact of IFRS 16.

Note 17: Changes in the fair value of financial assets and liabilities

CHANGES IN FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (EUR x 1.000)	31/12/2022 12 months	31/12/2021 12 months	31/12/2020 12 months
Authorized hedges	58,408	12,967	-8,077
Authorized hedges qualifying for hedge accounting according to IFRS	0	0	0
Authorized hedges not qualifying for hedge accounting according to IFRS	58,408	12,967	-8,077
Other	0	0	0
TOTAL	58,408	12,967	-8,077

The positive change in the fair value of financial assets and liabilities amounts to €58,408K consisting of:

- the positive change in the fair value of financial assets and liabilities amounting to € 59,735K;
- the negative change following IFRS 13 whereby the DVA (Debit Value Adjustment) fluctuates by €1,326K over financial year 2022 compared to the end of 2021.

Montea's position under the hedging instruments is + €40.9 million.

FAIR VALUE OF HEDGING INSTRUMENTS (EUR x 1.000)	Start date	Maturity date	Notional amount	Amount taken 31/12/2022	Interest rate	Hedged interest rate	Fair value 2022[1]	Fair value 2021[1]	Fair value 2020[1]	Change in fair value 2022 vs. 2021
IRS[2]	29/12/2017	30/06/2022	0	0	0.00%	EURIBOR 3M	0	-285	-563	285
IRS[2]	29/12/2017	30/06/2022	0	0	0.00%	EURIBOR 3M	0	-380	-726	380
IRS[2]	29/12/2017	30/06/2022	0	0	0.00%	EURIBOR 3M	0	-1,212	-2,241	1,212
IRS[2]	30/12/2016	19/12/2022	0	0	0.00%	EURIBOR 3M	0	-114	-218	114
IRS[2]	30/12/2016	30/06/2022	0	0	0.00%	EURIBOR 3M	0	-1,803	-3,533	1,803
IRS[2]	31/12/2016	30/06/2022	0	0	0.00%	EURIBOR 3M	0	-662	-1,343	662
IRS[2]	1/04/2018	1/07/2022	0	0	0.00%	EURIBOR 3M	0	-1,740	-2,869	1,740
IRS[2]	1/04/2018	1/07/2022	0	0	0.00%	EURIBOR 3M	0	-663	-1,109	663
IRS[2]	3/04/2018	30/06/2022	0	0	0.00%	EURIBOR 3M	0	-670	-1,125	670
IRS[2]	31/12/2018	30/06/2022	0	0	0.00%	EURIBOR 3M	0	-1,053	-2,053	1,053
IRS	31/12/2020	7/06/2021	0	0	0.00%	EURIBOR 3M	0	0	-4,450	0
IRS	31/12/2020	4/06/2021	0	0	0.00%	EURIBOR 3M	0	0	-1,694	0
IRS[2]	31/12/2021	19/12/2022	0	0	0.00%	EURIBOR 3M	0	-1,546	-1,960	1,546
IRS	1/01/2021	25/05/2021	0	0	0.00%	EURIBOR 3M	0	0	-5,137	0
IRS	29/12/2023	31/12/2027	50,000	0	0.48%	EURIBOR 3M	4,744	-546	-1,720	5,290
IRS[2]	31/12/2021	31/03/2022	0	0	0.00%	EURIBOR 3M	0	-162	-725	162
IRS[2]	31/12/2021	31/03/2022	0	0	0.00%	EURIBOR 3M	0	-112	-496	112
IRS[2]	31/03/2022	30/06/2022	0	0	0.00%	EURIBOR 3M	0	-3,905	0	3,905
IRS[2]	30/06/2022	19/12/2022	0	0	0.00%	EURIBOR 3M	0	-1,360	0	1,360
IRS[2]	31/12/2022	19/12/2022	0	0	0.00%	EURIBOR 3M	0	0	0	0
IRS[2]	30/12/2022	21/12/2022	0	0	0.00%	EURIBOR 3M	0	-3,722	0	3,722
IRS[2]	31/12/2022	21/12/2022	0	0	0.00%	EURIBOR 3M	0	0	0	0
FORWARD START IRS[3]	31/12/2024	29/03/2029	10,000	0	1.03%	EURIBOR 3M	727	0	0	727
FORWARD START IRS[3]	31/12/2024	31/12/2027	50,000	0	0.42%	EURIBOR 3M	3,441	0	0	3,441
FORWARD START IRS[3]	29/12/2023	31/12/2027	2,500	0	0.19%	EURIBOR 3M	264	0	0	264
FORWARD START IRS[3]	30/06/2023	31/12/2029	10,000	0	2.05%	EURIBOR 3M	793	0	0	793
FORWARD START IRS[3]	30/06/2023	30/09/2030	10,000	0	1.84%	EURIBOR 3M	595	0	0	595
FORWARD START IRS[3]	30/06/2023	29/06/2029	10,000	0	0.28%	EURIBOR 3M	1,526	0	0	1,526
FORWARD START IRS[3]	29/09/2023	31/03/2031	25,000	0	2.09%	EURIBOR 3M	1,546	0	0	1,546

(1) value excluding CVA/DVA
(2) terminated early and replaced in 2022
(3) newly concluded IRSs to replace those terminated early in 2020-2022

FAIR VALUE OF HEDGING INSTRUMENTS (EUR x 1.000)	Start date	Maturity date	Notional amount	Amount taken 31/12/2022	Interest rate	Hedged interest rate	Fair value 2022[1]	Fair value 2021[1]	Fair value 2020[1]	Change in fair value 2022 vs. 2021
FORWARD START IRS[3]	30/06/2023	30/06/2029	15,000	0	0.29%	EURIBOR 3M	2.283	0	0	2,283
FORWARD START IRS[3]	31/12/2024	31/12/2028	10,000	0	0.82%	EURIBOR 3M	756	0	0	756
FORWARD START IRS[3]	31/12/2024	31/12/2028	25,000	0	0.62%	EURIBOR 3M	2.071	0	0	2,071
FORWARD START IRS[3]	31/12/2024	30/06/2030	50,000	0	0.92%	EURIBOR 3M	4.911	0	0	4,911
FORWARD START IRS[3]	31/12/2024	31/12/2028	25,000	0	0.89%	EURIBOR 3M	1.833	0	0	1,833
FORWARD START IRS[3]	31/12/2024	31/12/2028	25,000	0	0.47%	EURIBOR 3M	2.204	0	0	2,204
FORWARD START IRS[3]	31/12/2024	30/06/2027	25,000	0	0.41%	EURIBOR 3M	1.438	0	0	1,438
FORWARD START IRS[3]	31/12/2024	31/03/2027	10,000	0	0.26%	EURIBOR 3M	551	0	0	551
FORWARD START IRS[3]	31/12/2024	31/03/2028	10,000	0	0.54%	EURIBOR 3M	703	0	0	703
CAP	31/12/2019	31/12/2023	50,000	50,000	0.25%	EURIBOR 3M	1.439	86	22	1,353
CAP	31/12/2020	31/12/2024	25,000	25,000	0.00%	EURIBOR 3M	1.600	167	42	1,432
CAP	31/12/2022	31/12/2024	35,000	35,000	0.00%	EURIBOR 3M	2.236	229	0	2,007
FORWARD START CAP	31/12/2023	31/12/2024	55,000	0	0.25%	EURIBOR 3M	1.659	209	0	1,450
CAP	31/12/2022	31/12/2024	30,000	30,000	0.00%	EURIBOR 3M	1.916	196	0	1,720
FORWARD START CAP	31/12/2023	31/12/2024	55,000	0	0.25%	EURIBOR 3M	1.659	209	0	1,450
TOTAL			612,500	140,000			40.894	-18,840	-31,899	59,735

Here is a schematic presentation of when the current IRS contracts totaling €140.0 million will expire:

- 2023: € 50 million
- 2024: € 90 million

In 2022, as a result of the adjustments according to IFRS 13, Montea recorded a negative change in the valuation of hedging instruments of €1,326K (known as the "Debit Value Adjustment"). Montea's net position under the hedging instruments therefore amounts to €40,894K. The negative adjustment of the nominal amount to fair value of the hedging instruments can be found in the other long-term financial debts on the liabilities side of the balance sheet and the positive adjustment of the nominal amount to fair value in the other financial fixed assets - hedging instruments on the assets side of the balance sheet.
Montea has contracted hedging instruments for a nominal amount of €612,500 K million at the end of 2022.

The undiscounted net cash flows of the existing IRS contracts are shown in the table below:

NON-DISCOUNTED CASHFLOWS (EUR x 1.000)	<1 year	1 year < x < 2 year	2 year < x < 3 year	3 year < x < 4 year	4 year < x < 5 year	5 year < x < 6 year	6 year < x < 7 year	7 year < x < 8 year	8 year < x < 9 year	9 year < x < 10 year	> 10 year
Hedging cost (+)/ Income (-)	30	-1,174	-4,967	-4,967	-4,612	-2,501	-914	-336	-3	0	0

Note 18: Corporate tax

INCOME TAXES (EUR x 1.000)	31/12/2022 12 months	31/12/2021 12 months	31/12/2020 12 months
Withholding tax	0	0	0
Actual income tax	-5,334	-5,281	-906
Deferred taxes	-14,570	-21,397	0
TOTAL	-19,904	-26,678	-906

The total corporate tax recognized consists of a provision for:

- tax payable on rejected expenses by Montea NV;
- corporate tax payable by Belgian companies not benefiting from the RREC status;
- exit tax adjustments;
- dividend tax payable by Montea SA;
- corporate tax payable by Montea Nederland N.V. and its subsidiaries;
- deferred taxes, mainly in Montea Nederland N.V.

The decrease compared to 2021 is twofold: there is the increase in actual income tax of €53K, while deferred taxes decrease by €6,827K. The decrease in deferred taxes originates in the Netherlands, where 25% corporate income tax is now provided for instead of the 5% dividend withholding tax, given the developments regarding the obtaining of FBI status (see section 11.5.4), in combination with the revaluation of the portfolio and the adjustment of the transfer tax rate in the Netherlands from 8.0% to 10.4%.

Note 19: Intangible fixed assets

INTANGIBLE FIXED ASSETS	(EUR x 1.000)
ON 31/12/2020	**589**
Acquisitions	363
Disposals	-226
ON 31/12/2021	**727**
Acquisitions	147
Disposals	-307
ON 31/12/2022	**567**

This section discloses the amounts of intangible assets for own use. These intangible assets mainly comprise licensing and development costs for property management, facility and accounting software.

Note 20: Investment properties

An increase in investment properties and developments in 2022 of €472.9 million is explained by:

PROPERTY INVESTMENTS & PROJECT DEVELOPMENT (EUR x 1.000)	Property investments	Project developments	Total
At 31/12/2020	1,309,863	54,589	1,364,452
At 31/12/2021	1,583,290	114,834	1,698,123
Investments	**376,266**	-	**376,266**
New acquisitions	201,601	-	201,601
Zeewolde (NL)	43,339	-	43,339
Zwolle (NL)	35,396	-	35,396
s Hertogenbosch (NL)	29,769	-	29,769
Zwijndrecht (NL)	25,589	-	25,589
Almere (NL)	12,506	-	12,506
Avignon (FR)	10,238	-	10,238
Tilburg (NL)	8,528	-	8,528
Echt (NL)	7,728	-	7,728
Berkel & Rodenrijs (NL)	7,471	-	7,471
Alkmaar (NL)	6,667	-	6,667
Almere, Catharijne (NL)	5,791	-	5,791
Other acquisitions	8,579	-	8,579
Investments in the existing portfolio	8,562	-	8,562
IFRS 16 recognition of concessions	6,528	-	6,528
Acquisition through share transactions	14,926	-	14,926
Completion of built-to-suit projects	144,648	-	144,648
Completed development projects	**-**	**-144,648**	**-144,648**
Development projects	**-**	**130,632**	**130,632**
Tongeren III (BE)	-	32,598	32,598
Blue Gate, Antwerp (BE)	-	30,223	30,223
Tongeren - IIA (BE)	-	18,605	18,605
Vilvoorde (BE)	-	11,243	11,243
Etten-Leur (NL)	-	10,590	10,590
Lembeek (BE)	-	10,150	10,150
Saint Priest (FR)	-	6,320	6,320
Tiel (NL)	-	5,069	5,069
Waddinxveen (NL)	-	4,207	4,207
Other development projects	-	1,621	1,621
Solar panels (BE)	-	170	170
Solar panels (NL)	-	1,232	1,232
Solar panels (FR)	-	-1,396	-1,396
Increase/(decrease) in fair value	**109,132**	**1,521**	**110,652**
At 31/12/2022	**2,068,687**	**102,338**	**2,171,025**

The property portfolio is valued at fair value. The fair value measurement is based on unobservable inputs, hence, these investment properties belong to level 3 of the fair value hierarchy as determined according to IFRS. See note 39 (Fair value hierarchy) for more details. The positive change in the valuation of investment properties can be explained mainly by rising market rental values, which is partly offset by rising returns on logistics properties in the investment market.

Valuation methodology

The valuation of a site consists of determining its value on a given date, determining the price at which the site could potentially be traded between buyers and sellers who are sufficiently informed without information asymmetries and who wish to carry out such a transaction. This value is the investment value or the price payable plus any transfer taxes (registration duties or VAT). The fair value, within the meaning of the IAS/IFRS reference scheme, can be obtained by subtracting the theoretical local registration taxes from the investment value.

Sensitivity of valuations

The sensitivity of the fair value depending on changes in the significantly unobservable inputs used in determining the fair value of properties classified in level 3 according to the IFRS fair value hierarchy is as follows:

Non-observable inputs	Calculated in	Impact on fair value	
		Increase	Decrease
Estimated rental value	€/m²	+	-
Discount rate	%	-	+
Required yield		-	+
Remaining lease term	years	+	-
Occupancy rate		+	-
Inflation		+	-

In addition, the fact is that a long (short) remaining lease term often gives rise to a decrease (increase) in the discount rate.

The sensitivity of the fair value of the portfolio can be estimated as follows:

- an increase (decrease) of 1% in rental income will result in an increase (decrease) of approximately €19.4 million in the fair value of the portfolio;
- a decrease (increase) of 0.25% in the discount rate has the effect that the fair value of the portfolio will increase (decrease) by approximately € 92.5 million.

Note 21: Other tangible fixed assets

ANDERE MATERIËLE VASTE ACTIVA (EUR x 1.000)	Total	Own use	Other
ON 31/12/2020	31,187	346	30,841
Acquisition value 01/01/2020	**32,619**	**786**	**31,833**
Acquisitions	2,188	2,074	113
Solar panels	5,229	0	5,229
Acquisitions solar panels	5,713	0	5,713
Added value/less value of existing solar panels	-484	0	-484
Acquisition value 31/12/2021	**40,036**	**2,860**	**37,175**
Depreciations 01/01/2020	**-1,432**	**-440**	**-992**
Depreciations	-119	-38	-80
Depreciations 31/12/2021	**-1,550**	**-478**	**-1,072**
ON 31/12/2021	**38,485**	**2,382**	**36,103**
Acquisition value 01/01/2021	**40,036**	**2,860**	**37,175**
Acquisitions	435	392	43
Solar panels	14,214	0	14,214
Acquisitions solar panels	6,240	0	6,240
Added value/less value of existing solar panels	7,973	0	7,973
Acquisition value 31/12/2022	**54,684**	**3,252**	**51,431**
Depreciations 01/01/2021	**-1,550**	**-478**	**-1,072**
Depreciations	-125	-38	-86
Depreciations 31/12/2022	**-1,675**	**-517**	**-1,158**
ON 31/12/2022	**53,009**	**2,736**	**50,273**

The development of the other tangible assets includes mainly the expansion of the solar parks through new installations on various sites in Belgium, the Netherlands and France and the works on a new future office, which is still under development.

For the valuation of the solar panels, the net capital gains were included in a separate equity component. Cf. note 30.1.

Solar panels are valued on the basis of the revaluation model in accordance with IAS 16 - Property, plant and equipment. After the initial recognition, assets whose fair value can be measured reliably should be booked at revalued value, i.e. the fair value at the time of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losess. If these solar panels were valued at cost, this would amount to €40,350. The solar panels have been valued by an independent real estate expert since 2018.

The fair value is determined using the discounted future earnings method.

Note 22: Financial fixed assets

FINANCIAL ASSETS	(EUR x 1.000)
ON 31/12/2020	64
Assets held for sale till maturity	**11**
Participations in associated companies or companies with a participating interest	0
Amounts receivable after more than one year	11
Assets at fair value through result	**1,096**
Hedging instruments	1,096
ON 31/12/2021	1,106
Assets held for sale till maturity	**0**
Participations in associated companies or companies with a participating interest	0
Amounts receivable after more than one year	0
Assets at fair value through result	**40,367**
Hedging instruments	40,367
ON 31/12/2022	**40,367**

The financial fixed assets concern only the positive valuation of the hedging instruments. The negative valuation of hedging instruments for 2022 can be found in note 35.

Note 23: Trade receivables and other non-current assets

TRADE RECEIVABLES AND OTHER NON-CURRENT ASSETS	(EUR x 1.000)
ON 31/12/2020	**221**
Guarantees paid in cash	0
ON 31/12/2021	**221**
Guarantees paid in cash	9
ON 31/12/2022	**230**

This amount relates to a guarantee paid in cash.

Note 24: Assets held for sale

ASSETS HELD FOR SALE	(EUR x 1.000)
AT 31/12/2020	**6,221**
Accounting value of the investment properties held for sale	-6,221
Real Estate certificates	0
Other	0
AT 31/12/2021	**0**
Accounting value of the investment properties held for sale	0
Real Estate certificates	0
Other	0
AT 31/12/2022	**0**

Assets held for sale identified as such in 2020 were sold in 2021. No assets were identified as held for sale in 2022.

Note 25: Current trade receivables

TRADE RECEIVABLES (EUR x 1.000)	31/12/2022	31/12/2021	31/12/2020
Trade receivables - gross	25,977	17,999	14,476
Provisions for doubtful receivables	-1,370	-1,530	-1,102
TOTAL	**24,607**	**16,469**	**13,374**

Gross trade receivables as at 31 December 2022 amounted to €26 million of which:

- €23,698K of trade receivables;
- €639K of doubtful debtors;
- €1,639K other receivables
- €1,370K in write-downs for doubtful debts.

The table below includes an age analysis of trade receivables.

AGEING OF TRADE RECEIVABLES	31/12/2022
Trade receivables, not due	22,590
Trade receivables, due 1 -30 days	921
Trade receivables, due 31 - 60 days	-519
Trade receivables, due 61 - 90 days	211
Trade receivables, due > 90 days	495
TOTAL	**23,698**

No general write-downs were recognized on the total amount of €23,698K, as an individual analysis per file shows that there is no recovery risk for receivables that are more than 90 days overdue. Despite this requirement, Montea is convinced, on the basis of historical data, that at the time of exceeding 90 days, there is no risk of collectability.

To minimize the impact of overdue receivables on the result, Montea manages its customer base efficiently. On a regular basis, Montea subjects its customers to a credit analysis. Similarly, it will subject potential customers to a preliminary credit analysis before proceeding to conclude new contracts.

The table below gives an overview of the recorded doubtful debtors:

DOUBTFUL DEBTORS	(EUR x 1.000)
ON 31/12/2020	638
Amount current financial year	2
Reversal amount current financial year	0
ON 31/12/2021	**639**
Amount current financial year	0
Reversal amount current financial year	0
ON 31/12/2022	**639**

WRITE-DOWNS ON DOUBTFUL RECEIVABLES	(EUR x 1.000)
ON 31/12/2020	**1,102**
Provisions current financial year	428
Reversal losses doubtful receivables	0
ON 31/12/2021	**1,530**
Provisions current financial year	-160
Reversal losses doubtful receivables	0
ON 31/12/2022	**1,370**

The table below summarizes other receivables:

OTHER RECEIVABLES (EUR x 1.000)	31/12/2022
Trade receivables - credit balance	48
Trade payables - debit balance	104
Invoices to be issued	1,482
Creditnotes to receive	5
TOTAL	1,639

Montea has made the necessary efforts so that the outstanding trade receivables after year-end have already largely been collected.

Montea has not obtained guarantees to limit its credit risk nor has it obtained credit hedging instruments.

Note 26: Tax receivables and other current assets

TAX RECEIVABLES AND OTHER CURRENT ASSETS (EUR x 1.000)	31/12/2022	31/12/2021	31/12/2020
TAXES	**13,036**	**13,069**	**9,644**
Value added taxes (VAT)	0	1,222	620
Corporate tax	13,036	11,846	9,023
OTHER CURRENT ASSETS	**422**	**36**	**3**
TOTAL	13,458	13,104	9,646

The outstanding tax receivable concerns the Dutch corporate income tax of the fiscal entity whose FBI status is pending but has not yet been obtained. See note 37 and section 8.2.3.

Note 27: Cash and cash equivalents

CASH AND CASH EQUIVALENTS (EUR x 1.000)	31/12/2022	31/12/2021	31/12/2020
Cash at banks	67,766	15,172	5,057
Term deposits	0	0	0
Cheques to be cashed	0	0	0
TOTAL	67,766	15,172	5,057

A cash flow statement can be found in section 5.2.2.

Note 28: Deferred charges and accrued income

DEFERRED CHARGES AND ACCRUED INCOME - ASSETS (EUR x 1.000)	31/12/2022	31/12/2021	31/12/2020
Accrued and not due rental income	1,081	551	478
Rental discounts and rental incentives to be allocated	0	0	0
Prepaid property charges			
Costs for future projects / Provisions construction costs	3,596	2,112	2,974
/ Other	0	0	0
Prepaid interests and other financial charges	57	94	105
Other	1,147	1,736	526
TOTAL	5,881	4,492	4,085

Note 29: Capital and shares

SHARE CAPITAL AND SHARE PREMIUMS (EUR x 1.000)	Capital	Costs capital increase	Capital shares options staff	Subscription premium	Number of shares
ON 31/12/2020	**326,562**	**-5,956**	**-794**	**222,274**	**16,023,694**
Changes in financial year 2021	3,908	-94	151	12,419	191,762
ON 31/12/2021	**330,470**	**-6,050**	**-643**	**234,693**	**16,215,456**
Changes in financial year 2022	36,883	-1,256	-6,160	84,584	1,809,764
ON 31/12/2022	367,353	-7,306	-6,803	319,277	18,025,220

Note 30: Reserves

(EUR x 1.000)	31/12/2022	31/12/2021	31/12/2020
Reserves	420,657	228,780	118,216
Legal reserves	835	835	835
Reserve for the balance of the changes in fair value of investment properties	348,826	158,506	54,378
Reserve for the impact on the fair value of the estimated transfer rights and costs resulting from hypothetical disposal of investment properties	0	0	0
Reserve for the balance of the changes in fair value of authorized hedges qualifying for hedge accounting as defined by IFRS	0	0	0
Reserve for the balance of the changes in fair value of authorized hedges not qualified for hedge accounting as defined by IFRS	-15,182	-28,149	-20,072
Reserve for the balance of exchange rate differences on monetary assets and liabilities	0	0	0
Reserve for the conversion differences coming from the conversion of activities abroad	0	0	0
Reserve for own shares	0	0	0
Reserve for the balance of the changes in fair value of financial assets held for sale	0	0	0
Reserve for actuarial gains and losses on defined benefit pension plans	0	0	0
Reserve for deferred taxes on investment properties located abroad	0	0	0
Reserve for received dividends, used for the reimbursement of financial debts	0	0	0
Other reserves	86,177	97,587	83,074

The difference in the item "reserve for the balance of the change in the fair value of real estate" compared to last year is €190,320K, largely due to the positive value evolution of investment properties in 2021, as well as the positive change in the value of solar panels. The reserve for the balance of changes in the fair value of real estate and the reserve for the balance of hedging instruments are the main components that have a major impact on reserves.

MUTATION OWN SHARES (EUR x1000)		Aantal eigen aandelen
ON 31.12.2020	**794**	**15,349**
Changes in financial year 2021	-151	-2,927
ON 31.12.2021	**643**	**12,422**
Changes in financial year 2022	5,783	70,432
ON 31.12.2022	6,803	82,854

At the board meeting of 18 December 2020, a share purchase plan was approved for certain managerial and staff. Own shares were purchased for the possibility of purchase pursuant to the procedures established in the plan. On 21 September 2018, Montea repurchased 120,629 shares, 100,000 of which were already sold on 24 September 2018. Another 5,280 shares were sold on 14 March 2019. Finally, another 2,927 shares were sold in 2021. Under the share purchase plan and share option plan 2021 and 2022 whereby shares are sold or share options are granted to employees, management and commercial managers, the following movements in the number of own shares took place during 2022. In the period between 6 January and 3 February 2022, 70,000 own shares were repurchased. In March 2022, 74,568 shares were sold under the share purchase plan. A new buy-back programme of 25,000 and 50,000 own shares was implemented in the period between 24 May and 2 June 2022 and 20 December and 30 December respectively, bringing the number of own shares as at 31 December 2022 to 82,854.

Note 30.1: Reserve for the balance of changes in the fair value of property

	(EUR x 1.000)
Changes in fair value of investment properties 2007 (15 months)	5,629
Changes in fair value of investment properties 2008 (12 months)	-10,046
Changes in fair value of investment properties 2009 (12 months)	-16,034
Changes in fair value of investment properties 2010 (12 months)	-1,906
Changes in fair value of investment properties 2011 (12 months)	-4,420
Changes in fair value of investment properties 2012 (12 months)	-6,692
Changes in fair value of investment properties 2013 (12 months)	-3,658
Changes in fair value of investment properties 2014 (12 months)	1,457
Changes in fair value of investment properties 2015 (12 months)	2,470
Changes in fair value of investment properties 2016 (12 months)	-23,534
Changes in fair value of investment properties 2017 (12 months)	3,204
Changes in fair value of investment properties 2018 (12 months)	33,814
Changes in fair value of investment properties 2019 (12 months)	70,773
Changes in fair value of investment properties 2020 (12 months)	103,901
Changes in fair value of investment properties 2021 (12 months)	175,392
Revaluation gains solar panels 2011 (12 months)	1,566
Revaluation gains solar panels 2012 (12 months)	-128
Revaluation gains solar panels 2013 (12 months)	-192
Revaluation gains solar panels 2014 (12 months)	-63
Revaluation gains solar panels 2015 (12 months)	213
Revaluation gains solar panels 2016 (12 months)	-720
Revaluation gains solar panels 2017 (12 months)	484
Revaluation gains solar panels 2018 (12 months)	-242
Revaluation gains solar panels 2019 (12 months)	2,402
Revaluation gains solar panels 2020 (12 months)	227
Revaluation gains solar panels 2021 (12 months)	14,928
ON 31/12/2022	348,826

Note 30.2: Reserve for the balance of changes in the fair value of authorized hedging instruments not subject to hedge accounting as defined in IFRS

	(EUR x 1.000)
changes in fair value of authorized hedges 2007 (15 months)	0
changes in fair value of authorized hedges 2008 (12 months)	861
changes in fair value of authorized hedges 2009 (12 months)	-6,792
changes in fair value of authorized hedges 2010 (12 months)	-2,089
changes in fair value of authorized hedges 2011 (12 months)	1,643
changes in fair value of authorized hedges 2012 (12 months)	-4,917
changes in fair value of authorized hedges 2013 (12 months)	-8,033
changes in fair value of authorized hedges 2014 (12 months)	5,497
changes in fair value of authorized hedges 2015 (12 months)	-10,358
changes in fair value of authorized hedges 2016 (12 months)	-616
Unwinding SWAP 2017	9,865
changes in fair value of authorized hedges 2018 (12 months)	5,791
Unwinding SWAP 2018	4,943
changes in fair value of authorized hedges 2019 (12 months)	-3,128
changes in fair value of authorized hedges 2020 (12 months)	-12,739
changes in fair value of authorized hedges 2021 (12 months)	-8,077
changes in fair value of authorized hedges 2022 (12 months)	12,967
ON 31/12/2022	-15,182

The change in the fair value of hedging instruments in 2022 amounting to €13.0 million is recognized in full in the income statement.

Note 31: Result

For more information regarding the result, cf. section 9.1.6 "Summary of changes in the consolidated equity and reserves as at 31/12/2022".

The table below summarizes the net result per share and the EPRA earnings per share based on the weighted average number of shares and on the number of shares entitled to dividends at Montea's year-end. The EPRA earnings are equal to the net result excluding the portfolio result [1](XVI to and including XIX of the consolidated statement of realized and unrealized results before profit distribution) and excluding the change in the fair value of financial assets and liabilities (see XXIII of the consolidated statement of realized and unrealized results before profit distribution).

It should be noted here that the difference between the number of shares entitled to share in Montea's profits and the number of shares at the end of the period is equal to the number of own shares. In addition, Montea has no subscription rights and/or convertible bonds.

DETAIL RESULTS PER SHARE (EUR x 1.000)	31/12/2022 12 months	31/12/2021 12 months	31/12/2020 12 months
NET RESULT	204,458	227,848	155,009
Attributable to:			
Shareholders of the parent company	204,505	227,685	155,009
Minority interests	-46	162	0
EPRA result (K€)	67,738	60,433	55,778
Number of weighted average number of shares for the period	16,538,273	16,130,871	15,916,319
Number of shares in circulation at the end of the period	18,025,220	16,215,456	16,023,694
NET (ordinary/diluted) RESULT PER SHARE / weighted number average of shares (€)	12.36	14.12	9.74
EPRA RESULT (ordinary/diluted) PER SHARE / weighted number average of shares (€)	4.10	3.75	3.50

DETAIL RECONCILIATION FROM NET RESULT TO EPRA RESULT (EUR x 1.000)	31/12/2022 12 maanden	31/12/2021 12 maanden	31/12/2020 12 maanden
NET RESULT	204,458	227,848	155,009
- Result on sale of investment properties	-19	-453	0
- Changes in fair value of investment properties	-92,864	-175,392	-107,308
- Changes in fair value of the financial assets and liabilities	-58,408	-12,967	8,077
+ Deferred taxes	14,570	21,397	0
EPRA RESULT (EUR x 1.000)	67,738	60,433	55,778

(1) See section 10.1.

Toelichting 32: Minority interests

MINORITY INTEREST	(EUR x 1.000)
ON 31/12/2020	0
Minority interests 2021	1,183
ON 31/12/2021	1,183
Minority interests 2022	2,401
ON 31/12/2022	3,584

At the end of 2021, Montea entered into a structural collaboration with the Cordeel construction group[1] in Belgium. The minority interest in 2021 and 2022 is due through the set-up of this cooperation with the Cordeel Group

Note 33: Long-term provisions

PROVISIONS (EUR x 1.000)	31/12/2022	31/12/2021	31/12/2020
Pensions	0	0	0
Other	0	0	0
TOTAL	0	0	0

(1) See press release of 04/01/2022 or www.montea.com for more information.

Note 34: Financial debts

FINANCIAL DEBTS (EUR x 1.000)	31/12/2022	31/12/2021	31/12/2020
NON-CURRENT FINANCIAL DEBTS	**872,967**	**556,509**	**446,742**
Credit institutions	159,333	310,833	350,167
Bonds	662,450	198,758	49,787
Securities and bank guarantees deposited	1,938	1,588	1,707
Financial leasing	595	718	833
Other[1]	48,652	44,612	44,247
CURRENT FINANCIAL DEBTS	**59,919**	**92,940**	**61,794**
Credit institutions	57,333	90,833	30,000
Bonds	0	0	29,975
Financial leasing	110	104	98
Other[1]	2,475	2,003	1,721
TOTAL	932.886	649.449	508.535

(1) The title "Other" mainly includes the lease obligations, related to the concession land, in accordance with IFRS16

The financial debts are nominal amounts where interest is not included.

The Company has a total amount of drawn credit lines of €216.7 million. As at 31/12/2022, Montea has a total amount of confirmed bilateral credit lines of €489.5 million with 7 financial institutions. An undrawn capacity of €272.8 million remains, which means that 44.3% of credit lines have been drawn.
15% (or €33.3 million) of the total drawn debt of the credit lines (€216.7 million) or 15% (€74.7 million) of the contracted credit lines (€489.5 million) matured in 2022.

Furthermore, Montea also has a total amount of €665.0 million of bond loans, of which €235.0 million of Green unsecured notes that Montea concluded in 2021 (US Private Placement) and €380 million of Green unsecured notes closed in 2022 (US Private Placement).

There is also a total amount of leasing debts of €51.8 million, divided between long-term and short-term, of which €51.1 million is mainly formed by the recognition of the leasing obligations on the concession land (following IFRS 16) and the rest for the financing of the solar panels on the site in Aalst.

The total financial debt (including bond loans and leasing debt) is 96.0% hedged as at 31 December 2022 through interest rate hedging contracts of the Interest Rate Swaps and Interest Caps type. All bond loans are at fixed interest rates. The credit lines have a variable interest rate.

The tables below show the maturity analysis of the credit lines, bond loans and hedging instruments. The last column shows the expected interest charges based on the situation as at 31/12/2022 taking into account a stable EURIBOR.

CREDIT INSTITUTIONS (EUR x 1.000)	Contracted credit lines	Withdrawn credit lines	Withdrawn credit lines + interest costs
Credit lines, maturing within < 1 year	74,667	33,333	5,225
Credit lines, maturing within 1 - 2 year	73,333	48,333	5,108
Credit lines, maturing within 2 - 3 year	45,000	5,000	4,514
Credit lines, maturing within > 3 year	296,500	130,000	12,270
TOTAL	489,500	216,667	27,116

HEDGING INSTRUMENTS (EUR x 1000)	Notional amount	Interest earnings hedgings
Hedging instruments, maturing within < 1 year	50,000	30
Hedging instruments, maturing within 1 - 2 years	200,000	-1,174
Hedging instruments, maturing within 2 - 3 years	-	-4,967
Hedging instruments, maturing within > 3 years	362,500	-13,333
TOTAL	612,500	-19,443

BONDS (EUR x 1000)	Contracted bonds	Withdrawn bonds	Interes costs bonds
Bonds, maturing within < 1 year	-	-	17,600
Bonds, maturing within 1 - 2 year	-	-	17,600
Bonds, maturing within 2 - 3 year	25,000	25,000	17,600
Bonds, maturing within > 3 year	640,000	640,000	67,738
TOTAL	665,000	665,000	120,536

The table below gives an overview of the current bonds:

BONDS						
Nominal amount (x1000 EUR)	Effective date	Termination date	Interest	Interest rate	Refund capital	Interest repayment
25,000	30/06/2015	30/06/2025	Fixed	3.42%	2025	Annualy
25,000	30/06/2015	30/06/2027	Floating	EURIBOR 3M + 205 bps	2027	Quarterly
50,000	27/04/2021	27/04/2031	Fixed	1.28%	2031	Biannually
30,000	23/06/2021	23/06/2031	Fixed	1.28%	2031	Biannually
70,000	23/06/2021	23/06/2036	Fixed	1.44%	2036	Biannually
85,000	4/01/2022	4/01/2034	Fixed	1.42%	2034	Biannually
175,000	17/08/2022	17/08/2030	Fixed	3.18%	2030	Biannually
20,000	2/11/2022	2/11/2030	Fixed	3.20%	2030	Biannually
25,000	7/12/2022	7/12/2030	Fixed	3.26%	2030	Biannually
160,000	15/06/2022	15/06/2032	Fixed	3.40%	2032	Biannually
665,000						

Note 35: Other non-current financial liabilities

OTHER NON-CURRENT FINANCIAL LIABILITIES (EUR x 1.000)	31/12/2022	31/12/2021	30/12/2020
Authorized hedges	-7	19,130	31,065
TOTAL	-7	19,130	31,065

The other non-current financial liabilities include only the negative valuation of interest-rate hedging instruments as at 31/12/2022. Note 22 includes the positive variations in the value of the interest rate hedging instruments (under financial fixed assets). The interest coverage instruments have a positive value at 31/12/2022 and are therefore listed under financial fixed assets. For a comparison between fair values and book values, reference is made to note 17.

Note 36: Other non-current liabilities

OTHER NON-CURRENT LIABILITIES (EUR x 1.000)	31/12/2022	31/12/2021	30/12/2020
Guarantees	0	0	0
TOTAL	0	0	0

Note 37: Trade payables and other current liabilities

TRADE DEBTS AND OTHER CURRENT DEBTS (EUR x 1.000)	31/12/2022	31/12/2021	31/12/2020
Exit Tax	6,067	4,194	147
Other	22,340	21,920	17,819
Suppliers	11,758	12,731	12,291
Tenants	2,203	3,250	1,649
Taxes, salaries and social security	8,378	5,940	3,879
TOTAL	28,407	26,113	17,966

OTHER CURRENT LIABILITIES (EUR x 1.000)	31/12/2022	31/12/2021	31/12/2020
Dividends	28	28	24
Other	2,316	315	4,754
TOTAL	2,343	342	4,778

The "Exit tax" section consists mainly of provisions made as a result of the acquisitions of the real estate companies Hoecor NV and Corhoe NV (see Note 20).

The "Suppliers" item still has an outstanding balance of €11.8 million. This remaining amount is mainly owed to third parties following ongoing developments in Belgium, the Netherlands and France.

The "Taxes, remuneration and social security charges" section consists mainly of the provision set up for the receipt of the provisional tax assessment notice by the Dutch fiscal entity whose FBI status is pending but has not yet been obtained. See note 26 and section 11.5.4.

The "Other current liabilities" section consists mainly of liabilities relating to acquisitions through share transactions. The amount under "Other current liabilities" at the end of 2020 consisted of an outstanding debt to Kellen BV amounting to €4.7 million following the acquisition of the Tiel site in Q3 2018 and pertains to the ongoing archaeological investigations. This was offset during 2021 with a bank guarantee and deposit as part of the initial purchase price.

Note 38: Accrued charges and deferred income

ACCRUED CHARGES AND DEFERRED INCOME - LIABILITIES (EUR x 1.000)	31/12/2022	31/12/2021	31/12/2020
Property income received in advance	24,879	18,129	17,652
Interests and other charges accrued and not due	1,834	1,894	3,614
Other	0	0	0
TOTAL	**26,714**	**20,023**	**21,266**

The accrued charges and deferred income consist mainly of rental income invoiced in advance and the allocation of outstanding interest on bond loans and credit lines.

Note 39: Fair value hierarchy

		Fair value hierarchy (EUR x 1.000)	31/12/2022 Book value	31/12/2022 Level 1 (1)	31/12/2022 Level 2 (2)	31/12/2022 Level 3 (3)
I.		**NON-CURRENT ASSETS**	**2,216,000**	**0**	**41,164**	**2,174,836**
	A.	Goodwill	0	0	0	0
	B.	Intangible assets	567	0	567	0
	C.	Investment properties	2,124,563	0	0	2,124,563
	D.	Other tangible assets	50,273	0	0	50,273
	E.	Non-current financial assets	40,367	0	40,367	0
	F.	Finance lease receivables	0	0	0	0
	G.	Trade receivables and other non-current assets	230	0	230	0
	H.	Deferred taxes (assets)	0	0	0	0
	I.	Participations in associates and joint ventures according to the equity method	0	0	0	0
II.		**CURRENT ASSETS**	**111,712**	**67,766**	**43,945**	**0**
	A.	Assets held for sale	0	0	0	0
	B.	Current financial assets	0	0	0	0
	C.	Finance lease receivables	0	0	0	0
	D.	Trade receivables	24,607	0	24,607	0
	E.	Tax receivables and other current assets	13,458	0	13,458	0
	F.	Cash and cash equivalents	67,766	67,766	0	0
	G.	Deferred charges and accrued income	5,881	0	5,881	0
		TOTAL ASSETS	**2,327,712**	**67,766**	**85,109**	**2,174,836**

		Fair value hierarchy (EUR x 1.000)	31/12/2022 Book value	31/12/2022 Level 1 (1)	31/12/2022 Level 2 (2)	31/12/2022 Level 3 (3)
		LIABILITIES	**1,026,492**	**0**	**932,092**	**0**
I.		**Non-current liabilities**	**909,109**	**0**	**814,710**	**0**
	A.	Provisions	0	0	0	0
	B.	Non-current financial debts	872,967	0	778,568	0
		1. Credit institutions	161,271	0	161,271	0
		2. Bonds	711,101	0	616,702	0
		3. Various non-current liabilities (surety bonds, guarantees)	595	0	595	0
	C.	Other non-current financial liabilities	-7	0	-7	0
	D.	Trade debts and other non-current debts	0	0	0	0
	E.	Other non-current liabilities	0	0	0	0
	F.	Deferred taxes - liabilities	36,149	0	36,149	0
II.		**Current liabilities**	**117,383**	**0**	**117,383**	**0**
	A.	Provisions	0	0	0	0
	B.	Current financial debts	59,919	0	59,919	0
		1. Credit institutions	57,333	0	57,333	0
		2. Financial leasings	110	0	110	0
		3. Other	2,475	0	2,475	0
	C.	Other current financial liabilities	0	0	0	0
	D.	Trade debts and other current debts	28,407	0	28,407	0
	E.	Other current liabilities	2,343	0	2,343	0
	F.	Accrued charges and deferred income	26,714	0	26,714	0
		TOTAL LIABILITIES	**1,026,492**	**0**	**932,092**	**0**

- **Level 1:** fair value valuations are determined according to the (unadjusted) market price quotations in active markets for identical assets and liabilities;
- **Level 2:** fair value valuations are determined on the basis of inputs other than quoted prices referred to in Level 1 that are observable for the asset or liability, both directly (i.e. as prices) and indirectly (i.e. derived from prices);
- **Level 3:** fair value valuations are determined on the basis of valuation techniques that comprise data for the asset or liability which are not based on observable market data (non-observable data).

There were no transfers between the different levels of the fair value hierarchy during financial year 2022.

		Fair value hierarchy (EUR x 1.000)	31/12/2021 Book value	31/12/2021 Level 1 (1)	31/12/2021 Level 2 (2)	31/12/2021 Level 3 (3)
I.		**NON-CURRENT ASSETS**	**1,703,680**	**0**	**2,055**	**1,701,625**
	A.	Goodwill	0	0	0	0
	B.	Intangible assets	727	0	727	0
	C.	Investment properties	1,665,521	0	0	1,665,521
	D.	Other tangible assets	36,103	0	0	36,103
	E.	Non-current financial assets	1,106	0	1,106	0
	F.	Finance lease receivables	0	0	0	0
	G.	Trade receivables and other non-current assets	221	0	221	0
	H.	Deferred taxes (assets)	0	0	0	0
	I.	Participations in associates and joint ventures according to the equity method	0	0	0	0
II.		CURRENT ASSETS	**49,237**	**15,172**	**34,065**	**0**
	A.	Assets held for sale	0	0	0	0
	B.	Current financial assets	0	0	0	0
	C.	Finance lease receivables	0	0	0	0
	D.	Trade receivables	16,469	0	16,469	0
	E.	Tax receivables and other current assets	13,104	0	13,104	0
	F.	Cash and cash equivalents	15,172	15,172	0	0
	G.	Deferred charges and accrued income	4,492	0	4,492	0
		TOTAL ASSETS	1,752,917	15,172	36,120	1,701,625

		Fair value hierarchy (EUR x 1.000)	31/12/2021 Book value	31/12/2021 Level 1 (1)	31/12/2021 Level 2 (2)	31/12/2021 Level 3 (3)
		LIABILITIES	**736,637**	**0**	**734,810**	**0**
I.		**Non-current liabilities**	**597,218**	**0**	**595,391**	**0**
	A.	Provisions	0	0	0	0
	B.	Non-current financial debts	556,509	0	554,682	0
		1. Credit institutions	312,421	0	312,421	0
		2. Bonds	243,370	0	241,543	0
		3. Various non-current liabilities (surety bonds, guarantees)	718	0	718	0
	C.	Other non-current financial liabilities	19,130	0	19,130	0
	D.	Trade debts and other non-current debts	0	0	0	0
	E.	Other non-current liabilities	0	0	0	0
	F.	Deferred taxes - liabilities	21,579	0	21,579	0
II.		**Current liabilities**	**139,419**	**0**	**139,419**	**0**
	A.	Provisions	0	0	0	0
	B.	Current financial debts	92,940	0	92,940	0
		1. Credit institutions	90,833	0	90,833	0
		2. Financial leasings	104	0	104	0
		3. Other	2,003	0	2,003	0
	C.	Other current financial liabilities	0	0	0	0
	D.	Trade debts and other current debts	26,113	0	26,113	0
	E.	Other current liabilities	342	0	342	0
	F.	Accrued charges and deferred income	20,023	0	20,023	0
		TOTAL LIABILITIES	736,637	0	734,810	0

IFRS 13 deals with the practical application of determining the fair value when required or permitted by different standards. It was also applied with regard to the valuation of property investment, solar panels and financial instruments.

Property investments

The practical application of fair value measurement of investment properties was carried out by the external real estate experts largely based on the capitalization method.

The practical application of the fair value measurement of property investments, based on the capitalization method, was carried out by the external real estate experts who determined market rent values and market yields on all individual sites. Certain corrections are added to these market rent values and market yields depending on the specific situation (e.g. the difference between the current rent and market rental value, the current value of future investments as well as the estimate of future vacancy).

As aforementioned, the fair value of the property investment is determined mainly on the basis of the market rental value (€/m²) and the equivalent yield (net yield based on an equivalent product at this location). The table below provides an overview of these two parameters per geographical region with a minimum, maximum and weighted average. In addition, the fair value of the property investments is determined by the difference of the current rent compared to the market rental value.

Valuation fair value of investment properties	BE	FR	NL	DE
Rental Capitalization Method				
Market rental value (Min - Max.) (EURO /m²)	25-135	35-150	30-145	NVT
Market rental value - Weighted Average (EURO /m²)	55.18	57.23	58.61	NVT
Equivalent Yield (Min - Max.) (%)	3.16%-8.25%	4.00%-6.00%	2.71%-6.23%	NVT
Equivalent Yield - Weighted Average (%)	4.72%	4.72%	5.10%	NVT
Average inflation (%)	10.21%	6.73%	11.00%	9.6%
Actual rent compared to market rental value (%)	94.83%	96.39%	90.63%	NVT

The table above shows that the minimum and maximum market rental values are far apart. This is mainly due to the:

- type of logistics: (e.g. refrigerated warehouses/cross-dock warehouses vs. standard storage);
- location of the property;
- proportion of offices compared to the entire site.

The cash flow method is no longer applied as it does not create any added value to the existing capitalization method. This cash flow method will be applied only in very specific cases to support the capitalization method.

The table below shows the main parameters relating to 2021:

Valuation Fair Value of Investment properties	BE	FR	NL	DE
Rental Capitalization Method				
Market rental value (Min - Max.) (EURO /m²)	25-130	30-150	28-130	NVT
Market rental value - Weighted Average (EURO /m²)	48.47	55.49	49.12	NVT
Equivalent Yield (Min - Max.) (%)	3.40%-8.00%	4.20%-6.25%	3.27%-7.73%	NVT
Equivalent Yield - Weighted Average (%)	4.94%	4.94%	4.50%	NVT
Average inflation (%)	6.59%	3.39%	6.41%	5.7%
Actual rent compared to market rental value (%)	99.24%	90.29%	106.46%	NVT

Solar panels

The practical application of the fair value measurement of solar panels is based on a calculation of the net present value over the remaining term of the green certificates.

Solar panels are valued using the revaluation model in accordance with IAS 16 - Property, plant and equipment. After the initial recognition, the asset whose fair value can be measured reliably must be carried at revalued value, i.e. the fair value at the time of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value is determined using the discounted future earnings method.

The following elements are taken into account in determining the discount method:

- The useful life of the solar panels is estimated at 20 years;
- The green certificates amount to between €0 and €450 per certificate. The payments for these certificates are time-limited, i.e. as soon as the solar panels are operational, an application for a certificate is submitted. At a certain capacity, you are then entitled to compensation as the owner. These fees have however decreased year after year (in 2009 they were €450 per certificate and since August 2022 the certificates for installations that started operating after 2013 have been reduced to 0 due to persistently high energy costs);
- The revenues relating to power sold to customers are based on existing contracts;
- The revenues relating to surplus electricity are sold back to energy suppliers based on existing contracts;
- The insurance and maintenance costs for these solar panels are taken into account;
- A discount rate that is determined per project between 4.75% and 5.00% is taken into account;
- A drop in yield over the 20-year period due to wear and tear of approximately 0.7% per year is taken into account.

The solar panels are valued on a quarterly basis by the real estate expert.

The capital gain on start-up of a new site in terms of solar panels is included in a separate component of equity, as a result of the application of the discounted future revenue method, which results in a higher market value than the original cost of the solar panels. Impairments are also recognized in this component unless realized or unless the fair value falls below the original cost. In the latter cases, they are recognized in the result.

Derivative instruments

In determining the fair value of derivative instruments, account was taken of the fair value made available to Montea by the financial institutions, based on the swap rate of similar products on 31/12/2022, relative to contracted hedging instruments. The fair value of the derivative instruments amounts to €40,894K as at 31/12/2022. This should normally be catalogued under Level 2. In addition, the company should also value the "non-performance risk". Montea has a positive fair value on its hedging instruments.

Based on estimates (credit default swaps as at 31/12/2022, the average age of outstanding swaps), Montea has calculated a "non-performance risk" amounting to €520.8K (credit value adjustment) compared to a debt valuation adjustment of €805.6K as at 31/12/2021. This non-performance risk has a negative impact on the fair value of the derivative instruments. Due to the fact of expressing this non-performance risk, the full fair value of €40,374K is recognized in Level 2. The fluctuation of the non-performance risk is largely due to the development of the market value of the derivative instruments during the past financial year.

Financial liabilities

Financial liabilities consist of bond loans, the drawn credit lines and other debts. The practical application of fair value in valuing the bonds was based on the indicative pricing in the active market. As it was not traded as of 31/12/2022, the bonds are classified in Level 2 (market valuation in the active market for a similar product). The fair value of the fixed-rate bonds is different from the current book value, given the evolution in the EURIBOR interest rate that makes the fair value of these bonds €94.4 million lower than the book value. 80% of all credit lines were concluded at variable interest rates (bilateral credit lines at EURIBOR 3 or 6 months, floated + margin). The fair value of the outstanding credit lines and the fair value of the variable rate bond are therefore almost equal to the book values of these credit lines and bond. The classification as Level 2 is justifiable as the market valuation is available in an active market for similar products.

Current assets and current (non-financial) liabilities

The valuation techniques and inputs used in the fair value measurement of current assets and current liabilities are the reason why current assets and current liabilities are measured at nominal value, given that these receivables and payables are short-term and therefore the credit risk is limited.

Note 40: Segment information

Montea applies IFRS 8 as regards the segment information requirement.

The current portfolio is geographically located in Belgium, the Netherlands, France and Germany. The Company manages and coordinates its business on a geographical basis and thus also reports according to this geographical segmentation. The following tables present the balance sheet and income statement according to the geographical segmentation.

Note 40.1: Segmented balance sheet for 2022

	(EUR x 1.000)	31/12/2022 BE	31/12/2022 FR	31/12/2022 NL	31/12/2022 DE	31/12/2022 Elim.	31/12/2022 Conso
I.	**NON-CURRENT ASSETS**	**1,297,588**	**251,265**	**890,067**	**35,511**	**-258,431**	**2,216,000**
A.	Goodwill	0	0	0	0	0	0
B.	Intangible assets	567	0	0	0	0	567
C.	Investment properties	966,103	248,150	874,799	35,511	0	2,124,563
D.	Other tangible assets	31,928	3,078	15,268	0	0	50,273
E.	Non-current financial assets	298,798	0	0	0	-258,431	40,367
F.	Finance lease receivables	0	0	0	0	0	0
G.	Trade receivables and other non-current assets	193	38	0	0	0	230
H.	Deferred taxes (assets)	0	0	0	0	0	0
I.	Participations in associates and joint ventures according to the equity method	0	0	0	0	0	0
II.	**CURRENT ASSETS**	**598,791**	**7,112**	**21,839**	**715**	**-516,745**	**111,712**
A.	Assets held for sale	0	0	0	0	0	0
B.	Current financial assets	0	0	0	0	0	0
C.	Finance lease receivables	0	0	0	0	0	0
D.	Trade receivables	14,539	3,481	8,915	527	-2,856	24,607
E.	Tax receivables and other current assets	514,065	1,238	11,988	56	-513,889	13,458
F.	Cash and cash equivalents	67,677	0	77	12	0	67,766
G.	Deferred charges and accrued income	2,511	2,393	858	119	0	5,881
	TOTAL ASSETS	1,896,379	258,377	911,906	36,225	-775,176	2,327,712
	TOTAL SHAREHOLDERS' EQUITY	935,503	142,262	470,374	7,995	-254,915	1,301,220
I.	**Shareholders' equity attributable to the shareholders of the parent company**	**931,920**	**142,262**	**470,374**	**7,995**	**-254,915**	**1,297,636**
A.	Share capital	353,244	0	217,892	99	-217,991	353,244
B.	Share premiums	319,277	0	0	0	0	319,277
C.	Reserves	105,257	116,379	221,240	14,705	-36,924	420,657
D.	Net result of the financial year	154,142	25,883	31,242	-6,808	0	204,458
II.	**Minority interests**	**3,584**	**0**	**0**	**0**	**0**	**3,584**
	LIABILITIES	**960,876**	**116,116**	**441,532**	**28,230**	**-520,261**	**1,026,492**
I.	**Non-current liabilities**	**867,063**	**1,661**	**40,385**	**0**	**0**	**909,109**
A.	Provisions	0	0	0	0	0	0
B.	Non-current financial debts	866,888	1,661	4,419	0	0	872,967

	(EUR x 1.000)	31/12/2022 BE	31/12/2022 FR	31/12/2022 NL	31/12/2022 DE	31/12/2022 Elim.	31/12/2022 Conso
C.	Other non-current financial liabilities	-7	0	0	0	0	-7
D.	Trade debts and other non-currents debts	0	0	0	0	0	0
E.	Other non-current liabilities	0	0	0	0	0	0
F.	Deferred taxes - liabilities	182	0	35,967	0	0	36,149
II.	**Current liabilities**	**93,813**	**114,455**	**401,146**	**28,230**	**-520,261**	**117,383**
A.	Provisions	0	0	0	0	0	0
B.	Current financial debts	59,621	81	217	0	0	59,919
C.	Other current financial liabilities	0	0	0	0	0	0
D.	Trade debts and other current debts	18,885	1,684	10,284	838	-4,284	28,407
E.	Other current liabilities	2,015	108,158	381,306	27,056	-516,191	2,343
F.	Accrued charges and deferred income	13,293	3,531	9,339	337	214	26,714
	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	1,896,379	258,377	911,906	36,225	-775,176	2,327,712

The fair value of investment properties in Belgium is €966.1 million for 2022, €119.5 million higher than the fair value of investment properties in Belgium in 2021. This increase is mainly due to the:

- Acquisitions through share transactions;
- Continuation of developments in Antwerp, Tongeren, Halle and Vilvoorde;
- Delivery of solar panels at various sites;
- Increase in the fair value of the existing portfolio.

The fair value of investment properties in France amounts to €248.2 million for 2022, €38.6 million higher than in 2021 mainly due to the:

- Acquisition of a building at Avignon;
- Continuation of developments at Saint Priest;
- Delivery of solar panels at various sites;
- Increase in the fair value of the existing portfolio.

The fair value of investment properties in the Netherlands is €874.8 million for 2022, €307.1 million higher than in 2021. This increase is mainly due to the:

- Acquisition of several properties spread across Zeewolde, Zwolle, 's Hertogenbosch, Zwijndrecht, Almere, Tilburg, Echt, Berkel&Rodenrijs and Alkmaar;
- Continuation of developments in Tiel, Etten-Leur and Waddinxveen;
- Delivery of solar panels at various sites;
- Increase in the fair value of the existing portfolio.

The fair value of investment properties in Germany is €35.5 million for 2021, €6.1 million lower than in 2021. This decrease is mainly due to the decrease in the fair value of the existing portfolio.

Note 40.2: Segmented balance sheet 2021

	(EUR x 1.000)	31/12/2021 BE	31/12/2021 FR	31/12/2021 NL	31/12/2021 DE	31/12/2021 Elim.	31/12/2021 Conso
I.	**NON-CURRENT ASSETS**	**1,056,640**	**210,147**	**576,573**	**41,613**	**-181,294**	**1,703,680**
A.	Goodwill	0	0	0	0	0	0
B.	Intangible assets	727	0	0	0	0	727
C.	Investment properties	846,633	209,567	567,708	41,613	0	1,665,521
D.	Other tangible assets	26,692	547	8,865	0	0	36,103
E.	Non-current financial assets	182,401	0	0	0	-181,294	1,106
F.	Finance lease receivables	0	0	0	0	0	0
G.	Trade receivables and other non-current assets	188	33	0	0	0	221
H.	Deffered taxes (assets)	0	0	0	0	0	0
I.	Participations in associates and joint ventures according to the equity method	0	0	0	0	0	0
II.	**CURRENT ASSETS**	**343,587**	**4,136**	**18,289**	**1,937**	**-318,712**	**49,237**
A.	Assets held for sale	0	0	0	0	0	0
B.	Current financial assets	0	0	0	0	0	0
C.	Finance lease receivables	0	0	0	0	0	0
D.	Trade receivables	10,993	2,366	5,616	444	-2,951	16,469
E.	Tax receivables and other current assets	316,930	13	11,785	138	-315,761	13,104
F.	Cash and cash equivalents	12,651	473	805	1,244	0	15,172
G.	Deffered charges and accrued income	3,013	1,283	84	111	0	4,492
	TOTAL ASSETS	1,400,227	214,282	594,863	43,551	-500,006	1,752,917

	(EUR x 1.000)	31/12/2021 BE	31/12/2021 FR	31/12/2021 NL	31/12/2021 DE	31/12/2021 Elim.	31/12/2021 Conso
	TOTAL SHAREHOLDERS' EQUITY	**702,674**	**116,255**	**360,226**	**14,904**	**-177,778**	**1,016,280**
I.	**Shareholders' equity attributable to the shareholders of the parent company**	**701,491**	**116,255**	**360,226**	**14,904**	**-177,778**	**1,015,097**
A.	Share capital	323,777	0	117,045	87	-117,131	323,777
B.	Share premiums	234,693	0	0	0	0	234,693
C.	Reserves	12,458	98,585	162,313	453	-45,029	228,780
D.	Net result of the financial year	130,563	17,670	80,868	14,364	-15,618	227,848
II.	**Minority interests**	**1,183**	**0**	**0**	**0**	**0**	**1,183**
	LIABILITIES	**697,553**	**98,028**	**234,637**	**28,647**	**-322,228**	**736,637**
I.	**Non-current liabilities**	**574,315**	**1,488**	**21,415**	**0**	**0**	**597,218**
A.	Provisions	0	0	0	0	0	0
B.	Non-current financial debts	555,003	1,488	18	0	0	556,509
C.	Other non-current financial liabilities	19,130	0	0	0	0	19,130
D.	Trade debts and other non-current debts	0	0	0	0	0	0
E.	Other non-current liabilities	0	0	0	0	0	0
F.	Deferred taxes - liabilities	182	0	21,397	0	0	21,579
II.	**Current liabilities**	**123,238**	**96,540**	**213,222**	**28,647**	**-322,228**	**139,419**
A.	Provisions	0	0	0	0	0	0
B.	Current financial debts	92,827	79	35	0	0	92,940
C.	Other current financial liabilities	0	0	0	0	0	0
D.	Trade debts and other current debts	19,419	2,351	8,026	1,159	-4,842	26,113
E.	Other current liabilities	342	91,220	199,227	27,158	-317,605	342
F.	Accrued charges and deferred income	10,651	2,890	5,934	329	219	20,023
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	1,400,227	214,282	594,863	43,551	-500,006	1,752,917

Note 40.3: Segmented income statement for 2022

	(EUR x 1.000)	31/12/2022 BE	31/12/2022 FR	31/12/2022 NL	31/12/2022 DE	31/12/2022 Elim.	31/12/2022 12 maanden
I.	Rental income	39,301	11,116	38,453	1,860	0	90,729
II.	Reversal of lease payments sold and discounted	0	0	0	0	0	0
III.	Rental-related expenses	-99	258	0	0	0	160
	NET RENTAL INCOME	39,202	11,374	38,453	1,860	0	90,889
IV.	Recovery of property charges	0	0	0	0	0	0
V.	Recovery of rental charges and taxes normally borne by tenants on let properties	5,886	2,611	1,438	242	0	10,177
VI.	Costs payable by tenants and borne by the landlord for rental damage and refurbishment at end of lease	0	0	0	0	0	0
VII.	Rental charges and taxes normally borne by tenants on let properties	-6,248	-2,633	-2,127	-250	0	-11,257
VIII.	Other rental-related income and expenses	12,115	63	725	0	-2,798	10,105
	PROPERTY RESULT	50,955	11,415	38,489	1,853	-2,798	99,913
IX.	Technical costs	0	-28	-1	0	0	-30
X.	Commercial costs	-49	-78	0	0	0	-127
XI.	Charges and taxes of non-let properties	8	-347	-9	0	0	-349
XII.	Property management costs	-984	-475	0	0	0	-1,459
XIII.	Other property charges	-38	0	0	0	0	-38
	PROPERTY CHARGES	**-1,063**	**-929**	**-11**	**0**	**0**	**-2,003**
	PROPERTY OPERATING RESULT	49,892	10,486	38,478	1,853	-2,798	97,910
XIV.	General corporate expenses	-5,591	-1,147	-2,451	-350	2,798	-6,742
XV.	Other operating income and expenses	-114	-41	7	-1	0	-148
	OPERATING RESULT BEFORE RESULT ON THE PORTFOLIO	44,187	9,298	36,034	1,502	0	91,020

	(EUR x 1.000)	31/12/2022 BE	31/12/2022 FR	31/12/2022 NL	31/12/2022 DE	31/12/2022 Elim.	31/12/2022 12 maanden
XVI.	Result on disposal of investment properties	19	0	0	0	0	19
XVII.	Result on disposal of other non-financial assets	0	0	0	0	0	0
XVIII.	Changes in fair value of investment properties	58,266	18,926	23,114	-7,441	0	92,864
XIX.	Other portfolio result	0	0	0	0	0	0
	OPERATING RESULT	102,471	28,223	59,148	-5,940	0	183,903
XX.	Financial income	11,393	8	1	0	-11,230	171
XXI.	Net interest charges	-18,240	-2,209	-8,089	-623	11,230	-17,931
XXII.	Other financial charges	-169	-22	3	-1	0	-189
XXIII.	Changes in fair value of financial assets and liabilities	58,408	0	0	0	0	58,408
	FINANCIAL RESULT	**51,392**	**-2,222**	**-8,086**	**-624**	**0**	**40,460**
XXIV.	Share in the result of associates and joint ventures	0	0	0	0	0	0
	PRE-TAX RESULT	153,863	26,001	51,062	-6,564	0	224,362
XXV.	Income taxes	279	-119	-19,820	-244	0	-19,904
XXVI.	Exit tax	0	0	0	0	0	0
	TAXES	**279**	**-119**	**-19,820**	**-244**	**0**	**-19,904**
	NET RESULT	154,142	25,883	31,242	-6,808	0	204,458
	EPRA RESULT	37,450	6,957	22,698	633	0	67,738
	Weighted average number of shares for the period	16,538,273	16,538,273	16,538,273	16,538,273	16,538,273	16,538,273
	NET RESULT PER SHARE CALCULATED ON THE BASIS OF THE WEIGHTED AVERAGE NUMBER OF SHARES	9.32	1.57	1.89	-0.41	0.00	12.36
	EPRA RESULT PER SHARE	2.26	0.42	1.37	0.04	0.00	4.10

Note 40.4: Segmented income statement for 2021

The "eliminations" column refers to the consolidation entries to be made as part of the consolidation and have no impact on the consolidated result.

In addition to geographical segmentation, the Company also uses sectoral segmentation in terms of customer base in order to spread the risk profile.

	(EUR x 1.000)	31/12/2021 BE	31/12/2021 FR	31/12/2021 NL	31/12/2021 DE	31/12/2021 Elim.	31/12/2021 12 maanden
I.	Rental income	35,469	11,253	28,290	558	0	75,571
II.	Reversal of lease payments sold and discounted	0	0	0	0	0	0
III.	Rental-related expenses	163	-713	124	0	0	-426
	NET RENTAL INCOME	35,632	10,540	28,415	558	0	75,145
IV.	Recovery of property charges	0	0	0	0	0	0
V.	Recovery of rental charges and taxes normally borne by tenants on let properties	5,504	2,342	877	56	0	8,780
VI.	Costs payable by tenants and borne by the landlord for rental damage and refurbishment at end of lease	0	0	0	0	0	0
VII.	Rental charges and taxes normally borne by tenants on let properties	-5,660	-2,351	-1,195	-56	0	-9,262
VIII.	Other rental-related income and expenses	8,699	56	2,889	0	-1,564	10,080
	PROPERTY RESULT	44,176	10,587	30,985	558	-1,564	84,743
IX.	Technical costs	0	-1	0	0	0	-1
X.	Commercial costs	-58	-117	-48	0	0	-222
XI.	Charges and taxes of non-let properties	-160	-154	0	0	0	-314
XII.	Property management costs	-1,307	-678	0	0	0	-1,985
XIII.	Other property charges	-52	-1	0	0	0	-52
	PROPERTY CHARGES	**-1,576**	**-950**	**-48**	**0**	**0**	**-2,574**
	PROPERTY OPERATING RESULT	42,600	9,637	30,938	558	-1,564	82,169
XIV.	General corporate expenses	-5,531	-364	-675	-46	1,564	-5,052
XV.	Other operating income and expenses	233	-72	-3	-1	0	158

	(EUR x 1.000)	31/12/2021 BE	31/12/2021 FR	31/12/2021 NL	31/12/2021 DE	31/12/2021 Elim.	31/12/2021 12 maanden
	OPERATING RESULT BEFORE RESULT ON THE PORTFOLIO	37.302	9.202	30.260	511	0	77.275
XVI.	Result on disposal of investment properties	-658	1,110	0	0	0	453
XVII.	Result on disposal of other non-financial assets	0	0	0	0	0	0
XVIII.	Changes in fair value of investment properties	87,355	9,840	79,735	14,080	-15,618	175,392
XIX.	Other portfolio result	0	0	0	0	0	0
	OPERATING RESULT	124,000	20,152	109,995	14,591	-15,618	253,120
XX.	Financial income	6,693	8	0	0	-6,680	21
XXI.	Net interest charges	-11,474	-2,263	-4,215	-214	6,680	-11,487
XXII.	Other financial charges	-69	-21	-4	-1	0	-94
XXIII.	Changes in fair value of financial assets and liabilites	12,967	0	0	0	0	12,967
	FINANCIAL RESULT	**8,117**	**-2,276**	**-4,219**	**-215**	**0**	**1,406**
XXIV.	Share in the result of associates and joint ventures	0	0	0	0	0	0
	PRE-TAX RESULT	132,117	17,875	105,775	14,376	-15,618	254,526
XXV.	Income taxes	-1,554	-205	-24,907	-12	0	-26,678
XXVI.	Exit tax	0	0	0	0	0	0
	TAXES	-1,554	-205	-24,907	-12	0	-26,678
	NET RESULT	**130,563**	**17,670**	**80,868**	**14,364**	**-15,618**	**227,848**
	EPRA RESULT	30,899	6,720	22,530	284	0	60,433
	Weighted average number of shares for the period	16,130,871	16,130,871	16,130,871	16,130,871	16,130,871	16,130,871
	NET RESULT PER SHARE calculated on the basis of the weighted average number of shares	8.09	1.10	5.01	0.89	-0.97	14.12
	EPRA RESULT PER SHARE	1.92	0.42	1.40	0.02	0.00	3.75

Note 41: Financial risk management

Exposure to exchange rate, interest rate, liquidity and credit risks may arise in Montea's normal business operations. The company analyses and reviews each risk and defines strategies to manage the economic impact on its performance. The results of these analyses and proposed strategies are reviewed and approved by the board of directors on a regular basis.

The sensitivity analysis for interest rate risk should be carried out on both the net income and on equity. As no hedging is applied, the impact will not differ.

a. Interest rate risk
Some 20% of the Company's non-current and current financial liabilities consist of floating interest rates. The Company uses IRS and CAP type financial hedging instruments to hedge the interest rate risk.

As at 31/12/2022, 96.0% of the interest rate risk was hedged by concluding fixed-rate contracts or hedging instruments such that an increase/decrease in interest rates has a limited impact on the Company's result.

An increase of 100 basis points in short-term interest rates, calculated as at 31 December 2022, would cause an increase of €0.3 million in the total financial cost. This negative effect is explained by a hedging ratio of 96.0%
.

b. Credit risk
The credit risk is the risk of financial loss to the Company if a customer or counterparty fails to meet its contractual obligations. Management has a credit policy in place and the exposure to credit risk is managed on an ongoing basis. Each new tenant is individually examined for creditworthiness before the Company offers a lease, taking into account a 3-month or 6-month rental guarantee.

c. Foreign exchange risk
The Company's property portfolio consists exclusively of buildings in Belgium, France, the Netherlands and Germany and are all leases are in euros, so the Company is not exposed to any exchange rate risk.

d. Liquidity risk
Note 34 (Financial debts) provides an overview of the financial liabilities with their respective maturities. The Company manages its liquidity risk by having sufficient available credit facilities and by matching receipts and payments insofar as possible.

Note 42: Transactions between related companies

Transactions with related companies are limited to the management fee between the Sole Director, Montea Management NV and Montea NV. Montea further confirms that there are no transactions on non-market terms with related parties.

At the end of financial year 2022, the following items were included in the financial statements:

- Operating result – Remuneration of Sole Director: € 974 K
- Liabilities – Current account of Montea Management NV: € 0

The group structure of Montea as at 31 December 2022 is set forth in section 11.1.5.2.

Note 43: Off-balance sheet liabilities

There are a number off-balance sheet obligations for financial year 2022:

- a bank guarantee for €333,673.23, in favour of De Scheepvaart NV, under the Bilzen concession agreement concluded with De Scheepvaart NV. This bank guarantee is valid until 30/12/2042;
- a bank guarantee for €4,211.25, in favour of the Flemish Energy and Climate Agency. This bank guarantee is valid until 31/12/2999;
- a guaranteed credit for €145,780.34, in favour of Ghent Port Company GAB due to expire on 31/12/2999;
- a guaranteed credit for €129,409.00, in favour of the Port of Brussels due to expire on 31/10/2051;
- a bank guarantee for €13,000.00, in favour of Henton NV;
- a bank guarantee for €8,025.00, in favour of Société Coopérative Intercommunale;
- a bank guarantee for €7,778.45, in favour of the Flemish Energy and Climate Agency. This bank guarantee is valid until 31/12/2999.

Note 44: Events after 31 December 2022

For a discussion of the events after 31 December 2022, we refer to section 5.3.

9.3 Statutory financial statements

9.3.1 Condensed statutory financial statements of Montea as at 31 December 2022

Pursuant to the provisions of article 3:17 of the Code of Companies and Associations, the annual financial statements of Montea NV are presented in the condensed format. The statutory annual financial statements have not yet been filed with the National Bank of Belgium. The statutory auditor has delivered an unqualified opinion on the statutory financial statements.

Condensed statutory balance sheet as at 31 December 2022

BALANCE SHEET (EUR x 1.000)	IFRS 31/12/2022 12 months	IFRS 31/12/2021 12 months	IFRS 31/12/2020 12 months
ASSETS			
NON-CURRENT ASSETS	**1,698,308**	**1,348,953**	**1,122,872**
A. Goodwill	0	0	0
B. Intangible assets	567	727	589
C. Investment properties	987,359	832,169	723,698
D. Other tangible assets	33,020	26,766	25,362
E. Non-current financial assets	677,150	489,080	373,012
F. Finance lease receivables	0	0	0
G. Trade receivables and other non-current assets	213	211	211
H. Deferred taxes - Assets	0	0	0
CURRENT ASSETS	**555,281**	**351,517**	**250,577**
A. Assets held for sale	0	0	6,589
B. Current financial assets	0	0	0
C. Finance lease receivables	0	0	0
D. Trade receivables	16,575	11,708	10,185
E. Tax receivables and other current assets	468,529	323,905	226,166
F. Cash and cash equivalents	67,318	11,997	4,139
G. Deferred charges and accrued income	2,859	3,907	3,499
TOTAL ASSETS	2,253,589	1,700,470	1,373,449

BALANCE SHEET (EUR x 1.000)	IFRS 31/12/2022 12 months	IFRS 31/12/2021 12 months	IFRS 31/12/2020 12 months
LIABILITIES			
SHAREHOLDERS' EQUITY	**1.298.831**	**1.015.315**	**815.691**
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT COMPANY	**1.298.831**	**1.015.315**	**815.691**
A. Share capital	353.244	323.777	319.812
B. Share premium	319.277	234.693	222.274
C. Reserves	420.874	229.160	118.596
D. Net result of the financial year	205.436	227.685	155.009
MINORITY INTERESTS	0	0	
LIABILITIES	**954,758**	**685.155**	**557.759**
NON-CURRENT LIABILITIES	**866.147**	**574.719**	**477.122**
A. Provisions	0	0	0
B. Non-current financial debts	866.153	555.589	446.057
C. Other non-current liabilities	-7	19.130	31.065
D. Trade debts and other non-current debts	0	0	0
E. Other non-current liabilities	0	0	0
F. Deferred taxes - liabilities	0	0	0
CURRENT LIABILITIES	**88,611**	**110.436**	**80.637**
A. Provisions	0	0	0
B. Current financial debts	59.447	92.851	61.740
C. Other current financial liabilities	0	0	0
D. Trade debts and other current debts	12,577	5.668	5.558
E. Other current liabilities	2.175	342	87
F. Accrued charges and deferred income	14.412	11.574	13.252
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	2,253,589	1.700.470	1.373.449

Statutory income statement as at 31 December 2022

PROFIT AND LOSS ACCOUNT (EUR x 1.000)	IFRS 31/12/2022 12 months	IFRS 31/12/2021 12 months	IFRS 31/12/2020 12 months
I. Rental income (+)	42,647	41,022	41,143
II. Reversal of lease payments sold and discounted (+)	0	0	0
III. Rental-related expenses (+/-)	218	-701	-187
NET RENTAL RESULT	**42,865**	**40,321**	**40,955**
IV. Recovery of property charges (+)	0	0	0
V. Recovery of rental charges and taxes normally borne by tenants on let properties (+)	6,525	6,530	5,868
VI. Costs payable by tenants and borne by the landlord for rental damage and refurbishment at end of lease (-)	0	0	0
VII. Rental charges and taxes normally borne by tenants on let properties (-)	-6,940	-6,695	-5,836
VIII. Other rental-related income and expenses (+/-)	12,994	8,833	5,688
PROPERTY RESULT	**55,444**	**48,989**	**46,675**
IX. Technical costs (-)	0	0	-7
X. Commercial costs (-)	-70	-72	-35
XI. Charges and taxes of non-let properties (-)	-330	-227	-17
XII. Property management costs (-)	-1,459	-1,985	-1,890
XIII. Other property charges (-)	-38	-52	-47
PROPERTY CHARGES	**-1,897**	**-2,335**	**-1,996**
PROPERTY OPERATING RESULT	**53,547**	**46,654**	**44,680**
XIV. General corporate expenses (-)	- 6,645	-4,565	-4,065
XV. Other operating income and expenses (+/-)	2,368	-194	81
OPERATING RESULT BEFORE PORTFOLIO RESULT	**49,270**	**41,895**	**40,695**
XVI. Result on disposal of investment properties (+/-)	19	453	0
XVII. Result on disposal of other non-financial assets (+/-)	0	0	0
XVIII. Changes in fair value of investment properties (+/-)	71,016	89,363	78,782
XIX. Other portfolio result (+/-)	0	0	0
OPERATING RESULT	**120,304**	**131,711**	**119,477**
XX. Financial income (+)	11,460	6,726	5,506
XXI. Net interest charges (-)	-17,965	-12,274	-11,455
XXII. Other financial charges (-)	-182	-77	-86
XXIII. Changes in fair value of financial assets and liabilities (+/-)	91,938	103,360	41,754
FINANCIAL RESULT	**85,252**	**97,736**	**35,719**
PRE-TAX RESULT	**205,557**	**229,448**	**155,196**
XXV. Income tax (-)	-121	-1,762	-187
XXVI. Exit tax (-)	0	0	0
TAXES	-121	**-1,762**	**-187**
NET RESULT	**205,436**	**227,685**	**155,009**
Average Number of shares in the period	16,538	16,131	15,916
NET RESULT (normal / diluted) PER SHARE in euro	**12.42**	**14.11**	**9.74**

Company condensed statutory income before profit distribution as at 31 December 2022

CONDENSED STATUTORY COMPREHENSIVE INCOME (EUR x 1.000)	31/12/2022 12 months	31/12/2021 12 months	31/12/2020 12 months
Net result	**205,436**	**227,685**	**155,009**
Other elements of the global result	**14,928**	**227**	**2,402**
Items taken in the result:	**0**	**0**	**0**
Impact on fair value of estimated transfer rights and costs resulting from hypothetical disposal of investments properties	0	0	0
Changes in the effective part of the fair value of authorized cash flow hedges	0	0	0
Items not taken in the result	**14,928**	**227**	**2,402**
Impact of changes in fair value of solar panels	14,928	227	2,402
Comprehensive income	**220,364**	**227,912**	**157,411**
Attributable to:			
Shareholders of the parent company	220,364	227,912	157,411
Minority interests*	0	0	0

Processing of results as at 31 December 2022

	APPROPRIATION OF RESULTS (EUR x 1.000)	IFRS 31/12/2022 12 months	IFRS 31/12/2021 12 months	IFRS 31/12/2020 12 months
	NET RESULT	205,436	227,685	155,009
	ADDITION TO / WITHDRAWAL FROM RESERVES (-/+)	-146,226	-178,590	-109,705
1.	**Addition to / withdrawal from the reserve for the (positive or negative) balance of the changes in fair value of investment properties (-/+)**	**-92,864**	**-175,392**	**-107,308**
1a.	financial year	-92,864	-175,392	-107,308
1b.	previous financial years	0	0	0
1c.	realisation of investment properties	0	0	
2.	**Addition to / withdrawal from the reserve from the estimated transfer rights and costs resulting from hypothetical disposal of investment properties (-/+)**	**0**	**0**	**0**
3.	**Addition to the reserve for the balance of the changes in fair value of authorized hedges qualifying for hedge accounting according to IFRS (-)**	**0**	**0**	**0**
3a.	financial year	0	0	0
3b.	previous financial years	0	0	0
4.	**Withdrawal from the reserve for the balance of the changes in fair value of authorized hedges qualifying for hedge accounting according to IFRS (-)**	**0**	**0**	**0**
4a.	financial year			
4b.	previous financial years	0	0	0
5.	**Addition to the reserve for the balance of the changes in fair value of authorized hedges not qualifying for hedge accounting according to IFRS (-)**	**-58,408**	**-12,967**	**8,077**
5a.	financial year	-58,408	-12,967	8,077
5b.	previous financial years	0	0	0
6.	**Withdrawal from the reserve for the balance of the changes in fair value of authorized hedges not qualifying for hedge accounting according to IFRS (-)**	**0**	**0**	**0**
6a.	financial year	0	0	0
6b.	previous financial years	0	0	0
7.	**Addition to / withdrawal from reserves for the balance of exchange rate differences on monetary assets and liabilities (-/+)**	**0**	**0**	**0**
8.	**Addition to / withdrawal from deferred tax reserves related to investment properties located abroad (-/+)**	**0**	**0**	**0**
9.	Addition to / withdrawal from reserves for the dividends received, used for the reimbursement of the financial debts (-/+)	**0**	**0**	**0**
10.	**Addition to / withdrawal from other reserves (-/+)**	**5,046**	**9,769**	**-10,474**
11.	**Addition to / withdrawal from results carried forward from previous financial years (-/+)**	**0**	**0**	**0**
	REMUNERATION OF THE CAPITAL IN ACCORDANCE WITH ART. 13	55,190	48,704	45,217
	REMUNERATION OF THE CAPITAL, - OTHER THAN C	4,020	391	87

Payment obligation as at 31 December 2022

Pursuant to article 13 of the RREC Royal Decree, Montea must distribute, up to the amount of the positive net result of the financial year, after settlement of the losses carried forward and after the additions/withdrawals to/from the reserves as referred to in Item B. Addition/withdrawal of reserves as defined in Section 4 of Chapter 1 of Annex C of the RREC Royal Decree, at least the positive difference between the following amounts as remuneration of capital: 80% of the amount determined according to the schedule set out in Annex C, Chapter III; and the net reduction, during the financial year, of the indebtedness of the public RREC.

According to this calculation, Montea is required to pay a dividend of €55,190K. Taking into account the number of own shares on the date of this annual financial report, a total of €59,210K will be distributed.

ARTICLE 13 MANDATORY DISTRIBUTION (EUR x 1.000)	IFRS 31/12/2022 12 months
Positive difference (1) - (2)	**55,190**
80% of the amount defined by the scheme in Annex C of Chapter III (1)	**55,190**
Corrected result (A) + net gains (B)	68,988
Corrected result + net realized gains on property not exempt from the mandatory distribution (A)	**68,988**
Net result	205,436
+ Amortizations	432
+ Depreciations	213
- Reversal of depreciations	-373
- Reversal of transferred and discounted rents	0
+/- Other non-monetary components	-65,686
+/- Result on disposal of property	-19
+/- Changes in fair value of property	-71,016
+/- Deferred taxes	0
- Minority interest	0
Realised net gains on property assets not exempt from the mandatory distribution (B)	**0**
+/- realized net gains and losses of the financial year	0
- realized net gains on property assets during the year, exempt from mandatory distribution if reinvested within 4 years	0
+ realized net gains on property assets previously exempt from mandatory distribution, that were not reinvested within 4 years	0
Net decrease of the debt (2)	0
The changes in debt in function of the calculation of the debt ratio	285,903
Total Liabilities	269,603
Non-current liabilities - authorized hedging instruments	-19,137
Non-current liabilities - provisions	0
Non-current liabilities - deferred taxes	0
Current liabilities - authorized hedging instruments	0
Current liabilities - provisions	0
Current liabilities - accrued charges and deferred income	2,837

Article 7:212 of the Code of Companies and Associations

As a company, Montea also has to comply with article 7:212 of the Code of Companies and Associations whereby net assets may not fall below the amount of capital and unavailable reserves as a result of a dividend distribution.

According to the table below, Montea still has a buffer of €58,784K, after payment of the proposed dividend of €3.30 per share.

(EUR x 1,000)	IFRS 31/12/2022 12 months	IFRS 31/12/2021 12 months	IFRS 31/12/2020 12 months
Paid-up capital or, if it is larger, called-up capital (+)	353,244	323,777	319,812
Share premium unavailable for distribution according to the articles of association (+)	319,277	234,693	222,274
Reserve for the positive balance of the changes in fair value of investment properties (+) (*)	464,078	371,214	185,720
Reserve for the impact of the estimated transfer rights and costs resulting from hypothetical disposal of investment properties (-)	0	0	0
Reserve for the balance of the changes in fair value of authorized hedges qualifying for hedge accounting according to IFRS (+/-)	0	0	0
Reserve for the balance of the changes in fair value of authorized hedges not qualified for hedge accounting according to IFRS (+/-)	43,404	-15,004	-27,971
Reserve for the balance of exchange rate differences on monetary assets and liabilities (+)	0	0	0
Reserve for the translation differences, coming from activities abroad (+/-)	0	0	0
Reserve for own shares	0	0	0
Reserve for the balance of the changes in fair value of financial assets held for sale (+/-)	0	0	0
Reserve for actuarial gains and losses on defined benefit pension plans (+)	0	0	0
Reserve for deferred taxes on investment properties located abroad (+)	0	0	0
Reserve for received dividends used for the reimbursement of financial debts (+)	0	0	0
Other reserves (+)	0	0	0
Legal reserve (+)	835	835	835
Non-distributable shareholders' equity in accordance with Article 7:212 of the companies and associations code	**1,180,838**	**915,515**	**700,670**
Net assets before distribution of dividends	1,298,831	1,015,315	815,691
Proposed dividend payments	59,210	49,095	45,304
Net assets after distribution of dividends	**1,239,621**	**966,220**	**770,387**
Remaining margin after dividend distribution	**58,784**	**50,705**	**69,717**

The amounts indicated in grey in the table above has been updated because of an erroneous presentation in the past. As a result, this amount does not correspond to the amount published in the annual reports for the financial years ending respectively on 31/12/2020 and on 31/12/2021. We must point out that this in no way affects the dividend paid. It merely concerns the remaining margin after the dividend payment.

The remaining margin after the dividend payout amounts to €58,784K at the end of 2022 due to the fact that the RRECs net assets have increased relatively more than the amount of non-distributable equity (both calculated in accordance with article 7:212 of the Code of Companies and Associations).

Summary of the changes in the statutory equity and reserves as at 31 December 2022

CHANGES IN SHAREHOLDERS EQUITY (EUR x 1,000)	Share capital	Share premiums	Reserves	Result	Shareholders' equity
ON 31/12/2020	319,812	222,274	118,596	155,009	815,691
Elements directly recognized as equity	**3,965**	**12,419**	**863**	**0**	**17,246**
Capital increase	3,814	12,419	0	0	16,232
Impact on fair value of estimated transfer rights and costs resulting from hypothetical disposal of investment properties	0	0	0	0	0
Positive change in value of solar panels (IAS 16)	0	0	227	0	227
Own shares	0	0	0	0	0
Own shares held for employee option plan	151	0	171	0	323
Corrections	0	0	465	0	465
Subtotal	**0**	**0**	**109,701**	**72,676**	**182,378**
Dividends	0	0	-45,308	0	-45,308
Result carried forward	0	0	155,009	-155,009	0
Result for the financial year	0	0	0	227,685	227,685
ON 31/12/2021	**323,777**	**234,693**	**229,160**	**227,685**	**1,015,315**
Elements directly recognized as equity	**29,467**	**84,584**	**13,092**	**0**	**127,143**
Capital increase	35,627	84,584	0	0	120,211
Impact on fair value of estimated transfer rights and costs resulting from hypothetical disposal of investment properties	0	0	0	0	0
Positive change in value of solar panels (IAS 16)	0	0	14,928	0	14,928
Own shares	0	0	0	0	0
Own shares held for employee option plan	-6,160	0	-1,695	0	-7,856
Corrections	0	0	-141	0	-141
Subtotal	**353,244**	**319,276**	**242,252**	**227,685**	**1,142,458**
Dividends	0	0	-49,109	0	-49,109
Result carried forward	0	0	227,685	-227,685	0
Result for the financial year	0	0	46	205,436	205,482
ON 31/12/2022	353,244	319,276	420,874	205,436	1,298,831

Allocation of the result to equity

	CHANGES IN SHAREHOLDERS EQUITY (EUR x 1,000)	31/12/2022	Result allocation	Shareholders equity before dividend distribution but after result allocation
A.	**Paid-up capital or, if it is larger, called-up capital (+)**	**353,244**		**353,244**
B.	**Share premium unavailable for distribution according to the articles of association (+)**	**319,277**		**319,277**
C.	**Reserves**	**420,874**	**146,226**	**567,101**
	Legal reserves (+)	835		835
	Reserve for the positive balance of the changes in fair value of investment properties (+) (*)	371,214	92,864	464,078
	Reserve for the impact of the estimated transfer rights and costs resulting from hypothetical disposal of investment properties (-)	0	0	0
	Reserve for the balance of the changes in fair value of authorized hedges qualifying for hedge accounting according to IFRS (+/-)	0	0	0
	Reserve for the balance of the changes in fair value of authorized hedges not qualifying for hedge accounting according to IFRS (+/-)	-15,004	58,408	43,404
	Reserve for the balance of exchange rate differences on monetary assets and liabilities (+)	0	0	0
	Reserve for the exchange rate differences, coming from activities abroad (+/-)	0	0	0
	Reserve for own shares	0	0	0
	Reserve for the balance of the changes in fair value of financial assets held for sale (+/-)	0	0	0
	Reserve for actuarial gains and losses on defined benefit pension plans (+)	0	0	0
	Reserve for deferred taxes on investment properties located abroad (+)	0	0	0
	Reserve for received dividends used for the reimbursement of financial debts (+)	0	0	0
	Other reserves (+)	260,856	-5,046	255,810
	Results carried forward from previous financial years (+/-)	-197,026	0	-197,026
	Proposed remuneration to the capital		**59,210**	**59,210**
TOTAL			205,436	1,298,831

Statement of persons employed

Workers for whom the company has submitted a Dimona declaration or who are registered in the general personnel register

During the FY	Codes	Total	Men	Women
Average number of employees				
Full time	1001	18.4	7.3	11.1
Part time	1002	2.5	1.5	1.0
Total in full time equivalents	1003	20.5	8.5	12.0
Numbers of actuel hours worked				
Full time	1011	31,559,5	12,664,5	18,895,0
Part time	1012	3,620,5	2,043,0	1,577,5
Total	1013	35,180,0	14,707,5	20,472,5
Employee costs				
Full time	1021	2,510,155	-	-
Part time	1022	287,964	-	-
Total	1023	2,798,119	1,169,794	1,628,326
Benefits on top of wages	**1033**	**36,163**	**15,322**	**20,840**

During the previous FY	Codes	Total	Men	Women
Average number of employees	1003	17.0	7.6	9.4
Numbers of actuel hours worked	1013	27,543,6	12,862,1	14,681,5
Employee costs	1023	1,592,300	813,864	778,436
Benefits on top of wages	1033	29,015	13,610	15,404

Workers for whom the company has submitted a Dimona declaration or who are registered in the general personnel register (continued)

At the closing of the financial year	Codes	Full time	Part time	Total in full time equivalents
Number of employees in the staff register	**105**	**20**	**2**	**21.7**
According to the nature of the employment contract				
Agreement for an indefinite period	110	20	2	21.7
Agreement for an definite period	111	-	-	-
Agreement for an definied job	112	-	-	-
Replacement agreement	113	-	-	-
According to gender and study lever				
Men	120	8	1	8.8
Primary education	1200	-	-	-
Secundary education	1201	2	-	2.0
Higher non-university	1202	1	-	1.0
University	1213	5	-	5.0
Women	121	12	1	12.9
Primary education	1210	-	-	-
Secundary education	1211	4	1	4.9
Higher non-university	1212	4	-	4.0
University	1213	4	-	4.0
According to profession level				
Management	130	-	-	-
Non-management	134	20	2	21.7
Laborer	132	-	-	-
Other	133	-	-	-

Temporary workers and persons placed at the disposal of the company

During the financial year	Codes	Temporary workers		Persons placed at the disposal of the company
Average number of persons employed	150	-	-	-
Number of actual hours worked	151	-	-	-
Costs for the company	152	-	-	-

Statement of staff movement's during the financial year

ASSIGNED	Codes	Full time	Part time	Total in full time equivalents
Number of employees in the staff register	205	14	5	16.2
According the type of agreement				
Agreement for an indefinite period	210	6	-	6.0
Agreement for an definite period	211	8	5	10.2
Agreement for an definied job	212	-	-	-
Replacement agreement	213	-	-	-

RESIGNED	Codes	Full time	Part time	Total in full time equivalents
Number of employees in the staff register	305	8	5	10.2
According the type of agreement				
Agreement for an indefinite period	310	-	-	-
Agreement for an definite period	311	8	5	10.2
Agreement for an definied job	312	-	-	-
Replacement agreement	313	-	-	-
According the reason of ending the agreement				
Retirement	340	-	-	-
Unemployment with single payment	341	-	-	-
Dismissal	342	-	-	-
Other reason	343	8	5	10.2
of which: the number of employees who continue to provide services to the company as a self-employed person at least on a half-time basis	350	-	-	-

9.3.2 Interim and other financial information

For the Company's interim financial information, cf. the interim reports of 31 March 2022, 30 June 2022 and 30 September 2022 which are incorporated by reference into this annual report.

9.3.3 Statutory auditor's review of historical annual financial information

For the statutory auditor's review of the historical annual financial information of the Company reference is made to Montea's annual financial reports (in particular the statutory auditor's report to the general meeting of shareholders of Montea) for financial years 2019 and 2020 which are incorporated by reference into this annual report.

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ANNUAL FINANCIAL REPORT 2020	
Auditor's report to the general meeting of shareholders of Montea NV for the financial year ended on 31 December 2020	208
ANNUAL FINANCIAL REPORT 2021	
Auditor's report to the general meeting of shareholders of Montea NV for the financial year ended on 31 December 2021	223
ANNUAL FINANCIAL REPORT 2022	
Auditor's report to the general meeting of shareholders of Montea NV for the financial year ended on 31 December 2022	391

9.3.4 Pro forma financial information

There was no significant gross change in FY2022. No pro forma financial information needs therefore be included.

9.3.5 Dividend policy

Pursuant to article 13 of the RREC Royal Decree, Montea must distribute, up to the amount of the positive net result of the financial year, after settlement of the losses carried forward and after the additions/withdrawals to/from the reserves as referred to in Item B. Addition/withdrawal of reserves as defined in Section 4 of Chapter 1 of Annex C of the RECC Royal Decree, at least the positive difference between the following amounts as remuneration of capital:

- 80% of the amount determined according to the schedule set out in Annex C, Chapter III; and the net reduction, during the financial year, of the indebtedness of the public RREC.

The board of directors of Montea Management NV will, on the basis of the results as at 31 December 2022, propose to the general meeting of shareholders on 16 May 2023 to distribute a gross dividend of €3.30 per share. This corresponds to a net dividend of €2.31 per share. This implies a 9% increase in the gross dividend per share compared to 2021 (€3.03 gross per share) a 9% increase in the gross dividend per share compared to 2021 (€3.03 gross per share).

KEY RATIO'S (in EUR)	31/12/2022	31/12/2021
EPRA result per share[1]	4.10	3.75
Result on the portfolio per share[1]	4.74	9.57
Changes in the fair value of financial instruments per share[1]	3.53	0.80
Net result (IFRS) per share[1]	12.36	14.12
EPRA result per share[2]	3.76	3.73
Proposed distribution	-	-
Gross dividend per share	3.30	3.03
Net dividend per share	2.31	2.12
Weighted average number of shares	16,538,273	16,130,871
Number of shares outstanding at period end	18,025,220	16,215,456

(1) based on the weighted average number of shares
(2) based on the number of shares on balance sheet date

For the dividend forecast for financial year 2023, cf. section 5.8.4 "Dividend forecast" of this annual report.

9.3.6 Court and arbitration proceedings

The board of directors of Montea Management NV declares that there is no government intervention, lawsuit or arbitration proceedings in the 12 months prior to the date of this annual financial report that could have a relevant impact on Montea's financial situation or profitability and that, to its knowledge, there are no situations or facts that could give rise to such government interventions, lawsuits or arbitration proceedings

9.3.7 Significant change in Montea's financial or trading position

Montea's financial or trading position has not changed significantly as at 31 December 2022.

10. Data pack & external verification

10.1 EPRA[1]

EPRA (European Public Real Estate Association) is the voice of the European listed real estate sector with more than 280 members and more than € 790 billion real estate. The EPRA indices are a global benchmark and the most frequently used investment index for listed real estate. The indexes are composed of more than 100 companies. The criteria for inclusion in the indexes are published on the EPRA website (www.epra.com). Montea is not yet included in the European and the Belgian EPRA index.

Recommendations regarding the reporting and the definition of the most important financial performance criteria for listed real estate companies are also shown on the EPRA website (see EPRA Reporting: Best Practices Recommendations Guidelines). Montea makes the majority of the performance measures recommended by EPRA available to the investors with the aim of standardizing the reporting with a view to improving the quality and comparability of information.

10.1.1 Financial reporting: EPRA BPR tabellen

Summary table of the EPRA Performance measures[2]

		31/12/2022	31/12/2021
EPRA result	€/share	4.10	3.75
EPRA Net Reinstatement Value	€/share	79.33	70.56
EPRA Net Tangible Assets	€/share	71.72	65.00
EPRA Net Disposal Value	€/share	66.75	62.49
EPRA cost ratio (incl. vacancy costs)	%	8.8	8.8
EPRA cost ratio (excl. vacancy costs)	%	8.5	8.4
EPRA Loan to value	%	39.7	36.9
EPRA Rental Vacancy	%	0.8	0.4
EPRA Net Initial Yield	%	4.8	4.9
EPRA 'Topped-up' Net Initial Yield	%	4.9	4.9

(1) The statutory auditor has performed an audit (ISRE 2410) of the measures listed in this table. The publication of the data is not required by the RECC regulations and is not subject to review by public authorities.
(2) The statutory auditor has performed an assessment (ISRE 2410) of the measures listed in this table.

EPRA-earnings – EPRA earnings per share

- **Definition:** The EPRA earnings concern the net earnings (after processing of the operating result before the result on the portfolio, minus the financial results and corporate tax, excluding deferred taxes), minus the changes in the fair value of property investments and real estate intended for sale, minus the result from the sale of investment properties, plus changes in the fair value of the financial assets and liabilities. The EPRA earnings per share are the EPRA earnings divided by the weighted average number of shares for the financial year.

- **Purpose:** The EPRA earnings measure the operational profitability of the company after the financial result and after taxes on the operational result. It is an important measure of the underlying results generated by a company from letting real estate. It indicates the extent to which current dividend payments are supported by earning. The EPRA earnings measure the net result from the core activities per share.

- **Calculation:**

(EUR x 1.000)	31/12/2022	31/12/2021
Net result (IFRS)	**204,458**	**227,848**
Changes for calculation of the EPRA earnings	**-**	**-**
To exclude:		
Changes in fair value of the investment properties and properties for sale	-91,602	-173,665[1]
Result on sale of investment properties	-19	-453
Changes in fair value of the financial assets and liabilities	-58,408	-12,967
Deferred taxes related to EPRA changes	14,570	21,397
Minority interests with regard to changes above	-1,262	-1,727[1]
EPRA earnings	**67,738**	**60,433**
Weighted average number of shares	16,538,273	16,130,871
EPRA earnings per share (€/share)	**4.10**	**3.75**

(1) Difference in classification between the two categories in 2021 figures, which has no impact on the result of the calculation.

EPRA NAVs – EPRA NAVs per share

In October 2019, EPRA published its new Best Practice Recommendations which set out the financial indicators listed real estate companies should disclose so as to provide more transparency across the European listed sector. For example, the EPRA NAV and EPRA NNNAV were consequently replaced by three new Net Asset Value indicators: Net Reinstatement Value (NRV), Net Tangible Assets (NTA) and Net Disposal Value (NDV).

The EPRA NAV indicators are obtained by correcting the IFRS NAV in such a way that stakeholders get the most relevant information about the fair value of assets and liabilities. The EPRA NAV indicates per share are calculated based on the number of shares on balance sheet date. The three different EPRA NAV indicators are calculated on the basis of the following scenarios:

Net Reinstatement Value: is based on the assumption that entities never sell assets and aims to reflect the value needed to rebuild the entity. The purpose of this indicator is to reflect what would be required to reconstitute the company through the investment markets based on the current capital and financing structure, including Real Estate Transfer Taxes.

(EUR x 1.000)	31/12/2022	31/12/2021
IFRS Equity attributable to shareholders of the parent company	**1,297,636**	**1,015,097**
NAV per share (€/share)	**72.32**	**62.65**
I) Hybrid instruments		
Diluted NAV at fair value	**1,297,636**	**1,015,097**
To exclude:		
V. Deferred tax in relation to fair value gains of investment property	36,149	21,579
VI. Fair value of financial instruments	-40,374	18,035
To include:		
XI. Real estate transfer tax	136,604	89,492
NRV	1,430,015	1,144,202
Fully diluted number of shares	18,025,220	16,215,456
NRV per share (€/share)	79.33	70.56

Net Tangible Assets: assumes that entities buy and sell assets, thereby realising certain levels of deferred taxation. This pertains to the NAV adjusted to include property and other long-term investments at fair value and to exclude certain items that are not expected to be firmly established in a business model with long-term investment properties.

(EUR x 1.000)	31/12/2022	31/12/2021
IFRS Equity attributable to shareholders of the parent company	**1,297,636**	**1,015,097**
NAV per share (€/share)	**72.32**	**62.65**
I) Hybrid instruments		
Diluted NAV at fair value	**1,297,636**	**1,015,097**
To exclude:		
V. Deferred tax in relation to fair value gains of investment property	36,149	21,579
VI. Fair value of financial instruments	-40,374	18,035
VIII.b) Intangible fixed assets as per the IFRS balance sheet	-567	-727
NTA	1,292,845	1,053,984
Fully diluted number of shares	18,025,220	16,215,456
NTA per share (€/share)	71.72	65.00

Net Disposal Value: provides the reader with a scenario of the sale of the company's assets leading to realization of deferred taxes, financial instruments, and certain or other adjustments for the full extent of their liability. This scenario assumes that the company that sells the assets, leading to the realisation of deferred taxes and the liquidation of debt and financial instruments. This NAV should not be considered a liquidation NAV as in many cases the fair value is not equal to the liquidation value.

(EUR x 1.000)	31/12/2022	31/12/2021
IFRS Equity attributable to shareholders of the parent company	**1,297,636**	**1,015,097**
NAV per share (€/share)	**72.32**	**62.65**
I) Hybrid instruments		
Diluted NAV at fair value	**1,297,636**	**1,015,097**
To include:		
IX. Remeasurements of the fair value of fixed-rate financing	-94,400	-1,827
NDV	1,203,236	1,013,270
Fully diluted number of shares	18,025,220	16,215,456
NDV per share (€/share)	66.75	62.49

C) EPRA NIY & EPRA 'topped-up' NIY

- **Definition:** The EPRA NIY is an annualised rental income based on the cash rents passing at the balance sheet date, minus non-recoverable property operating expenses, divided by the market value of the property, plus (estimated) acquisition costs. The EPRA 'topped-up' NIY integrates an adjustment to the EPRA NIY for the expiry of rent-free periods (or other non-expired rent incentives such as discounted rent or stepped rents).

- **Purpose:** Introduce a comparable benchmark for portfolio valuations within Europe.

- **Calculation:**

EPRA NIY (EUR x 1.000)		31/12/2022	31/12/2021
Investment property – 100% ownership		2,086,512	1,623,701
Investment property – share of JVs/Funds		0	0
Assets for sale		0	0
Minus development projects		-102,338	-114,834
Completed real estate portfolio		**1,984,174**	**1,508,867**
Allowance for estimated purchase costs		131,561	84,912
Gross up completed real estate portfolio valuation	**B**	**2,115,735**	**1,593,779**
Annualised cash passing rental income		107,318	81,996
Property outgoings (incl. concessions)		-5,181	-4,038
Annualised net rents	**A**	**102,136**	**77,958**
Rent free periods or other lease incentives		555	348
"topped-up" net annualised rent	**C**	**102,691**	**78,306**
EPRA NIY	**A/B**	**4.8%**	**4.9%**
EPRA "topped-up" NIY	**C/B**	**4.9%**	**4.9%**

EPRA rental vacancy rate

- **Definition:** The EPRA vacancy corresponds to the complement of "Occupancy rate" with the difference that the occupancy rate used by Montea is calculated on the basis of square metres whereas the EPRA vacancy is calculated on the basis of the estimated rental value.

- **Purpose:** The EPRA vacancy measures the vacancy percentage as a function of the estimated value without taking account of non-rentable m² intended for redevelopment and of the land bank.

- **Calculation:**

	31/12/2022			31/12/2021		
(EUR x 1.000)	(A) Estimated rental value (ERV) for vacancy	(B) Estimated rental value portfolio (ERV)	(A/B) ERPA Vacancy rate (in %)	(A) Estimated rental value (ERV) for vacancy	(B) Estimated rental value portfolio (ERV)	(A/B) ERPA Vacancy rate (in %)
Belgium	-	45,629	0.0%	279	36,873	0.8%
France	118	12,215	1.0%	-	11,140	0.0%
The Netherlands	714	47,696	1.5%	-	26,903	0.0%
Germany	-	-	0.0%	-	-	0.0%
TOTAL	831	105,540	0.8%	279	74,916	0.4%

EPRA LTV

- **Definition:** The EPRA LTV ratio is calculated by dividing net debt by total property value.
- **Purpose:** Loan-to-value is a widely used KPI in corporate reporting, however there is no predefined and widely accepted concept of how LTV should be calculated and reported. As calculation methods vary widely between companies, comparability is not possible. By introducing the EPRA LTV, equity gearing can be assessed through a consistent method of calculation across listed property companies.
- **Calculation:**

	31/12/2022					31/12/2021				
	Proportionate Consolidation					Proportionate Consolidation				
EPRA LTV (EUR x 1.000)	Group as reported	Share of joint ventures	Share of material associates	Non-controlling interests	Combined	Group as reported	Share of joint ventures	Share of material associates	Non-controlling interests	Combined
Include:										
Borrowings from Financial Institutions	217,719	-	-	-	217,719	402,601	-	-	-	402,601
Commercial paper	0	-	-	-	0	0	-	-	-	0
Hybrids (including Convertibles, preference shares, debt, options, perpetuals)	0	-	-	-	0	0	-	-	-	0
Bond Loans	662,450	-	-	-	662,450	198,758	-	-	-	198,758
Foreign Currency Derivatives (futures, swaps, options and forwards)	0	-	-	-	0	0	-	-	-	0
Net Payables	13,518	-	-	-799	12,719	12,414	-	-	-356	12,058
Owner-occupied property (debt)	884	-	-	-	884	653	-	-	-	653
Current accounts (Equity characteristic)	0	-	-	-	0	0	-	-	-	0
Exclude:										
Cash and cash equivalents	-67,766	-	-	8	-67,758	-15,172	-	-	6	-15,166
Net Debt[1] (a)	**826,804**	**0**	**0**	**-791**	**826,050**	**599,253**	**0**	**0**	**-350**	**598,903**
Include:										
Owner-occupied property	1,996	-	-	-	1,996	1,642	-	-	-	1,642
Investment properties at fair value	1,984,914	-	-	-4,029	1,980,885	1,509,612	-	-	-1,952	1,507,660
Properties held for sale	0	-	-	-	0	0	-	-	-	0
Properties under development	102,338	-	-	-4,387	97,951	114,834	-	-	-1,690	113,144
Intangibles	567	-	-	-	567	727	-	-	-	727
Net Receivables	0	-	-	-	0	0	-	-	-	0
Financial assets	0	-	-	-	0	11	-	-	-	11
Total Property Value (b)	**2,089,815**	**0**	**0**	**-8,416**	**2,081,399**	**1,626,825**	**-**	**-**	**-3,642**	**1,623,183**
LTV (a/b)	**39.6%**	**-**	**-**	**-**	**39.7%**	**36.8%**	**-**	**-**	**-**	**36.9%**

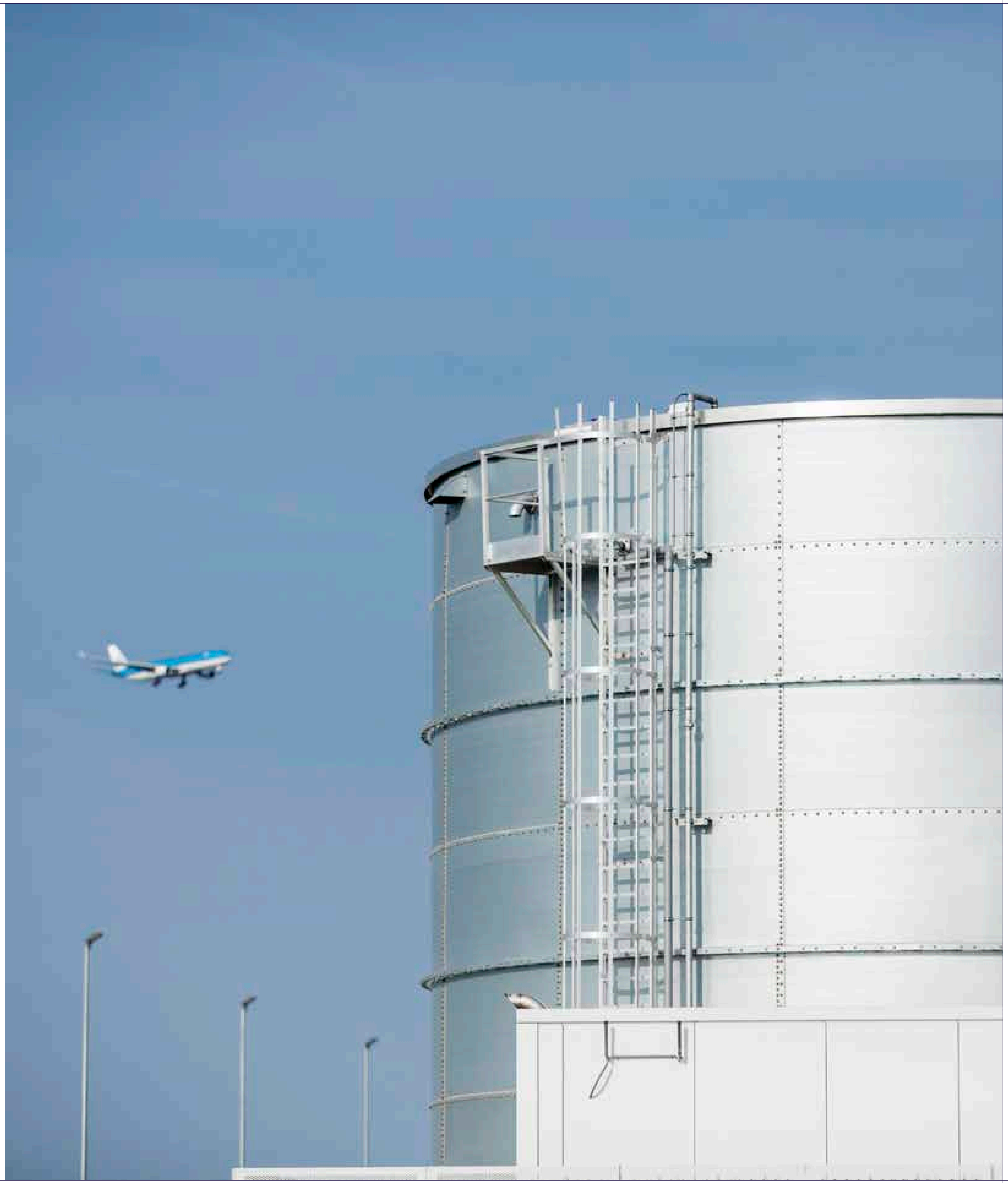
EPRA cost ratio

- **Definition:** The EPRA Cost ratio is calculated by dividing administrative and operational charges (including or excluding direct vacancy charges), by gross rental income.

- **Purpose:** The EPRA Cost ratios are intended to provide a consistent basis from which companies can provide more information about the costs where necessary. It is an important measure to enable meaningful measurement of changes in a company's operating costs.

- **Calculation:**

EPRA COST RATIO (EUR x 1.000)		31/12/2022	31/12/2021
(i) Administrative/operating expense line per IFRS income statement		**9,230**	**7,588**
(iii) Management fees less actual/estimated profit element		-430	-406
EPRA Costs (including direct vacancy costs)	**A**	**8,799**	**7,182**
(ix) Direct vacancy costs		-349	-314
EPRA Costs (excluding direct vacancy costs)	**B**	**8,450**	**6,868**
(x) Gross Rental Income less ground rents – per IFRS		99,640	81,748
Gross Rental Income	**B**	**99,640**	**81,748**
EPRA Cost Ratio (including direct vacancy costs)	**A/C**	**8.8%**	**8.8%**
EPRA Cost Ratio (excluding direct vacancy costs)	**B/C**	**8.5%**	**8.4%**



Investment Assets

Overview of the main operational indicators of the property portfolio, by country:

(EUR x 1.000)	BE	FR	NL	DE	31/12/2022
Rentable area	831,255 m²	214,660 m²	815,344 m²	35,965 m²	1,897,223 m²
Avg. Rent / m²	52.1 €/m²	54.9 €/m²	53.0 €/m²	51.7 €/m²	52.8 €/m²
Annualized contractual rent passing	43,272	11,775	43,228	1,860	100,136
ERV	45,629	12,215	47,696	NVT	105,540
Net Rental Income	38,938	11,094	37.764	1,853	89,649
Fair Market Value - Investment Assets	**811,374**	**235,446**	**852,647**	**35,511**	**1,934,977**
Fair Market Value - Solar Panels	**26,181**	**0**	**8,803**	**0**	**34,983**
EPRA Vacancy (based on ERV)	0.0%	1.0%	1.5%	0.0%	0.8%
Lease Term till break	6.1 y	3.0 y	9.9 y	6.0 y	7.4 y
Lease Term till end	7.3 y	6.0 y	10.0 y	6.0 y	8.3 y

Overview of the rent, brown down by country and by tenant activity:

Tenant business sector (EUR x 1.000)	BE	FR	NL	DE	31/12/2022
Industrial	7,928	2,895	3,770	1,860	16,453
Consumer goods	6,162	5,701	11,928	0	23,791
Primary goods	2,802	0	7,910	0	10,712
Logistics	23,475	1,519	19,607	0	44,600
Services	1,754	578	14	0	2,346
Vacancy	1,152	1,083	0	0	2,235
TOTAL Current Rent	43,272	11,775	43,228	1,860	100,136

Tenant business sector (%)	BE	FR	NL	DE	31/12/2022
Industrial	18%	25%	9%	100%	16%
Consumer goods	14%	48%	28%	0%	24%
Primary goods	6%	0%	18%	0%	11%
Logistics	54%	13%	45%	0%	45%
Services	4%	5%	0%	0%	2%
Vacancy	3%	9%	0%	0%	2%
TOTAL Current Rent	100%	100%	100%	100%	100%

Overview of the largest tenants in the portfolio, including their share in the total rent:

	Tenant	Current Rent	
1	Amazon	[>4.5M€]	
2	A-WARE Group	[3.5 - 4M€]	
3	DHL aviation	[3.5 - 4M€]	
4	PostNL Real Estate B.V.	[3 - 3.5M€]	
5	Doc Morris	[3 - 3.5M€]	
6	Recycling REKO	[2.75 - 3M€]	
7	HBM Machines B.V.	[2.75 - 3M€]	
8	ID Logistics	[2.75 - 3M€]	
9	DHL Global Forwarding	[2.25 - 2.5M€]	
10	Decathlon	[2 - 2.25M€]	
11	Koopman	[2 - 2.25M€]	
12	BELRON - Carglass	[2 - 2.25M€]	
13	Bakkersland	[1.75 - 2M€]	
14	DSV Solutions I & II	[1.75 - 2M€]	
15	Jiffy Products International B.V.	[1.75 - 2M€]	
16	Federal Mogul	[1.5 - 1.75M€]	
17	Vos Logistics	[1.25 - 1.5M€]	
18	Dachser	[1.25 - 1.5M€]	
19	Delta Wines	[1.25 - 1.5M€]	
20	Jan De Rijk	[1.25 - 1.5M€]	
21	Atoutime	[1.25 - 1.5M€]	
22	Michel Oprey & Beisterveld Natuuursteen BV	[1.25 - 1.5M€]	
23	Caterpillar	[1.25 - 1.5M€]	
24	FDT Flachdachtechnologie GmbH	[1.25 - 1.5M€]	
25	Raben Netherlands B.V.	[1.25 - 1.5M€]	
26	XPO	[1.25 - 1.5M€]	
27	Depa Disposables	[1 - 1.25M€]	
28	Movianto	[1 - 1.25M€]	
29	Tailormade Logistics	[1 - 1.25M€]	
30	NSK	[1 - 1.25M€]	
31	Eutraco	[1 - 1.25M€]	
	Tenants > 1mio€	**61,847**	**62%**
	Tenants < 1mio€	**38,288**	**38%**
	TOTAL	100,136	100%

Overview of the largest (in market value) investment properties within the investment portfolio:

Location		Tenants	Range market value	Lettable area (m²)	Building type	Building type	Ownership	Type of ownership	Acquisition year	Year of completion / redevelopment
Tiel Panovenweg	NL	REKO Recycling CRH Struyk	> 50 mio €	89,445	Land	Land	100%	Full ownership	2018	n.a.
Aalsmeer Japanlaan & Thailandlaan	NL	Borgesius Aalsmeer B.V.	> 50 mio €	42,596	Single tenant	Logistics	100%	Full ownership	2017	2016 - 2017
Heerlen Business park Aventis	NL	Doc Morris	> 50 mio €	42,451	Single tenant	Logistics	100%	Full ownership	2015	2019
Willebroek De Hulst	BE	Decathlon	> 50 mio €	67,480	Single tenant	Logistics	100%	Full ownership	2017	2017
Waddinxveen Logistiek Park A12	NL	HBM Machines B.V.	> 50 mio €	48,703	Single tenant	Logistics	100%	Full ownership	2022	2022
Antwerpen Blue Gate	BE	Amazon Transport Belgium NV	> 30 mio €	19,247	Single tenant	Logistics	100%	Full ownership	2022	2022
Zaventem Brucargo	BE	DHL Aviation	> 30 mio €	66,735	Single tenant	Logistics	100%	Long Term superficies	2017	2016
Camphin Chemin des Blatiers	FR	DSM Danone GBS XPO	> 30 mio €	43,432	Multi tenant	Logistics	100%	Full ownership	2018	2018
Born Verloren van Themaatweg	NL	Koopman	> 30 mio €	59,901	Single tenant	Logistics	100%	Full ownership	2019	n.a.
Zaventem Brucargo	BE	DHL Global Forwarding	> 30 mio €	28,514	Single tenant	Logistics	100%	Long Term superficies	2012	2012

Overview of the main operational indicators of the project developments, by country and by individual project:

Site & Location		Country Development Costs until 31/12/2022	Revalua-tion	31/12/2022	Estimated costs to completion	Value on completion	Expected completion date	Status	Type of Property	% of ownership	Pre-let (%)	Office (m²)	Warehouse (m²)	Mezzanine (m²)	Other (m²)	Total (m²)	Undeveloped Land (m²)	ERV at completion (range in EUR x 1.000)
Lummen	BE	8,090	1,072	9,162	Unknown	9,162	Unknown	Commercialization	Unknown	100%	-	-	-	-	-	-	53,518	Unknown
Lembeek	BE	10,943	224	11,167	Unknown	11,167	Unknown	Commercialization	Unknown	100%	-	-	-	-	-	-	54,754	Unknown
Vilvoorde	BE	11,243	-20	11,223	1,654	12,877	Q1 2023	Under construction	Logistics	100%	100%	711	9,646	0	0	10,357	21,566	600-700
Tongeren land phase 1	BE	11,689	-347	11,342	Unknown	11,342	Unknown	Commercialization	Unknown	100%	-	-	-	-	-	-	95,117	Unknown
Tongeren land phase 2	BE	17,391	-36	17,355	Unknown	17,355	Unknown	Commercialization	Unknown	90%	-	-	-	-	-	-	144,924	Unknown
Tongeren construction phase 2	BE	15,207	-36	15,172	2,248	17,420	Q1 2023	Under construction	Logistics	90%	100%	1,524	17,139	1,929	0	20,592	42,242	1,000-1,500
Solar Panels	BE	0	-	0	6,500	6,500	2023	Under construction	n.a.	100%	n.a.	-	-	-	-	-	n.a.	n.a.
	BE	**74,564**	**856**	**75,420**	**10,401**	**85,822**						**2,235**	**26,785**	**1,929**	**0**	**30,949**	**412,121**	**-**
Waddinxveen phase 2	NL	13,017	-95	12,922	Unknown	12,922	Unknown	Commercialization	Unknown	100%	-	-	-	-	-	0	60,000	Unknown
Solar Panels	NL	1,293	-	1,293	8,400	9,693	2023	Under construction	n.a.	100%	n.a.	-	-	-	-	0	n,a,	n,a,
	NL	**14,310**	**-95**	**14,215**	**8,400**	**22,615**						**0**	**0**	**0**	**0**	**0**	**60,000**	**0**
Senlis	FR	3,986	-8	3,978	Unknown	3,978	Unknown	Commercialization	Unknown	100%	-	-	-	-	-	0	170,000	Unknown
Saint Priest	FR	6,320	821	7,142	Unknown	7,142	Unknown	Commercialization	Unknown	100%	-	-	-	-	-	-	70,000	Unknown
Solar Panels	FR	1,583	-	1,583	400	4,000	2023	Under construction	n.a.	100%	n.a.	-	-	-	-	-	n.a.	n.a.
	FR	**11,889**	**814**	**12,703**	**400**	**3,978**						**0**	**0**	**0**	**0**	**0**	**240,000**	**0**
Totaal		**100,763**	**1,575**	**102,338**	**19,201**	**112,415**						**2,235**	**26,785**	**1,929**	**0**	**30,949**	**712,121**	**1,916**

'Like-for-Like' growth of the IFRS rents

Note:

- A building that has been in the investment portfolio for the last 2 full years (i.e. from 01/01/2021 to 31/12/2022) is considered to be a building that is fully comparable between these 2 years. The set of buildings meeting this condition is included in the 'Like-for-Like' analysis. All other buildings are not comparable.
- The scope used is the same as the one for the Roll Forward of the Investment Assets (see next).

		LIKE FOR LIKE					NON COMPARABLE				
((EUR x 1.000))	Rent 31/12/2021	Rerented vacancy	New vacancy	Renegotiation	Indexation	Other	New Site	Indexation	Sold Site	Other	Rent 31/12/2022
Belgium	31,285	149	-48	33	1,007	157	-	-	-	-	32,582
France	10,402	326	-68	1	216	-5	-	-	-	-	10,872
The Netherlands	26,472	0	-329	0	836	0	-	-	-	-	26,978
Germany	0	0	0	0	0	0	-	-	-	-	0
LIKE for LIKE	**68,159**	**475**	**-446**	**33**	**2,058**	**153**					70,432
Belgium	4,178	-	-	-	-	-	3,581	89	-714	-415	6,719
France	783	-	-	-	-	-	240	3	-119	-664	244
The Netherlands	1,452	-	-	-	-	-	9,205	59	0	-119	10,596
Germany	558	-	-	-	-	-	1,282	20	0	0	1,860
NON COMPARABLE	**6,971**	**-**	**-**	**-**	**-**	**-**	**14,308**	**171**	**-833**	**-1,198**	**19,420**
TOTAL	**75,129**	**475**	**-446**	**33**	**2,058**	**153**	**14,308**	**171**	**-833**	**-1,198**	**89,851**
		Like for Like variation of the year = 2.273									
Belgium	45.9%	0.2%	-0.1%	0.0%	1.5%	0.2%	-	-	-	-	47.8%
France	15.3%	0.5%	-0.1%	0.0%	0.3%	0.0%	-	-	-	-	16.0%
The Netherlands	38.8%	0.0%	-0.5%	0.0%	1.2%	0.0%	-	-	-	-	39.6%
Germany	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	-	-	-	0.0%
LIKE for LIKE	**100.0%**	**0.7%**	**-0.7%**	**0.0%**	**3.0%**	**0.2%**					**103.3%**
		Like for Like variation of the year = 3,3%									

Roll Forward of the investment assets

Note:

- A building that has been in the investment portfolio for the last 2 full years (i.e. from 1 January 2021 to 31 December 2022) is considered to be a building that is fully comparable between these 2 years. The set of buildings that meets this condition is included in the 'Like-for-Like' analysis. All other buildings are non-comparable. We also draw attention to the fact that only the 'standing investments' are included in this table, whereas the CAPEX table (cf. Infra) includes concessions, solar panels and developments in addition to the 'standing investments'.

		LIKE FOR LIKE		NON COMPARABLE					
((EUR x 1.000))	Investment assets 31/12/2021	Capex	Revaluation	Acquisitions	Sold Site	Transfer from/to Development	CAPEX	Revaluation	Investment assets 31/12/2022
Belgium	607,643	4,820	54,049	-	-	-	-	-	666,512
France	202,962	2,696	19,766	-	-	-	-	-	225,424
The Netherlands	567,666	13,152	30,466	-	-	-	-	-	611,284
Germany	41,613	1,339	-7,441	-	-	-	-	-	35,511
LIKE for LIKE	**1,419,885**	**22,006**	**96,840**	**-**	**-**	**-**	**-**	**-**	**1,538,730**
Belgium	54,002	-	-	16,839	0	66,427	241	7,351	144,861
France	0	-	-	0	10,238	0	0	-216	10,022
The Netherlands	0	-	-	170,579	0	76,980	20	-6,217	241,363
Germany	0	-	-	0	0	0	0	0	0
NON COMPARABLE	**54,002**	-	-	**187,418**	**10,238**	**143,407**	**261**	**918**	**396,246**
TOTAL	1,473,887	22,006	96,840	187,418	10,238	143,407	261	918	1,934,976
		Like-for-Like variation of the year = 118.846							

Belgium	41.2%	0.3%	3.7%	-	-	-	-	-	45.2%
France	13.8%	0.2%	1.3%	-	-	-	-	-	15.3%
The Netherlands	38.5%	0.9%	2.1%	-	-	-	-	-	41.5%
Germany	2.8%	0.1%	-0.5%	-	-	-	-	-	2.4%
LIKE for LIKE	**96.3%**	**1.5%**	**6.6%**	**0.0%**	**3.0%**	**-**	**-**	**-**	**104.4%**
Belgium	3.7%	-	-	1.1%	0.0%	4.5%	0.0%	0.5%	9.8%
France	0.0%	-	-	0.0%	0.7%	0.0%	0.0%	0.0%	0.7%
The Netherlands	0.0%	-	-	11.6%	0.0%	5.2%	0.0%	-0.4%	16.4%
Germany	0.0%	-	-	0.0%	0.0%	0.0%	0.0%	0.0%	**0.0%**
NON COMPARABLE	**3.7%**	-	-	**12.7%**	**0.7%**	**9.7%**	**0.0%**	**0.1%**	**26.9%**
TOTAL	100.0%	1.5%	6.6%	12.7%	0.7%	9.7%	0.0%	0.1%	131.3%
		Like-for-Like variation of the year = 8,1%							

Analysis of remaining duration until 1st cancellation option

	ANALYSIS REMAINING DURATION TILL 1st BREAK	BE	FR	NL	DE	Total
	Average remaining duration till 1st break	**6.1 y**	**3.0 y**	**9.9 y**	**7.4 y**	**7.4 y**
ERV till 1st break	ERV which expires within 1st year	2,081	1,862	0	0	3,943
	ERV which expires within the 2nd year	7,801	4,378	0	0	12,179
	ERV which expires between 3rd & 5th year	16,652	4,589	3,608	0	24,849
	ERV which expires after the 5th year	19,095	1,386	44,088	0	64,569
	TOTAL	**45,629**	**12,215**	**47,696**	**0**	**105,540**
	ERV which expires within 1st year	2.0%	1.8%	0.0%	0.0%	3.7%
	ERV which expires within the 2nd year	7.4%	4.1%	0.0%	0.0%	11.5%
	ERV which expires between 3rd & 5th year	15.8%	4.3%	3.4%	0.0%	23.5%
	ERV which expires after the 5th year	18.1%	1.3%	41.8%	0.0%	61.2%
	TOTAL	**43.2%**	**11.6%**	**45.2%**	**0.0%**	**100.0%**
Current Rent till 1st break	Current Rent which expires within 1st year	1,720	1,744	0	0	3,464
	Current Rent which expires within the 2nd year	7,216	4,231	7	0	11,453
	Current Rent which expires between 3rd & 5th year	15,063	4,507	3,187	600	23,357
	Current Rent which expires after the 5th year	19,274	1,294	40,034	1,260	61,862
	TOTAL	**43,272**	**11,775**	**43,228**	**1,860**	**100,136**
	Current Rent which expires within 1st year	1.7%	1.7%	0.0%	0.0%	3.5%
	Current Rent which expires within the 2nd year	7.2%	4.2%	0.0%	0.0%	11.4%
	Current Rent which expires between 3rd & 5th year	15.0%	4.5%	3.2%	0.6%	23.3%
	Current Rent which expires after the 5th year	19.2%	1.3%	40.0%	1.3%	61.8%
	TOTAL	**43.2%**	**11.8%**	**43.2%**	**1.9%**	**100.0%**

Analysis remaining time until end of contract

	ANALYSIS REMAINING DURATION TILL END	BE	FR	NL	DE	Total
	Average remaining duration till end of contract	7.3 y	6.0 y	10.0 y	6.0 y	8.3 y
ERV till end of contract	ERV which expires within 1st year	1,660	973	0	0	2,633
	ERV which expires within the 2nd year	4,093	841	0	0	4,934
	ERV which expires between 3rd & 5th year	11,082	4,841	3,608	0	19,532
	ERV which expires after the 5th year	28,794	5,560	44,088	0	78,442
	TOTAL	45,629	12,215	47,696	0	105,540
	ERV which expires within 1st year	1.6%	0.9%	0.0%	0.0%	2.5%
	ERV which expires within the 2nd year	3.9%	0.8%	0.0%	0.0%	4.7%
	ERV which expires between 3rd & 5th year	10.5%	4.6%	3.4%	0.0%	18.5%
	ERV which expires after the 5th year	27.3%	5.3%	41.8%	0.0%	74.3%
	TOTAL	43.2%	11.6%	45.2%	0.0%	100.0%
Current Rent till end of contract	Current Rent which expires within 1st year	1,334	858	0	0	2,192
	Current Rent which expires within the 2nd year	3,599	824	7	0	4,430
	Current Rent which expires between 3rd & 5th year	10,508	4,579	3,187	600	18,873
	Current Rent which expires after the 5th year	27,831	5,515	40,034	1,260	74,640
	TOTAL	43,272	11,775	43,228	1,860	100,136
	Current Rent which expires within 1st year	1.3%	0.9%	0.0%	0.0%	2.2%
	Current Rent which expires within the 2nd year	3.6%	0.8%	0.0%	0.0%	4.4%
	Current Rent which expires between 3rd & 5th year	10.5%	4.6%	3.2%	0.6%	18.8%
	Current Rent which expires after the 5th year	27.8%	5.5%	40.0%	1.3%	74.5%
	TOTAL	43.2%	11.8%	43.2%	1.9%	100.0%

CAPEX

Montea invested € 362,2 M in its property portfolio in 2022. The table above includes the investments in

i. acquisition of new land and buildings
ii. further development of land and buildings
iii. divestments
iv. the existing real estate investments
v. capitalized interest

The investments in the existing property portfolio are further broken down into

- expenditures aimed at increasing the lettable area
- improving the existing lettable area without wanting to expand it
- expenditures that serve as an incentive for the tenants

Moreover, we also draw attention to the fact that this table includes concessions, solar panels and developments in addition to the 'standing investments'.

	31/12/2022					
	Group (excl. Joint Ventures)				Joint Ventures (proportionate share)	Total Group
(EUR x 1.000)	BE	FR	NL	DE		
Acquisitions		13,986	175,856	-	-	206,859
Development		5,286	21,102	-	-	129,713
Disposal		-	-	-	-	-
Investment properties		2,696	13,478	1,339	-	24,938
Incremental lettable space		-	-	-	-	517
No incremental lettable space		2,696	13,478	1,339	-	24,151
Tenant incentives		-	-	-	-	270
Other material non-allocated types of expenditure		-	-	-	-	-
Capitalised interest		-	418	-	-	740
Total CapEx		21,968	210,854	1,339	-	362,249

	31/12/2021					
	Group (excl. Joint Ventures)				Joint Ventures (proportionate share)	Total Group
(EUR x 1.000)	BE	FR	NL	DE		
Acquisitions	49,806	-	12,588	42,744	-	105,138
Development	26,590	3,689	32,214	-	-	62,493
Disposal	-7,745	-6,627	-	-	-	-14,372
Investment properties	4,002	498	495	-	-	4,995
Incremental lettable space	2,604	-	-	-	-	2,604
No incremental lettable space	1,318	498	495	-	-	2,311
Tenant incentives	80	-	-	-	-	80
Other material non-allocated types of expenditure	-	-	-	-	-	-
Capitalised interest	1,337	-	16	-	-	1,352
Total CapEx	73,990	-2,440	45,313	42,744	-	159,607

10.1.2 Sustainability reporting: EPRA sBPR tables

ENVIRONMENTAL					MONTEA PORTFOLIO					
					ABSOLUTE PERFORMANCE (ABS)		LIKE-FOR-LIKE BY PROPERTY TYPE (LFL)			
Impact area	Indicator	EPRA code	Unit of measure		2022	2021	2022	2021	Evolution	
ENERGY	Electricity	Elec-ABS Elec-LfL	kWh	**Total landlord-obtained electricity**	**11,205,098**	**7,960,604**	**7,054,875**	**6,062,680**	**+16%**	
			kWh	of which GREY electricity from external suppliers	0	0	0	700,254	-100%	*5
			kWh	of which GREEN electricity (renewable sources) from external suppliers	6,332,069	5,262,539	3,696,305	700,254	+428%	*1, *5, *6
			kWh	of which GREEN electricity produced locally (renewable; solar)	4,873,029	2,698,065	3,358,570	2,079,579	+62%	*6
			kWh	**Total tenant-obtained electricity**	**72,289,309**	**52,659,017**	**36,663,075**	**30,756,683**	**+19%**	
			kWh	of which GREY electricity from external suppliers	41,757,283	29,158,788	20,901,256	18,124,078	+15%	*1,*7
			kWh	of which GREEN electricity (renewable sources) from external suppliers	14,675,966	17,718,255	5,162,472	8,007,299	-36%	*1,*6
			kWh	of which GREEN electricity produced locally (renewable; solar)	15,856,059	5,781,974	10,599,347	4,625,306	+129%	*6
			kWh	**Total electricity consumption**	**83,494,407**	**60,619,621**	**43,717,950**	**36,819,362**	**+19%**	
			kWh	of which GREY electricity from external suppliers	41,757,283	29,158,788	20,901,256	18,824,332	+11%	*1,*5,*7
			kWh	of which GREEN electricity (renewable sources) from external suppliers	21,008,035	22,980,794	8,858,777	11,290,146	-22%	*1,*6
			kWh	of which GREEN electricity produced locally (renewable; solar)	20,729,088	8,480,039	13,957,917	6,704,885	+108%	*6
			%	Green electricity from renewable sources/Total electricity	50%	52%	52%	49%		
			%	Landlord Controlled	13%	13%	16%	16%		
			%	Tenant Controlled	87%	87%	84%	84%		
			%	Electricity disclosure coverage	100%	91%	54%	54%		
			%	Proportion of electricity estimated	18%	0%	0%	0%		
	District heating and cooling	DH&C-ABS DH&C-LfL	kWh	**Total landlord-obtained district heating and cooling**	**0**	**0**	**0**	**0**		
			kWh	of which from renewable resources	0	0	0	0		
			kWh	**Total tenant-obtained district heating and cooling**	**943,421**	**329,589**	**597,973**	**329,589**	**+81%**	*8
			kWh	of which from renewable resources	357,912	257,481	357,912	257,481	+39%	
			kWh	**Total district heating and cooling**	**943,421**	**329,589**	**597,973**	**302,919**	**+97%**	*8
			%	of which from renewable resources	357,912	257,481	357,912	257,481	+39%	
			%	Proportion of dh&c from renewable resources	38%	78%	60%	85%		
			%	District heating and cooling disclosure coverage	100%	100%	68%	68%		
			%	Proportion of district heating and cooling estimated	0%	0%	0%	0%		
	Fuels	Fuels-ABS Fuels-LfL	kWh	**Total direct landlord-obtained fuels**	**6,211,413**	**7,414,775**	**2,978,899**	**4,859,938**	**-39%**	*1, *8, *9
			kWh	of which from renewable resources	0	0	0	0		
			kWh	**Total tenant-obtained fuels**	**27,635,201**	**19,134,346**	**13,954,215**	**13,887,397**	**+0.5%**	*1, *8, *9
			kWh	of which from renewable resources	0	0	0	0		
			kWh	**Total fuels**	**33,846,613**	**26,549,121**	**16,933,113**	**18,747,335**	**-10%**	*1, *8, *9
			kWh	of which from renewable resources	0	0	0	0		
			%	Proportion fuel from renewable resources	0%	0%	0%	0%		
			%	Fuels disclosure coverage	100%	81%	49%	49%		
			%	Proportion of fuels estimated	19%	0%	0%	0%		
	Energy intensity	Energy-Int	kWh	**Building energy intensity***	**75.10**	**75.70**	**74.4**	**68.3**	**+9%**	*1, *2, *3, *4, *5, *6, *7, *9
			%	Building energy intensity disclosure coverage	100%	81%	32%	32%		
			%	Proportion of Building energy intensity estimated	19%	0%	0%	0%	0%	

ENVIRONMENTAL					MONTEA PORTFOLIO					
					ABSOLUTE PERFORMANCE (ABS)		LIKE-FOR-LIKE BY PROPERTY TYPE (LFL)			
Impact area	Indicator	EPRA code	Unit of measure		2022	2021	2022	2021	Evolution	
GREENHOUSE GAS EMISSIONS	Direct	GHG-Dir-ABS	tonnes CO_2e	GHG-Dir-ABS Location based	7,240	5,682	5,832	5,682	+3%	*1, *2, *3, *4, *5, *6, *7, *9, *10
	Indirect	GHG-Indir-ABS	tonnes CO_2e	GHG-Indir-ABS Location based	15,582	9,446	12,760	11,955	+7%	*1, *2, *3, *4, *5, *6, *7, *9, *10
	GHG emissions intensity	GHG-Int	**kg CO_2e / (m² year)**	**GHG intensity***	**14.5**	**13.2**	**22.6**	**21.5**	**+5%**	***1, *2, *3, *4, *5, *6, *7, *9, *10**
			%	Energy and associated GHG disclosure coverage	100%	81%	49%	49%		
			%	Proportion of energy and associated GHG estimated	18%	0%	0%	0%		
WATER USE	Water	Water-ABS Water-LfL	**m³**	**Total Water consumption**	**221,040**	**71,886**	**121,170**	**71,886**	**+69%**	***1,*3**
			m³	of which Municipal water	213,715	66,841	117,154	66,841		*1,*3
			m³	of which rain water reuse	7,326	5,045	4,015	5,045		*1,*3
		Water-Int	**m³/m²**	**Building water intensity**	**0.14**	**0.09**	**0.23**	**0.13**	**+69%**	***1,*3**
			%	Municipal Water disclosure coverage	100%	59%	34%	34%		
			%	Rain Water disclosure coverage	100%	34%	34%	34%		
			%	Proportion of water estimated	45%	0%	0%	0%		
WASTE	Waste	Waste-ABS Waste-LfL	tonnes	Hazardous waste	81	58	27	41	-32%	*3
			tonnes	Non-Hazardous waste	50,984	6,314	1,456	4,485	-68%	*3
			tonnes	**Total waste created**	**51,065**	**6,372**	**1,484**	**4,526**	**-67%**	***3**
			tonnes	to Reuse facility	0	0	0	0		
			tonnes	to Recycling facility	27,505	2,357	1,073	1,328		
			tonnes	to Incineration (with or without energy recovery)	1,592	3,823	172	2,464		
			tonnes	to Landfill (with of without energy recovery)	20,126	64	22	41		
			tonnes	to Biodiesel production	0	0	0	0		
			tonnes	to other/unkown	1,835	127	209	693		
			%	Waste disclosure coverage	42%	45.0%	15%	15%		
			%	Proportion of waste estimated	0%	0%	0%	0%		
		Disposal routes	%	to Reuse facility	0%	0%	0%	0%		
			%	to Recycling facility	54%	37%	24%	29%		
			%	to Incineration (with or without energy recovery)	3%	60%	4%	54%		
			%	to Landfill (with of without energy recovery)	39%	1%	0%	1%		
			%	to Biodiesel production	0%	0%	0%	0%		
			%	to other/unkown	4%	2%	5%	15%		
			%	Waste disposal route disclosure coverage	42%	28%	15%	15%		

ENVIRONMENTAL					MONTEA PORTFOLIO					
					ABSOLUTE PERFORMANCE (ABS)		LIKE-FOR-LIKE BY PROPERTY TYPE (LFL)			
Impact area	Indicator	EPRA code	Unit of measure		2022	2021	2022	2021	Evolution	
CERTIFICATION	Level of certification	Cert-Tot	**#**	**Mandatory Certifications (EPC, ...)**	**42**	**35**	**35**	**35**	**0%**	***3**
			#	EU EPC - A+++	5	0	0	0		
			#	EU EPC - A++	2	2	2	2		
			#	EU EPC - A+	1	0	0	0		
			#	EU EPC - A	12	11	11	11		
			#	EU EPC B and lower	22	22	22	22		
			#	**Voluntary Certifications (BREEAM,LEED,HQE,...)**	**6**	**6**	6	**6**	**0%**	***3**
			#	BREEAM Excellent	2	1	1	1		
			#	BREEAM Very Good	1	1	1	1		
			#	BREEAM Good	1	1	1	1		
			#	BREEAM NL **	2	2	2	2		
			#	Total Certificated	48	41	41	41	0%	
			%	Proportion Mandatory	44%	44%	44%	44%		
			%	Proporting Voluntary	6%	8%	8%	8%		
			%	Coverage	100%	100%	100%	100%	0%	

Montea's registered office is included in the total portfolio as Montea owns it.
The coverage ratio is calculated on the basis of square metres.

*1 Differences in Covid measures such as lockdown and working from home
*2 Difference due to better data collection from customers
*3 Difference due to portfolio growth
*4 Correction miscalculation in 2021
*5 Change in energy contracts from grey to green power
*6 There are more PV installations
*7 Remaining consumption estimated for 2022
*8 Switch from gas to heat network
*9 Extreme energy prices leading to lower consumption
*10 Differences in energy mix due to energy crisis leading to higher GHG emission factors in 2022 compared to compared to 2021

Since control over energy purchase is key in the reduction of GHG emissions, we apply the operational control approach when defining our organisational boundaries for reporting against the EPRA sBPR's.

Data are collected through a combination of energy monitoring systems, extraction of contract data and tenant surveys. Montea recognizes that the accuracy and reliability of the data it uses in monitoring the environmental performance of its portfolio are directly linked to the quality of the information received, possible measurement inaccuracies and other factors that could potentially reduce data quality. Nevertheless, Montea strives for continuous improvement of this data quality through automation, the use of multiple sources as verification and the optimization of the monitoring systems.

Information included in this section chapter has been subject to a limited review in accordance with ISAE 3000 by EY Bedrijfsrevisoren.

ENVIRONMENTAL

COMPANY OFFICES

Impact area	Indicator	EPRA code	Unit of measure		ABSOLUTE PERFORMANCE (ABS) 2022	ABSOLUTE PERFORMANCE (ABS) 2021	LIKE-FOR-LIKE BY PROPERTY TYPE (LFL) 2022	LIKE-FOR-LIKE BY PROPERTY TYPE (LFL) 2021	Evolution	
ENERGY	Electricity	Elec-ABS Elec-LfL	**kWh**	**Total landlord-obtained electricity**	**38,335**	**34,571**	**59,260**	**34,571**	**+71%**	
			kWh	of which GREY electricity from external suppliers	0	10,780	0	10,780	-100%	*5
			kWh	of which GREEN electricity (renewable sources) from external suppliers	38,335	23,791	42,306	23,791	+78%	*1, *5, *6
			kWh	of which GREEN electricity produced locally (renewable; solar)	0	0	16,954	0		*6
			kWh	**Total tenant-obtained electricity**	**59,260**	**58,390**	**34,625**	**58,390**	**-41%**	
			kWh	of which GREY electricity from external suppliers	0	18,794	0	18,794	-100%	*5
			kWh	of which GREEN electricity (renewable sources) from external suppliers	42,306	22,913	34,625	22,913	+51%	*1, *5, *6
			kWh	of which GREEN electricity produced locally (renewable; solar)	16,954	16,683	0	16,683	-100%	*6
			kWh	**Total electricity consumption**	**97,595**	**92,961**	**93,885**	**92,961**	**+1%**	
			kWh	of which GREY electricity from external suppliers	0	29,574	0	29,574	-100%	*5
			kWh	of which GREEN electricity (renewable sources) from external suppliers	80,641	46,704	76,931	46,704	+65%	*1, *5, *6
			kWh	of which GREEN electricity produced locally (renewable; solar)	16,954	16,683	16,954	16,683	+2%	*6
			%	Green electricity from renewable sources/Total electricity	100%	68%	100%	68%		
			%	Landlord Controlled	39%	37%	63%	37%		
			%	Tenant Controlled	61%	63%	37%	63%		
			%	Electricity disclosure coverage	100%	90%	90%	90%		
			%	Proportion of electricity estimated	0%	0%	0%	0%		
	District heating and cooling	DH&C-ABS DH&C-LfL	**kWh**	**Total landlord-obtained district heating and cooling**	**0**	**0**	**0**	**0**		
			kWh	of which from renewable resources	0%	0%	0%	0%		
			kWh	**Total tenant-obtained district heating and cooling**	**13,972**	**0**	**0**	**0**		
			kWh	of which from renewable resources	0	0	0	0		
			kWh	**Total district heating and cooling**	**13,972**	**0**	**0**	**0**		
			%	of which from renewable resources	0	0	0	0		
			%	Proportion of dh&c from renewable resources	0%	0%	0%	0%		
			%	District heating and cooling disclosure coverage	100%	100%	0%	0%		
			%	Proportion of district heating and cooling estimated	0%	0%	0%	0%		
	Fuels	Fuels-ABS Fuels-LfL	**kWh**	**Total direct landlord-obtained fuels**	**18,726**	**7,952**	**611**	**7,952**	**-92,3%**	***1, *8, *9**
			kWh	of which from renewable resources	0	0	0	0		
			kWh	**Total tenant-obtained fuels**	**81,800**	**115,968**	**81,800**	**115,968**	**-29%**	***1, *8, *9**
			kWh	of which from renewable resources	0	0	0	0		
			kWh	**Total fuels**	**100,526**	**123,920**	**82,411**	**123,920**	**-33%**	***1, *8, *9**
			kWh	of which from renewable resources	0	0	0	0		
			%	Proportion fuel from renewable resources	0%	0%	0%	0%		
			%	Fuels disclosure coverage	100%	90%	90%	90%		
			%	Proportion of fuels estimated	0%	0%	0%	0%		
	Energy intensity	Energy-Int	**kWh**	**Building energy intensity***	**200**	**228**	**200**	**228**	**-12%**	***1, *2, *3, *4, *5, *6, *7, *9**
			%	Building energy intensity disclosure coverage	100%	90%	90%	90%		
			%	Proportion of Building energy intensity estimated	0%	0%	0%	0%	0%	0%

ENVIRONMENTAL

COMPANY OFFICES

Impact area	Indicator	EPRA code	Unit of measure		ABSOLUTE PERFORMANCE (ABS) 2022	ABSOLUTE PERFORMANCE (ABS) 2021	LIKE-FOR-LIKE BY PROPERTY TYPE (LFL) 2022	LIKE-FOR-LIKE BY PROPERTY TYPE (LFL) 2021	Evolution	
GREENHOUSE GAS EMISSIONS	Direct	GHG-Dir-ABS	tonnes CO_2e	GHG-Dir-ABS Location based	21.5	26.5	17.6	26.5	-33%	*1, *2, *3, *4, *5, *6, *7, *9, *10
	Indirect	GHG-Indir-ABS	tonnes CO_2e	GHG-Indir-ABS Location based	4.9	6.4	4.8	6.4	-25%	*1, *2, *3, *4, *5, *6, *7, *9, *10
	GHG emissions intensity	GHG-Int	kg CO_2e / (m² year)	**GHG intensity***	**24.9**	**34.5**	**23.6**	**34.5**	**-32%**	***1, *2, *3, *4, *5, *6, *7, *9, *10**
			%	Energy and associated GHG disclosure coverage	100%	90%	90%	90%		
			%	Proportion of energy and associated GHG estimated	0%	0%	0%	0%		
WATER USE	Water	Water-ABS Water-LfL	m³	**Total Water consumption**	**290**	**29**	**290**	**29**	**+900%**	***1**
			m³	of which Municipal water	290	29	290	29		*1
			m³	of which rain water reuse	0	0	0	0		*1
		Water-Int	m³/m²	**Building water intensity**	**0.45**	**0.05**	**0.45**	**0.05**	**+800%**	***1**
			%	Municipal Water disclosure coverage	61%	61%	61%	61%		
			%	Rain Water disclosure coverage	100%	90%	100%	100%		
			%	Proportion of water estimated	0%	0%	0%	0%		
WASTE	Waste	Waste-ABS Waste-LfL	tonnes	Hazardous waste	0.00	0.00	0.00	0.00		*3
			tonnes	Non-Hazardous waste	6.44	6.44	0.78	0.78	+1%	*3
			tonnes	**Total waste created**	**6.44**	**6.44**	**0.78**	**0.78**	**+1%**	***3**
			tonnes	to Reuse facility	0.00	0.00	0.00	0.00		
			tonnes	to Recycling facility	6.44	6.44	0.78	0.78		
			tonnes	to Incineration (with or without energy recovery)	0.00	0.00	0.00	0.00		
			tonnes	to Landfill (with of without energy recovery)	0.00	0.00	0.00	0.00		
			tonnes	to Biodiesel production	0.00	0.00	0.00	0.00		
			tonnes	to other/unkown	0.00	0.00	0.00	0.00		
			%	Waste disclosure coverage	100%	90%	61%	61%		
			%	Proportion of waste estimated	0%	0%	0%	0%		
		Disposal routes	%	to Reuse facility	0%	0%	0%	0%		
			%	to Recycling facility	100%	100%	100%	100%		
			%	to Incineration (with or without energy recovery)	0%	0%	0%	0%		
			%	to Landfill (with of without energy recovery)	0%	0%	0%	0%		
			%	to Biodiesel production	0%	0%	0%	0%		
			%	to other/unkown	0%	0%	0%	0%		
			%	Waste disposal route disclosure coverage	100%	68%	61%	61%		

ENVIRONMENTAL

COMPANY OFFICES

Impact area	Indicator	EPRA code	Unit of measure		ABSOLUTE PERFORMANCE (ABS) 2022	ABSOLUTE PERFORMANCE (ABS) 2021	LIKE-FOR-LIKE BY PROPERTY TYPE (LFL) 2022	LIKE-FOR-LIKE BY PROPERTY TYPE (LFL) 2021	Evolution
CERTIFICATION	Level of certification	Cert-Tot	**#**	**Mandatory Certifications (EPC, ...)**	**NR**	**NR**	**NR**	**NR**	
			#	EU EPC - A+++	NR	NR	NR	NR	
			#	EU EPC - A++	NR	NR	NR	NR	
			#	EU EPC - A+	NR	NR	NR	NR	
			#	EU EPC - A	NR	NR	NR	NR	
			#	EU EPC B and lower	NR	NR	NR	NR	
			#	**Voluntary Certifications (BREEAM,LEED,HQE,...)**	**NR**	**NR**	**NR**	**NR**	
			#	BREEAM Excellent	NR	NR	NR	NR	
			#	BREEAM Very Good	NR	NR	NR	NR	
			#	BREEAM Good	NR	NR	NR	NR	
			#	BREEAM NL **	NR	NR	NR	NR	
			#	Total Certificated	NR	NR	NR	NR	
			%	Proportion Mandatory	NR	NR	NR	NR	
			%	Proporting Voluntary	NR	NR	NR	NR	
			%	Coverage	NR	NR	NR	NR	

Montea's registered office is included in the total portfolio as Montea owns it.
The coverage ratio is calculated on the basis of square metres.

*1 Differences in Covid measures such as lockdown and working from home
*2 Difference due to better data collection from customers
*3 Difference due to portfolio growth
*4 Correction miscalculation in 2021
*5 Change in energy contracts from grey to green power
*6 There are more PV installations
*7 Remaining consumption estimated for 2022
*8 Switch from gas to heat network
*9 Extreme energy prices leading to lower consumption
*10 Differences in energy mix due to energy crisis leading to higher GHG emission factors in 2022 compared to compared to 2021

Since control over energy purchase is key in the reduction of GHG emissions, we apply the operational control approach when defining our organisational boundaries for reporting against the EPRA sBPR's.

Data are collected through a combination of energy monitoring systems, extraction of contract data and tenant surveys. Montea recognizes that the accuracy and reliability of the data it uses in monitoring the environmental performance of its portfolio are directly linked to the quality of the information received, possible measurement inaccuracies and other factors that could potentially reduce data quality. Nevertheless, Montea strives for continuous improvement of this data quality through automation, the use of multiple sources as verification and the optimization of the monitoring systems.

Information included in this section chapter has been subject to a limited review in accordance with ISAE 3000 by EY Bedrijfsrevisoren.

SOCIAL

Impact area	Indicator	EPRA code	Unit of measure	Notes		2022 Women		2022 Men		2022 Total	2021 Women		2021 Men		2021 Total
DIVERSITY	Gender diversity	Diversity-Emp	# of professionals at the end of the reporting period (Headcount EOP[2])	*1	Employees	15	47%	17	53%	32	15	46%	13	54%	24
				*1, *2	Management	1	11%	8	89%	9	1	13%	7	88%	8
				*1	Board of Directors	2	29%	5	71%	7	2	29%	5	71%	7
				*1, *3	**Total**	**18**	**38%**	**29**	**62%**	**47**	**18**	**38%**	**23**	**62%**	**37**
			Average of Full Time Equivalents (FTE) during the reporting period (Avg FTE[1])	*1	Employees	13.5	49%	14.0	51%	27.5	13.5	44%	13.1	56%	23.3
				*1, *2	Management	1.0	12%	7.5	88%	8.5	1.0	13%	6.8	87%	7.8
				*1	Board of Directors	2.0	29%	5.0	71%	7.0	2.0	32%	5.0	68%	7.4
				*1, *3	**Total**	**16.5**	**40%**	**24.5**	**60%**	**41.0**	**16.5**	**37%**	**22.9**	**63%**	**36.5**
	Gender pay ratio	Diversity-Pay	Ratio average salary of women expressed as a percentage of men within the same category (Avg FTE[1])	*1	Employees					70%					71%
				*1, *2	Management					135%					107%
				*1	Board of Directors					148%					102%
				*1, *3	**Total**					**60%**					**52%**
EMPLOYEE TRAINING AND DEVELOPMENT	Training and development	Emp-training	Total number of Montea professionals (in FTE) who followed training + Rate as a percentage of total Avg FTE's (Avg FTE[1])	*1	Employees	12.7	94%	13.5	96%	95%	10.1	100%	12.6	96%	98%
				*1, *2	Management	1.0	100%	7.5	100%	100%	1.0	100%	6.8	100%	100%
				*1	**Total (excl. BoD)**	**13.7**	**94%**	**20.9**	**97%**	**96%**	**11.1**	**100%**	**19.4**	**97%**	**98%**
			Average hours of training and development (external & internal training, webinars, seminars, online, ...) (Avg FTE[1])	*1	Employees	43.1		39.4		41.2	34.3		28.2		30.9
				*1, *2	Management	73.0		46.7		49.8	29.5		60.7		56.7
				*1	**Total (excl. BoD)**	**45.3**		**42.0**		**43.3**	**33.9**		**39.6**		**37.5**
	Performance appraisals	Emp-dev	% of employees who receive performance and career development reviews (Headcount EOP[2])		Total (excl. BoD)	100%		100%		100%	100%		100%		100%
	New hires	Emp-Turnover	Total number of professionals (Headcount[3])		Total (excl. BoD)	5		8		13	2		3		5
			As a % (Headcount EOP[2])			12%		20%		32%	6%		9%		16%
			Total number of professionals (Headcount[3])		Total (excl. BoD)	6		8		14	3		4		7
			As a % (Headcount EOP[2])			13%		17%		30%	8%		11%		19%
	Turnover		Total number of professionals (Headcount[3])		Total (excl. BoD)	1		3		4	2		3		5
			As a % (Headcount EOP[2])			2%		7%		10%	5%		8%		14%
			Total number of professionals (Headcount[3])		Total (excl. BoD)	2		3		5	4		4		8
			As a % (Headcount EOP[2])			4%		6%		11%	11%		11%		22%

(1) Avg FTE = Gemiddeld aantal voltijdse equivalenten
(2) Headcount EOP = Aantal werknemers op het einde van de periode (op balansdatum)
(3) Headcount = Aantal werknemers die gedurende het jaar voor Montea hebben gewerkt

SOCIAL

Impact area	Indicator	EPRA code	Unit of measure	Notes		2022 Women	2022 Men	2022 Total	2021 Women	2021 Men	2021 Total
HEALTH AND SAFETY	Injury rate	H&S-Emp	Frequency of work related injuries (per 100 000 hours worked)	*4	NR	0	5	3	0	0	0
	Lost day rate		The impact of occupational accidents and diseases as reflected in time of work (per 100 000 hours worked)	*5	NR			772			3,933
	Work-related fatality		Deaths occuring in the reporting period arising from a disease or injury while performing work		NR	0	0	0	0	0	0
	Number of incidents	H&S-Comp	Total number Incidents of non-compliance with H&S impacts for landlord controlled assets	*6	NR			300			300
	% of assets	H&S-Asset	% of landlord controlled assets for which H8S impacts are assessed or reviewed for compliance		NR			100%			100%
COMMUNITY ENGAGEMENT		Compty-Eng	Narrative	*7	NR		ESG-report 2021: 3. Our stakeholders			Annual report 2022: 2.3 What we do, who we are, who we do it for, more specifically "2.3.3. Who we do it for"	

NR = Not relevant

*1 Employees in permanent employment or as self-employed service providers
*2 Management consists of both Executive and Country management
*3 Jo De Wolf (CEO) and Dirk De Pauw (Business Development in 2021) both take on an operational and director roles.
*4 Two industrial accidents during 2022
*5 Montea had one employee who was long-term absent from Oct '20 to Sept '21
*6 Taking into account the increased coverage ratio, the number of incidents remained stable. Safety audits are carried out regularly with most of the remaining action items fall under the responsibility of the tenant
*7 Taking into account that we operate in the logistics real estate sector of which the sites are located in demarcated zones. Moreover, the welfare of local communities is taken into account by the relevant authorities when granting our permits, both the construction and environmental impact. Nevertheless, we take into account the concerns of these stakeholders. We refer to section 2.3.3 in this report where we explain our engagement with local communities.

GOVERNANCE

Impact area	Indicator	EPRA code	Unit of measure		CORPORATE PERFORMANCE 2022	CORPORATE PERFORMANCE 2021
GOVERNANCE	Governance structure and composition	Gov-Board		Composition of highest governance body	Annual report: see 7.3.2.1 Composition	Financial Annual Report: See 12.3.2.1 (iii) Composition
			#	Total number of board members	7	7
			%	% of independent directors in the highest governance body	57%	57%
			%	% of woman in the highest governance body	29%	29%
				Tenure on the governance body	Board members are appointed for a (renewable) period of maximum four years, to guarantee sufficient rotation	Board members are appointed for a (renewable) period of maximum four years, to guarantee sufficient rotation
				Number of independent/non-executive board members with competencies relating to environmental & social topics	Annual report: see 7.3.2.1 Composition	Financial Annual Report: See 12.3.2.1 (iii) Composition
	Nomination and selection process	Gov-Selec		Process for nominating and selecting the highest governance body	Annual report: see 7.3.2.1 Composition	Financial Annual Report: See 12.3.2.1 Composition
	Conflicts of interest	Gov-Col		Procedure for managing conflicts of interest	Annual report: see 7.4 Conflicts of interests	Financial Annual Report: See 12.4 Conflicts of interest

Since control over energy purchase is key in the reduction of GHG emissions, we apply the operational control approach when defining our organisational boundaries for reporting against the EPRA sBPR's (see 10.6.2).

Supply data are collected through a combination of energy monitoring systems, extraction of contract data and tenant surveys. Montea recognizes that the accuracy and reliability of the data it uses in monitoring the environmental performance of its portfolio are directly linked to the quality of the information received, possible measurement inaccuracies and other factors that could potentially reduce data quality. Nevertheless, Montea strives for continuous improvement of this data quality through automation, the use of multiple sources as verification and the optimization of the monitoring systems. Information included in this section chapter has been subject to a limited review in accordance with ISAE 3000 by EY Bedrijfsrevisoren.

10.2 Details on the calculation of APMs used by Montea

Result on the portfolio

- **Definition:** This concerns the positive and/or negative changes in the fair value of the property portfolio plus any capital gains or losses from the construction of properties.
- **Purpose:** This APM indicates the positive and/or negative changes in the fair value of the property portfolio plus any capital gains or losses from the construction of properties.
- **Calculation:**

RESULT ON PORTFOLIO (EUR x 1.000)	31/12/2022	31/12/2021
Result on sale of investment properties	19	453
Changes in the fair value of investment properties	92,864	175,392
Deferred taxes on the portfolio result	-14,570	-21,397
RESULT ON PORTFOLIO	78,312	154,448

Financial result excluding changes in the fair value of financial instruments

- **Definition:** This is the financial result pursuant to the Royal Decree of 13 July 2014 on regulated real estate companies, excluding the change in the real value of the financial instruments.
- **Purpose:** This APM indicates the actual financing cost of the company.
- **Calculation:**

FINANCIAL RESULT excl. changes in fair value of financial instruments (EUR x 1.000)	31/12/2022	31/12/2021
Financial result	40,460	1,406
To exclude:		
Variaties in de reële waarde van financiële activa & passiva	-58,408	-12,967
FINANCIAL RESULT excl. changes in fair value of financial instruments	-17,948	-11,561

Operating margin

- **Definition:** This is the operating result before the result of the property portfolio, divided by the property result.
- **Purpose:** This APM measures the operational profitability of the company as a percentage of the property result.
- **Calculation:**

OPERATING MARGIN (EUR x 1.000)	31/12/2022	31/12/2021
Property result	99,913	84,743
Operating result (before the portfolio result)	91,020	77,275
OPERATING MARGIN	91.1%	91.2%

Average cost of debt

- **Definition:** Average financial cost over the ongoing year calculated on the basis of the total financial result compared to the average of the initial balance and end balance of the financial debt burden without taking into account the valuation of the hedging instruments and interest charges of leasing debts in respect of IFRS 16.
- **Purpose:** The company finances itself partially through debt financing. This APM measures the cost of this source of financing and the possible impact on the results.
- **Calculation:**

AVERAGE COST OF DEBT (EUR x 1.000)	31/12/2022	31/12/2021
Financial result	40,460	1,406
To exclude:		
Other financial income and charges	136	73
Changes in fair value of financial assets and liabilities	-58,408	-12,967
Interest cost related to lease obligations (IFRS 16)	2,180	2,125
Activated interest charges	-740	-1,352
TOTAL FINANCIAL CHARGES (A)	-16,372	-10,714
AVERAGE OUTSTANDING FINANCIAL DEBTS (B)	865,603	586,905
AVERAGE COST OF DEBTS (A/B)	1.9%	1.8%

Interest Coverage Ratio

- **Definition:** The interest coverage ratio is calculated by the sum of the operating result before the result on the portfolio, together with the financial income, divided by the net interest costs.
- **Purpose:** This APM indicates how many times the company earns its interest charges.
- **Calculation:**

INTEREST COVERAGE RATIO (EUR x 1.000)	31/12/2022	31/12/2021
Operating result, before portfolio result	91,020	77,275
Financial income (+)	171	21
TOTAL (A)	**91,192**	**77,296**
Net financial charges (-)	17,931	11,487
TOTAL (B)	**17,931**	**11,487**
INTEREST COVERAGE RATIO (A/B)	**5.1**	**6.7**

(Adjusted) Net debt/EBITDA

- **Definition:** The net debt/EBITDA is calculated by dividing net financial debts, i.e., long-term and current financial debts minus cash and cash equivalents (numerator) by the EBITDA of the past twelve months (TTM) (denominator). EBITDA is considered to be the operating result before portfolio result plus depreciation and amortization.

  To calculate the Adjusted net debt/EBITDA, the net financial debts in the numerator are adjusted for ongoing projects in execution multiplied by the debt ratio as these projects do not yet generate an operational result but are already included in financial debts. In addition, there is also an adjustment in the denominator for the annualized impact of external growth.
- **Objective:** This APM gives an indication of how long a company would have to operate at its current level to pay off all its debts.
- **Calculation:**

NET DEBT / EBITDA (EUR x 1.000)		31/12/2022	31/12/2021
Non-current and current financial debt (IFRS)		932,886	649,449
- Cash and cash equivalents (IFRS)		-67,766	-15,172
Net debt (IFRS)	A	**865,120**	**634,277**
Operating result (before the portfolio result) (IFRS)	B	**91,020**	**77,275**
+ Depreciation		432	346
EBITDA (IFRS)	C	**91,452**	**77,621**
Net debt / EBITDA	A/C	**9.5**	**8.2**

(Adjusted) NET DEBT / EBITDA (EUR x 1.000)	31/12/2022	31/12/2021
Non-current and current financial debt (IFRS)	932,886	649,449
- Cash and cash equivalents (IFRS)	-67,766	-15,172
Net debt (IFRS)	**865,120**	**634,277**
- Projects under development x debt ratio	-41,621	-43,134
Net debt (adjusted)	**823,499**	**591,143**
Operating result (before the portfolio result) (IFRS)	**91,020**	**77,275**
+ Depreciations	432	346
Adjustment to normalized EBITDA	6,752	3,006
EBITDA (adjusted)	**98,204**	**80,627**
Net debt / EBITDA (adjusted)	**8.4**	**7.3**

10.3 Real estate report

Through our independent valuation expert JLL, we share comments about the markets in the field of logistics real estate. The research material covers the countries and submarkets where the real estate to be valued is located, namely the Belgian industrial market, the Dutch industrial market, the French industrial market and the German industrial market.

10.3.1 Belgian market commentary

Take-up

1.05 million m²
2022

0.81 million m²
2021

Prime yields

4.25%
2022

3.85%
2021

Prime rent (€/m²/year)

Brussels	65	+ 8% YoY
Antwerp	55	+ 10% YoY
Luik	55	= YoY
Gent	48	= YoY
E313	48	= YoY

10.3.1.1 Occupier market

Take-up

Overall, in 2022, the industrial real estate occupier market recorded results that were 10% lower than the total volume in 2021. The volume in m² taken into occupation was in line with that of the pre-Covid years. Our main observation is there has been an improvement in the occupancy of logistics spaces but a clear decline for semi-industrial units.

In 2022, 1,047,000 m² of logistics space was rented and sold in Belgium, an increase of 29% compared to 2021 and the third highest volume ever recorded (2008 and 2016).

We see a new trend: logistics real estate projects are leased shortly before or just after completion. Logistics projects, part of which is built speculatively, often find tenants as soon as they are completed. This trend will certainly continue in 2023.

In 2022, the volume of transactions on the Walloon axis reached more than doubled compared to 2021. However, the Antwerp-Brussels axis remains the most popular logistics hub in the country based on the number of transactions: 26 logistics operations were recorded there in 2022, compared to 13 on the Walloon axis. We expect that a continued attraction of these axes will be maintained in 2023.

10.3.1.2 Investor market

The 2022 Belgian Industrial real estate investment market was, against all odds, a successful year.

Volume surpassed the one billion euro mark for the first time ever, 77% higher than the 2021 volume and 89% above the five-year average. More than 4 out of 5 transactions concern logistics buildings and the volume of investments in this segment has more than doubled compared to the average of the last five years.

Yet, with an annual total of 32, the number of transactions in 2022 is barely above the five-year average. The exceptionally high investment volume is therefore entirely due to the completion of a number of important transactions: 6 in the segment above 50 million euros and 2 even exceeding 100 million euros. In the past decade, there have only been three years that have seen at least one transaction of this magnitude, but never before have two transactions been completed in the same year.

Belgian investors lead the pack

In the Belgian market, 72% of the investment volume in 2022 was made by Belgian investors. In comparison, over the last five years, Belgian investors have accounted for only 57% of the volume on average. Belgian REITs such as WDP, Montea and Intervest Offices & Warehouses have been particularly active and account for more than half of the volume in 2022. The rest of the volume invested comes from US and UK investors. These are mainly "Core" transactions, i.e. buildings occupied by known and strategically located tenants. On the buyer side, Prologis, Whitewood and Tristan Capital Partners were active.

Foreign investors showed interest in several of our products from the "logistics" segment, participated in the tender processes but gave up in the face of domestic investors.

In 2023, given the presence of many major Belgian players in this market, the situation will certainly not change in the near future.

A break in the last quarter of 2022

Only 5% of the total investment volume in 2022 was recorded in the last quarter. 70% of the annual volume was recorded in the first half of the year and only 30% in the second. Investors clearly paused in the final quarter of 2022 when it became clear that yields were starting to rise for the first time in more than 10 years.

However, investor interest in this asset class remains intact and JLL expects a recovery as soon as the market stabilizes, probably in the second half of 2023.

Premium Yields are under upward pressure

Sustained inflation has led to higher prime yields in Belgium, as in other European countries. At the European level, the increase is 50 to 100 basis points compared to the peak at the beginning of 2022, while decompression in Belgium has been limited to 40 basis points. The current best return for logistics real estate is 4.25% while the best for semi-industrial units is 5.80%.

10.3.1.3 Outlook

For 2023, demand does not seem to be slowing down. Indeed, the number of requests recorded in our database remains similar to that of 2022. The volume of transactions is fuelled by a number of subleases and projected transactions, i.e. transactions "just in case". The persistent shortage of supply of industrial real estate is pushing some major logistics players to rent "risky" space for future logistics contracts. Their surplus is then occasionally sub-let to other users and at the same time supports market volumes. With availability still limited (still less than 1% on the Antwerp-Brussels axis), this trend is expected to continue.

Prime yields are expected to remain slightly higher in 2023, with a further decline in yields expected in 2024-2025, according to our forecasts.

10.3.2 The Netherlands market commentary

Take-up

3.10 million m^2

2022

4.90 million m^2

2021

Prime yields

4.25 %

2022

3.10 %

2021

Prime rent (€/m²/year)

Rotterdam	100	+ 33% YoY
Amsterdam (haven)	95	+ 36% YoY
Schiphol	93	+ 6% YoY
Utrecht	80	+ 7% YoY
Waalwijk	79	+ 37% YoY
Eindhoven	79	+ 27% YoY
Venlo	75	+ 25% YoY
Tilburg	75	+ 27% YoY
Moerdijk	70	+ 27% YoY
Venray	65	+ 23% YoY

10.3.2.1 Occupier market

Take-up

The Dutch logistics real estate market continues to be a tight market in the face of its strong growth over the past few years, spurred by the growth in e-commerce. The immediate availability of logistics facilities has been declining over time and became even more scarce last year, with vacancy rates now approaching 1%. This resulted in limited occupier choice and will make it even harder to meet occupier demand. These market conditions have led to a decrease in leasing activity last year. In 2022, a total of 3.1 million m² was leased, which is a 37% decrease YoY.

Vacancy and future supply

In the medium-term, the market is expected to remain tight as future supply is currently also being challenged by the fierce competition for land and tightening of government policy to fight 'boxification'.

Furthermore, the majority (61%) of the anticipated new logistics space for 2023 (approx. 1.8 million sq m) has already been pre-committed (pre-let or owner-occupied).

Prime rent

Landlord favourable conditions have led to unprecedented increases in asking rents over the past year. Prime rents in the port of Rotterdam reached € 100 per m² per annum last year (+33%), exceeding rents in Amsterdam (around the port and distribution hub Schiphol) for the first time. Current market circumstances justify future rental growth. However, this is expected to become more moderate in the future as the economy and consumer spending slows down.

10.3.2.2 Investor market

Due to higher interest rates and economic uncertainty, there has been a significant increase in yields during Q4 and the net prime initial yield (NIY) for the Netherlands now stands at circa 4.25% (as of January 2023). Investors are waiting for yields to stabilize at a new market equilibrium and because of this there has been a slowdown in investment activity in Q4 2022.

The investment market is currently still in transition as wider economic conditions are changing in response to the high inflation. As of the end of March 2023, the ECB increased interest rates by 50 bps. The increasing cost of financing will have an impact on the expected return of investors and could have a further impact on investment activity. But unlike other periods of uncertainty, lenders are still open for business, with a focus on asset quality. Prime yields are expected to move up further this year as the market continues its transition towards the new normal.

10.3.2.3 Outlook

The logistics sector will continue to be tight as supply continues to be challenged. Furthermore, the sector is backed by strong demand drivers. The expected slowdown in economic activity in combination with newly completed stock may provide some breathing room. Occupiers are currently facing higher occupational and energy- related costs in the wake of high inflation. Simultaneously, investors are faced by higher financing costs. Hence, a new market balance must be found.

10.3.3 French market commentary

Take-up

3.39 million m²
2022

3.60 million m²
2021

Prime yields

4.15%
2022

3.25%
2021

Prime rent (€/m²/year)

Paris	66	+ 8% YoY
Lyon	60	+ 9% YoY
Marseille	60	+ 25% YoY
Lille	46	= YoY

10.3.3.1 Occupier market

Take-up

After an exceptional year in 2021, the French logistics real estate market in 2022 saw its demand approach the threshold of 3.4 million m². This level, although down 10% year-on-year, remains high, with 770,000 m² of take-up on average over the last three quarters of 2022. Retail giants are still actively involved in the high level of warehouse marketing in France, followed by companies in the industrial sector. We should also note the growing weight of "La Dorsale" in sales this year, with a market share rising from 44% in the 1st quarter to 56% in the last quarter.

Over the whole of 2022, 3,391,700 m² of warehouses of more than 10,000 m² were rented on French territory. This level is down 10% compared to last year's volume (3,767,000 m²) but is 17% above the long-term average. This performance, more than adequate, is however largely related to the excellent momentum observed during the 1st quarter (1,070,000 m² marketed, a record), while 789,000 m² were placed in the last quarter.

The segment of warehouses between 10,000 m² and 20,000 m² is experiencing some dynamism, accounting for 59% of the deals recorded this year (82 transactions). Further down, the 20,000 m² - 40,000 m² niche shows a decrease in the number of transactions (40 transactions against 43 last year). XXL transactions (>40,000 m²) are 19 compared to 20 a year earlier. 3 exceed 70,000 m².

"La Dorsale" accounts for 54% of the total area marketed throughout the year. Paris and Lille are doing interesting years, but not as good as last year, capturing respectively 27% and 11% of activity. The Lyon market is just behind the Lille market and accounts for less than 11%. Further down, the Marseille market represents 5%.

Prime rent

Prime rents in the Paris and Lyon regions recorded further increases to reach €66 and €60/m²/year respectively. In the other markets, rents remain positioned at €60 in the Marseille region and €46 in the Lille market.

10.3.3.2 Investor market

Nearly €883 million was invested in the French logistics real estate market in Q4 2022, a lower volume than in the previous quarter (€1.6 billion). This result brings the total amount invested over the full year to nearly 4.6 billion euros, down 11% year-on-year but which is the 3rd best performance in the last ten years. Logistics thus retains a very high market share, with 18% of investments made in commoditized real estate in France in 2022.

The market remains highly internationalized, with a market share of only 34% for French investors. Singaporean investors, who accounted for the most significant transaction, accounted for 15% of commitments, international funds for 13%, while US investors accounted for 11% of the business.

This performance is also based on the signing of 14 transactions worth more than €100 million, including 2 of more than €300 million.

Prime yields

Like other asset classes, warehouses saw a further rise in prime yields this quarter. The prime rate of return in logistics thus stood at 4.15% at the end of 2022..

10.3.3.3 Outlook

Economists are very cautious for 2023 both because of an extremely changing context but also because of the expected effects of monetary tightening as well as the persistence of external shocks such as the war in Ukraine. World GDP is expected to grow between +2.2% (OECD) and +2.7% (IMF). According to analyses made by economists, European countries should experience a stagnation or a decline in GDP straddling the 4th quarter of 2022 and the 1st quarter of 2023 before a recovery as from the 2nd quarter. Regarding France, the OECD decides on a growth of +0.6% while the BANQUE DE FRANCE advances the figure of +0.3%. While the forecasts at the beginning of the year point to weak global growth, the unprecedented resistances in 2022 also show us that the scenario of 2023 is not yet written.

The big topic of 2022 – inflation – will remain relevant for longer than expected. Two phases are anticipated by economists, inflation peaking in Europe in the 1st quarter of 2023 followed by a phase of slow decline that would not allow a return to normal until the end of 2024 or 2025. France – whose inflation has remained well below the European average – is expected to reach the peak of inflation at the beginning of the year, notably due to a resizing of certain tariff shields such as the capping of the increase in electricity and gas prices from 4% in 2022 to 15% in 2023.

The fall in inflation in 2023 is a strategic issue to avoid triggering the dreaded price-wage loop that would install the phenomenon in the long term. However, States and companies are now on the edge with a rise in wage demands.

On the supply chain side, after disruptions related to China's 0 COVID policy since 2020, we have just seen a complete turnaround by the Chinese government. This new policy brings new uncertainties: the spread of COVID within the workforce and risks on production lines, pressure on the supply of certain pharmaceutical products and risks of diffusion of new variants.

Occupier market

From experience, periods of uncertainty do not favor real estate decisions and the rental market will probably be on a lower dynamic than that observed in 2022, at least for the first part of the year. Despite the economic and geopolitical context, the French logistics market remains on a high level of activity after a very dynamic 2021. The level of take-up remains strong, with 770,000 m² leased, on average over the last three quarters of 2022. Retail giants are still actively involved in the high level of warehouses leased in France, followed by companies in the industrial sector. For the 1st half of 2023, we foresee a take-up of approximately 1.8 million m².

We also anticipate a slight increase in availability at the beginning of the year, linked to the large volume of deliveries expected in Q1 2023 with potentially nearly additional 700,000 m² to supply the stock. However, these deliveries mainly concern the Lille and Marseille markets.

Rental values are expected to experience contrasting trends in the coming months depending on the markets and their levels of land availability.

Investor market

As anticipated, the 4th quarter is bearing the brunt of unsuccessful marketing that could not be caught up because of a lack of stabilization of central bank messages on key rates and funding which took place mainly in June and July and had a strong impact on year-end volumes.

The macroeconomic context is still as uncertain as ever and the "price discovery" phase that continues should also materialize in the volumes of the 1st half of 2023, before a more dynamic end of the year.

More generally, the logistics market share of logistics real estate investments in France (18%) has increased significantly since 2016, demonstrating that logistics has become an asset in its own right and that it is no longer a notion of diversification, suggesting high investment volumes in the years to come.

10.3.4 German market commentary

Take-up

8.50 million m²
2022

8.70 million m²
2021

Prime yields

3.93 %
2022

3.03 %
2021

Prime rent (€/m²/year)

München	126	+ 40% YoY
Hamburg	96	+ 23% YoY
Düsseldorf	93	+ 29% YoY
Berlijn	90	+ 36% YoY
Frankfurt	88	+ 12% YoY

10.3.4.1 Occupier market

Take-up

On the German market for warehouse and logistics space, around 8.5 million m² of square meters were taken-up in 2022. This was only just short of the record value from the previous year (8.67 million m²). However, the five-year average was exceeded by 19%.

Most of the space was leased by companies in the transport, traffic and warehousing sector (34%), followed by trading companies (29%) and industrial companies, which increased their share of total sales from 19% in 2021 to 27% in 2022.

The demand for space remains high. Many companies are expanding their production, storage and distribution capacities in Germany in order to be less dependent on global developments. The shortage of space continues to be a challenge. Many regions remain characterized by a lack of modern, short-term logistics space and land.

After a high completion volume of 835,000 m² was already registered in the first half of 2022, a further 530,000 m² was added in the second half of the year. This means that the volume of new construction has more than doubled year-on-year. The largest completions were in the Berlin region, followed by Hamburg. Almost another million square meters are currently under construction in the five metropolitan areas. Of these areas, 60% are already rented or are being built for owner-occupiers. Here, too, most cranes in Berlin and Hamburg are turning, each with around 300,000 m² in construction.

Overall, 72% of the take-up was made in new buildings or project developments. There has been no major change compared to recent years: the five-year average is 74%.

Prime rent

In addition to the shortage of space, the increased construction costs had a major impact on the fact that prime rents for storage space in the order of 5,000 m² or more have risen in all Big 5 markets over the last twelve months. Meanwhile, the prime rent in each of the Big 5 markets has exceeded the seven-euro mark. The strongest increases were recorded in Munich (40%), Berlin (36%) and Düsseldorf (29%). In Hamburg, the value rose by 23% and in Frankfurt by 12%. For the current year 2023, we expect further increases in prime rents.

10.3.4.2 Investor market

The German investment market ended 2022 with a total transaction volume of €66 billion, including the "living" segment. As already forecasted in December, the usual fireworks display of transactions at the end of the year failed to materialise this time. This result is around 41 percent down on the record year of 2021. On the other hand, it only fell some 8 percent short of the 10-year average. The fact that the comparison with the long-term is not so dramatic is due to the strong first half of 2022, whilst the second six months of the year were increasingly characterised by restraint and market observation on the part of investors. We expect that this trend will initially continue into the first half of 2023 but will then gradually ease. Market players want to make sure that the interest rate rises slow down again or stall before they invest.

The reasons for the restrained investor activity are widely acknowledged: the European Central Bank's (ECB) further hike of 50 basis points in key interest rates in mid-December may have been a somewhat smaller step, but comments by the monetary watchdogs left no doubt that inflation is still clearly too high and that further rate rises could follow. In the wake of the interest rate decision, yields on 10-year government bonds and financing interest rates rose sharply again. It remains to be seen how the recent decline in price increases to 8.6 percent in December will be received by the markets. Caps on gas prices and lower oil and petrol prices are mainly responsible for this quite significant decline. Nevertheless, core inflation (excluding energy and food) continued to rise and is expected to reach 5.2 percent. This will be the ECB's main focus in the coming weeks and months.

With the return of interest rates, traditional financial investments have once again shifted into the focus of institutional investors. From a nominal perspective, German government bonds in particular have become more attractive than real estate, stemming the flow of capital into the real estate market, especially in the second half of the year. As a result, the gap between real estate yields and 10-year government bonds narrowed to a round 0.5 percentage points during 2022; such a low yield differential has not been seen since 2008. By the end of December, this spread had widened again to almost 1 percentage point, mainly due to the rise in real estate yields.

Nevertheless, it is clear from the 2022 result that significantly less fresh capital was available for real estate investments overall.

As a result, the investment focus is no longer on the flight towards zero and negative interest rates, but on inflation proofing and hedging real estate yields. The longer the inflationary conditions persist, the more insurers, pension funds and private investors will have to deal with the loss of purchasing power and assets, and focus on investments that offer the best possible protection against inflation. This orientation phase should continue for a few more weeks, but as soon as price levels have been recalibrated, more capital should flow back into real estate. Both private investors and foreign funds have built up a lot of money in 2022 and are ready to invest, but they are still waiting to see if further corrections follow. Nonetheless, these increased yield expectations do not always materialize. As soon as interest rates and economic expectations improve and long-term interest rates fall, we will see a swift rebound in yields. Waiting too long can also be a mistake. The only way out of the original core capital is into a style drift, to buy in to higher expected returns with higher risks. A style drift occurs when the stated investment strategy and the actual implementation no longer coincide.

As in previous years, the bulk of the transaction volume was attributable to domestic investors. But international players also continue to have confidence in Germany's real estate market. Six of the seven largest transactions in 2022, which together amounted to over €11 billion, took place with foreign participation on the buy-side.

At almost €22 billion, most capital was invested in office properties (33 percent of the total transaction volume), followed by the "living" segment with €14.4 billion (22 per cent). Transactions in logistics properties totalled €9.6 billion, increasing their relative share to almost 15 percent. The revival of retail properties that took place at the end of the third quarter was confirmed in the year's overall result, bringing the annual total to €9.4 billion (14 percent) and positioning this real estate segment just behind logistics properties; food-anchored retail warehouses and supermarkets in particular were able to maintain their reputation as anchors of stability.

Whilst the last quarter of the year was also the weakest for the two strongest real estate segments, "living" and office, this was not the case for logistics and retail, and certainly not for mixed-use properties. This real estate segment achieved its best quarterly result with €2.3 billion, bringing its annual total to €6.3 billion. Ln the current market, however, diversification across several uses appears to be an effective means of keeping the property-specific risk as low as possible, even for single-asset transactions. Nevertheless, the fundamentals are right for both living and offices. Far too little is being built in the residential segment considering the continued rise in demand for housing. Meanwhile, the high employment rate in the service sector is significantly boosting rental take-up in the office segment. Both suggest a strong rebound in these segments

Prime yields

With central banks' zero interest rate policies coming to an end, not only did alternative investment assets become more attractive in 2022, interest rates on borrowings also increased. A snapshot comparison between 3rd January 2022 and 30th December 2022 shows an increase in 5-year swap rates of 319 basis points to a level not recorded since 2008. It was therefore only a matter of time before property yields also showed a corresponding shift. Over the year, prime yields in the individual real estate segments rose between 15 basis points for shopping centres and 90 basis points for logistics properties. In between them are prime yields for office properties which rose by an average of 67 basis points in the real estate strongholds, and retail warehouse products and high-street retail properties which rose by an average of 40 and 30 basis points, respectively. For offices, an average of 3.31 percent means that for the first time a "3" has appeared in front of the decimal point since the second quarter of 2019; for properties of only average quality in prime locations, initial yields have even risen to 4.22 percent; and for older office properties in secondary locations with short unexpired lease terms, there stands a"5"in front of the decimal point for the first time since 2018.

The yield level also affects the behaviour of players in the market. The sometimes very low yields in the Core segment in the past have also severely limited buyers' appetite for risk. With somewhat higher yields, risks can be priced in again; in itself, this is not bad for a market and it helps to create sufficient liquidity. The current developments could therefore encourage a speedier completion of some transactions once again. The current price level also reflects the behaviour of investors and the financing banks, which have significantly increased their risk aversion.

10.3.4.3 Outlook

The outlook for 2023 will depend on coming to terms with the new underlying conditions. The fact is that there will not be a return to the zero interest rates of previous years and the correction process cannot take place without leaving traces when lending conditions quadruple. It will be essential to find a corridor into which margins and capital market interest rates can settle and with which investors and developers can reliably calculate. The central banks have the reins in their hands. For investors, there are currently good selective entry opportunities in the wake of rising yields, before a consolidation or even a new yield compression could set in during the second half of this year.

10.4 Experts' reports

10.4.1 Conclusions of real estate experts

To the company administrators

Montea NV

Industriezone III Zuid
Industrielaan 27 bus 6

9320 Erembodegem

Belgium

Antwerp, 7th February 2023

Dear Sir, Dear Madam,

In accordance to the article 47 of the law of 12 May 2014 on the Belgian Real Estate Investment Trusts (SIR/GVV), you asked Jones Lang LaSalle (JLL) and Stadim to value the buildings situated in Belgium, France The Netherlands and Germany, belonging to the BE-REIT.

Our mission has been realized in complete independence.

In accordance with established practice, our mission has been realized based on the information communicated by Montea NV regarding rental condition, charges and taxes carried by the lessor, work to be realized, as well as all other elements that might influence the value of the buildings. We suppose this information to be exact and complete. As stated explicitly in our valuation reports, this does not include in any way the valuation of structural and technical quality of the building, nor an analysis of the presence of any harmful material. These elements are known by Montea NV, that manages its portfolio in a professional manner and carries a technical and juridical due diligence before the acquisition of each building.

Every building is known by the experts. They work with different software, such as Argus Enterprise or Microsoft Excel.

The investment value can be defined as the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

The experts have adopted different methods.

JLL have adopted two different methods: the « Term and Reversion » method and the « Hardcore » method. Besides, they also did a control in terms of price per m².

According to the « Term and Reversion » method, the capitalization of the revenues considers the actual revenue until the end of the current contract, and then takes the estimated rental value in perpetuity. According to the « Hardcore » method, the estimated rental value is capitalized in perpetuity before looking at adjustments that consider surfaces that are rented below or above their rental value, void, etc.

The method used by Stadim is based on Discounted Cash Flow (DCF), in combination with the capitalisation method when desired. The Stadim approach is characterized by reference prices on the one hand and the factoring in of future earnings on the other.

The yield, used for these methods, represents the expected yield for investors for this kind of properties. It reflects the intrinsic risks of the good and the sector (future void, credit risk, maintenance obligations, etc.). To determine this yield, experts based themselves on the most comparable transactions and current transactions in their investment department.

When there are unusual factors or specific factors applicable to a property, corrections will be applied (important renovations, non-recoverable costs…).

The sale of a property is in theory subjected to transaction costs. This amount depends among others on the method of transfer, the type of buyer and the geographic location of the property. This amount is known once the sale is closed. In Belgium, as independent real estate experts we can admit that based on a representative sample of transactions in the market between 2002 and 2005 (and recently revised for the period 2013-2016), the weighted average of the costs (average of the transaction costs) was 2,5% (for goods with a net value superior to 2.500.000 EUR). The Belgian properties are considered as a portfolio. The transaction costs for buildings located is France is 1,8% when the building is less than 5 years old and between 6,9% and 7,5%, depending on the department, in all other case. The transaction costs for buildings located in The Netherlands is 10,4%. The transaction costs for buildings located in Germany depend on region and market value volume.

Based on the remarks in previous paragraphs, we confirm that the **investment value** of the real estate portfolio of Montea NV on December 31th, 2022 amounts to:

2.307.628.500 EUR

(Two billion three hundred seven million six hundred twenty-eight thousand five hundred euro)

This amount takes into account the value attributed to the buildings valuated by the companies, Jones Lang LaSalle and Stadim in the four countries where Montea NV is present.

After deduction of respectively 2,5% for buildings located in Belgium (average rate of transaction costs defined by the experts of the BE-REITS), 1,8% / 6,9%-7,5% for buildings located in France, 10,4%- for buildings located in The Netherlands, and transaction costs depending on the location and volume for buildings in Germany, as transaction cost on the investment value, we obtain a Fair Value of Montea NV real estate assets as of December 31th, 2022 at :

2.171.024.209 EUR

(Two billion one hundred seventy-one million twenty-four thousand two hundred nine euro)

This amount takes into account the value attributed to the buildings valuated by the companies Jones Lang LaSalle and Stadim in the four countries where Montea NV is present.

We stay at your entire disposition if any questions about the report would remain. In the meantime, we offer you our kind salutations,

Greet Hex MRICS	**Christophe Adam MRICS**	**Patrick Metzger**
Director	Director	Lead Director
JLL Belgium -	JLL Expertises	JLL Germany

Nicolas Janssens
Partner
Stadim

Opinion of Jones Lang LaSalle

Jones Lang LaSalle estimates, for its part of Montea's NV real estate portfolio valued at 31th December 2022, the investment value at EUR 756.509.437 and the fair value (transaction costs deducted) at EUR 727.684.917.

Greet Hex MRICS	**Christophe Adam MRICS**	**Patrick Metzger**
Director	Director	Lead Director
JLL Belgium	JLL Expertises	JLL Germany

Opinion of Stadim

Stadim estimates, for its part of Montea NV's real estate portfolio valued at 31th December 2022, the investment value at EUR 1.551.119.063 and the fair value (transaction costs deducted) at EUR 1.443.339.293.

Nicolas Janssens
Partner
Stadim

10.4.2 Auditors report on 2023 outlook

EY Bedrijfsrevisoren
EY Réviseurs d'Entreprises
De Kleetlaan 2
B-1831 Diegem

Tel: +32 (0)2 774 91 11
ey.com

Statutory auditor's report on the profit forecasts or estimates of Montea nv

As a statutory auditor of Montea nv (the "Company"), we have prepared, upon request by the board of directors, the present report on the forecast of the EPRA result per share (as defined in the report "EPRA Best Practices Recommendations (BPR) Guidelines" of February 2022 of the European Public Real Estate Association) for the 12 months period ending 31 December 2023 (the "Forecast") of Montea nv, included in the paragraph 5.4 "profit forecasts or estimates" of their yearly financial report as of 31 December 2022 as approved by the board of directors on 27 March 2023 of the Company.

The assumptions included in the paragraph 5.4 "profit forecasts or estimates" result in the following consolidated financial forecast for the accounting year 2023:

- EPRA result per share: € 4,20.

Board of directors' responsibility

It is the Company's board of directors' responsibility to prepare the consolidated financial forecasts and the main assumptions upon which the Forecast is based.

Auditor's responsibility

It is our responsibility to provide an opinion on the consolidated financial forecasts, prepared appropriately on the basis of the above assumptions. We are not required nor do we express an opinion on the possibility to achieve that result or on the assumptions underlying this forecasts.

We performed our work in accordance with the auditing standards applicable in Belgium, as issued by the Institute of Registered Auditors (*Institut des Réviseurs d'Entreprises/Instituut van de Bedrijfsrevisoren)* including related guidance from its research institute and with the standard "International Standard on Assurance Engagements 3400" relating to the examination of prospective financial information. Our work included an evaluation of the procedures undertaken by the board of directors in compiling the forecasts and procedures aimed at verifying the consistency of the methods used for the forecasts with the accounting policies normally adopted by Montea nv.

We planned and performed our work so as to obtain all the information and explanations that we considered necessary in order to provide us with reasonable assurance that the forecasts have been properly compiled on the basis stated.

Besloten Vennootschap
Société à responsabilité limitée
RPR Brussel - RPM Bruxelles - BTW-TVA BE 0446.334.711 - IBAN N° BE71 2100 9059 0069
* handelend in naam van een vennootschap/agissant au nom d'une société

A member firm of Ernst & Young Global Limited

Statutory auditor's report of 13 April 2023 on the consolidated financial forecasts of Montea nv

Opinion

We have examined the EPRA result per share of Montea nv for the 12 months periods ending 31 December 2023 in accordance with the International Standard on Assurance Engagements applicable to the examination of prospective financial information. The board of directors is responsible for the consolidated financial forecasts including the assumptions referenced above. In our opinion the consolidated financial forecasts are properly prepared on the basis of the assumptions and presented in accordance with the accounting policies applied by Montea nv for the consolidated financial statements of 2022.

Since the forecasts and the assumptions on which they are based relate to the future and may therefore be affected by unforeseen events, we can express no opinion as to whether the actual results reported will correspond to those shown in the forecasts. These differences may be material.

Diegem, 13 April 2023

EY Bedrijfsrevisoren bv
Statutory auditor
Represented by

Christel Weymeersch (Signature)
Digitally signed by Christel Weymeersch (Signature)
DN: cn=Christel Weymeersch (Signature), c=BE
Date: 2023.04.13 13:15:30 +02'00'

Christel Weymeersch*
Partner
* Acting on behalf of a bv

Christophe Boschmans (Signature)
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Date: 2023.04.13 09:52:00 +02'00'

Christophe Boschmans*
Partner
* Acting on behalf of a bv

23CW0150

10.4.3 Statutory auditor's report to the general meeting of the company Montea NV on the financial year ended December 31, 2023

EY Bedrijfsrevisoren
EY Réviseurs d'Entreprises
De Kleetlaan 2
B-1831 Diegem

Tel: +32 (0)2 774 91 11
ey.com

Independent auditor's report to the general meeting of Montea nv for the year ended 31 December 2022

In the context of the statutory audit of the Consolidated Financial Statements) of Montea nv (the "Company") and its subsidiaries (together the "Group"), we report to you as statutory auditor. This report includes our opinion on the consolidated balance sheet as at 31 December 2022, the consolidated statement of realized and unrealized results before profit distribution, the consolidated result before profit distribution, the consolidated cash flow statement and the statement of changes in the consolidated equity and reserves for the year ended 31 December 2022 and the disclosures (all elements together the "Consolidated Financial Statements") as well as our report on other legal and regulatory requirements. These two reports are considered one report and are inseparable.

We have been appointed as statutory auditor by the shareholders' meeting of 17 May 2022, in accordance with the proposition by the Board of Directors following recommendation of the Audit Committee. Our mandate expires at the shareholders' meeting that will deliberate on the Consolidated Financial Statements for the year ending 31 December 2024. We performed the audit of the Consolidated Financial Statements of the Group during 13 consecutive years.

Report on the audit of the Consolidated Financial Statements

Unqualified opinion

We have audited the Consolidated Financial Statements of Montea nv, that comprise of the consolidated balance sheet as at 31 December 2022, the consolidated statement of realized and unrealized results before profit distribution, the consolidated result before profit distribution, the consolidated cash flow statement and the statement of changes in the consolidated equity and reserves for the year ended 31 December 2022 and the disclosures, which show a consolidated balance sheet total of € 2.327.712 thousand and of which the consolidated income statement shows a profit for the year of € 204.458 thousand.

In our opinion, the Consolidated Financial Statements give a true and fair view of the consolidated net equity and financial position as at 31 December 2022, and of its consolidated results for the year then ended, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union ("IFRS") and with applicable legal and regulatory requirements in Belgium.

Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing ("ISA's") applicable in Belgium. In addition, we have applied the ISA's approved by the International Auditing and Assurance Standards Board ("IAASB") that apply at the current year-end date and have not yet been approved at national level. Our responsibilities under those standards are further described in the "Our responsibilities for the audit of the Consolidated Financial Statements" section of our report.

We have complied with all ethical requirements that are relevant to our audit of the Consolidated Financial Statements in Belgium, including those with respect to independence.

We have obtained from the Board of Directors and the officials of the Company the explanations and information necessary for the performance of our audit and we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current reporting period.

These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole and in forming our opinion thereon, and consequently we do not provide a separate opinion on these matters.

Valuation of the investment properties

- Description of the matter and audit risk:

Investment property represents 91% of the assets of the Group. As at 31 December 2022, the investment properties on the assets of the balance sheet amount to € 2.124.563 thousand.

In accordance with the accounting policies and IAS 40 standard "Investment property", investment property is valued at fair value, and the changes in the fair value of investment property are recognized in the income statement.

The fair value of investment properties belongs to the level 3 of the fair value hierarchy defined within the IFRS 13 standard "Fair Value Measurement". Some parameters used for valuation purposes being based on only limited observable data (discount rate, future occupancy rate, …) and require therefore an estimation from the management.

The audit risk appears in the valuation of these investment properties and is therefore a key audit matter.

- Summary of audit procedures performed

The Group uses external experts to make an estimate of the fair value of its buildings. We have assessed the valuation reports of the external experts (with the support of our internal valuation experts).

More precisely, we have:

- assessed the objectivity, the independence and the competence of the external experts;
- tested the integrity of source data (contractual rentals, maturities of the rental contracts, …) used in their calculations and reconciled with the underlying contracts;
- reviewed the models, assumptions and parameters used in their reports (discount rates, future occupancy rates, …).

Finally, we have assessed the appropriateness of the information on the fair value of the investment properties disclosed in note 20 of the Consolidated Financial Statements.

Responsibilities of the Board of Directors for the preparation of the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of the Consolidated Financial Statements that give a true and fair view in accordance with IFRS and with applicable legal and regulatory requirements in Belgium and for such internal controls relevant to the preparation of the Consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of Consolidated Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, and provide, if applicable, information on matters impacting going concern, The Board of Directors should prepare the financial statements using the going concern basis of accounting, unless the Board of Directors either intends to liquidate the Company or to cease business operations, or has no realistic alternative but to do so.

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Audit report dated 13 April 2023 on the Consolidated Financial Statements of Montea nv as of and for the year ended 31 December 2022 (continued)

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.

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Audit report dated 13 April 2023 on the Consolidated Financial Statements of Montea nv as of and for the year ended 31 December 2022 (continued)

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the audits of the subsidiaries. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities.

We provide the Audit Committee within the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee within the Board of Directors, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our report, unless the law or regulations prohibit this.

Report on other legal and regulatory requirements

Responsibilities of the Board of Directors

The Board of Directors is responsible for the preparation and the content of the Board of Directors' report on the Consolidated Financial Statements, and other information included in the annual report.

Responsibilities of the auditor

In the context of our mandate and in accordance with the additional standard to the ISA's applicable in Belgium, it is our responsibility to verify, in all material respects, the Board of Directors' report on the Consolidated Financial Statements, and other information included in the annual report, as well as to report on these matters.

Aspects relating to Board of Directors' report and other information included in the annual report

In our opinion, after carrying out specific procedures on the Board of Directors' report, the Board of Directors' report is consistent with the Consolidated Financial Statements and has been prepared in accordance with article 3:32 of the Code of companies and associations.

In the context of our audit of the Consolidated Financial Statements, we are also responsible to consider whether, based on the information that we became aware of during the performance of our audit, the Board of Directors' report and other information included in the annual report, being:

- Financial results;
- Financial reporting: EPRA BPR tables;
- Details on the calculation of APMs used by Montea.

contain any material inconsistencies or contains information that is inaccurate or otherwise misleading. In light of the work performed, there are no material inconsistencies to be reported.

Independence matters

Our audit firm and our network have not performed any services that are not compatible with the audit of the Consolidated Financial Statements and have remained independent of the Company during the course of our mandate.

The fees related to additional services which are compatible with the audit of the Consolidated Financial Statements as referred to in article 3:65 of the Code of companies and associations were duly itemized and valued in the notes to the Consolidated Financial Statements.

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Audit report dated 13 April 2023 on the Consolidated Financial Statements of Montea nv as of and for the year ended 31 December 2022 (continued)

European single electronic format ("ESEF")

In accordance with the standard on the audit of the conformity of the financial statements with the European single electronic format (hereinafter "ESEF"), we have carried out the audit of the compliance of the ESEF format with the regulatory technical standards set by the European Delegated Regulation No 2019/815 of 17 December 2018 (hereinafter: "Delegated Regulation").

The board of directors is responsible for the preparation, in accordance with the ESEF requirements, of the consolidated financial statements in the form of an electronic file in ESEF format in the official Dutch language (hereinafter 'the digital consolidated financial statements') included in the annual financial report available on the portal of the FSMA (https://www.fsma.be/en/data-portal) in the official Dutch language.

It is our responsibility to obtain sufficient and appropriate supporting evidence to conclude that the format and markup language of the digital consolidated financial statements comply in all material respects with the ESEF requirements under the Delegated Regulation.

Based on the work performed by us, we conclude that the format and tagging of information in the digital consolidated financial statements of Montea nv per 31 December 2022 included in the annual financial report available on the portal of the FSMA (https://www.fsma.be/en/data-portal) in the official Dutch language are, in all material respects, in accordance with the ESEF requirements under the Delegated Regulation.

Other communications.

- This report is consistent with our supplementary declaration to the Audit Committee as specified in article 11 of the regulation (EU) nr. 537/2014.

Diegem, 13 April 2023

EY Bedrijfsrevisoren bv
Statutory auditor
Represented by

Christel Weymeersch (Signature) Digitally signed by Christel Weymeersch (Signature) DN: cn=Christel Weymeersch (Signature), c=BE Date: 2023.04.13 13:14:50 +02'00'

Christel Weymeersch*
Partner
*Acting on behalf of a bv

Christophe Boschmans (Signature) Digitally signed by Christophe Boschmans (Signature) DN: cn=Christophe Boschmans (Signature), c=BE Date: 2023.04.13 09:52:34 +02'00'

Christophe Boschmans*
Partner
*Acting on behalf of a bv

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10.4.4 Auditor's assessment report on sustainability (ISAE 3000)

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Montea

Independent auditor's assurance report

Scope

We have been engaged by Montea NV (the "Company") to perform a limited assurance engagement, as defined by International Standards on Assurance Engagements ("the Engagement"), to report on some of Montea's key sustainability indicators (more specific the following indicators: 2-7, 2-9, 2-10, 2-15, 302-1, 302-2, 302-3, 305-1, 305-2, 305-3, 305-4, 305-5, 401-1, 404-1, 405-1, CRE1, CRE3) included in chapter 10.5 "GRI content index" and the sustainability metrics included in chapter 10.1.2 "Sustainability Reporting: EPRA sBPR tables" of Montea's Annual Report (the "Report") (the "Subject Matter" and/or the "Key Sustainability Indicators ") for the year ended 31 December 2022.

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining sustainability indicators included in the Report, and accordingly, we do not express a conclusion on this information.

Criteria applied by Montea NV

In preparing the Key Sustainability Indicators, Montea NV applied the EPRA Sustainability Best Practice Recommendations ("sBPR") and the Guidelines for the Preparation of the Sustainability Report of the Global Reporting Initiative ("GRI") Standards (together, the "Criteria").

Montea's responsibilities

Montea's management is responsible for selecting the Criteria, and for presenting the Key Sustainability Indicators in accordance with these Criteria, in all material respects . This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements other than Audits or Reviews of Historical Financial Information" (ISAE 3000), published by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform our Engagement to obtain limited assurance about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Key Sustainability Indicators and related information, and applying analytical and other appropriate procedures.

Our procedures included:

- Conducted interviews with personnel to understand the business and reporting process
- Conducted interviews with key personnel to understand the process for collecting, collating and reporting the Subject Matter during the reporting period
- Checked that the calculation criteria have been correctly applied in accordance with the methodologies outlined in the Criteria
- Performed analytical review procedures to support the reasonableness of the data
- Identified and tested assumptions supporting calculations
- Tested, on a sample basis, underlying source information to check the accuracy of the data

We also performed such other procedures as we considered necessary in the circumstances.

Conclusion

Based on our review, nothing has come to our attention that make us to believe that the Key Sustainability Indicators of Montea included in the Annual Report for the year ended 31 December 2022, were not prepared, in all material respects, in accordance with the Criteria.

Brussels, 13 April 2023

EY Bedrijfsrevisoren BV
Represented by

Christel Weymeersch (Signature)
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10.5 GRI Content index

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10.6 Approach & scope

Montea reports on its ESG efforts in accordance with the EPRA Sustaianbility Best Practice Recommendations (sBRP).

10.6.1 Reporting period

The reporting period for this report is the same as for Montea's annual financial report, namely the 2022 financial year (1 January 2022 tot 31 December 2022). Montea publishes an annual update of its sustainability efforts in the form of a sustainability report.

10.6.2 Measurement scope and coverage

In 2022, 100% of the Montea offices in Belgium, the Netherlands and France were part of the measurement scope.

We apply the operational control approach when defining our organisational boundaries for reporting against the EPRA sBPR's (see section 10.1.2).

The coverage for the existing portfolio is shown in the table below.

COVERAGE OF THE EXISTING PORTFOLIO	COVERAGE	
Indicators	**2022**	**2021**
Elec-ABS	100%	91%
DH&C-ABS	100%	100%
Fuel-ABS	100%	81%
Energy-Int	100%	81%
GHG-Int	100%	81%
Water-ABS	100%	59%
Cert-Tot	100%	100%
Waste-ABS	42%	32%
Waste-proportion by disposal route	42%	28%
H&S-Asset	100%	100%

Supply data are collected through a combination of energy monitoring systems, extraction of contract data and tenant surveys. Montea recognizes that the accuracy and reliability of the data it uses in monitoring the environmental performance of its portfolio are directly linked to the quality of the information received, possible measurement inaccuracies and other factors that could potentially reduce data quality. Nevertheless, Montea strives for continuous improvement of this data quality through automation, the use of multiple sources as verification and the optimization of the monitoring systems. Some of the data was estimated. To determine Montea's total emissions consumptions have been extrapolated. The percentage of the data that was extrapolated is mentioned in the EPRA sBRP tables.

10.6.3 Measurement methodology

The CO_2-emissions were calculated according to the Greenhouse Gas (GHG) Protocol which is used by companies to calculate their climate impact in a consistent manner.

11. Additional information

11.1 Information about Montea

11.1.1 Name

Montea is a public regulated real estate company (société immobilière réglementée publique) under Belgium law, specialised in the development and the management of logistics property in Belgium, the Netherlands, France and Germany.

11.1.2 Register of legal entities

Montea is registered in the Register of Legal Entities (LER) of Ghent, Dendermonde division under the number 0417.186.211. Its VAT number is BE0417.186.211. Its LEI (legal entity identifier) number is 5493006K5LQDD0GK1T60.

11.1.3 Incorporation – legal form

Montea was incorporated as a public limited liability company (naamloze vennootschap/société anonyme) on February 26, 1977. On October 1, 2006 Montea was recognised and registered with the FSMA as a public real estate company with fixed capital under Belgian law (a so-called public property investment fund).

Montea has been listed on Euronext Brussels since October 2006 and on Euronext Paris since December 2006. The activities of Montea, as a public property investment fund, commenced on October 1, 2006 by bringing together various property portfolios of logistics buildings.

Montea is a reference player in the growing logistics market of Belgium, The Netherlands, France and Germany. Montea offers more than just warehouses and aims to provide flexible and innovative real estate solutions to its tenants.

On September 22, 2014, Montea was authorised and recognized by the FSMA as a public regulated real estate company under Belgian law. That recognition became effective on September 30, 2014, being the date on which Montea's extraordinary general meeting approved the new status.

As public limited company and public regulated real estate company under Belgian law, Montea is subject to, in particular, the RREC Act, the RREC Royal Decree and the Code of Companies and Associations. As a public RREC, Montea is subject to the supervision of the FSMA. For more information about the RREC status, see section 11.5.1.

Montea's articles of association have been amended several times, most recently on February 10, 2023. The consolidated articles of association are available on the Montea website.

11.1.4 Registered office - website - e-mail address

The registered office of Montea NV Belgium is located at Industrielaan 27, 9320 Erembodegem (Aalst), Belgium. The phone number of the registered office is +32 (0) 53 82 62 62 and its e-mail address is info@montea.com. The website is www.montea.com. The information on the website does not form part of this annual report unless such information is incorporated by reference herein.

11.1.5 Group

11.1.5.1 General

Montea has subsidiaries in Belgium, The Netherlands, France and Germany.

The shares in the Belgian subsidiaries are held directly by Montea[1]. All real estate in Belgium is owned either by Montea or a Belgian subsidiary.

The branch office in France, Montea SA, is located at 75008 Paris, 18-20 Place de la Madeleine since October 1, 2010. Since April 24, 2007 this branch acquired the SIIC status (Société d'investissement immobilier cotée). For more information on the SIIC status see section 12.5.3. Through this branch, Montea holds shares in the French companies. The phone number of this branch is +33 (0) 1 83 92 25 00. All real estate in France is owned by a French subsidiary.

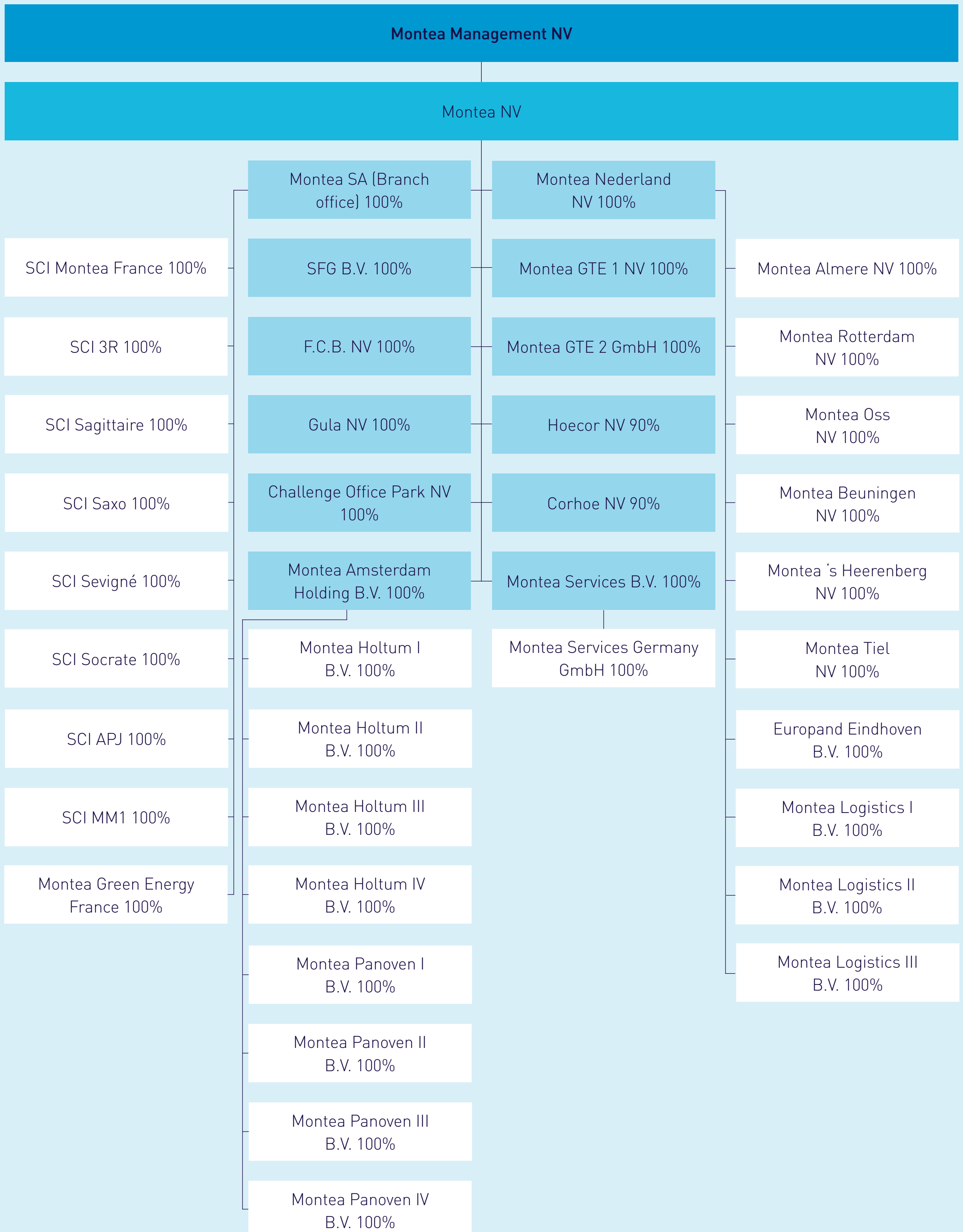
Through Montea Nederland NV and Montea Amsterdam Holding NV, Montea holds the shares in the Dutch companies[2]. The registered office of Montea Nederland NV and Montea Amsterdam Holding NV is located at 5032 MD Tilburg, EnTrada, Ellen Pankhurstraat 1c. The telephone number of the registered office in The Netherlands is +31 (0) 88 2053 88. The Dutch companies also have an office at Weesperzijde 33, 1091 ED Amsterdam. All real estate in The Netherlands is owned by a Dutch subsidiary.

In addition, Montea has two subsidiaries in Germany: Montea GTE 2 GmbH and Montea Services Germany GmbH.

11.1.5.2 Group structure

The Montea group structure is made up various companies in the different countries where Montea operates. On December 31, 2022, the group was comprised of the following companies:

(1) With the exception of Corhoe NV of whose shares 10% are held by a third party not affiliated with Montea
(2) With the exception of SFG B.V. whose shares are held directly by Montea.



11.1.5.3 Data of group companies

The data of the Montea group companies on December 31, 2022 are as follows:

Name	Address	Country	VAT number	Share-holding (%)
Montea NV	Industrielaan 27, bus 6, 9320 Erembodegem (Aalst)	BE	BE0417186211	N/A[1]
Montea Management NV	Industrielaan 27, bus 6, 9320 Erembodegem (Aalst)	BE	BE0882872026	N/A[2]
Montea Services bv	Industrielaan 27, bus 6, 9320 Erembodegem (Aalst)	BE	BE0742845794	100%
Montea GTE 1 NV	Industrielaan 27, bus 6, 9320 Erembodegem (Aalst)	BE	BE0757964037	100%
F.C.B. NV GVBF	Industrielaan 27, bus 6, 9320 Erembodegem (Aalst)	BE	BE0440810659	100%
Gula NV[3]	Industrielaan 27, bus 6, 9320 Erembodegem (Aalst)	BE	BE0462368712	100%
Hoecor NV[4]	Industrielaan 27, bus 6, 9320 Erembodegem (Aalst)	BE	BE0736839318	90%[5]
Challenge Office Park NV	Industrielaan 27, bus 6, 9320 Erembodegem (Aalst)	BE	BE0473589929	100%
Corhoe NV	Industrielaan 27, bus 6, 9320 Erembodegem (Aalst)	BE	BE0736839417	90%
SFG B.V.	EnTrada, Ellen Pankhurstraat 1c, 5032 MD Tilburg	NL	NL853810151B01	100%
Montea Nederland NV	EnTrada, Ellen Pankhurstraat 1c, 5032 MD Tilburg	NL	NL853208785B01	100%
	Weesperzijde 33, 1091 ED Amsterdam	NL	NL853208785B01	100%
Montea Almere NV	EnTrada, Ellen Pankhurstraat 1c, 5032 MD Tilburg	NL	NL853209625B01	100%
Montea Rotterdam NV	EnTrada, Ellen Pankhurstraat 1c, 5032 MD Tilburg	NL	NL853631712B01	100%
Montea Oss NV	EnTrada, Ellen Pankhurstraat 1c, 5032 MD Tilburg	NL	NL854488522B01	100%
Montea Beuningen NV	EnTrada, Ellen Pankhurstraat 1c, 5032 MD Tilburg	NL	NL854488339B01	100%
Montea 's Heerenberg NV	EnTrada, Ellen Pankhurstraat 1c, 5032 MD Tilburg	NL	NL854800232B01	100%
Montea Tiel NV	EnTrada, Ellen Pankhurstraat 1c, 5032 MD Tilburg	NL	NL859569238B01	100%
Europand Eindhoven B.V.	EnTrada, Ellen Pankhurstraat 1c, 5032 MD Tilburg	NL	NL814882651B01	100%
Montea Logistics I B.V.	EnTrada, Ellen Pankhurstraat 1c, 5032 MD Tilburg	NL	NL861408470B01	100%
Montea Logistics II B.V.	EnTrada, Ellen Pankhurstraat 1c, 5032 MD Tilburg	NL	NL863491546B01	100%
Montea Logistics III B.V.	EnTrada, Ellen Pankhurstraat 1c, 5032 MD Tilburg	NL	NL863501874B01	100%
Montea Amsterdam Holding B.V.	EnTrada, Ellen Pankhurstraat 1c, 5032 MD Tilburg	NL	NL 8645 3315 9B01	100%
Montea Holtum I B.V.	EnTrada, Ellen Pankhurstraat 1c, 5032 MD Tilburg	NL	NL 8645 3603 3B01	100%
Montea Holtum II B.V.	EnTrada, Ellen Pankhurstraat 1c, 5032 MD Tilburg	NL	NL 8645 3589 2B01	100%
Montea Holtum III B.V.	EnTrada, Ellen Pankhurstraat 1c, 5032 MD Tilburg	NL	NL 8645 3709 8B01	100%
Montea Holtum IV B.V.	EnTrada, Ellen Pankhurstraat 1c, 5032 MD Tilburg	NL	NL 8645 3660 4B01	100%

(1) For an overview of the shareholders structure of Montea, see section 6.
(2) Sole director of Montea, holds 1 share in Montea.
(3) Gula NV was merged into Montea as at 31/12/2022 (midnight).
(4) Hoecor NV was merged into Montea as at 10/02/2023.
(5) On 24 January 2023 Montea acquired the remaining 10% of the shares in Hoecor NV. From then on, Montea owns 100% of the shares in Hoecor NV.

Name	Address	Country	VAT number	Sharehol-ding (%)
Montea Panoven I B.V.	EnTrada, Ellen Pankhurstraat 1c, 5032 MD Tilburg	NL	NL 8645 6826 5B01	100%
Montea Panoven II B.V.	EnTrada, Ellen Pankhurstraat 1c, 5032 MD Tilburg	NL	NL 8645 6818 6B01	100%
Montea Panoven III B.V.	EnTrada, Ellen Pankhurstraat 1c, 5032 MD Tilburg	NL	NL 8645 6822 8B01	100%
Montea Panoven IV B.V.	EnTrada, Ellen Pankhurstraat 1c, 5032 MD Tilburg	NL	NL 8645 6838 1B01	100%
Montea GTE 2 GmbH	Beiertheimer Allee 72, 76137 Karlsruhe	DE	DE328815225	100%
Montea Services Germany GmbH	Beiertheimer Allee 72, 76137 Karlsruhe	DE	DE358010932	100%[1]
Montea SA SIIC (Bijkantoor)	75008 Parijs, 18-20 Place de la Madeleine	FR	FR06497673145	100%
SCI Montea France[2]	75008 Parijs, 18-20 Place de la Madeleine	FR	FR33493288948	100%[3]
SCI 3R	75008 Parijs, 18-20 Place de la Madeleine	FR	FR44400790366	100%
SCI Sagittaire	75008 Parijs, 18-20 Place de la Madeleine	FR	FR79433787967	100%
SCI Saxo	75008 Parijs, 18-20 Place de la Madeleine	FR	FR23485123129	100%
SCI Sévigné	75008 Parijs, 18-20 Place de la Madeleine	FR	FR48438357659	100%
SCI Socrate	75008 Parijs, 18-20 Place de la Madeleine	FR	FR16481979292	100%
SCI APJ	75008 Parijs, 18-20 Place de la Madeleine	FR	FR25435365945	100%
SCI MM1	75008 Parijs, 18-20 Place de la Madeleine	FR	FR82393856463	100%
SAS Montea Green Energy France	75008 Parijs, 18-20 Place de la Madeleine	FR	FR69889967162	100%

(1) 100% of the shares of Montea Services Germany GmbH are held by Montea Services BV.
(2) *Société Civile Immobilière* or civil property company.
(3) The nine French group companies are held 100% by Montea SA (branch) which in turn is controlled by Montea.

11.1.5.4 Branches

Montea has one branch: Montea SA having its registered office at 75008 Paris, 18-20 Place de la Madeleine, France.

11.1.6 Capital structure and authorised capital

11.1.6.1 Capital structure

Montea's consolidated capital on December 31, 2022 amounts to €367,352,910.39 including the costs of the capital increase and variations in the value of own shares.

The capital is represented by 18,025,220 fully paid-up ordinary shares without nominal value. There are no preference shares. Each of these shares confers one voting right (with the exception of the Company's own shares of which the voting right is suspended) at the general meeting and these shares therefore represent the denominator for the purposes of notifications in the event that the threshold set forth in the articles of association or the legal thresholds under the Transparency regulations are reached, exceeded or fallen below.

The capital may be increased or reduced in accordance with the legal provisions and the articles of association. The Sole Director also has the power to increase the capital within the limits of the authorisation granted in respect of the authorised capital.

11.1.6.2 Authorised capital

The Sole Director is authorised by the extraordinary general meeting of February 10, 2023 to increase the capital in one or several instalments on the dates and under the conditions it shall determine and in accordance with the applicable legislation, by a maximum amount of:

a. one hundred eighty-three million six hundred seventy-six thousand four hundred fifty-five euros and twenty eurocents (€ 183,676,455.20) for public capital increase by way of contribution in cash whereby the possibility is provided for the exercise of the preferential subscription right or the irreducible allocation right by the shareholders of Montea;
b. one hundred eighty-three million six hundred seventy-six thousand four hundred fifty-five euros and twenty eurocents (€ 183,676,455.20) for capital increases in the framework of the distribution of an optional dividend;
c. thirty-six million seven hundred thirty-five thousand two hundred ninety-one euros and four eurocents (€ 36,735,291.04) for capital increases by way of (i) contribution in kind (other than as referred to in paragraph (b) above), (ii) contribution in cash without the possibility for the shareholders of the Company to exercise the preferential right or irreducible allocation right, or (iii) any other form of capital increase, it being understood that, in any event, the board of directors will never be able to increase the capital by more than the maximum amount of three hundred sixty-seven million three hundred fifty-two thousand nine hundred and ten euro and thirty-nine eurocents (€ 367,352,910.39).

This authorisation is granted for a period of five years as from the publication of the minutes of the extraordinary general meeting, being until March 1, 2028. To date, no capital increase has performed pursuant to this authorisation.

11.2 Statutory auditor

The statutory auditor is appointed by the general meeting of shareholders and chosen from the list of auditors approved by the FSMA.

The statutory auditor of Montea is EY Bedrijfsrevisoren BV, with registered office at 1831 Diegem, De Kleetlaan 2, represented by Mr Christophe Boschmans (acting on behalf of a BV) and Mrs Christel Weymeersch (acting on behalf of a BV). The auditor's mandate of EY Bedrijfsrevisoren was renewed during the annual general meeting of shareholders of May 17, 2022 for an additional period of 3 years (until the annual general meeting of 2025) regarding the financial years 2022 to 2024. As from the financial year 2023, only Christophe Boschmans (acting on behalf of a BV) will act as representative for this auditor's mandate.

The statutory auditor's function consists of auditing the consolidated and statutory annual financial accounts of Montea, as well as the other Belgian subsidiaries of the Montea group. In addition, the statutory auditor performs the tasks prescribed by the Code of Companies and Associations, the RREC Act and the RREC Royal Decree.

Montea confirms that the statutory auditor has consented to the inclusion of its report in this annual report and to the form or context in which it is included.

The statutory auditor's fee is calculated on the basis of a fixed annual fee. For the financial year closed on December 31, 2022 the fixed fee of the statutory auditor EY Bedrijfsrevisoren BV, for examining and auditing the Montea Group's company and consolidated accounts was € 67,650.00 (exclusive of VAT). In addition to the abovementioned fee, the statutory auditor carried out the following audit services:

- Statutory assignments and FSMA: € 24,032.00
- Tax advice: € 3,324.99
- Other: € 28,297.00
- Subsidiaries : € 37,876.61

11.3 Real estate experts

Article 24 of the RREC Act provides that the RREC's property should be valued by one or more independent real estate experts. The expert acts in full independence and has the necessary professional reliability and appropriate experience in real estate valuation and has a suitable organisation for his missions. The expert is appointed for a renewable period of three years. He may only be charged with the valuation of a particular property for a maximum period of three years.

Montea has two real estate experts, namely:

i. Jones Lang LaSalle BV (with registered office at Marnixlaan 23, 1000 Brussels) for the valuation of the assets in Belgium, the Netherlands, France and Germany (with the exception of those valued by Stadim BV). The mandate of Jones Lang LaSalle BV, represented by Rod Scrivener, has a term of three years from 01/07/2021 until 30/06/2024.
ii. Stadim BV (with registered office at Mechelsesteenweg 180, 2018 Antwerp) for the valuation of certain assets in Belgium and in the Netherlands (with the exception of those valued by Jones Lang LaSalle BV). The mandate of Stadim BV, represented by Anton Braet, has a term of three years from 01/09/2020 until 30/09/2023.

Pursuant to article 47 of the RREC Act, the real estate experts valuate the property portfolio of the RREC and its perimeter companies[1] at the end of each financial year. Moreover, at the end of each first three quarters of the year, the real estate expert updates the total valuation made at the end of the previous year, depending on the market evolution and the characteristics of the real estate concerned. Finally, any property acquired or sold by the RREC (or its perimeter companies) is evaluated by the real estate expert in accordance with the provisions of article 47 of the RREC Act before the transaction takes place.

Pursuant to article 24, paragraph 4 of the RREC Act, the remuneration of the real estate expert shall not be directly or indirectly linked with the value of the property assessed by him. The fee of

(1) A "perimeter company" is a term used in the RREC Act and the RREC Royal Decree and refers to a company in which a RREC directly or indirectly holds more than 25% of the capital, including its subsidiaries within the meaning of article 6,2° of the Code of Companies and Associations.

the real estate expert is calculated based on a fixed fee per site in Belgium, the Netherlands, France and Germany. The real estate expert may also receive fees in the context of specific assignments.

For the financial year ended on December 31, 2022, the total fees paid for these assignments amounted to € 297,442 (exclusive of VAT).

Montea confirms that the real estate experts have consented to the inclusion of their report in this annual report and to the form or context in which it is included.

11.4 Research and development activities

In 2022 Montea did not carry out any research and development activities as referred to in articles 3:6 and 3:32 of the Code of Companies and Associations.

11.5 Regulations

Montea is a public regulated real estate company (*openbare reglementeerde vastgoedvennootschap/ société immobilière réglementée publique*) under Belgian law, listed on Euronext Brussels and Euronext Paris.

As a public regulated real estate company under Belgian law, Montea is subject to the Code of Companies and Associations, the RREC Act and the RREC Royal Decree. As a listed company it is also subject to all relevant legislation in that regard (including, but not limited to, the Transparency regulations).

Certain companies of the Montea group have adopted a specific legal form so that the special laws and regulations applicable to such legal forms must also be taken in account:

- The permanent establishment of Montea in France (Montea SA, established as branch) is recognized as SICC (Société d'Investissements Immobiliers Cotée);
- Some of the Belgian perimeter companies have taken the form of a specialised real estate investment fund (gespecialiseerd vastgoedbeleggingsfonds/fonds d'investissement immobilières spécialisé) within the meaning of the Royal Decree of November 9, 2016 on specialised real estate investment funds;
- In order to realise its real estate investments in the Netherlands Montea filed an application in September 2013 for the application of the fiscal regime of the 'Fiscale Beleggingsinstelling' (hereinafter referred to as **"FBI"**) as referred to in article 28 of the Corporate Income Tax Act 1969 with respect to Montea Nederland NV and its subsidiaries. On the date of this annual report Montea Nederland NV and its subsidiaries have not yet received a final decision of the Dutch tax administration approving the FBI status.

The details of each of these legal forms are explained below.

11.5.1 The regulated real estate company in Belgium

The regulated real estate company (RREC) introduced by the RREC Act makes it possible to create companies for the investment in real estate in Belgium, similar to what exists in many other countries: Real Estate Investments Trusts (REITs) in the United States, Fiscale Beleggingsinstellingen (FBI) in the Netherlands, G-REITs in Germany, *Sociétés d'Investissements Immobiliers Cotées* (SIIC) in France and UK-REITs in the United Kingdom.

The main characteristics of the regulated real estate company are as follows:

- must be incorporated in the form of a public limited liability company;
- be listed on the stock exchange, with a minimum "free float" of 30%;
- is supervised by the FSMA;
- may carry out all activities relating to the construction, conversion, renovation, development, acquisition, divestment, management and exploitation of real estate;
- cannot act as a "construction promoter"[1];
- mandatory risk-spreading: no more than 20% of the company's consolidated assets may be (i) invested in real estate constituting a single property or (ii) in "other real estate" as defined in article 2, 5°, vi to xi of the RREC Act;
- the (non-consolidated and consolidated) debt ratio is limited to 65% of the (non-consolidated and consolidated) assets;
- the issuing of securities and mortgages is limited to 50% of the total fair value of the aggregated consolidated whole of the property of the RREC and its perimeter companies and to 75% of the value of the encumbered property concerned;
- strict rules on conflicts of interest;
- quarterly assessment of the assets by an independent real estate expert;
- recognition of buildings at fair value, no depreciation;
- the results (rental income and capital gains on divestments less operating costs and financial charges) are exempt from corporate income tax as far as the RREC is concerned (but not its perimeter companies); however disallowed expenses and abnormal and gratuitous benefits are taxed;
- at least 80% of the amount of the adjusted statutory result[2] and the net capital gains on the sale of real estate not being exempt from the distribution obligation must be distributed, any reduction in the debt ratio during the financial year may, however, be deducted from the amount to be distributed;
- withholding tax of 30% (subject to certain exceptions) on dividends from regulated real estate companies, discharging natural persons residing in Belgium;
- companies which obtain a license as RREC or merge with a RREC are subject to a tax (exit tax) of 15% on latent capital gains and exempted reserves.

(1) The RREC Act defines a "construction promoter" as one whose main or secondary occupation, excluding occasional operations, is to establish or let establish buildings in order to dispose of all or part of them for valuable consideration either before their establishment, during their establishment or within a period of five years after their establishment.
(2) Calculated on the basis of the chart mentioned in Annex C of the RREC RD.

11.5.2 The specialised real estate investment fund in Belgium

The specialised real estate investment funds (*gespecialiseerd vastgoedbeleggingsfonds/fonds d'investissement immobilières spécialisé*) (SREIF) are governed by the Royal Decree of November 9, 2016 regarding specialised real estate investment funds (SREIF RD). As of 31/12/2022 there is one company of Montea group that has adopted the SREIF-status, being F.C.B. NV.

The main characteristics of the SREIF-status are:

- a light regulatory regime without the approval and direct supervision of the FSMA,
- registration on the SREIF list held by the Belgian Ministry of Finance;
- securities issued by a SREIF can only be acquired by eligible investors;
- subject to a similar tax regime as a RREC;
- may be exempted from the AIFM Act, if certain criteria are met;
- must hold real estate worth at least 10,000.000 EUR, this no later than the end of the second financial year following the inclusion on the SREIF list;
- a closed fund with fixed capital and not listed on a stock exchange;
- can only invest in "real estate", broadly defined, but with no mandatory diversification requirements or debt ratio restrictions;
- prohibited from exercising activities as "construction promoter" (as defined in the SREIF RD);
- conducts accounting in accordance with IFRS;
- subject to an annual mandatory distribution of 80% of its net result;
- duration limited to ten years with the possibility of extending this period for successive periods up to five years.

11.5.3 The "Société d'investissements immobiliers Cotée" (SIIC) in France

Montea also has a branch in France having the SIIC status (Société d'Investissements Immobiliers Cotée) which is also listed on the secondary market of Euronext Paris.

The tax characteristics of a RREC and SIIC are quite similar. In particular, they are both exempt from corporate tax on annual income and on capital gains, it being understood that profits from activities other than the letting or sale of real estate are subject to corporate tax.

The main characteristics of the SIIC status are as follows:

- exemption from corporate income tax on the share of profits derived from (i) the lease of buildings, (ii) the realised capital gains on the sale of buildings, (iii) the realised capital gains on the sale of securities in subsidiaries having the SIIC status or in partnerships with the same purpose, (iv) proceeds distributed by their subsidiaries having the SIIC status, and (v) the share of profits in partnerships that carry out a real estate activity;
- compulsory pay out of the operating result of: (i) 95% of the exempted profits derived from rental income, (ii) 60% of the exempted profits derived from the sale of buildings and securities of partnerships and subsidiaries subject to the SIIC regime, and (iii) 100% of the dividends paid to them by their subsidiaries subject to corporate income tax that have opted for the SIIC regime;
- at the moment of obtaining the SIIC status, the company is subject to a one-off discharging tax (the so-called "exit tax"). This tax is calculated on the basis of the difference between the investment value of the portfolio and the fiscal accounting value of the real estate. The exit tax applicable to a SIIC is 19%. Payment of the exit tax is spread over four years, with a first 15% instalment being paid at the end of the first year;
- no maximum debt ratio;
- free float of at least 40%.

11.5.4 The 'fiscale beleggingsinstelling (FBI)' in the Netherlands

In order to realise its real estate investments in the Netherlands, Montea filed an application in September 2013 for the application of the fiscal regime of the FBI for Montea Nederland NV and its subsidiaries. Up to now, Montea Nederland NV and its subsidiaries have not yet received a final decision from the Dutch tax authorities approving the FBI status.

For more details about the pending FBI application and its financial processing, please refer to the section "Risk Factors".

In mid-September 2022, the Secretary of State for Finance of the Netherlands has announced in the offer letter to the Tax Plan 2023 that the cabinet would introduce a so-called real estate measure in the corporate income tax, as a result of which FBIs would no longer be able to invest directly in real estate. Montea Nederland NV and its subsidiaries would therefore no longer be able to claim FBI status as of 2024. In the meantime the entry into force of this abolition was postponed to the beginning of 2025 allowing sufficient time for the companies concerned to take flanking measures.

The ongoing dialogue between Montea Nederland NV and its subsidiaries and the Dutch tax administration is not impacted by the announced 2025 real estate measure. This measure will have no retroactive effect and, hence, has no impact on the ongoing application of the FBI status for the previous years.

The main characteristics (legal requirements) of the FBI are:

- profits of the FBI are subject to the corporate tax rate of 0%;
- the legal form must be a private limited company (B.V.), a public limited company (NV), a common account fund, or similar body established under the law of an EU member state;
- the object and actual activities of the company consist (exclusively) of the investment of assets;
- the company must comply with two financing limits:
  - real estate investments may be financed with borrowed capital up to a maximum of 60% of the book values;
  - other investments may be financed only with borrowed capital for 20% of the book values;
- the company must comply with an annual pass-through obligation. This entails that the company must make its full annual operating profit available to shareholders within eight months as of the end of the financial year;
- the profit to be made available by the company must be distributed equally among all shares;
- for unlisted companies or companies which do not (or their managers do not) have a license under the Financial Supervisory Act (known by the initials WFT in Dutch), the following shareholder requirements apply:
  - 75% or more of the shares must be held by natural persons, or by entities that are not subject to any form of tax levied on profits, or by investment institutions that are similar to Dutch FBIs in nature and set-up;
  - the shares may not be held for 5% or more (in-)directly by natural persons;
  - the interest in the company may not be held for 25% or more by bodies established in the Netherlands which structured their interests through foreign entities.

11.6 Transactions with related parties

For an overview of the transactions between Montea and its related parties, we refer to section 7.4 (with regard to conflicts of interest) and section 9.2 (Note 42) of this annual report.

11.7 Documents available for consultation

The articles of association and deed of incorporation of Montea can be consulted at the registry of the enterprise court of Ghent, Dendermonde division. The articles of association can also be consulted on the website www.montea.com and below in section 11.9 of this annual report.

The statutory and consolidated accounts of Montea are filed with the National Bank of Belgium, in accordance with the relevant legal provisions. The decisions on the appointment and dismissal of members of the board of directors are published in the Belgian Official Gazette.

Notices convening general meetings of shareholders are published in the annexes to the Belgian Official Gazette and in one financial newspaper.

At least during the validity period of this annual report, the following documents can be consulted on the website www.montea.com:

- the coordinated articles of association of Montea;
- the Corporate Governance Charter;
- convocation notices and all documents (including reports, correspondence, other documents, historical financial information) relating to the general meeting of shareholders Montea that will deliberate on this annual report;
- all reports, letters and other documents drawn up by an expert at the request of Montea, part of which is included or referred to in this annual report;
- all press releases, annual reports, semi-annual reports and other (historical) financial information of the Montea group;
- reports of the statutory auditor and the real estate experts;
- the obligations of Montea and the rights of shareholders in connection with the general meetings of Montea.

This information will remain accessible on the Montea website for a period of at least five years from the date of the general meeting to which it relates.

11.8 Declarations

11.8.1 Responsible persons

The Sole Director of Montea is responsible for the information provided in this annual report.

11.8.2 Universal registration document

As competent authority under Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on prospectuses (the Prospectus Regulation), the FSMA approved Montea's registration document for two consecutive financial years. The latest approval is dated 26 July 2018. The FSMA approves the registration document only if the standards of completeness, comprehensibility and consistency laid down in the same Regulation are met. This approval should not be considered an approval of the issuer to which this registration document relates. Montea has opted since 2019 to file its universal registration document without prior approval in accordance with article 9 of the Prospectus Regulation. This universal registration document was filed, without prior approval, with the FSMA on 14 April 2023. In accordance with the Prospectus Regulation, this universal registration document also serves as an annual financial report. This universal registration document may be used in connection with a public offering of investment securities and the admission of investment securities to trading on a regulated market provided that it has been approved by the FSMA, together with any amendments and a securities note and summary approved in accordance with the Prospectus Regulation, if applicable.

Information made available through the website does not form part of this universal registration document unless that information has been incorporated by reference.

11.8.3 Statement in accordance with article 12 of the Royal Decree of November 14, 2007

The Sole Director declares in the name and on behalf of Montea that, having taken all reasonable measures, and to the best of its knowledge, the information contained in this annual report reflects the actual situation and that no data has been omitted the inclusion of which would alter the purport of this annual report and that:

1. the financial statements, which have been prepared in accordance with the applicable standards for financial statements, give a true and fair view of the assets, financial situation and results of Montea and the companies included in the consolidation;
2. the annual report gives a true overview of the development and the results of the company and the position of Montea and the companies included in the consolidation, as well as a description of the main risks and uncertainties with which they are confronted.

11.8.3.1 Declaration relating to information from third parties

The Sole Director declares in name and on behalf of Montea that the information provided by the real estate experts and the statutory auditor have been faithfully incorporated.

As far as the Sole Director is aware and able to ensure in the light of data published by third parties, no facts have been omitted which would render the information provided incorrect or misleading.

11.8.3.2 Statements on the future

This annual report includes forward-looking statements. Such statements are based on estimates and forecasts of the Company and contain by nature unknown risks, uncertainties and other factors that could result in the results, financial condition, performance and current achievements being different from those expressed or implicitly indicated in these forward-looking statements. Given these uncertainties the forward-looking statements provide no guarantee.

11.8.3.3 Information on previous years incorporated by reference

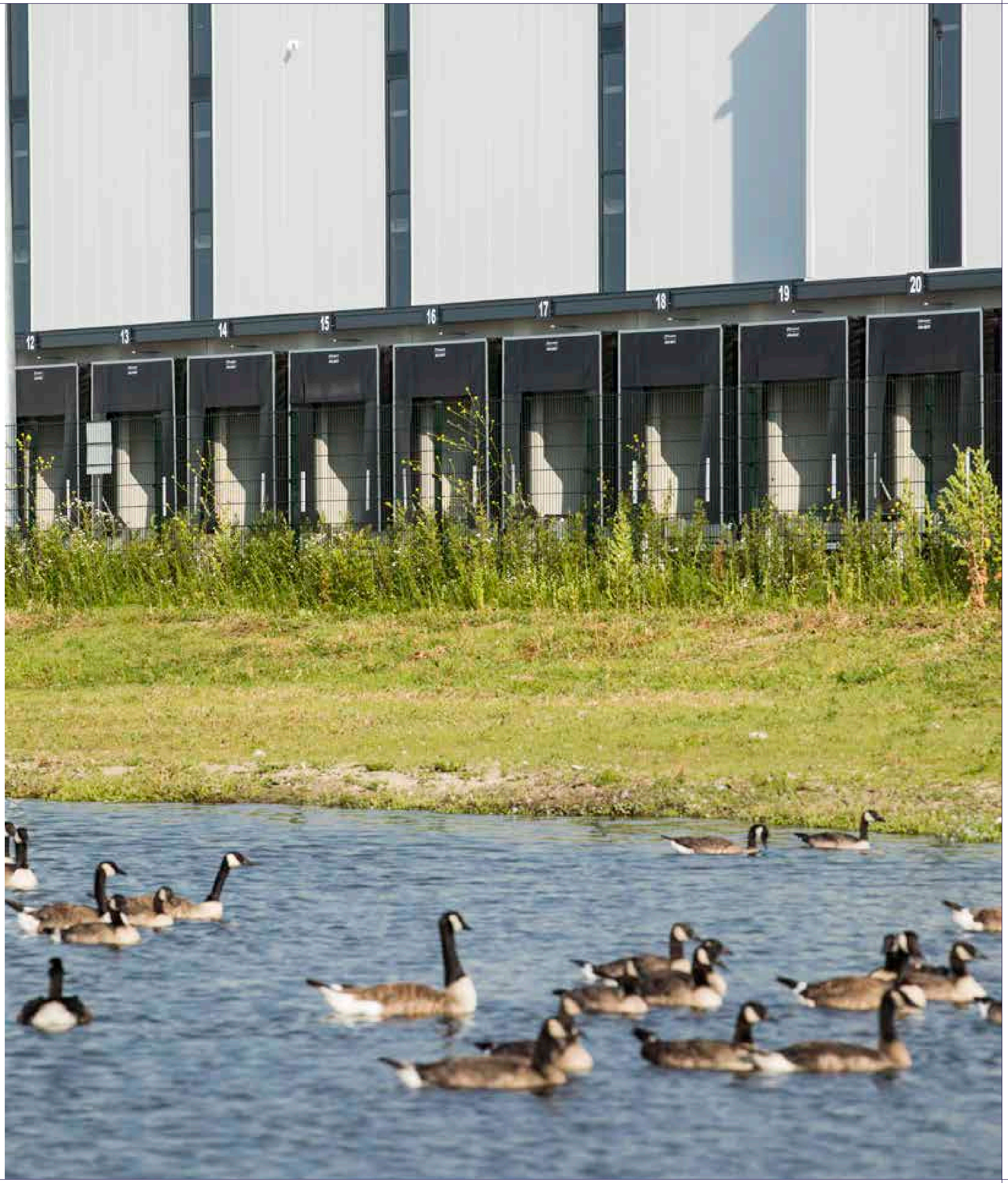
The annual reports for the past five years, which include the statutory and consolidated financial statements and statutory auditor's reports, as well as the half-yearly financial reports can be consulted on https://montea.com/investor-relations/financial-reports.

This annual report also includes information relating to previous years (2020 and 2021). The table below provides an overview of where this information can be found in the annual reports:

	Page
ANNUAL REPORT 2020	
Key figures	Section 5 page 24
Property porftolio	Section 6.6.4 page 58
Key ratios	Section 6.3.8 page 37
Condensed consolidated income statement	Section 8.1.2.1 page 68
Condensed consolidated balance sheet	Section 8.1.2.2 page 71
Stock exchange performance	Section 16.1 page 142
Consolidated and statutory financial statements	Section 18 page 148 and further
Auditor's report	Section 18.9 page 208
ANNUAL REPORT 2021	
Key figures	Section 5 page 34
Property porftolio	Section 7.1.2.2 page 83
Key ratios	Section 6.4.3 page 49
Condensed consolidated income statement	Section 7.1.2.1 page 80
Condensed consolidated balance sheet	Section 7.1.2.2 page 83
Stock exchange performance	Section 15.1 page 156
Consolidated and statutory financial statements	Section 17 page 165 and further
Auditor's report	Section 17.9 page 223
ANNUAL REPORT 2022	
Key figures	Section 5.1.1 page 104
Property porftolio	Section 5.1.3.2 page 116
Key ratios	Section 9.3.5 page 322
Condensed consolidated income statement	Section 5.1.3.2 page 111
Condensed consolidated balance sheet	Section 5.1.3.3 page 114
Stock exchange performance	Section 6.1 page 148-149
Consolidated and statutory financial statements	Section 9.3 page 224
Auditor's report	Section 10.3 page 392

11.9 Articles of assocation

The most recent version of the Montea articles of association is dated February 10, 2023, following the amendment of the articles of association regarding the renewal and replacement of the authorisation regarding the authorised capital. Any amendment to the Montea articles of association must be done in accordance with the rules set out in de Code of Companies and Associations, the RREC and the RREC Royal Decree.



TITLE I – TYPE OF COMPANY

Article 1 – Form and name

1.1. The Company has the form of a public limited liability company with the name: "Montea".

1.2. The Company is a public regulated real estate company (abbreviated, "public RREC") in the meaning of the Act of May 12, 2014 on regulated real estate companies, as amended from time to time (hereinafter the "RREC law"), whose shares are admitted to trading on a regulated market which raises its financial resources in Belgium or abroad through a public offering of shares.

The name of the Company is preceded or followed by the words "public regulated real estate company under Belgian law" or "Public RREC under Belgian law" and all documents emanating from the Company will bear the same statement.

The Company is subject to the RREC law and the Royal Decree of July 13, 2014 regarding regulated real estate companies, as amended from time to time (hereinafter referred to as the RREC Royal Decree") (this act and this royal decree are hereinafter jointly referred to as "the RREC legislation").

Article 2 – Registered office, e-mail address and website

The registered office is situated in the Flemish Region.

The governing body is authorised to relocate the Company's registered office within Belgium, on condition that said relocation, in accordance with the applicable language legislation, does not require an amendment to the language of the articles of association. Such decision does not require an amendment to the articles of association unless the Company's registered office is being relocated to a different Region. In this latter case, the governing body is authorised to decide on the amendment to the articles of association.

If the language of the articles of association has to be changed as the result of the relocation of the registered office, only the general meeting may take this decision in accordance with the requirements laid down for an amendment to the articles of association.

The Company may, by simple decision taken by the governing body, establish administrative offices, subsidiaries or branches, both in Belgium and abroad.

The e-mail address of the Company is: info@montea.com.The website of the Company is: www.montea.com

The governing body may change the Company's e-mail address and website in accordance with the Code of Companies and Associations.

Article 3 – Object

3.1. The Company's object is exclusively:
(a) to make real estate property available to users, directly or via a company in which it owns a holding, in accordance with the terms of the RREC and in execution of the decisions taken and regulations set under it; and
(b) within the boundaries of the RREC legislation, to own property within the meaning of the RREC legislation. If the RREC legislation changes in the future and designates other types of assets as real estate within the meaning of the RREC legislation, the Company will also be allowed to invest in these additional types of assets.
(c) in the long term, to conclude or join one or more contracts with a public client, directly or through a company in which it owns equity interest pursuant to the provisions of the RREC Act and the implementing decrees and regulations, if necessary in cooperation with third parties:
(i) "Design, Build, Finance" (DBF) agreements;
(ii) "Design, Build, (Finance) and Maintain" DB(F)M agreements;
(iii) "Design, Build, Finance, (Maintain) and Operate" DEF(M)O agreements; and/or
(iv) public works concession agreements for buildings and/or other immovable infrastructure and services relating thereto, and on the basis of which:
(i) it ensures the provision, maintenance and/or operation for the benefit of a public entity and/or the citizen as end-user, in order to meet a social need and/or to provide a public service; and
(ii) it can bear all or part of the related financing, availability, demand and/or operating risk, in addition to any construction risk, without necessarily having rights in rem; or
(d) in the long term, either directly or through a company in which it owns equity pursuant to the RREC Act and the resolutions and regulations adopted pursuant thereto, if necessary, in cooperation with third parties, develop, have developed, set up, manage, operate, run or make available to third parties:
(i) facilities and repositories for the transport, distribution or storage of electricity, gas, fossil or non-fossil fuel and energy in general and related goods;
(ii) utilities for the transport, distribution, storage or purification of water and related goods;
(iii) installations for the generation, storage and transport of renewable or non-renewable energy and related goods; or
(iv) waste and incineration plants and related goods.
(e) the initial holding of less than 25% of the capital or, if the company concerned has no capital, less than 25% of the equity of a company in which the activities referred to in Article 4.1, (c) above are carried out, insofar as said equity interest is converted into an equity interest in accordance with the provisions of the RREC legislation within two years, or any longer period required by the public entity with which the contract is concluded in this respect, following the end of the construction phase of the PPP project (within the meaning of the RREC legislation) as a result of a transfer of shares. If the RREC legislation should be amended in the future and authorize the Company to perform new activities, the Company will also be authorized to perform those additional activities. For the provision of immovable property, the Company may, in particular, carry out all activities relating to the creation, reconstruction, renovation, development, acquisition, disposal, management and operation of immovable property.

3.2. The Company may invest, on an ancillary or temporary basis, in securities other than real estate within the meaning of the RREC legislation. Such investments shall be made in accordance with the risk management policy adopted by the Company and shall be diversified in order to ensure appropriate risk diversification. The Company may also hold unallocated liquid assets in any currency in the form of sight or term deposits or in the form of any other easily negotiable monetary instrument.
In addition, the Company may enter into transactions relating to hedging instruments for the sole purpose of hedging interest rate and exchange rate risks in the financing and management of the Company's activities as referred to in Article 4 of the RREC Act and excluding any transaction of a speculative nature.

3.3. The Company may acquire or lease one or more real estate properties. The activity of property leasing with a purchase option may be exercised only on an ancillary basis, unless such immovable property is intended for a general interest including social housing and education (in which case the activity may be exercised as the main activity).

3.4. The Company may, by means of a merger or in any other way, take an interest in all businesses, enterprises or companies with a similar or complementary purpose, and of such a nature as to promote the development of its business and, in general, it may carry out all operations directly or indirectly related to its corporate purpose as well as all acts that are relevant or necessary to attaining said corporate purpose".

Article 4 – Prohibition provisions

The Company may not in any way:
- *act as a property developer in the sense of the RREC legislation, with the exception of occasional transactions;*
- *participate in an association for permanent acquisition or guarantee;*
- *lend financial instruments, with the exception of loans granted under the conditions and in accordance with the provisions of the Royal Decree of March 7, 2006;*
- *acquire financial instruments issued by a company or private law association that has been declared bankrupt, that has entered into a private agreement with its creditors, that is the subject of judicial reorganisation proceedings,*

that has obtained deferral of payment, or that is the subject of a similar measure in another country.
• make contractual arrangements or implement statutory provisions in respect of perimeter companies, that might affect their voting rights attributed to them under the applicable law in relation to a shareholding of 25% plus one vote.

Article 5 - Duration

5.1. The Company is established for an indefinite period.

5.2. The Company will not be terminated on account of the dissolution, exclusion, withdrawal, bankruptcy, judicial reorganisation or for any other reason of the termination of the sole director's functions.

TITEL II - CAPITAL – SHARES

Article 6 - Capital

6.1. Registration and payment of the capital
The company share capital is set at three hundred and sixty-seven million three hundred and fifty-two thousand nine hundred and ten euros and thirty-nine eurocents (€ 367,352,910.39) and is represented by eighteen million twenty-five thousand two hundred and twenty (18,025,220) shares without par value, and which represents one/ eighteen million twenty-five thousand two hundred and twentieths (1/18,025,220) part of the capital.

6.2. Capital increase
Any capital increase will be made in accordance with the Code of Companies and Associations and the RREC legislation. The Company is prohibited from directly or indirectly subscribing to its own capital increase. On the occasion of any capital increase, the governing body shall determine the price, the possible issue premium and the conditions of issue of the new shares, unless the general meeting of shareholders itself would determine them.

If an issue premium is requested, it must be booked in one or more separate equity accounts in the liabilities section of the balance sheet. The governing body may freely decide to place any issue premiums, possibly after deduction of an amount equal at most to the cost of the capital increase within the meaning of the applicable IFRS rules, in an unavailable account which shall constitute the guarantee of third parties on the same footing as the capital and which may under no circumstances be reduced or abolished except by a decision of the general meeting decisive as regards the amendment of the articles of association, except for conversion into capital.

The contributions in kind may also relate to the dividend right within the framework of the distribution of an optional dividend, with or without an additional contribution in cash. In the event of a capital increase by cash contribution by decision of the general meeting or within the framework of the authorized capital, the shareholders' preferential right can only be restricted or cancelled insofar as, to the extent required by the RREC legislation, an irreducible allocation right is granted to the existing shareholders when allocating new securities in accordance with the conditions provided for in the RREC legislation. Capital increases by contribution in kind are subject to the provisions of the Code of Companies and Associations and must be carried out in accordance with the conditions set out in the RREC legislation.

6.3. Authorized capital
The governing body is authorized to increase the company capital in one or several instalments on the dates and in accordance with the conditions as it will determine, in accordance with applicable law, by a maximum amount of:
(a) one hundred and eighty-three million six hundred and seventy-six thousand four hundred and fifty-five euro and twenty eurocents (€ 183,676,455.20) for public capital increases by way of cash contribution whereby the shareholders of the Company may exercise the statutory preferential right or the irreducible allocation right;
(b) one hundred and eighty-three million six hundred and seventy-six thousand four hundred and fifty-five euro and twenty eurocents (€ 183,676,455.20) for capital increases in connection with the payment of an optional dividend;
(c) thirty-six million seven hundred and thirty-five thousand two hundred and ninety-one euros and four eurocents (€ 36,735,291.04) for capital increases by way of (i) contribution in kind (other than as referred to in paragraph (b) above), (ii) contribution in cash without the possibility for the shareholders of the Company to exercise the preferential right or irreducible allocation right, or (iii) any other kind of capital increase,
it being understood that, in any event, the board of directors will never be able to increase the capital by more than the maximum amount of three hundred sixty-seven million three hundred fifty-two thousand nine hundred and ten euro and thirty-nine eurocents (€ 367,352,910.39).
This authorisation is granted for a period of five (5) years from the publication of the minutes of the extraordinary general meeting of February 10, 2023.

In the event of a capital increase accompanied by a payment or placement of an issue premium, only the amount subscribed to the capital shall be deducted from the usable permanent amount of the authorised capital. When capital increases decided to under these authorisations include an issue premium, the amount thereof should be booked on one or more own separate equity accounts on the liabilities side of the balance sheet.

The capital increases thus decided by the board of directors can be carried out by way of a contribution in cash or contribution in kind in accordance with the applicable legislation, or by way of an incorporation of reserves or issue premiums with or without creation of new shares. The capital increases may give rise to the issue of shares with or without voting rights. These capital increases may also be made by issuing convertible bonds or subscription rights – whether or not attached to another movable asset – which may give rise to the issue of shares with or without voting rights.
Capital increases by way of a contribution in kind are carried out in accordance with the conditions set out in the RREC Legislation and in accordance with the conditions set out in the articles of association. Such contributions may also relate to the dividend right in the context of the distribution of an optional dividend.
The board of directors is entitled to cancel or limit the preferential right of the shareholders, even if this benefits particular persons other than employees of the Company or its subsidiaries, insofar as and to the extent required by the RREC Legislation, an irreducible allocation right is granted to the existing shareholders when allocating new securities. Where applicable this irreducible right of attribution complies with the conditions set out in the RREC Legislation and the articles of association. Without prejudice to the application of the applicable regulations, the aforementioned restrictions in the context of the cancellation or limitation of the preferential right shall not apply in case of contribution in cash with cancellation or limitation of the preferential right, (i) in the context of the authorised capital where the cumulative amount of the capital increases carried out in accordance with article 26, §1, third paragraph RREC legislation over a period of twelve (12) months, does not exceed ten percent (10%) of the amount of capital at the time of the capital increase decision, or (ii) following a contribution in kind in the context of the distribution of an optional dividend to the extent that this is effectively made payable to all shareholders.

6.4. Acquiring, pledging and disposing of own shares.
The Company may acquire, pledge or dispose of its own shares under the conditions stipulated by law.

The governing body is specifically authorized for a period of five (5) years from the publication in the Annexes to the Belgian Official Gazette of the decision of the extraordinary general meeting of November 9, 2020, to acquire or take in pledge (even outside the stock exchange) on behalf of the Company, the Company's own shares with a maximum of ten percent (10%) of the total number of issued shares at a unit price that may not be lower than seventy-five percent (75%) of the average closing price of the Montea share on the regulated market Euronext Brussels during the last twenty (20) trading days prior to the date of the transaction (acquisition and pledge) and that may not be higher than one hundred twenty-five (125%) of the average closing price of the Montea share on the regulated market Euronext Brussels during the last twenty (20) trading days prior to the *date of the transaction (acquisition and pledge). The governing body is also expressly authorized to dispose of the Company's own shares to, inter alia, one or more specified persons other than members of the personnel of the Company or its subsidiaries, subject to compliance with the Code of Companies and Associations.*

The authorizations referred to above do not affect the possibilities, in accordance with the applicable legal provisions, for the board of directors to acquire, pledge or dispose of shares in the Company if no authorization is required by the articles of association or authorization from the general meeting of shareholders for this purpose, or if this is no longer required.

The authorizations referred to above extend to the acquisitions and disposals of shares of the Company by one or more direct subsidiaries of the Company, within the meaning of the legal provisions governing the acquisition of shares of their parent company by subsidiaries.

6.5. Capital reduction
The Company may proceed with capital reductions subject to compliance with the statutory requirements therein.

6.6. Mergers, splits and similar transactions
The mergers, demergers and similar transactions referred to in the Code of Companies and Associations must be carried out in accordance with the conditions provided for in the RREC legislation and the Code of Companies and Associations.

Article 7 – Nature of shares
The shares are without par value.

The shares are registered or dematerialised, depending on the preference of the owner or holder (referred to hereinafter as the "Holder") and in line with any restrictions imposed by law. The Holder may at any time and at no charge request the conversion of his/her/its registered shares into dematerialised shares.

Each dematerialised share will be represented by an entry in an account in the name of its Holder, with a recognised account holder or settlement institution.

A register of registered shares will be kept at the Company's registered office. Where applicable, this register may also be in electronic form. The Holders of registered shares may examine the entire register of registered shares.

Article 8 – Other securities
The Company may issue all securities that are not prohibited by or under the law, with the exception of profit shares and similar securities and subject to the specific provisions of the RREC Act and the articles of association. These securities may take the forms provided for in the Code of Companies and Associations.

Article 9 – Listing on the stock exchange and disclosure of major holdings
The Company's shares must be allowed to trade on a Belgian regulated market, in accordance with the RREC legislation.

The thresholds which when exceeded will result in a notification obligation under the law in terms of the disclosure of major holdings in issuers whose shares are allowed to be traded on a regulated market, are set at 3%, 5% and any multiple of 5% of the total number of existing voting rights. Subject to the exceptions provided for by law, no one may attend the Company's general meeting of shareholders with more voting rights than those linked to the securities that they own, in accordance with the aw, have notified at least twenty (20) days prior to the date of the general meeting of shareholders. The voting rights attached to these unreported shares are suspended.

Article 10 - Management
10.1. The Company is managed by a sole director, designated in the current articles of association. The sole director of the Company is a public limited liability company, which meets the legal requirements. The sole director is the governing body referred to elsewhere in these Articles of Association.

10.2. Appointed as the sole director until September 30, 2026: namely the public limited liability company, Montea Management, whose registered office is situated at 27 Industrielaan, 9320 Erembodegem, entered in the register of legal entities for Dendermonde under number 0882.872.026.

10.3. The board of directors of the sole director shall include at least three independent directors in accordance with applicable law. The members of the managing bodies of the sole director must be natural persons; they must meet the requirements of good repute and competence as set out in the RREC legislation and must not fall within the scope of the prohibitions laid down in the RREC legislation.

10.4. The appointment of the sole director shall be subject to prior approval by the Financial Services and Markets Authority (FSMA).

10.5. The sole Director shall not be jointly and severally liable for the Company's obligations.

Article 11 – End of the sole director's mandate
11.1. The statutorily appoint sole director is appointed permanently and its appointment is irrevocable, except by a court, and for legal reasons.

11.2. The functions of the sole director will come to an end under the following circumstances:
- *the expiration of the term of its mandate;*
- *resignation: the sole director may only resign if the resignation is possible in the context of the sole director's undertakings vis-à-vis the Company and insofar as it does not cause the Company any difficulties; the sole director's resignation must be notified by convening a general meeting of shareholders for which the agenda is to establish the resignation and the measures to be taken; this general meeting of shareholders must be convened at least one month before the resignation comes into effect;*
- *the dissolution, declaration of bankruptcy or any other similar procedure relating to the sole director;*
- *the loss, in terms of all members of the management bodies or the day-to-day management of the sole director, of the requirements of dependability, qualifications and experience required by the RREC legislation; if this should be the case, the sole director or statutory auditor must convene a general meeting of shareholders for which the agenda is the establishment of the loss of the requirements and the measures to be taken; this meeting must be convened within six (6) weeks; if one or more members of the governing bodies or the day-to-day management of the business manager no longer meet the requirements stated above, the business manager must replace them within one month; after this period, the Company meeting will be convened as set out above; this will be the case in any one instance, subject to the measures that the FSMA might take pursuant to the powers provided by the RREC legislation;*
- *the prohibition in the sense of article 15 of the RREC Act that all members of the management bodies or the day-to-day management of the sole director might encounter; in this case, the sole director or the company auditor must convene the general meeting of shareholders for which the agenda is to establish the loss of these requirements and the decisions to be taken; this meeting must take place within one month; if one or more members of the management bodies or the day-to-day management of the business manager no longer meet the requirements stated above, the sole director must replace them within one month; after this period, the Company meeting will be convened as set out above; this will be the case in any one instance, subject to the measures that the FSMA might take pursuant to the powers provided by the RREC legislation.*

11.3. In the event of the termination of the functions of the sole director, the Company will not be dissolved. This sole director will be replaced by the general meeting of shareholders, deliberating in the same way as for an amendment to the articles of association, after being convened by the statutory auditor or, if there is not one, at the request from any stakeholder, by the temporary administrator appointed by the president of the commercial tribunal, whether this person is a partner or not. The temporary administrator will *convene the general meeting of shareholders within fifteen days of being appointed in the way defined by the articles of association. The temporary administrator is then liable no further for the execution of his assignment. The temporary administrator will conduct urgent, purely management matters until the time of the first general meeting.*

Article 12 – Minutes

The sole director's deliberations will be recorded in minutes that will be signed by him.

These minutes will be recorded in a special register. The delegations, recommendations and votes that are made in writing, as well as any other documents, will be attached to it.

The statements or extracts to be presented in court or elsewhere will be signed by the sole director.

Article 13 – Remuneration of the sole director

13.1. The sole director will receive remuneration established in accordance with the terms defined below pursuant to the RREC legislation. The sole director will also be entitled to the reimbursement of expenses connected with his assignment.

13.2. The fixed part of the statutory sole directors' remuneration will be set annually by the Company's general meeting of shareholders. This remuneration will not be less than fifteen thousand euro (€ 15,000.00) on an annual basis.

The variable statutory part is equivalent to zero point two-five per cent (0.25%) of the Company's net consolidated result, with the exclusion of all fluctuations in the fair value of the assets and hedging instruments.

13.3. Calculation of the remuneration is subject to checks by the statutory auditor.

Article 14 – Powers of the sole director

14.1. The sole director shall have the most extensive powers to perform all acts necessary or useful for the realisation of the object with the exception of those acts reserved by law or by the articles of association for the general meeting.

14.2. The sole director shall prepare the half-yearly reports as well as the annual report.

14.3. The sole director appoints one or more independent valuation experts in accordance with the RREC legislation and, if necessary, proposes any amendment to the list of experts included in the file accompanying the application for recognition as a RREC.

14.4. The sole director may delegate to any agent, in whole or in part, its powers with respect to special and specific purposes.

The sole director may, in accordance with the RREC legislation, determine the remuneration of any agent to whom special powers are granted. The sole director can revoke the mandate of such proxy or proxies at any time.

Article 15 – Advisory and specialized committees

The sole directors' board of directors will establish an audit committee and a remuneration and nomination committee in its midst and define their composition, tasks and powers. The sole directors' board of directors may also establish one or more consultative committees in its midst and under its responsibility, for which it will define and composition and tasks.

Article 16 – Effective leaders

Without prejudice to the transitional provisions, the effective management of the Company will be entrusted to at least two natural persons.

The persons charged with the effective management must comply with the requirements of dependability and expertise, as provided for in the RREC legislation, and may not fall within the scope of the prohibition conditions set out in the RREC legislation.

The appointment of the effective leaders actual managers must be submitted in advance to the FSMA for approval.

Article 17 – Representation of the Company and signature of documents

Except where there is special transfer of powers by the sole director, the Company will be validly represented in all dealings, including those for which a public or ministry official provides collaboration, as well as in court, either as plaintiff or defendant, by the sole director in accordance with the legal and statutory rules of representation of that business manager/legal entity.

The Company is therefore validly represented by special authorized representatives of the Company within the limits of the mandate assigned to them by the sole director for that purpose.

Article 18 – Revised supervision

The Company appoints one or more statutory auditors to perform the functions entrusted to them under the Code of Companies and Associations and the RREC legislation. The statutory auditor must be approved by the FSMA.

.Article 19 – General meeting of shareholders

The annual general meeting will convene on the third (3) Tuesday of May at ten (10.00) am.
If this day falls on a statutory public holiday, the meeting will be held on the previous working day at the same time (Saturdays and Sunday are not working days).

The ordinary or extraordinary general meeting of shareholders will be held at the Company's registered office or at any other location stated in the letter of summons or in any other way.

The threshold from which one or more shareholders may demand the calling of a general meeting in order to present one or more proposals, and in accordance with the Code of Companies and Associations, is set at max. ten percent (10%) of the capital.

One or more shareholders, who together own at least three per cent (3%) of the capital, may in accordance with the terms of the Code of Company and Associations, request that the topics to be discussed be included on the agenda of any general meeting of shareholders and may propose items to be decided on in relation to the topics to be discussed that are on the agenda or that will be included on it.

Article 20 – Attendance at the meeting

The right to attend a general meeting of shareholders and to exercise a voting right depends on the accounting registration of the shareholder's registered shares at midnight (Belgian time) (referred to below as the registration date), either by registering them in the Company's registered shares register, or by registering them in the accounts of an accredited account holder or settlement institution, regardless of the number of shares owned by the shareholder in the day of the general meeting.

The owners of dematerialized shares who wish to take part in the meeting must submit a certificate issued by their financial intermediary or accredited account holder, stating the number of dematerialized shares registered on the registration date in their accounts in the name of the shareholder and for which the shareholder has indicated that he or she wishes to attend the general meeting. They shall notify the Company or the person designated by the Company for that purpose, as well as their wish to participate in the general meeting of shareholders, if applicable by sending a proxy, at the latest on the sixth day prior to the date of the general meeting via the Company's email address or via the email address specifically mentioned in the convocation.

The owners of registered shares who wish to participate in the meeting must notify the Company, or the person it has designated for that purpose, of their intention no later than the sixth (6th) day preceding the date of the meeting, via the Company's email address or via the email address specifically mentioned in the convocation, or, as the case may be, by sending a proxy.

Article 21 – Voting by proxy

Any owner of securities granting the right to take part in the general meeting may be represented by a proxy, who/which may or may not be a shareholder.

The shareholder may only appoint one person as proxy for a particular general meeting, subject to the derogations stated in the Code of companies and associations.

The proxy must be signed by the shareholder and must be notified to the Company no later than on the sixth day prior to the general meeting. This will be done via the Company's e-mail address or via the e-mail address specifically stated in the convening notice.

The governing body may draw up a proxy form.
If more than one person holds right in rem to the same share, the Company may suspend the exercise of the voting rights attached to the share until such time as one person has been designated as the holder of the voting rights.

Article 22 – Bureau

All general meetings will be presided over by the chairman of the board of directors of the sole director or, in his/her absence, by the person appointed by the directors present.
The chairman will appoint the secretary and the scrutineer of the votes. These persons do not have to be shareholders. These two functions may be carried out by a single person.
The chairman, secretary and scrutineer constitute the bureau.

Article 23 – Number of votes

Each share entitles the holder to one (1) vote, without prejudice to cases where the voting right provided for in theCode of Companies and Associations or any other applicable law has been suspended.

Article 24 - Deliberation

The general meeting may validly deliberate and vote, regardless of the proportion of the capital present or represented, except in cases where the Code of Companies and Associations requires an attendance quorum on condition that the sole director is present or represented. If the sole director is not present or represented, the general meeting must be reconvened and the second meeting will validly deliberate and vote regardless of whether the sole director is present or represented at this second meeting.

The general meeting may only validly deliberate on amendments to the articles of association if at least half of the capital is present or represented. If this condition is not fulfilled, the general meeting must be reconvened and the second meeting will make valid decisions regardless of the proportion of the capital represented by the shareholders present or represented.

Decisions of the general meeting in relation to an amendment to the articles of association, distributions to the shareholders or the dismissal of the sole director may only be taken validly subject to the approval of the sole director.

The general meeting may not deliberate on topics that are not on the agenda.

Unless stated otherwise in a statutory provision, any decision of the general meeting must be approved by a majority of votes cast, regardless of the number of shares represented. Blank or invalid votes cannot be added to the number of votes cast. If the votes are tied, the proposal will be rejected.

Any amendment to the articles of association will only be permitted if it is approved by at least three-quarters (3/4) of the votes cast or, if it relates to a change of in the Company's object, by four-fifths (4/5) of the votes cast, where abstentions are neither included in the numerator or the denominator. Voting will be conducted by a show of hands or roll call, except where the general meeting decides otherwise by a simple majority of the votes cast.

Any proposed amendment to the articles of association must be submitted beforehand to the FSMA.

An attendance list showing the names of the shareholders and the number of shares will be signed by each of the shareholders or by a representative prior to the beginning of the meeting.

Article 25 – Remote voting

Shareholders will be authorised to vote remotely by letter, using a form drawn up and made available by the Company, provided the governing body has authorised the use of remote voting in the convocation letter.

This form must state the date and place of the meeting, the name or title of the shareholder and his/her/its place of residence or registered office, the number of votes that the shareholder wishes to vote with at the general meeting, the form of the votes held by the shareholder, the topics on the agenda for the meeting (including proposals for decisions) and a space allowing the shareholder to vote for or against each decision proposal, or to abstain, as well as the deadline by which the voting form must reach the Company. The form must expressly state that it must be signed and reach the Company at the latest on the sixth day prior to the meeting, in the manner stated in the convocation letter.

Under article 7:137 of the Code Companies and Associations, the governing body can provide the possibility for each shareholder and any other holder of securities referred to in article 7:137 of the Code of Companies and Associations to vote remotely at the general meeting using a means of electronic communication made available by the Company.

Shareholders who take part in the general meeting in this way are, for the purpose of fulfilling the majority and attendance conditions, deemed to be present at the place where the meeting is held. The means of electronic communication mentioned above must enable the Company to verify the capacity and identity of the shareholder in accordance with methods established by the governing body. This body may set any additional conditions designed to safeguard the security of the means of electronic communication. The means of electronic communication must at least enable the holders of securities mentioned in the first paragraph to be aware directly, simultaneously and uninterruptedly of discussions during the meeting and, for shareholders, to exercise their voting right in relation to all of the topics on which the meeting is to express itself.

The governing body may also ensure that the means of electronic communication enables them to take part in the deliberations and ask questions. If the governing body provides the ability to take part in the general meeting by way of a means of electronic communication, the letter of convocation to the general meeting will state the terms and procedures that apply.

Article 26 – Minutes

The minutes of the general meeting will be signed by the members of the bureau and by any shareholders who request to do so. Copies of or extracts from the minutes that are used in court or otherwise must be signed by the sole director.

TITLE V – FINANCIAL YEAR – ANNUAL ACCOUNTS - DIVIDENDS – ANNUAL REPORT

Article 27 – Financial year – annual accounts

The financial year commences on January 1st and ends on December 31st each year. At the end of each financial year, the books and accounting transactions will be closed and the governing body will draw up an inventory, as well as the annual accounts.

The governing body will draw up a report (the annual report), in which the board of directors accounts for its management. The statutory auditor will prepare a written and comprehensive report for the annual general meeting (the audit report).

Article 28 – Dividends

Within the limits set by the Code of Companies and Associations and the RREC legislation, the Company must distribute a dividend to its shareholders, the minimum amount of which is set by the RREC legislation.

Article 29 – Interim dividends

The governing body may, under its own responsibility, decide to pay out interim dividends in the cases and at the periods permitted by law.

Article 30 – Availability of the annual and half-yearly reports

The Company's annual and half-yearly reports containing the Company's statutory and consolidated annual and half-yearly accounts, as well as the report from the statutory auditor, will be made available to the shareholders in line with the provisions that apply to the issuers of financial instruments permitted for trading on a regulated market and with the RREC legislation.

The Company's annual and half-yearly reports will be published on the Company website.

Shareholders may obtain a free copy of the annual and half-yearly reports from the Company's registered office.

TITLE VI – DISSOLUTION – LIQUIDATION

Article 31 – Loss of capital
In the event of the capital being reduced by one-half or three-quarters, the governing body must submit to the general meeting the request for dissolution pursuant to and in accordance with the provisions of the Companies and Associations Code.

Article 32 – Appointment and powers of the liquidators
In the event of the dissolution of the Company, for whatever reason and at whatever time, the liquidation will be conducted by the sole director, who will receive remuneration in accordance with what is stated in article 13 of the articles of association.

In the event the sole director does not accept this task, liquidation will be conducted by one or more liquidators, who/which may be natural persons or legal entities appointed by the general meeting of shareholders.

If, according to the statement of assets and liabilities prepared in accordance with the Companies and Associations Code, it appears that not all of the creditors can be paid in full, the appointment of the liquidators in the articles of association or by the general meeting must be submitted to the president of the court for confirmation. However, this confirmation is not required if the statement of the assets and liabilities shows that the Company's only debts are to its shareholders and that all of the shareholders who are the Company's creditors agree to the appointment in writing.

If no liquidators are appointed or designated, then it is the sole director who will automatically be deemed to be liquidator vis-à-vis third parties, albeit without the powers allocated by law and the articles of association in relation to liquidation transactions allocated to the liquidator stated in the articles of association, by the general meeting or by the court. Where appropriate, the general meeting will determine the remuneration of the liquidators. The liquidation of the Company will be closed in accordance with the provisions of the Companies and Associations Code.

Article 33 - Distribution
Distribution to the shareholders will not take place until after the meeting to close the liquidation.

Except in the event of a merger, the net assets of the Company, once all debts have been discharged or the sums necessary for that purpose have been set aside, will first be applied to repay all fully paid-up capital. Any balance will be distributed equally among all of the Company's shareholders in proportion to the number of shares they own.

TITLE VII – GENERAL AND TRANSITIONAL PROVISIONS

Article 34 – Choice of domicile
For the execution of the articles of association, the sole director and any shareholder domiciled abroad, as well as any statutory auditor, director and liquidator, is deemed to elect domicile in Belgium. Failing this, such persons shall be deemed to have elected domicile at the Company's registered office, at which place all notices, summonses or official notifications may be validly served on them.

The holders of registered shares are required to notify the Company of any change to their place of domicile. If this is not the case, all notices, summonses or official notifications may be validly served to their last known place of domicile.

Article 35 – Jurisdiction
All disputes between the Company, its shareholders, bond holders, sole director, statutory auditors and liquidators relating to Company matters and in execution of these articles of association, will derive to the exclusive competence of the Company's registered office, except where the Company expressly waives such jurisdiction.

Article 36 – General provisions
Any provisions of these articles of association that may be contrary to the provisions of the RREC legislation or any other applicable legislation shall be considered as not written. The nullity or any one article or part of an article in these articles of association will not affect the validity of the other statutory clauses (or parts thereof).

11.10 Concordance table of the Universal Registration Document

This cross-reference table includes includes the headings provided for in Annexes I and II of the Commission Delegated Regulation (EU) 2019/980 of 14.03.2019 and refers to the pages of this universal registration document where the information relating to each of these headings is mentioned.

CHAPTER 1	PERSONS RESPONSIBLE, THIRD PARTY INFORMATION, EXPERTS' REPORTS AND COMPETENT AUTHORITY APPROVAL	P.
Item 1.1	Identify all persons responsible for the information or any parts of it, given in the registration document with, in the latter case, an indication of such parts. In the case of natural persons, including members of the issuer's administrative, management or supervisory bodies, indicate the name and function of the person; in the case of legal persons indicate the name and registered office.	Chapter 11 (p. 418)
Item 1.2	A declaration by those responsible for the registration document that to the best of their knowledge, the information contained in the registration document is in accordance with the facts and that the registration document makes no omission likely to affect its import. Where applicable, a declaration by those responsible for certain parts of the registration document that, to the best of their knowledge, the information contained in those parts of the registration document for which they are responsible is in accordance with the facts and that those parts of the registration document make no omission likely to affect their import.	Chapter 11 (p. 418)
Item 1.3	Where a statement or report attributed to a person as an expert, is included in the registration document, provide the following details for that person: a) name; b) business address; c) qualifications; d) material interest if any in the issuer. If the statement or report has been produced at the issuer's request, state that such statement or report has been included in the registration document with the consent of the person who has authorised the contents of that part of the registration document for the purpose of the prospectus.	Chapter 11 (p. 418)
Item 1.4	Where information has been sourced from a third party, provide a confirmation that this information has been accurately reproduced and that as far as the issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. In addition, identify the source(s) of the information.	Chapter 11 (p. 418)
Item 1.5	A statement that: (a) the universal registration document has been filed with the [name of the competent authority] as competent authority under Regulation (EU) 2017/1129 without prior approval pursuant to Article 9 of Regulation (EU) 2017/1129; (b) the universal registration document may be used for the purposes of an offer to the public of securities or admission of securities to trading on a regulated market if approved by the [insert name of competent authority] together with any amendments, if applicable, and a securities note and summary approved in accordance with Regulation (EU) 2017/1129.	Chapter 11 (p. 418)
CHAPTER 2	**STATUTORY AUDITORS**	**P.**
Item 2.1	Names and addresses of the issuer's auditors for the period covered by the historical financial information (together with their membership in a professional body).	Chapter 11 (p. 411 - 412)
Item 2.2	If auditors have resigned, been removed or have not been re-appointed during the period covered by the historical financial information, indicate details if material.	N/A
CHAPTER 3	**RISK FACTORS**	**P.**
Item 3.1	A description of the material risks that are specific to the issuer, in a limited number of categories, in a Chapter headed 'Risk Factors'. In each category, the most material risks, in the assessment undertaken by the issuer, offeror or person asking for admission to trading on a regulated market, taking into account the negative impact on the issuer and the probability of their occurrence shall be set out first. The risks shall be corroborated by the content of the registration document.	Chapter 8 (p. 212 ff.)
CHAPTER 4	**INFORMATION ABOUT THE ISSUER**	**P.**
Item 4.1	The legal and commercial name of the issuer.	Chapter 11 (p. 406)
Item 4.2	The place of registration of the issuer, its registration number and legal entity identifier ('LEI').	Chapter 11 (p. 406)
Item 4.3	The date of incorporation and the length of life of the issuer, except where the period is indefinite.	Chapter 11 (p. 406)
Item 4.4	The domicile and legal form of the issuer, the legislation under which the issuer operates, its country of incorporation, the address, telephone number of its registered office (or principal place of business if different from its registered office) and website of the issuer, if any, with a disclaimer that the information on the website does not form part of the prospectus unless that information is incorporated by reference into the prospectus.	Chapter 11 (p. 406 - 407)
CHAPTER 5	**BUSINESS OVERVIEW**	**P.**
Item 5.1	Principal activities	Chapter 2 (p. 28 ff.)
Item 5.1.1	A description of, and key factors relating to, the nature of the issuer's operations and its principal activities, stating the main categories of products sold and/or services performed for each financial year for the period covered by the historical financial information;	Chapter 2 (p. 28 ff.)

Item 5.1.2	Principal activities	Chapter 2 (p. 28 ff.)
Item 5.2	A description of, and key factors relating to, the nature of the issuer's operations and its principal activities, stating the main categories of products sold and/or services performed for each financial year for the period covered by the historical financial information;	Chapter 2 (p. 28 ff.)
Item 5.3	An indication of any significant new products and/or services that have been introduced and, to the extent the development of new products or services has been publicly disclosed, give the status of their development.	Chapter 5 (p. 104 ff.)
Item 5.4	Principal markets	Chapter 3 (p. 24 – 25, 34 ff.)
Item 5.5	A description of the principal markets in which the issuer competes, including a breakdown of total revenues by operating segment and geographic market for each financial year for the period covered by the historical financial information.	N/A
Item 5.6	The important events in the development of the issuer's business.	N/A
Item 5.7	Investments	Chapter 4 (p. 55 ff.)
Item 5.7.1	A description, (including the amount) of the issuer's material investments for each financial year for the period covered by the historical financial information up to the date of the registration document.	Chapter 4 (p. 55 ff.)
Item 5.7.2	A description of any material investments of the issuer that are in progress or for which firm commitments have already been made, including the geographic distribution of these investments (home and abroad) and the method of financing (internal or external).	Chapter 4 (p. 55 ff.)
Item 5.7.3	Information relating to the joint ventures and undertakings in which the issuer holds a proportion of the capital likely to have a significant effect on the assessment of its own assets and liabilities, financial position or profits and losses.	Chapter 11 (p. 407 - 408)
Item 5.7.4	A description of any environmental issues that may affect the issuer's utilisation of the tangible fixed assets.	Chapter 3 (p. 33 ff.)
CHAPTER 6	**ORGANISATIONAL STRUCTURE**	**P.**
Item 6.1	If the issuer is part of a group, a brief description of the group and the issuer's position within the group. This may be in the form of, or accompanied by, a diagram of the organisational structure if this helps to clarify the structure.	Chapter 11 (p. 407 - 408)
Item 6.2	A list of the issuer's significant subsidiaries, including name, country of incorporation or residence, the proportion of ownership interest held and, if different, the proportion of voting power held.	Chapter 11 (p. 409 -410)
CHAPTER 7	**OPERATING AND FINANCIAL REVIEW**	**P.**
Item 7.1	Financial condition	Chapter 5 (p. 110 ff.)
Item 7.1.1	To the extent not covered elsewhere in the registration document and to the extent necessary for an understanding of the issuer's business as a whole, a fair review of the development and performance of the issuer's business and of its position for each year and interim period for which historical financial information is required, including the causes of material changes. The review shall be a balanced and comprehensive analysis of the development and performance of the issuer's business and of its position, consistent with the size and complexity of the business. To the extent necessary for an understanding of the issuer's development, performance or position, the analysis shall include both financial and, where appropriate, non-financial Key Performance Indicators relevant to the particular business. The analysis shall, where appropriate, include references to, and additional explanations of, amounts reported in the annual financial statements.	Chapter 5 (p. 110 ff.)
Item 7.1.2	To the extent not covered elsewhere in the registration document and to the extent necessary for an understanding of the issuer's business as a whole, the review shall also give an indication of:	
	a) the issuer's likely future development	a) Chapter 5 (p. 136)
	b) activities in the field of research and development	b) Chapter 7 (p. 186)
	The requirements set out in item 7.1 may be satisfied by the inclusion of the management report referred to in Articles 19 and 29 of Directive 2013/34/EU of the European Parliament and of the Council.	
Item 7.2	Operating results	Chapter 5 (p. 110 ff.)
Item 7.2.1	Information regarding significant factors, including unusual or infrequent events or new developments, materially affecting the issuer's income from operations and indicate the extent to which income was so affected.	Chapter 5 (p. 110 ff.)
Item 7.2.2	Where the historical financial information discloses material changes in net sales or revenues, provide a narrative discussion of the reasons for such changes.	Chapter 5 (p. 110 ff.)
CHAPTER 8	**CAPITAL RESOURCES**	**P.**
Item 8.1	Information concerning the issuer's capital resources (both short term and long term).	Chapter 5 (p. 120)
Item 8.2	An explanation of the sources and amounts of and a narrative description of the issuer's cash flows.	Chapter 5 (p. 122)
Item 8.3	Information on the borrowing requirements and funding structure of the issuer.	Chapter 5 (p. 120 ff.)
Item 8.4	Information regarding any restrictions on the use of capital resources that have materially affected, or could materially affect, directly or indirectly, the issuer's operations.	N/A
Item 8.5	Information regarding the anticipated sources of funds needed to fulfil commitments referred to in item 5.7.2	Chapter 5 (p. 126 - 131)

CHAPTER 9	REGULATORY ENVIRONMENT	P.
Item 9.1	A description of the regulatory environment that the issuer operates in and that may materially affect its business, together with information regarding any governmental, economic, fiscal, monetary or political policies or factors that have materially affected, or could materially affect, directly or indirectly, the issuer's operations.	Chapter 11 (p. 413 - 417)
CHAPTER 10	**TREND INFORMATION**	**P.**
Item 10.1	A description of: a) the most significant recent trends in production, sales and inventory, and costs and selling prices since the end of the last financial year to the date of the registration document; b) any significant change in the financial performance of the group since the end of the last financial period for which financial information has been published to the date of the registration document, or provide an appropriate negative statement.	Chapter 3 Chapter 5 (p. 136 ff.)
Item 10.2	Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the issuer's prospects for at least the current financial year.	Chapter 3 Chapter 5 (p. 136 ff.)
CHAPTER 11	**PROFIT FORECASTS OR ESTIMATES**	**P.**
Item 11.1	Where an issuer has published a profit forecast or a profit estimate (which is still outstanding and valid) that forecast or estimate shall be included in the registration document. If a profit forecast or profit estimate has been published and is still outstanding, but no longer valid, then provide a statement to that effect and an explanation of why such forecast or estimate is no longer valid. Such an invalid forecast or estimate is not subject to the requirements in items 11.2 and 11.3.	Chapter 5 (p. 136 ff.)
Item 11.2	Where an issuer chooses to include a new profit forecast or a new profit estimate, or a previously published profit forecast or a previously published profit estimate pursuant to item 11.1, the profit forecast or estimate shall be clear and unambiguous and contain a statement setting out the principal assumptions upon which the issuer has based its forecast, or estimate. The forecast or estimate shall comply with the following principles:	N/A
	a) there must be a clear distinction between assumptions about factors which the members of the administrative, management or supervisory bodies can influence and assumptions about factors which are exclusively outside the influence of the members of the administrative, management or supervisory bodies;	N/A
	b) the assumptions must be reasonable, readily understandable by investors, specific and precise and not relate to the general accuracy of the estimates underlying the forecast;	N/A
	c) in the case of a forecast, the assumptions shall draw the investor's attention to those uncertain factors which could materially change the outcome of the forecast.	N/A
Item 11.3	The prospectus shall include a statement that the profit forecast or estimate has been compiled and prepared on a basis which is both: a) comparable with the historical financial information; b) consistent with the issuer's accounting policies.	Chapter 5 (p. 138)

CHAPTER 12	ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES AND SENIOR MANAGEMENT	P.
Item 12.1	Names, business addresses and functions within the issuer of the following persons and an indication of the principal activities performed by them outside of that issuer where these are significant with respect to that issuer:	
	a) members of the administrative, management or supervisory bodies;	Chapter 7 (p. 162 - 186)
	b) partners with unlimited liability, in the case of a limited partnership with a share capital;	N/A
	c) founders, if the issuer has been established for fewer than five years;	N/A
	d) any senior manager who is relevant to establishing that the issuer has the appropriate expertise and experience for the management of the issuer's business.	Chapter 7 (p. 162 - 186)
	Details of the nature of any family relationship between any of the persons referred to in points (a) to (d).	Chapter 7 (p. 194)
	In the case of each member of the administrative, management or supervisory bodies of the issuer and of each person referred to in points (b) and (d) of the first subparagraph, details of that person's relevant management expertise and experience and the following information:	
	a) the names of all companies and partnerships where those persons have been a member of the administrative, management or supervisory bodies or partner at any time in the previous five years, indicating whether or not the individual is still a member of the administrative, management or supervisory bodies or partner. It is not necessary to list all the subsidiaries of an issuer of which the person is also a member of the administrative, management or supervisory bodies;	Chapter 7 (p. 162 - 167)
	b) details of any convictions in relation to fraudulent offences for at least the previous five years;	Chapter 7 (p. 199)
	c) details of any bankruptcies, receiverships, liquidations or companies put into administration in respect of those persons described in points (a) and (d) of the first subparagraph who acted in one or more of those capacities for at least the previous five years;	Chapter 7 (p. 199)

	d) details of any official public incrimination and/or sanctions involving such persons by statutory or regulatory authorities (including designated professional bodies) and whether they have ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years.	Chapter 7 (p. 199)
	If there is no such information required to be disclosed, a statement to that effect is to be made.	
Item 12.2	Administrative, management and supervisory bodies and senior management conflicts of interests. Potential conflicts of interests between any duties to the issuer, of the persons referred to in item 12.1, and their private interests and or other duties must be clearly stated. In the event that there are no such conflicts, a statement to that effect must be made. Any arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any person referred to in item 12.1 was selected as a member of the administrative, management or supervisory bodies or member of senior management. Details of any restrictions agreed by the persons referred to in item 12.1 on the disposal within a certain period of time of their holdings in the issuer's securities.	Chapter 7 (p. 188 - 192)
CHAPTER 13	**REMUNERATION AND BENEFITS**	**P.**
	In relation to the last full financial year for those persons referred to in points (a) and (d) of the first subparagraph of item 12.1:	
Item 13.1	The amount of remuneration paid (including any contingent or deferred compensation), and benefits in kind granted to such persons by the issuer and its subsidiaries for services in all capacities to the issuer and its subsidiaries by any person. That information must be provided on an individual basis unless individual disclosure is not required in the issuer's home country and is not otherwise publicly disclosed by the issuer.	Chapter 7 (p. 200 - 209)
Item 13.2	The total amounts set aside or accrued by the issuer or its subsidiaries to provide for pension, retirement or similar benefits.	Chapter 7 (p. 201 - 203)
CHAPTER 14	**BOARD PRACTICES**	**P.**
	In relation to the issuer's last completed financial year, and unless otherwise specified, with respect to those persons referred to in point (a) of the first subparagraph of item 12.1.	
Item 14.1	Date of expiration of the current term of office, if applicable, and the period during which the person has served in that office.	Chapter 7 (p. 163)
Item 14.2	Information about members of the administrative, management or supervisory bodies' service contracts with the issuer or any of its subsidiaries providing for benefits upon termination of employment, or an appropriate statement to the effect that no such benefits exist.	Chapter 7 (p. 209)
Item 14.3	Information about the issuer's audit committee and remuneration committee, including the names of committee members and a summary of the terms of reference under which the committee operates.	Audit committee: Chapter 7 (p. 174 - 176) Remuneration and nomination committee: Chapter 7 (p. 176 - 178)
Item 14.4	A statement as to whether or not the issuer complies with the corporate governance regime(s) applicable to the issuer. In the event that the issuer does not comply with such a regime, a statement to that effect must be included together with an explanation regarding why the issuer does not comply with such regime.	Chapter 7 (p. 157)
Item 14.5	Potential material impacts on the corporate governance, including future changes in the board and committees composition (in so far as this has been already decided by the board and/or shareholders meeting).	Chapter 7 (p. 162 - 167)
CHAPTER 15	**EMPLOYEES**	**P.**
Item 15.1	Either the number of employees at the end of the period or the average for each financial year for the period covered by the historical financial information up to the date of the registration document (and changes in such numbers, if material) and, if possible and material, a breakdown of persons employed by main category of activity and geographic location. If the issuer employs a significant number of temporary employees, include disclosure of the number of temporary employees on average during the most recent financial year.	Chapter 9 (p. 259)
Item 15.2	Shareholdings and stock options With respect to each person referred to in points (a) and (d) of the first subparagraph of item 12.1 provide information as to their share ownership and any options over such shares in the issuer as of the most recent practicable date.	Chapter 7 (p. 205)
Item 15.3	Description of any arrangements for involving the employees in the capital of the issuer.	Chapter 7 (p. 206 - 207)
CHAPTER 16	**MAJOR SHAREHOLDERS**	**P.**
Item 16.1	In so far as is known to the issuer, the name of any person other than a member of the administrative, management or supervisory bodies who, directly or indirectly, has an interest in the issuer's capital or voting rights which is notifiable under the issuer's national law, together with the amount of each such person's interest, as at the date of the registration document or, if there are no such persons, an appropriate statement to that that effect that no such person exists.	Chapter 6 (p. 150)

Item 16.2	Whether the issuer's major shareholders have different voting rights, or an appropriate statement to the effect that no such voting rights exist.	Chapter 6 (p. 150-151)
Item 16.3	To the extent known to the issuer, state whether the issuer is directly or indirectly owned or controlled and by whom and describe the nature of such control and describe the measures in place to ensure that such control is not abused.	Chapter 6 (p. 150-151)
Item 16.4	A description of any arrangements, known to the issuer, the operation of which may at a subsequent date result in a change in control of the issuer.	Chapter 6 (p. 150-151)
CHAPTER 17	**RELATED PARTY TRANSACTIONS**	**P.**
Item 17.1	Details of related party transactions (which for these purposes are those set out in the Standards adopted in accordance with the Regulation (EC) No 1606/2002 of the European Parliament and of the Council (2), that the issuer has entered into during the period covered by the historical financial information and up to the date of the registration document, must be disclosed in accordance with the respective standard adopted under Regulation (EC) No 1606/2002 if applicable. If such standards do not apply to the issuer the following information must be disclosed:	Chapter 11 (p. 417)
	a) the nature and extent of any transactions which are, as a single transaction or in their entirety, material to the issuer. Where such related party transactions are not concluded at arm's length provide an explanation of why these transactions were not concluded at arm's length. In the case of outstanding loans including guarantees of any kind indicate the amount outstanding;	
	b) the amount or the percentage to which related party transactions form part of the turnover of the issuer.	
CHAPTER 18	**FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES**	**P.**
Item 18.1	Historical financial information	
Item 18.1.1	Audited historical financial information covering the latest three financial years (or such shorter period as the issuer has been in operation) and the audit report in respect of each year.	Chapter 9 (p. 225)
Item 18.1.2	Change of accounting reference date If the issuer has changed its accounting reference date during the period for which historical financial information is required, the audited historical information shall cover at least 36 months, or the entire period for which the issuer has been in operation, whichever is shorter.	N/A
Item 18.1.3	Accounting standards The financial information must be prepared according to International Financial Reporting Standards as endorsed in the Union based on Regulation (EC) No 1606/2002. If Regulation (EC) No 1606/2002 is not applicable, the financial information must be prepared in accordance with:	The financial information included in chapter 9 (and more in general, the entire URD) has been prepared in line with this requirement
	a) a Member State's national accounting standards for issuers from the EEA, as required by Directive 2013/34/EU;	
	b) a third country's national accounting standards equivalent to Regulation (EC) No 1606/2002 for third country issuers. If such third country's national accounting standards are not equivalent to Regulation (EC) No 1606/2002 the financial statements shall be restated in compliance with that Regulation.	
Item 18.1.4	Change of accounting framework The last audited historical financial information, containing comparative information for the previous year, must be presented and prepared in a form consistent with the accounting standards framework that will be adopted in the issuer's next published annual financial statements having regard to accounting standards and policies and legislation applicable to such annual financial statements. Changes within the accounting framework applicable to an issuer do not require the audited financial statements to be restated solely for the purposes of the prospectus. However, if the issuer intends to adopt a new accounting standards framework in its next published financial statements, at least one complete set of financial statements (as defined by IAS 1 Presentation of Financial Statements as set out in Regulation (EC) No 1606/2002), including comparatives, must be presented in a form consistent with that which will be adopted in the issuer's next published annual financial statements, having regard to accounting standards and policies and legislation applicable to such annual financial statements.	The financial information included in chapter 9 (and more in general, the entire URD) has been prepared in line with this requirement. Montea does not envisage to apply a new financial reporting framework
Item 18.1.5	Where the audited financial information is prepared according to national accounting standards, it must include at least the following:	Chapter 9 (p. 225 - 307)
	a) the balance sheet;	
	b) the income statement;	
	c) a statement showing either all changes in equity or changes in equity other than those arising from capital transactions with owners and distributions to owners;	
	d) the cash flow statement;	
	e) the accounting policies and explanatory notes.	

Item 18.1.6	Consolidated financial statements If the issuer prepares both stand-alone and consolidated financial statements, include at least the consolidated financial statements in the registration document.	Chapter 9 (p. 225 - 307)
Item 18.1.7	Age of financial information The balance sheet date of the last year of audited financial information may not be older than one of the following: a) 18 months from the date of the registration document if the issuer includes audited interim financial statements in the registration document; b) 16 months from the date of the registration document if the issuer includes unaudited interim financial statements in the registration document.	Sectie 9 pag. 225-307
Item 18.2	Interim and other financial information	
Item 18.2.1	If the issuer has published quarterly or half-yearly financial information since the date of its last audited financial statements, these must be included in the registration document. If the quarterly or half-yearly financial information has been audited or reviewed, the audit or review report must also be included. If the quarterly or half-yearly financial information is not audited or has not been reviewed, state that fact. If the registration document is dated more than nine months after the date of the last audited financial statements, it must contain interim financial information, which may be unaudited (in which case that fact must be stated) covering at least the first six months of the financial year. Interim financial information prepared in accordance with the requirements of Regulation (EC) No 1606/2002. For issuers not subject to Regulation (EC) No 1606/2002, the interim financial information must include comparative statements for the same period in the prior financial year, except that the requirement for comparative balance sheet information may be satisfied by presenting the year's end balance sheet in accordance with the applicable financial reporting framework.	Chapter 9 (p. 321)
Item 18.3	Auditing of historical annual financial information	Chapter 9 (p. 225)
Item 18.3.1	The historical annual financial information must be independently audited. The audit report shall be prepared in accordance with the Directive 2014/56/EU of the European Parliament and Council and Regulation (EU) No 537/2014 of the European Parliament and of the Council. Where Directive 2014/56/EU and Regulation (EU) No 537/2014 do not apply: a) the historical annual financial information must be audited or reported on as to whether or not, for the purposes of the registration document, it gives a true and fair view in accordance with auditing standards applicable in a Member State or an equivalent standard; b) If audit reports on the historical financial information have been refused by the statutory auditors or if they contain qualifications, modifications of opinion, disclaimers or an emphasis of matter, such qualifications, modifications, disclaimers or emphasis of matter must be reproduced in full and the reasons given.	Chapter 10 (p. 390 ff.)
Item 18.3.2	Indication of other information in the registration document that has been audited by the auditors.	Chapter 11 (p. 411 - 412)
Item 18.3.3	Where financial information in the registration document is not extracted from the issuer's audited financial statements state the source of the information and state that the information is not audited.	This is the case throughout the URD
Item 18.4	Pro forma financial information	
Item 18.4.1	In the case of a significant gross change, a description of how the transaction might have affected the assets, liabilities and earnings of the issuer, had the transaction been undertaken at the commencement of the period being reported on or at the date reported. This requirement will normally be satisfied by the inclusion of pro forma financial information. This pro forma financial information is to be presented as set out in Annex 20 and must include the information indicated therein. Pro forma financial information must be accompanied by a report prepared by independent accountants or auditors.	Chapter 9 (p. 321)
Item 18.5	Dividend policy	
Item 18.5.1	A description of the issuer's policy on dividend distributions and any restrictions thereon. If the issuer has no such policy, include an appropriate negative statement.	Chapter 9 (p. 322)
Item 18.5.2	The amount of the dividend per share for each financial year for the period covered by the historical financial information adjusted, where the number of shares in the issuer has changed, to make it comparable.	Chapter 3 Chapter 5 (p. 139)
Item 18.6	Legal and arbitration proceedings	

Item 18.6.1	Information on any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the issuer is aware), during a period covering at least the previous 12 months which may have, or have had in the recent past significant effects on the issuer and/or group's financial position or profitability, or provide an appropriate negative statement.	Chapter 9 (p. 323)
Item 18.7	Significant change in the issuer's financial position	
Item 18.7.1	A description of any significant change in the financial position of the group which has occurred since the end of the last financial period for which either audited financial statements or interim financial information have been published, or provide an appropriate negative statement.	Chapter 9 (p. 323)
CHAPTER 19	**ADDITIONAL INFORMATION**	**P.**
Item 19.1	Share capital The information in items 19.1.1 to 19.1.7 in the historical financial information as of the date of the most recent balance sheet:	Chapter 6 (p. 150)
Item 19.1.1	The amount of issued capital, and for each class of share capital: a) the total of the issuer's authorised share capital; b) the number of shares issued and fully paid and issued but not fully paid; c) the par value per share, or that the shares have no par value; and d) a reconciliation of the number of shares outstanding at the beginning and end of the year. If more than 10 % of capital has been paid for with assets other than cash within the period covered by the historical financial information, state that fact.	Chapter 6 (p. 150)
Item 19.1.2	If there are shares not representing capital, state the number and main characteristics of such shares.	N/A
Item 19.1.3	The number, book value and face value of shares in the issuer held by or on behalf of the issuer itself or by subsidiaries of the issuer.	Chapter 6 (p. 150)
Item 19.1.4	The amount of any convertible securities, exchangeable securities or securities with warrants, with an indication of the conditions governing and the procedures for conversion, exchange or subscription.	N/A
Item 19.1.5	Information about and terms of any acquisition rights and or obligations over authorised but unissued capital or an undertaking to increase the capital.	N/A
Item 19.1.6	Information about any capital of any member of the group which is under option or agreed conditionally or unconditionally to be put under option and details of such options including those persons to whom such options relate.	N/A
Item 19.1.7	A history of share capital, highlighting information about any changes, for the period covered by the historical financial information.	Chapter 6 (p. 150)
Item 19.2	Memorandum and Articles of Association.	
Item 19.2.1	The register and the entry number therein, if applicable, and a brief description of the issuer's objects and purposes and where they can be found in the up to date memorandum and articles of association.	Chapter 11 (p. 406, 422)
Item 19.2.2	Where there is more than one class of existing shares, a description of the rights, preferences and restrictions attaching to each class.	N/A
Item 19.2.3	A brief description of any provision of the issuer's articles of association, statutes, charter or bylaws that would have an effect of delaying, deferring or preventing a change in control of the issuer.	Chapter 7 (p. 195 - 199)

CHAPTER 20	**MATERIAL CONTRACTS**	**P.**
Item 20.1	A summary of each material contract, other than contracts entered into in the ordinary course of business, to which the issuer or any member of the group is a party, for the two years immediately preceding publication of the registration document. A summary of any other contract (not being a contract entered into in the ordinary course of business) entered into by any member of the group which contains any provision under which any member of the group has any obligation or entitlement which is material to the group as at the date of the registration document.	Chapter 7 (p. 197)
CHAPTER 21	**DOCUMENTS AVAILABLE**	**P.**
Item 21.1	A statement that for the term of the registration document the following documents, where applicable, can be inspected: a) the up to date memorandum and articles of association of the issuer; b) all reports, letters, and other documents, valuations and statements prepared by any expert at the issuer's request any part of which is included or referred to in the registration document. An indication of the website on which the documents may be inspected.	Chapter 11 (p. 417 - 418)

11.11 Glossary

Act of 2 May 2007	Act of 2 May 2007 on the disclosure of major holdings in issuers whose shares are admitted to trading on a regulated market and laying down miscellaneous provisions.
Acquisition value	Total cost for acquiring property, including transaction cost.
Average financial debt	The average of all financial debts over a specific period, excluding the negative value of the hedging instruments
Average term of lease	The weighted average of the term of the current leases until the first possible break date
BCCA or Code of Companies and Associations	The Belgian Code of Companies and Associations of 23 March 2019, as amended from time to time.
Bonds	The various Montea bond issues of (i) 30 June 2015 totalling €50 million and (ii) 13 April 2021 totalling €235 million.
Company	Montea.
Concentration risk	Concentration risk pursuant to article 30, §1 to 5 of the RREC Act.
Consolidated and single debt ratio	Debt ratio calculated pursuant to article 13, §1 of the RREC Royal Decree.
Contracted annual rental income	The contracted annual rental income, as agreed in the leases with the various tenants.
Code 2020	The Belgian Corporate Governance Code 2020 issued by the Corporate Governance Committee and available online at: https://www.corporategovernancecommittee.be/nl/over-de-code-2020/belgische-corporate-governance-code-2020.
Corporate Governance Charter	Montea's corporate governance charter as approved by the Sole Director on 28 October 2021.
Dividend yield	The gross dividend divided by the share price at the end of the period.
EPRA earnings	This is the net result (after incorporation of the operating result before portfolio result, less the financial result and corporation tax, excluding deferred taxes), less the changes in the fair value of investment properties and properties held for sale, less the result on sale of investment properties and plus the changes in fair value of financial assets and liabilities.
Estimated rental value	Estimated rental value per m², as established with the real estate expert, taking account the location, features of the building, type of business, etc., multiplied by the number of m².
Fair value	Accounting value according to IAS/IFRS rules. Value of the property portfolio, including the deduction of the transaction costs related to the property portfolio in France and the Netherlands.
FBI	FBI-entity in the meaning of article 28 of the Dutch Corporate tax Act of 1969.
FSMA	Financial Services and Markets Authority.
IFRS	International Financial Reporting Standards.
Insured value	The total new-build value of the buildings, including non-reclaimable VAT.
IRS	Interest Rate Swap.
Montea	Montea NV, a public regulated real estate company incorporated under Belgian law, with registered office at 27 Industrielaan, 9320 Aalst (Erembodegem), registered in the Ghent Register of Legal Entities, Dendermonde Division under number 0417.186.211.
Net initial yield	The contracted annual rental income, including concession and building rights, divided by the acquisition value of the property portfolio.
Net property yield	The contracted rental income, including concession and building rights, divided by the fair value of the property portfolio.
Occupancy rate	The occupancy rate is based on the number of m². When calculating the occupancy rate no account is taken, either in the denominator or in the numerator, of the non-lettable m² intended for redevelopment or held with the land bank.
Operating margin	Operating result before the result on property portfolio divided by the property result.
Optional dividend	A dividend where the shareholder has the option of receiving the dividend payment in cash or in shares.
Premium/discount	Difference in % between share price and net value per share.
Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus.
Royal Decree of 14 November 2007	Royal Decree of 14 November 2007 on the obligations of issuers of financial instruments admitted to trading on a regulated market.
Result on the property portfolio	Negative and/or positive variations in the fair value of the property portfolio + and losses or profits resulting from the realisation of property.
Result on the financial instruments	Negative and/or positive variations in the fair value of the interest rate/hedging instruments, according to IAS39.
RREC	A public regulated real estate company incorporated under Belgian law in accordance with the RREC Act and the RREC Royal Decree.
RREC Royal Decree	Royal Decree of 13 July 2014 governing regulated real estate companies, as amended from time to time.
RREC Act	The Act of 12 May 2014 governing regulated real estate companies, as amended from time to time.
SIIC	Sociétés d'Investissement Immobilières Cotées under article 208-C of the French Code Général des Impôts (CGI).
Sole Director or Statutory Director	Sole Director or Statutory Director Montea Management NV, with registered office at 27 Industrielaan, 9320 Erembodegem, registered with the Crossroads Bank for Enterprises under number 0882.872.026.
Transparency regulations	The applicable regulations regarding the transparency of major shareholdings in listed companies as contained in particular in the Act of 2 May 2007 and the Royal Decree of 14 February 2008 on the disclosure of major shareholdings.
Velocity	Volume over a specified period divided by the number of shares.