ACKERMANS & VAN HAAREN

ANNUAL REPORT 2020

YOUR PARTNER FOR SUSTAINABLE GROWTH

Ackermans & van Haaren

ANNUAL REPORT 2020

YOUR PARTNER FOR SUSTAINABLE GROWTH

CONTENTS

12

ANNUAL REPORT

76

MARINE ENGINEERING & CONTRACTING

88

PRIVATE BANKING

98

REAL ESTATE & SENIOR CARE

108

ENERGY & RESOURCES

116

GROWTH CAPITAL

137

FINANCIAL STATEMENTS

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

This report contains:
- the combined statutory and consolidated annual report of the board of directors prepared in accordance with Article 119, last paragraph of the Companies Code,
- a condensed version of the statutory annual accounts prepared in accordance with Article 105 of the Companies Code,
- and the full version of the consolidated annual accounts.

The full version of the statutory annual accounts has been deposited with the National Bank of Belgium, pursuant to Articles 98 and 100 of the Companies Code, together with the annual report of the board of directors and the audit report. The auditor has approved the statutory and consolidated annual accounts without qualification.

In accordance with Article 12, §2, 3° of the Royal Decree of November 14, 2007, the members of the executive committee (i.e. Jan Suykens, Tom Bamelis, John-Eric Bertrand, Piet Bevernage, André-Xavier Cooreman, Piet Dejonghe and Koen Janssen) declare that, to their knowledge:
a) the annual accounts contained in this report, which have been prepared in accordance with the applicable standards for annual accounts, give a true view of the assets, financial situation and the results of Ackermans & van Haaren and the companies included in the consolidation;
b) the annual accounts give a true overview of the development and the results of the company and of the position of Ackermans & van Haaren and the companies included in the consolidation, as well as a description of the main risks and uncertainties with which they are confronted.

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

Begijnenvest 113 - 2000 Antwerp - Belgium - Tel. +32 3 231 87 70 - info@avh.be

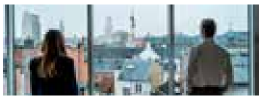
MISSION

YOUR PARTNER FOR SUSTAINABLE GROWTH

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

ACKERMANS & VAN HAAREN

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



LONG-TERM PERSPECTIVE

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

ACTIVE OWNERSHIP

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

SUSTAINABLE

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

GROWTH

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

ACKERMANS & VAN HAAREN

Your partner for sustainable growth

2020 AT A GLANCE

"I am extremely proud of the resilience shown by our 22,331 colleagues throughout the AvH group amidst these uncertain and volatile times caused by the COVID crisis. Over 2020, the AvH group realises a very solid net profit of 230 million euros.

Based upon strong portfolio performances, both Delen Private Bank and Bank J.Van Breda & C° realised very strong inflows of new assets under management that have reached a record level of more than 54 billion euros at year-end 2020. On the back of a strong push towards more renewable energy sources and greening the world economy, DEME increased its order backlog to a record level of more than 4.5 billion euros.

We remain committed to invest in strengthening our portfolio, and investing in a more sustainable and digital savvy world, as illustrated by our recent investments in OMP, Verdant Bioscience, Medikabazaar and Indigo Diabetes."

Jan Suykens, CEO - Chairman of the executive committee

- Ackermans & van Haaren realised a net profit of 229.8 million euros over the full year 2020. Excluding capital gains (losses), the net profit decreased, in a year ravaged by the corona pandemic, by just 20% from 282.0 million euros (2019) to 226.7 million euros (2020).
- In 'Marine Engineering & Contracting', the pandemic disrupted normal business on projects in Belgium and abroad. This resulted in a lower level of activity and profitability at both DEME and CFE.
- Delen Private Bank and Bank J.Van Breda & C° both reported a record result, laying the foundations for further growth with a strong increase of assets under management.
- The results in 'Real Estate & Senior Care' managed to recover after a difficult first half of the year.
- Thanks to increasing market prices for palm oil (SIPEF) and cement (Sagar Cements), the results of 'Energy & Resources' showed a clear improvement.
- The participations in the 'Growth Capital' segment generally held up well. The decreased contribution of 'AvH & subholdings' to the result is mainly due to a negative value development of AvH's investment portfolio (last year this was positive).
- An increase of the dividend to 2.35 euros per share is proposed to the general meeting of shareholders.

Breakdown of the consolidated net result (part of the group)

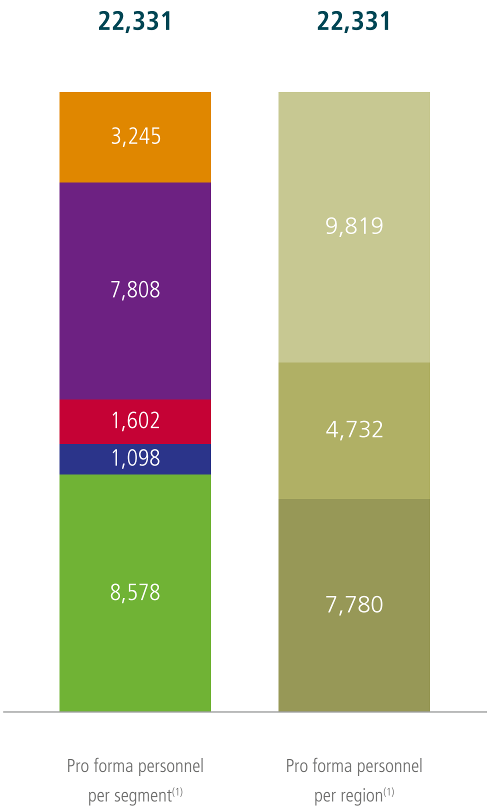
(€ mio)	2020	2019
Marine Engineering & Contracting	**46.7**	91.9
Private Banking	**141.3**	127.3
Real Estate & Senior Care	**32.7**	50.2
Energy & Resources	**6.8**	-1.5
Contribution from core segments	**227.5**	267.9
Growth Capital	**12.7**	17.6
AvH & subholdings	**-13.5**	-3.5
Net capital gains(losses)	**3.1**	112.9
Consolidated net result	**229.8**	394.9

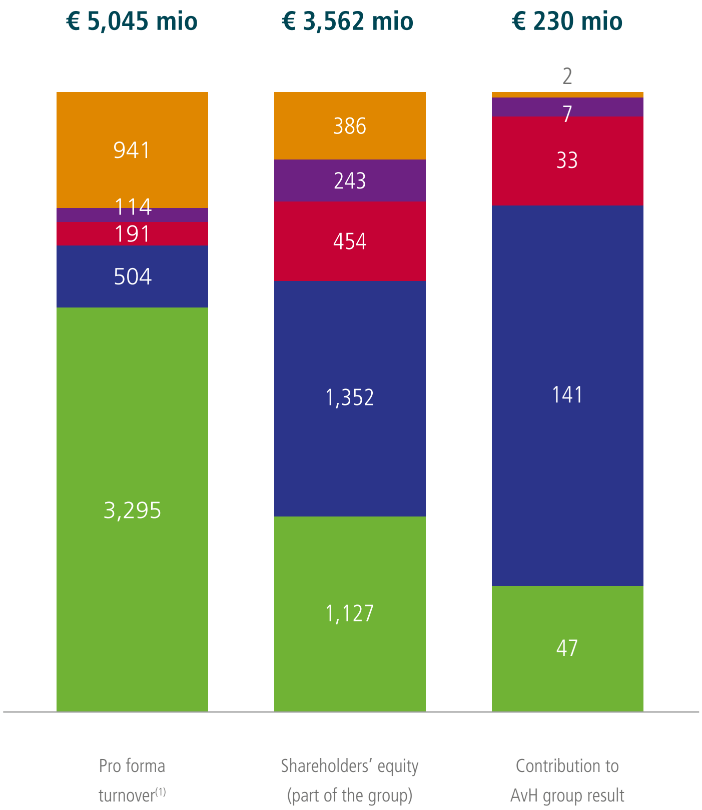
Key figures - consolidated balance sheet

(€ mio)	2020	2019
Shareholders' equity (part of the group - before allocation of profit)	3,562.0	3,456.1
Net cash position of AvH	68.0	267.4

Net result	Net equity (part of the group - before allocation of profit)	Market capitalization (31/12/2020)
230 (million euros)	3,562 (million euros)	4,120 (million euros)
6.93 (euros per share)	107.46 (euros per share)	123.00 (euros per share)

Economic footprint of the AvH group





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

[1] Based on consolidated figures 2020, pro forma: all (exclusive) control interests incorporated in full, the other interests proportionally.

KEY EVENTS 2020

1

JANUARY

- **DEME Offshore:** milestone of 2,200 installed turbines reached
- **Anima:** opening of Nuance residential care centre in Vorst

2

FEBRUARY

- **AvH:** participation in MRM Health (AvH 17%)
- **AvH:** sale of Oriental Quarries & Mines (AvH 50%) completed

3

MARCH

- **Bank J.Van Breda & C°:** 'Great place to work' award

4

APRIL

- **AvH:** establishment of AvH Solidarity Fund in the context of the COVID-19 crisis

5

MAY

- **AvH:** participation in Verdant Bioscience (AvH 42%)
- **DEME:** sale of participation in Merkur (capital gain: 64 million euros); Fehmarnbelt project finally approved
- **DEME** and **Mediahuis:** 'Most attractive employer' award

6

JUNE

- **Green Offshore:** installation first turbine at SeaMade (487 MW)

2020

KEY EVENTS 2021

JANUARY

- **DEME and Van Laere:** contract for Right Bank project of Oosterweel link

MARCH

- **SIPEF:** Agreement in principle on sale of PT Melania (in 2 phases) for USD 36 mio

7

JULY

- **AvH:** participations in Indigo Diabetes (AvH 9%) and in HealthQuad II (AvH 22%)
- **Delen Private Bank:** opening of new branches in Waregem and Brasschaat

8

AUGUST

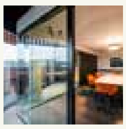
- **Leasinvest:** start of work on Monteco wooden office building
- **DEME:** contract for Dogger Bank offshore wind farm (3.6 GW)

9

SEPTEMBER

- **CFE:** contract for sustainable project ZIN in Brussels
- **Extensa:** sale of Bijou on Cloche d'Or

10



OCTOBER

- **DEME** joins European Clean Hydrogen Alliance and **CFE** joins Belgian Alliance for Climate Action
- **Bank J.Van Breda & C°:** opening of new branch in Genk

11

NOVEMBER

- **AvH:** participation in OMP (AvH 20%)
- **DEME:** major contract for Abu Qir in Egypt

12

DECEMBER

- **SIPEF:** increase of market prices of CPO (> 1,000 USD/T CIF R'dam), but also introduction of a new levy on palm products in Indonesia

2020

Ackermans & van Haaren

ANNUAL REPORT 2020

YOUR PARTNER FOR SUSTAINABLE GROWTH

MESSAGE FROM THE CHAIRMEN

Jan Suykens

Dear shareholders,

2020 was an exceptional year, a year in which the COVID-19 pandemic took the world by surprise, temporarily put the world economy on hold, and severely disrupted our society.

The globalised world economy made us realise how dependent we are on each other and at the same time how vulnerable we are.

We have all had to learn to deal with the coronavirus, something which required - and still requires - tremendous adaptability.

At the same time, this pandemic shows how resilient our society is, and how quickly we can adapt to emergency situations.

The fact that the pharmaceutical industry has managed to develop several vaccines within a matter of a few months is a measure of the progress of medical and biotechnological science, and should give us hope.

Digital communication has allowed our society and our businesses to keep functioning and has to a certain extent led to gains in efficiency.

It makes us realise that we must invest in a more inclusive society, including access to digital means of communication for everyone.

At the same time, companies that were organised for that and had invested in digital platforms and services to their customers were able to benefit from this digital acceleration.

The worldwide lockdown measures during the first half of 2020 and the successive restrictive measures in several countries across several continents obviously had a major impact on the world economy. According to the latest World Economic Outlook of the IMF, the world economy shrunk by 3.5% in 2020, ranging from -3.4% in the US and -7.2% in the euro zone, to -10% in the UK. According to the annual report of the National Bank of Belgium, the Belgian economy shrunk by 6.2%.

The lockdown measures interrupted logistics chains, imposed travel restrictions which in turn brought about delays in commercial relations or execution of contracts, and caused great volatility on the financial and foreign exchange markets.

Against this background, we should be grateful for the resilience that our 22,331 colleagues have shown in the past year.

The crews on the vessels of DEME who had to carry on working longer than usual because restrictions did not allow them to be relieved, our banking staff who overnight had to contact and reassure their clients by virtual means, the many colleagues who constantly had to adapt their way of working on the production lines and on the building sites, ... the care staff of Anima who stood in the front line, and especially in the first lockdown, despite the shortage of personal protective equipment, gave their utmost every day for the health and well-being of our residents.

During this crisis it also became clear that our healthy balance sheets, limited debt level and adequate cash reserves or available credit lines allowed our management teams to focus fully on their operational challenges.

We are therefore proud that, under those circumstances, we were able to realise a consolidated net result of nearly 230 million euros.

This compares to a record result of 395 million euros in 2019. If we discount the realised capital gains (in 2020 and mainly on the sale of Residalya in 2019), the result decreased by only 20% from 282.0 million euros in 2019 to 226.7 million euros in 2020.

In this respect we should also take the COVID-related costs into account, particularly in our contracting activities at DEME and CFE and in the real estate activities at Leasinvest and Extensa, which had an impact of approximately 95 million euros on the consolidated net result.

DEME realised a consolidated turnover of 2,196 million euros in 2020, compared to 2,622 million euros in 2019. Around 300 million euros of this decrease is due to the impact of the corona crisis.

DEME realised an EBITDA of 369.5 million euros (16.8% of turnover), an EBIT of 64.3 million euros, and a net result of 50.4 million euros in 2020.

The total impact of the pandemic, the decrease in oil and gas prices, and the accident with the 'Orion' is estimated at 100 million euros (EBIT), and is only partly compensated by the capital gain on the sale of the 12.5% stake in Merkur Offshore in May 2020 (64 million euros).

"THE AvH MODEL HAS ONCE MORE PROVED ITS WORTH AND RESILIENCE IN 2020".

LUC BERTRAND and JAN SUYKENS

The decreased activity level and the delayed delivery of the 'Spartacus' and the 'Orion' reduced the level of investments to 201.6 million euros, which limited the net financial debt to 489 million euros.

DEME's order backlog increased in 2020 to a record level of 4,500 million euros (3,750 million euros at year-end 2019), thanks a.o. to the largest ever dredging and land reclamation contract (in terms of dredging volume) for the Egyptian port of Abu Qir.

Thanks to continuous investment in the expansion of its fleet and in technological innovation, DEME has evolved from a pure 'dredger' to a diversified 'marine engi-

Luc Bertrand

MESSAGE FROM THE CHAIRMEN

neering' group. The market leadership that DEME has developed in the engineering and construction of offshore wind farms will be strengthened further in an increasingly globalised market, thanks a.o. to partnerships in Taiwan and Japan.

At the same time, DEME Concessions focuses on the development of 'green hydrogen', both in Belgium and from the port concession in Duqm (Oman).

DEME will continue in 2021 to invest in technological development and hopes that a management framework can be elaborated for the ecologically responsible mining of the large mineral reserves on the seabed.

On the strength of its well-filled order backlog, DEME expects a higher level of activity and consequently an increase of its turnover and operating cash flow.

CFE also experienced the impact of the COVID-19 crisis on its contracting activities, which explains the 9% decrease of its turnover, and also affected the operating result by more than 20 million euros.

Thanks in part to the higher contribution of BPI's real estate development activities, particularly in Poland, CFE's net result (excluding DEME) ultimately increased to 17.7 million euros (2019: 12.0 million euros).

The order book increased by 8% to a record level of 1,493 million euros.

The mainstays of the AvH group were clearly our banks, **Delen Private Bank** and **Bank J.Van Breda & C°**, which jointly contributed 141.3 million euros (+11%) to the consolidated group result.

Thanks to the long-term relationship of trust with their clients, the digital support and a solid portfolio result, the volume of assets that their clients entrusted to the two banks increased to a new record level of 54.1 billion euros at December 31, 2020 (+4% compared to 51.9 billion euros at December 31, 2019).

Our banking colleagues focused their attention in this time of crisis first of all on reassuring our clients through permanent dialogue, while at the same time ensuring a good protection of the entrusted assets (weighted average performance of the portfolios in 2020: 5.8%).

The gross inflow of assets at Delen Private Bank and Bank J.Van Breda & C° collectively amounted to more than 3.6 billion euros.

84% of the assets (i.e. 94% of the number of clients) at Delen Private Bank is managed under discretionary mandates.

The substantial inflows, the recurring income (83% commission income) and the highly cost-efficient organisation (cost-income ratio of 42% at Delen Private Bank in Belgium, and 56% at Bank J.Van Breda & C°), led to an increase of the combined profit of the banks to 180 million euros (compared to 163 million euros over 2019). Bank J.Van Breda & C° continued to support its target group clients during the crisis with a 3% growth of its loan portfolio to 5.4 billion euros.

The actual credit losses were limited to 0.02%, yet as a precaution a COVID-related provision was made for expected credit losses, resulting in a total provision of 0.10%.

The combined shareholders' equity of the banks amounts to 1,562 million euros, which represents a Common Equity Tier1 ratio of 21.7%.

Along with a leverage ratio of 13.3% (compared to the regulatory minimum of 3%), this demonstrates the tremendous solidity of our bank balance sheets.

Thus Delen Private Bank and Bank J.Van Breda & C° once again showed off their strong complementarity, and proved that they are consistent outperformers in the European private banking landscape.

On the strength of these increased AUM, although of course depending on how the financial markets evolve, we once more expect an increased contribution from our banks to AvH's group result.

The real estate development activities also suffered as a result of the lockdown measures due to the shutdown of the construction sites and the cessation of residential sales on the one hand, and the loss of rental income, particularly in the retail segment, on the other. Nevertheless, **Leasinvest** and **Extensa** contributed 29.2 million euros to the group result.

Our 1,553 colleagues at **Anima** had to undergo the consequences of the COVID-19 health crisis every day. Especially during the first lockdown in the spring of 2020, they gave their utmost to support, help and care for their residents, in difficult conditions and often without the necessary personal protective equipment. We hereby want to pay great tribute to the dedication of our staff.

The entire market of residential care centres has suffered greatly from the COVID-19 crisis, which led in a temporary admission stop and extra costs to control the virus and to protect residents and staff.

At year-end 2020, Anima had 2,539 beds in operation, spread over 23 care centres, of which 9 in Flanders, 7 in Brussels, and 7 in Wallonia.

SIPEF was able to return to net profit in 2020 (14.1 million USD compared to -8.0 million USD in 2019), thanks to an increase of the total production of sustainable palm oil by 5.4% and a higher palm oil price (+26% to an average of 715 USD).

The investment programmes for the expansion of the planted areas in South Sumatra continued steadily, while taking into account the evolution of the debt position.

The investment by AvH (42%), alongside SIPEF (38%), in Verdant Bioscience is intended for the development of F1 hybrid palm oil seeds that should help to achieve substantially improved yields per hectare.

SIPEF expects to realise better results thanks to a strong market and good production expectations, despite the unexpectedly excessive government levies on Indonesian palm oil supplies that were introduced at the end of 2020.

Most participations in the '**Growth Capital**' portfolio held their own fairly well in this year of crisis.

The diminished contribution is the result of the loss of EMG (impact of the corona crisis on the events industry and sports activities) and a mark-to-market impact within AvH's investment portfolio.

Agidens, Telemond, Turbo's Hoet Groep and Manuchar stood their ground well.

The evolution of Mediahuis is noteworthy. With the acquisition of NDC in the Netherlands and of Saint-Paul in Luxembourg, Mediahuis is now active in five countries, with the Dutch market now representing 45.5% of the turnover. Mediahuis was able to take full advantage of the digital acceleration with an average 11% increase of their digital subscriptions.

In the meantime, AvH continues to invest in the strengthening of its shareholdings in existing participations (35 million euros) and in new investments in its Growth Capital portfolio. 73 million euros was invested in a.o.

- MRM Health (17%, research and development of innovative human microbiome-based therapies),
- Indigo Diabetes (9%, development of an invisible multi-biomarker sensor for people with diabetes), and
- OMP (20%, supply chain planning software for businesses that want to keep track end-to-end of their supply chain).

AvH positions itself as a sustainable investment company.

With its recent investment focus on renewable energy, a more sustainable agriculture and food chain, the impact of population ageing and the opportunities presented by the accelerated digitalisation of services and processes, AvH actively contributes to a more sustainable world and the evolution towards a low-carbon economy.

With our investment strategy we want to keep responding to these long-term trends, and our aim is for every company of our group to outline a policy with which it actively contributes to the realisation of some specific UN Sustainable Development Goals.

86% of our companies (measured by their overall share in the consolidated shareholders' equity) have already formalised a policy around the SDGs that are relevant to them.

AvH also subscribed to the UN Principles of Responsible Investment in 2020 in order to further formalise its ESG approach.

In this way, AvH wants to be a responsible investor that prioritises people, environment and society.

The AvH model has once more proved its worth and resilience in 2020.

A clear strategy, strong teams and healthy balance sheets give us hope for the future.

In this context, the board of directors proposes to the general meeting to increase the dividend slightly from 2.32 euros gross per share to 2.35 euros gross per share.

We want to sincerely thank our staff members again for their dedication and their resilience in this exceptional year 2020.

The health crisis and the resulting volatility and uncertainty are not over yet.

It will still take a great deal of perseverance until the populations have been sufficiently vaccinated.

Nevertheless, the 'new normal' also offers plenty of opportunities, and we firmly believe that our group is well positioned to emerge from this crisis stronger.

March 24, 2021

Luc Bertrand,	Jan Suykens,
Chairman of the board of directors	*Chairman of the executive committee*

ANNUAL REPORT OF THE BOARD OF DIRECTORS

Dear shareholder,

It is our privilege to report to you on the activities of our company during the past financial year and to submit to you for approval both the statutory and consolidated annual accounts closed on December 31, 2020. In accordance with Article 3:32 §1 last paragraph of the Code of Companies and Associations, the annual reports on the statutory and consolidated annual accounts have been combined.

I. STATUTORY ANNUAL ACCOUNTS

1. Share capital and shareholding structure

No changes were made to the company's share capital during the last financial year. The share capital amounts to 2,295,278 euros, and is represented by 33,496,904 shares with no nominal value. All shares have been paid up in full. In 2020, 47,750 options were granted within the framework of the stock option plan. As at December 31, 2020, the options granted and not yet exercised entitled their holders to acquire an aggregate of 304,750 Ackermans & van Haaren shares (0.91%). The company received a transparency notice on October 31, 2008 under the transitional regulations of the Act of May 2, 2007, whereby Scaldis Invest NV - together with Stichting Administratiekantoor 'Het Torentje' - communicated its holding percentage. The relevant details of this transparency notice can be found on the company's website (www.avh.be).

2. Activities

For an overview of the group's main activities during the 2020 financial year, we refer to the Message from the chairmen (p. 14) and to the Key events (p. 10).

3. Comments on the statutory annual accounts

3.1 Financial situation as at December 31, 2020

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

The balance sheet total at year-end 2020 amounted to 2,039 million euros, which is a decrease with 114 million euros compared with the previous year (2019: 2,153 million euros). The assets consist of 9 million euros in tangible fixed assets (primarily the office building located at Begijnenvest and Schermersstraat in Antwerp), 52 million euros in short-term investments, 5 million euros in cash, and 1,907 million euros in financial fixed assets.

On the liabilities side of the balance sheet, the interim dividend of 77 million euros, the proposed dividend of maximum 79 million euros for the 2020 financial year, and the profit for the financial year of 10 million euros resulted in a shareholders' equity of 1,920 million euros (2019: 2,066 million euros). In 2020, short-term financial debts mainly related to treasury certificates (commercial paper). In the course of 2020, Ackermans & van Haaren purchased 145,357 treasury shares and sold 163,668. These transactions result from the implementation of the stock option plan and the liquidity agreement with Kepler Cheuvreux that came into effect on July 1, 2013.

3.2 Appropriation of the result

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

Profit carried forward from the previous financial year	1,842,138,264
Profit for the financial year	10,320,702
Total for appropriation	1,852,458,965
Allocation to the legal reserve	0
Allocation to the non-distributable reserves	5,503,910
Allocation to the distributable reserves	0
Dividend on capital	
- Interim dividend[1]	76,812,736
- Dividend over 2020[2]	78,717,724
Directors' fees	605,000
Profit premium for employees[3]	248,000
Profit to be carried forward	**1,690,571,595**

[1] On March 31, 2020, AvH announced that it would withdraw the previously formulated dividend proposal in respect of the 2019 financial year in light of the uncertainty caused by the then rampant coronavirus pandemic. On November 9, 2020, an extraordinary general meeting decided to pay a dividend in 2020 after all, in the form of an interim dividend of 2.32 euros per share. Accordingly, taking into account the treasury shares that are not entitled to a dividend, an amount of 76,812,736 euros was paid on November 16, 2020.

(2) It will be proposed to the ordinary general meeting of shareholders of May 25, 2021 to approve a dividend of 2.35 euros per share. This corresponds to a maximum dividend payment of 78,717,724 euros.
(3) Profit participation in favour of Ackermans & van Haaren employees in accordance with the provisions of the profit premium plan approved by the board of directors on February 21, 2020.

The board of directors proposes to pay a gross dividend of 2.35 euros per share. After deduction of the withholding tax (30%), the net dividend will amount to 1.645 euros per share. Since the treasury shares are not entitled to a dividend in accordance with Article 7:217 §3 of the Code of Companies and Associations, the total dividend amount depends on the number of treasury shares for account of Ackermans & van Haaren, on May 26, 2021 at 11.59 pm CET (i.e. the day before the ex-date). The board of directors proposes to be authorised accordingly to enter the final total dividend amount (and the resulting change) in the statutory financial statements. The maximum proposed total amount is 78,717,724 euros. If the annual general meeting approves this dividend proposal, the dividend will be payable from May 31, 2021. Following this appropriation, taking into account the maximum proposed total dividend amount, the shareholders' equity will stand at 1,919,737,289 euros, and will be composed as follows:

Capital	
Subscribed	2,295,278
Issue premiums	111,612,041
Reserves	
Legal reserve	248,081
Non-distributable reserves	38,538,957
Tax-exempt reserves	0
Distributable reserves	76,471,338
Profit carried forward	1,690,571,595
Total	**1,919,737,289**

3.3 Outlook

As in previous years, the results for the current financial year will to a large extent depend on the dividends paid by the companies within the group and on the realisation of any capital gains or losses.

4. Major events after the closing of the financial year

We refer for this to II.4 and II.7 on page 24.

5. Research and development

The company regularly organises knowledge exchange between the participations.

6. Financial instruments

Companies within the group may use financial instruments for risk management purposes. Specifically, these are financial instruments principally intended to hedge the risks associated with fluctuating interest and exchange rates. The counterparties in the related transactions are exclusively first-ranked banks. At the end of 2020, Ackermans & van Haaren doesn't have any such instruments outstanding.

7. Notices

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

The regulations of Article 7:96 of the Code of Companies and Associations regarding conflicts of interest did not have to be applied in 2020.

7.2 Additional remuneration for the auditor

Pursuant to Article 3:65, §3 of the Code of Companies and Associations, we inform you that a fee of 5,650 euros (excluding VAT) was paid for tax advice to EY Tax Consultants.

7.3 Acquisition or disposal of treasury shares

On November 9, 2020, the extraordinary general meeting authorised the board of directors of Ackermans & van Haaren to acquire treasury shares within a well-defined price range during a period of five years. In the course of 2020, Ackermans & van Haaren purchased 145,357 treasury shares and sold 163,668. These transactions relate to the implementation of the stock option plan and the liquidity agreement with Kepler Cheuvreux. More details about this can be found in the financial statements (note 22).

The situation as at December 31, 2020 was as follows:

Number of treasury shares	350,217 (1.05%)
Par value per share	0.07 euro
Average price per share	109.94 euro
Total investment value	38,504,204 euro

7.4 Notice pursuant to the law on takeover bids

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

7.5 Protection schemes

On November 9, 2020, the extraordinary general meeting renewed the authorisation of the board of directors, in the case of a public takeover bid for the securities of Ackermans & van Haaren, to proceed with a capital increase in accordance with the provisions and within the limits of Article 7:202 of the Code of Companies and Associations. The board of directors is allowed to use these powers if the notice of a takeover bid is given to the company by the Financial Services and Markets Authority (FSMA) not later than three years after the date of the aforementioned extraordinary general meeting (i.e. November 9, 2023).

The board of directors is also authorised, for a period of three years from the date of publication in the Annexes to the Belgian Official Gazette (i.e. until November 25, 2023), to acquire or dispose treasury shares in the event that such action is required in order to safeguard the company from serious and imminent harm.

II. CONSOLIDATED ANNUAL ACCOUNTS

1. Risks and uncertainties

This section describes, in general terms, the risks facing Ackermans & van Haaren as an international investment company on the one hand, and the operational and financial risks associated with the various segments in which it is active (either directly or indirectly through its subsidiaries) on the other. With regard to non-financial risks, reference is also made to the Sustainability report chapter (p. 44).

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

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

• Risks at the level of Ackermans & van Haaren

Strategic risk

The objective of Ackermans & van Haaren is to create shareholder value by long-term investment in a limited number of strategic participations. The availability of opportunities for investment and divestment is, however, subject to geopolitical and macroeconomic conditions, and is also impacted by the increasing competition, a.o. due to the private equity market that is becoming more and more international.

The definition and implementation of the strategy of the group companies is also dependent on the aforementioned conditions. By focusing on long-term value creation and the maintenance of operational and financial discipline, Ackermans & van Haaren, as a proactive shareholder, endeavours to limit those risks as far as possible.

Ackermans & van Haaren works together with partners in several group companies. At Delen Private Bank, for example, control is shared with the Jacques Delen family, with strategic decisions requiring the prior consent of both partners. Ackermans & van Haaren has a minority stake in certain group companies. The diminished control that can result from this situation could lead to relatively greater risks; this is offset as far as possible, however, by a close cooperation with, and an active representation on the board of directors of the group companies concerned.

• Risk related to the stock market listing

As a result of its listing on Euronext Brussels, Ackermans & van Haaren is subject to regulations regarding information requirements, transparency reporting, takeover bids, corporate governance and insider trading. Ackermans & van Haaren pays the necessary attention to keeping up and complying with the constantly changing laws and regulations in this area.

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

Liquidity risk

Ackermans & van Haaren has sufficient resources at its disposal to implement its strategy, and seeks to achieve a positive net cash position. The subsidiaries are responsible for their own financing, it being understood that, in principle, Ackermans & van Haaren does not provide credit lines or guarantees to or for the benefit of its participations. The external financial debts of 'AvH & subholdings' were limited to 31.0 million euros on December 31, 2020, more particularly commercial paper issued by AvH.

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

Several fully consolidated companies have agreed on certain ratios (covenants) in their credit agreements and these were respected as at December 31, 2020, with the exception of Biolectric, which is engaged in a constructive dialogue with its principal banker to bring the structure of its financing better into line with the development of the company's activities and its changing business model.

• Risks at the level of the group companies

Marine Engineering & Contracting

The **operational risks** of this segment are essentially associated with the execution of often complex land-based and marine contracting projects and, among other things, are related to: (i) the technical design of the projects and the integration of new technologies; (ii) the setting of prices for tenders and, in case of deviation, the possibility or impossibility of hedging against extra costs and price increases; (iii) performance obligations (in terms of cost, conformity, quality, turnaround time) with the direct and indirect consequences associated with these; (iv) the time difference between the quotation and the actual execution; (v) the evolution of the regulatory framework; and (vi) the relationships with subcontractors, suppliers and partners. DEME is involved, both as claimant and as defendant, in discussions with customers about the financial consequences of deviations in the execution of contracting projects. In a small number of cases they may result in lawsuits. In so far as the consequences of such lawsuits can be reliably estimated, provisions are made for this in the accounts. In new markets, such as the development of concessions for wind farms, the companies are confronted with a changing regulatory framework, technological developments, and the ability to finance those large-scale projects. In order to cope with these risks, the various group companies work with qualified and experienced staff. By taking part in risk and audit committees at DEME and CFE, Ackermans & van Haaren monitors the operational risks of the main projects from the tendering stage.

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

DEME is to a significant degree active outside the euro zone, and accordingly runs an **exchange rate risk**. As a rule, DEME hedges against exchange rate fluctuations or enters into foreign currency futures. Certain materials or commodities, such as fuel, can also be hedged. Most of CFE's activities are within the euro zone, and, where relevant, exposure to foreign exchange fluctuations is limited as much as possible.

Rent-A-Port primarily operates in Southeast Asia and is essentially exposed to an exchange rate risk relating to the USD and the Vietnamese dong. Since the subsidiaries of Rent-A-Port mainly effect purchases and sales in local currencies, the group's exposure to exchange rate fluctuations in commercial transactions is limited in a natural way.

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

Although the credit risk cannot be ruled out altogether, it is still limited. The operational activities of CFE in Africa were virtually discontinued in 2019, and an impairment loss was recognised on CFE's exposure. Rent-A-Port has a small number of customers and counterparties owing to the very nature of the group's activities. Consequently, it runs a higher credit risk. The group is able to adequately curtail this risk by providing sufficient contractual safeguards and by building and maintaining strong relations with its customers. The companies from the 'Marine Engineering & Contracting' segment usually invoice as the work progresses.

The **liquidity risk** is limited by spreading the credit and guarantee lines over several banks, and preferably over the long term. DEME permanently monitors its balance sheet structure and pursues a balance between a consolidated shareholders' equity position and consolidated net debts. DEME predominantly invests in equipment with a long life, which is written off over several years. For that reason, DEME seeks to structure a substantial part of its debts as long-term debt. DEME has worked out a new bank financing structure since 2015, based on bilateral unsecured long-term financing with several banks. Some loan agreements include ratios (covenants), which DEME must adhere to. This was also the case at year-end 2020.

DEME continues to monitor its procedures for the avoidance of **fraud and integrity risks** and adjusts them if necessary. DEME applies a 'Code of ethics and business integrity' and various specific policy documents ('Compliance policy & practices', 'Human Rights Policy' & 'Whistle-blower policy & procedures'). An annual mandatory training is linked to this 'Code of ethics and business integrity'. In line with previous years, the procedures for cooperation with third parties were also further tightened in 2020. The functioning of the internal audit was also further strengthened in 2020.

As publicly known, the Public Prosecutor's office conducts an investigation since 2016 into alleged irregularities in the award of a contract to Mordraga, a subsidiary of DEME, for the execution of dredging works in the port of Sabetta (Russia) in 2014 and 2015. The contract in question was awarded to Mordraga by a private general contractor in the context of a private tender. The Public Prosecutor summoned certain companies and staff members of the DEME group at the end of December 2020 to appear before the Council Chamber. DEME, Dredging International and one staff member requested the competent investigative judge to take extensive additional investigative actions since they believe that important elements à décharge require further analysis. The session before the Council Chamber has in the meantime been postponed sine die. It should be emphasised that the Council Chamber does not pronounce any judgment on the merits of the case, but merely rules on the question whether or not there are sufficient incriminating elements to having a case judged on its merits by the competent court. In light of the foregoing, DEME cannot for the time being make a reliable assessment of the financial impact of the pending investigation. DEME remains confident about the further development of the procedure.

Private Banking

As Delen Private Bank and Bank J.Van Breda & Co are both specialist niche players with a culture of prudence, the **operational risk** has a limited impact on both banks. Operational departments and control functions work together closely in a 'three lines of defence' model to monitor the quality of operations. They are backed up by an efficient IT system that automates the main processes and provides built-in controls. To ensure the continuity of operations in the event of contingencies, both organisations have detailed continuity and recovery plans.

The **credit risk** and risk profile of the investment portfolio have been deliberately kept very low for many years now by Delen Private Bank and Bank J.Van Breda & C°. The banks invest in a conservative manner. The volume of lending at Delen Private Bank is very limited, as this is merely a supporting product in the context of asset management. The loans that are extended are usually temporary bridge loans that are amply guaranteed by pledges on securities. The credit risk at JM Finn is very limited. The credit portfolio of Bank J.Van Breda & C° is very widely spread among a client base of local entrepreneurs and liberal professionals. The bank applies concentration limits per sector and maximum credit amounts per client.

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

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

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

The liquidity and solvency risk is continuously monitored by a proactive risk management. The banks want to be sure at all times that they satisfy the regulatory requirements and maintain a capitalisation level that amply covers the level of activity and risk that is taken. Furthermore, the two groups have more than sufficient liquid assets to meet their commitments, even in unforeseen market conditions, as well as sound Core Tier1 equity ratios.

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

The **market risk** may arise from the limited short-term investments in the name of Delen Private Bank and Bank J.Van Breda & C°, or may manifest itself on outstanding positions on suspense accounts over which securities for client portfolios are traded. The intention is that the positions on those suspense accounts should be liquidated systematically so that the bank is not exposed to a market risk. The fair value of the assets under management for clients is partly determined by the developments on the financial markets. Although this has no direct impact on the equity position of the two banks, the total volume of assets under management is a determining factor for their revenues.

Real Estate & Senior Care

A first crucial element related to the **operational risks** in the real estate sector is the quality of the offering of buildings and services offered. In addition, long-term lease contracts with solvent tenants are expected to guarantee the highest possible occupancy rate of both buildings and services and a recurrent flow of income, and should limit the risk of non-payment. Finally, the renovation and maintenance risk is also continuously monitored. For Anima, top-quality care for the residents is important. There is a strong focus on working methods, operating systems and human resources management to guarantee a pleasant living environment with a high quality of service.

The real estate development activity is subject to strong cyclical fluctuations (**cyclical risk**). Development activities for office buildings tend to follow the conventional economic cycle, whereas residential activities respond more directly to the economic situation, consumer confidence and interest rate levels. Extensa Group focuses mainly on Belgium and Luxembourg. The spread of real estate operations over various segments (e.g. residential, logistics, offices, retail) limits this risk.

The **exchange rate risk** is very limited because almost all operations are situated in the euro zone.

Extensa Group and Leasinvest possess the necessary long-term credit facilities and backup lines for their commercial paper programme to cover present and future investment needs. Those credit facilities and backup lines serve to hedge the **financing risk**.

The **liquidity risk** is limited by having the financing spread over several financial counterparties and by tapping various sources of funding, as well as by diversifying the expiration dates of the credit facilities. On November 20, 2019, Leasinvest successfully closed a private placement of bonds with seven-year maturity for an amount of 100 million euros. The bonds pay a fixed annual coupon of 1.95% and were placed with institutional investors in Belgium, France and Luxembourg. The 2013 private bond of 20 million euros matured in 2020, and an additional bank credit line was concluded for the same amount. The average duration of financing at Leasinvest was 3.4 years at year-end 2020 (compared to 3.9 years at year-end 2019). Extensa refinanced a bond of 30 million euros that matured in 2020 with a new bond of 40 million euros with a 4-year maturity. The bank debts increased along with the progress made on the Tour & Taxis construction projects (Gare Maritime and Parking Gare Maritime).

The hedging policy for the real estate activities is aimed at confining the **interest rate risk** as much as possible. Financial instruments are used for that purpose.

Energy & Resources

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

The production volumes, and therefore the turnover and margins realised by SIPEF, are also influenced by climatic conditions such as rainfall, sunshine, temperature and humidity.

Whether or not the group succeeds in achieving its contemplated expansion plans will depend on securing new concession agreements for agronomically suitable land that satisfy the group's sustainability policy on economically responsible conditions.

The group is also exposed in this segment to fluctuations in commodity prices (SIPEF: mainly palm oil, palm kernel oil and rubber; Sagar Cements: coal and electricity).

SIPEF's strategy is to only produce sustainable palm oil and other sustainable products. The compliance with the sustainability requirements, and, in a broader context, the perception of these products in the market, is closely monitored by SIPEF.

The consolidation scope was extended in 2020 with the new 42% participation in Verdant Bioscience. Verdant Bioscience is a biotechnology firm that specialises in the development of high-yielding F1 hybrid palm oil seeds. Since the results of this development will only become known in a few years, the activity of Verdant Bioscience is characterised by a higher risk profile. The co-shareholders of Verdant Bioscience are, besides a group of scientists, SIPEF with 38% and the Indonesian listed plantation group DSN (10%), which both have many years of experience in the production of palm oil.

Growth Capital

Ackermans & van Haaren makes venture capital available to a limited number of companies with international growth potential. The investment horizon is longer on average than that of the typical players on the private equity market. The investments are usually made with conservative debt ratios, with, in principle, no advances or securities being granted to or for the benefit of the group companies concerned. Moreover, the diversified nature of these investments contributes to a spread of economic and financial risks. Ackermans & van Haaren will usually finance these investments with shareholders' equity.

The economic situation has a direct impact on the results of the participations. The fact that the activities of the group companies are spread over various segments affords a partial protection against the risk.

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

Various participations (e.g. Manuchar, Telemond Group, Turbo's Hoet Groep) are active to a significant extent outside the euro zone. In such cases, the **exchange rate risk** is always monitored and controlled at the level of the participation itself.

2. Comments on the consolidated annual accounts

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

The group's consolidated balance sheet total as at December 31, 2020 amounted to 16,229 million euros, which is an increase of 6% compared to 2019 (15,301 million euros). This balance sheet total is obviously impacted by the manner in which certain group companies are included in the consolidation. In particular, the full consolidation of the stake in Bank J.Van Breda & C° has a major impact on the consolidated balance sheet.

The shareholders' equity (group share) at the end of 2020 was 3,562 million euros, which represents an increase of 106 million euros compared to 2019 (3,456 million euros). In November 2020, Ackermans & van Haaren paid out a gross dividend of 2.32 euros per share, resulting in a decrease of the shareholders' equity by 76.8 million euros.

In 2020, Ackermans & van Haaren focused on the development of its core participations and on investment in certain new activities, more particularly OMP, Verdant Bioscience, Indigo Diabetes, Biotalys, MRM Health and HealthQuad II.

The contribution of the core segments to the group profit in 2020 amounted to 227.5 million euros (2019: 267.9 million euros).

The consolidation scope underwent some changes in 2020, which are explained in note 2.

At year-end 2020, Ackermans & van Haaren (including subholdings) had a net cash position of 68.0 million euros, compared to 267.4 million euros at year-end 2019. Besides cash and short-term deposits, this cash position consists, among others, of short-term debts in the form of commercial paper amounting to 31.0 million euros, short-term investments amounting to 51.2 million euros and treasury shares.

A detailed description of the results of the various group participations is shown in the 'Key figures' appendix and in the activity report (page 74) of the annual report.

Marine Engineering & Contracting

In 'Marine Engineering & Contracting', the pandemic disrupted normal business on projects in Belgium and abroad. This resulted in a lower level of activity and profitability at both DEME and CFE.

Private Banking

Delen Private Bank and Bank J.Van Breda & C° both reported a record result, laying the foundations for further growth with a strong increase of assets under management.

Real Estate & Senior Care

The results in 'Real Estate & Senior Care' managed to recover after a difficult first half of the year.

Energy & Resources

Thanks to increasing market prices for palm oil (SIPEF) and cement (Sagar Cements), the results of 'Energy & Resources' showed a clear improvement.

AvH & Growth Capital

The participations in the 'Growth Capital' segment generally held up well. The decreased contribution of 'AvH & subholdings' to the result is mainly due to a negative value development of AvH's investment portfolio (last year this was positive).

3. Impact COVID-19

The COVID-19 pandemic disrupted normal life in communities worldwide in 2020 and had a negative impact on large sections of the economy. On March 31, 2020, AvH had already warned of the consequences for its outlook for the rest of the financial year.

Meanwhile, this health crisis appears to be more or less under control in most countries where the group is active, although caution is still recommended.

The past few months have shown the relevance of the group's investment strategy: AvH's diversified portfolio, with a limited number of participations in well-positioned companies, has stood its ground fairly well under these exceptional conditions. Over the full financial year, AvH realised a net profit (group share) of 229.8 million euros.

The effects of this pandemic on the group are essentially situated in the following areas.

• Treasury

AvH ended the year 2020 with a positive net cash position of 68 million euros. Additionally, the group has a total of 280 million euros in confirmed credit lines that can be drawn down immediately. This gives the group an intervention capacity of approximately 0.35 billion euros, even without calling upon additional sources of financing.

AvH has always alerted its participations to the importance of a conservative balance sheet structure. This philosophy has again proved its worth in 2020. Along with support measures taken by different governments, it has helped to ensure that, throughout the group, AvH needed to offer financial assistance to just one participation (Euro Media Group) for a relatively modest amount of 4.1 million euros.

A number of AvH participations use bank loans which, in certain cases, come with specific covenants. As at December 31, 2020, only one of the group companies (Biolectric) failed to comply with the covenants. A relatively small amount is involved, and constructive discussions are ongoing with the company's principal banker to adapt the financing structure to the changing business model of Biolectric.

• Operating result

In 2020, some form of lockdown was imposed in most of the countries where the group is active.

This led to major logistical complications for our participations active in 'Marine Engineering & Contracting', primarily as a result of extra costs, logistical complications, delays in works in progress and resulting productivity losses. DEME estimates the extra costs incurred as a direct result of COVID-19 at 32.6 million euros, of which 8.8 million euros was compensated by cost savings and support measures that were available in several countries. Besides the direct consequences, the COVID-19 crisis also had an impact on exchange rates, oil prices and delays in the intake of new orders. DEME estimates the overall negative impact of not being able to achieve its proposed turnover target (including the resulting costs of idleness and underutilisation of the fleet), the additional costs mentioned earlier, and the accident with Orion on the operating result of approximately 100 million euros.

In the Contracting activities of CFE, COVID-19 caused in H1 2020 project delays, which had a negative impact on the results of the projects and additionally led to an under-coverage of overheads. As is the case at DEME, the result of construction contracts is recognised according to the rate of progress of the works. When a project is deemed to be loss-making, this result is immediately charged to profit and loss for the period in which this assessment is made, including with respect to turnover that will only be realised in future periods. CFE reported a marked recovery of its operating results in the second half of the year.

CFE was able to rely on various support measures in its different activities, such as economic unemployment. Consequently, the (negative) impact on the operating result is estimated at approximately 20 million euros.

The upheaval that the health crisis also brought about on the financial markets eventually had no negative impact on the operating results of Delen Private Bank and Bank J.Van Breda & C°. Despite the numerous challenges that the coronavirus has also created in terms of the practical organisation of the two institutions, the contribution of the 'Private Banking' segment to the group's result actually increased by 14.0 million euros compared to last year, thereby confirming its position as main contributor to the group's result. At Bank J.Van Breda & C° 4.5 million euros (net) worth of provisions were recorded to cover expected future (but not yet identified) credit losses in accordance with IFRS 9.

As was the case in the 'Marine Engineering & Contracting' segment, the lockdown period delayed progress on the development projects in Belgium and Luxembourg in the 'Real Estate & Senior Care' segment, without however compromising the long-term profit potential. Leasinvest lost a total of 4.2 million euros in rental income. The 1,600 employees of Anima did everything possible, under extremely difficult conditions, to keep providing care to the residents of its residential care centres, service flats and convalescent homes. The exceptional conditions clearly put heavy pressure on the people, residents and organisation of Anima, and had a negative impact on Anima's short-term profitability. Some of Anima's sites have not been spared from the coronavirus outbreak. On top of the human suffering, Anima estimates the financial impact of this crisis at 6.5 million euros, caused by additional costs, lower income due to the closure of certain services and lower occupancy rates, particularly at the four newly built residences that opened during the past year and were unable to attract new residents under these circumstances. The combined negative impact was compensated by 4.6 million euros worth of support measures made available by the three regional governments.

SIPEF experienced almost no negative impact on their operations from the COVID-19 pandemic in 2020. SIPEF reported a 5.4% increase in its (sustainable) palm oil production, but experienced an indirect negative impact from the sharp decrease in prices during the first half of the year. The market price of palm oil made a vigorous recovery in the last months of 2020. In India, Sagar Cements reported a negative impact of the pandemic on its capacity utilisation. The impact on the results, however, was offset by better market prices.

In the 'Growth Capital' segment, the impact is different depending on the sectors in which the companies operate. Clearly, the activities of Euro Media Group, a major provider of audiovisual services to big events (Olympic Games, European football championship, Eurovision song contest) and prominent sports competitions (football, rugby, cricket, golf, etc.), which were largely halted from March 2020 and were only resumed towards the end of the first half of 2020, fell more than 40% short of budget. In those exceptional circumstances, the main shareholders of EMG, which include AvH Growth Capital for 4.1 million euros, in conjunction with the banks of EMG and the French public sector bank BPI, came up with a financial support package to bridge this difficult period. In June 2020, volumes began to increase again steadily month by month.

Other companies from AvH's 'Growth Capital' segment also experienced the effects of the COVID-19 crisis, without however incurring any material losses in 2020.

• Impairment losses and changes in fair value

The COVID-19 pandemic is hopefully an exceptional event and should not simply be extrapolated to the future. AvH has performed an impairment test to determine whether impairment losses needed to be recognised on assets or on/at participations exhibiting special impairment indicators.

However, negative fair value changes were recognised on market-listed assets and charged to profit and loss in 2020, after application of the fair value approach (level 1 in the fair value hierarchy). On AvH's investment portfolio and certain other financial fixed assets, which showed a fair value of 57.0 million euros at year-end 2020, a total impairment loss of 1.7 million euros was recognised to bring it into line with the fair value at December 31, 2020. Those value fluctuations were far greater throughout the year.

With a stake of 10.7%, Leasinvest is the largest shareholder of its sector peer Retail Estates. This participation is not consolidated, but the fair value changes (based on the share price of Retail Estates) are reported through the profit and loss account of Leasinvest. In the first half of 2020, the negative trend of the Retail Estates share price led to an (unrealised) loss of 33.5 million euros in the financial statements of Leasinvest, and through AvH's 30% stake this had an impact of -10.0 million euros on AvH's group result.

Leasinvest recorded a negative value-adjustment of 25.5 million euros on the Knauf shopping centers in Luxembourg. The corona pandemic creates considerable uncertainty because of the continuous risk of a mandatory closure of non-essential shops by the government, combined with a possible closure of the borders. This represents a negative impact of 7.7 million euros (group's share AvH).

• Expected credit losses (ECL)

The financial market regulators, such as EBA, ECB, ESMA, have issued guidelines on the application of the concept of expected credit losses in accordance with the IFRS 9 accounting standard ('Financial Instruments') in the 2020 figures. The main exposure is obviously situated in the 'Private Banking' segment. It is worth noting in this respect that, thanks to their conservative and consistent credit policy, both Delen Private Bank and Bank J.Van Breda & C° suffered a relatively limited impact. Delen Private Bank did not need to set aside any provisions for loan losses on the (limited) credit portfolio Bank J.Van Breda & C° made a provision of 1.0 million euros over the full year for specific credit losses. Nevertheless, an additional provision of 4.5 million euros was made to cover expected future but not yet identified credit losses in accordance with IFRS 9.

Rent reductions that are granted exceptionally in times of economic crisis, such as the COVID-19 pandemic and the related lockdown, are accounted for as a reduction of income in accordance with IFRS 9 ('impairment loss').

No other material expected credit losses are to be reported within the group.

• Estimate of total impact

All the companies of the AvH group have made their assessment of the financial impact of the COVID-19 pandemic on their operating result. As described above, that result is adversely affected by extra costs (compensated by support measures where available), impairments (including 'fair value adjustments') and provisions for credit losses. Costs of idleness/underutilisation and under-coverage of equipment and the inability to achieve proposed turnover targets and the margin on that turnover, also had a negative impact on the results of 2020. The impact of these last factors, however, is an estimate as it is less easy to determine objectively.

AvH estimates the combined impact of all these effects on the net result (share of the group) for the full year 2020 at approximately 95 million euros. This figure does not take into account the indirect consequences of the pandemic, such as the upward or downward movements of financial markets (except for those assets that are part of the portfolio), the evolution of commodity prices, etc.

4. Major events after the closing of the financial year

In January, DEME and Van Laere signed a contract for the Right Bank project of the Oosterweel link. At the beginning of March, SIPEF announced that it had signed an agreement in principle for the sale of PT Melania, which is active in rubber.

5. Research and development

At the fully consolidated participations of Ackermans & van Haaren, the DEME teams of R&D and the Central Competence Centre develop groundbreaking, innovative technologies, while the engineering departments of CFE are involved in civil engineering and construction projects. Ackermans & van Haaren and SIPEF are involved in the development of seeds of high-yielding oil palms through a stake in Verdant Bioscience. Both Bank J.Van Breda & C° and Delen Private Bank invested in the development of specific management software. The recently acquired participations - Biolectric, Biotalys, Indigo Diabetes, Medikabazaar, MRM Health and OMP - are innovative companies in their field. Their constant focus on technological innovation helps to strengthen their competitive position in the short and medium term.

6. Financial instruments

Within the group (including DEME, Rent-A-Port, Bank J.Van Breda & C°, Leasinvest), a cautious policy is pursued in terms of interest rate risk by using interest swaps and options. A large number of the group companies operate outside the euro zone (including DEME, Rent-A-Port, Delen Private Bank, SIPEF, Manuchar, Telemond Group, Sagar Cements, Turbo's Hoet Groep). Hedging activities for interest rate and exchange rate risk are carried out and managed at the level of the individual company.

7. Outlook 2021

After a first half-year in 2020 which society as a whole was confronted with the shock of the corona pandemic, economic activity began to recover somewhat in the third quarter. The fact that Ackermans & van Haaren was able to close such a turbulent year 2020 with a profit of 230 million euros illustrates the resilience and solidity of the AvH model.

The focus on a limited number of core participations that are leading players in their line of business, supplemented by a number of younger yet promising participations will be maintained in 2021 as well. DEME's solid order backlog, a record level of assets under management in the Private Banking segment, and the good positioning of most other companies in the group allow the board of directors to look forward to 2021 with confidence. Barring unforeseen developments, the board of directors expects the group's net profit to increase in 2021.

III. CORPORATE GOVERNANCE STATEMENT

1. General information

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

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

- On April 18, 2006, the Charter was aligned to various Royal Decrees adopted pursuant to European regulations on market abuse.
- On January 15, 2008, the board of directors amended Article 3.2.2 (b) of the Charter in order to clarify the procedure regarding investigations into irregularities.
- On January 12, 2010, the Charter was modified to reflect the 2009 Code and the new legal independence criteria.
- On October 4, 2011, the board of directors deliberated on the adaptation of the Charter to the Act of April 6, 2010 on the reinforcement of corporate governance in listed companies and the Act of December 20, 2010 on the exercise of certain shareholders' rights in listed companies. On that occasion, the board of directors also tightened its policy on the prevention of market abuse (Section 5 of the Charter) with the introduction of a prohibition on short selling and speculative share trading.
- On October 10, 2016, the Charter was amended to align it to Regulation (EU) no 596/2014 of the European Parliament and of the Council dated April 16, 2014 on market abuse and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC.
- On February 24, 2017, the Charter was aligned to the Act of December 7, 2016 on the organisation of the profession and the public supervision of company auditors.
- On February 25, 2019, the board of directors eased the age limit.
- On November 19, 2020, the board of directors amended the Charter to align it to the 2020 Code.

The Charter is available in three languages (Dutch, French and English) on the company website (www.avh.be).

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

2. Board of directors

2.1 Composition

● audit committee ● remuneration committee ● nomination committee

LUC BERTRAND

(°1951, Belgian)

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

Luc Bertrand graduated in 1974 as a commercial engineer (KU Leuven). He began his career at Bankers Trust, as Vice-President and Regional Sales Manager, Northern Europe. He has been with Ackermans & van Haaren as a director since 1985, where he joined as financial director in 1986 and was chairman of the executive committee from 1990 to 2016. He is chairman of the board of directors of CFE, DEME and SIPEF and a director of Delen Private Bank, JM Finn, Bank J.Van Breda & C° and Verdant Bioscience. He is also chairman of the Duve Institute and Middelheim Promoters, member of a number of other boards of directors of non-profit associations and public institutions, such as Museum Mayer van den Bergh and Europalia, member of the board of trustees of Guberna, and member of the general board of Institute of Tropical Medicine.

Mandate ends 2021

ALEXIA BERTRAND

(°1979, Belgian)

Non-executive director
(since 2013)

Alexia Bertrand obtained a law degree (Université Catholique de Louvain - 2002) and a master of laws (Harvard Law School - 2005). As of May 2019 she is a Member of Parliament of the Brussels-Capital Region. From 2012 to 2019 she worked as an adviser at the office of the Deputy Prime Minister and Minister of Foreign Affairs, and was appointed 'chef de cabinet' for general policy on October 1, 2015. She regularly gives courses in negotiation techniques. From 2002 to 2012, she worked as a lawyer specialising in financial and company law (with Clifford Chance and later with Linklaters). For part of that time, she was a teaching assistant at the Law Faculty of the Université Catholique de Louvain and a research assistant at the Katholieke Universiteit Leuven.

Mandate ends 2021

MARION DEBRUYNE BV[1]

permanently represented by Marion Debruyne
(°1972, Belgian)
Independent, non-executive director
(since 2016)

Professor Marion Debruyne has a degree in civil engineering (RU Ghent - 1995) and a PhD in applied economic sciences (RU Ghent - 2002). She lectured at Wharton School, Kellogg Graduate School of Management, and Goizueta Business School, all in the USA. Marion Debruyne was appointed dean of Vlerick Business School in 2015. She is a director at Kinepolis and Guberna.

Mandate ends 2024

[1] References in this annual report to 'Marion Debruyne' should be read as Marion Debruyne bvba, permanently represented by Marion Debruyne.

JACQUES DELEN

(°1949, Belgian)

Non-executive director
(since 1992)

Jacques Delen obtained the diploma of exchange agent in 1976. He has been the chairman of the board of directors of Delen Private Bank since July 1, 2014, and is also a director of the listed plantation group SIPEF and of Bank J.Van Breda & C°. Jacques Delen was chairman of the board of directors of Ackermans & van Haaren from 2011 to 2016.

Mandate ends 2022

PIERRE MACHARIS

(°1962, Belgian)

Non-executive director (since 2004)
Chairman of the remuneration committee
(since 2011)

Pierre Macharis graduated in commecial and financial sciences (1986) and also obtained the degree of industrial engineer in automation (1983). He is currently CEO and chairman of the executive committee of VPK Packaging Group. He is also chairman of Cobelpa, the Belgian association of paper and pulp producing companies, a director at CEPI, the European association of paper and pulp producing companies and a director at Sioen Industries.

Mandate ends 2024

JULIEN PESTIAUX

(°1979, Belgian)

Independent,
non-executive director
(sinces 2011)

Julien Pestiaux graduated in electromechanical civil engineering with specialisation energy (Université Catholique de Louvain - 2003), and also obtained a master's degree in engineering management (Cornell University - USA). Julien Pestiaux is a partner at Climact, an agency that provides advice on energy and climate issues. He is now leading a team developing a model for the EU Commission which assesses the potential for EU Member States to reduce energy consumption and greenhouse gases in the medium to long term. He worked for five years as a consultant and project leader at McKinsey & C°.

Mandate ends 2023

THIERRY VAN BAREN

(°1967, French / Dutch)

Non-executive director
(since 2006)

Thierry van Baren holds a master's degree and a teaching qualification in philosophy, and obtained an MBA, with specialisation marketing (Solvay Business School). He is currently an independent consultant. He worked for 13 years as a marketing consultant at, among others, TBWA Belgium, BDDP Belgium, Ammirati Puris Lintas and Ogilvy Brussels.

Mandate ends 2022

MENLO PARK BV[2]

permanently represented by
Victoria Vandeputte (°1971, Belgian)
Independent, non-executive director
(since 2018)

Victoria Vandeputte is a civil engineer in electromechanics (KU Leuven - 1995) and holds a master's degree in risk management (Ecole Supérieure de Commerce de Bordeaux - 1996). She is currently a member of the executive committee and Chief Innovation & Marketing Officer of Diversi Foods (Oetker-Gruppe).

Mandate ends 2022

[2] References in this annual report to 'Victoria Vandeputte' should be read as Menlo Park vba, permanently represented by Victoria Vandeputte.

FREDERIC VAN HAAREN

(°1960, Belgian)

Non-executive director
(since 1993)

Frederic van Haaren is an independent entrepreneur and Alderman of the Municipality of Kapellen, in charge of public works, environment, green spaces and cemeteries. He is also director of Belfimas, chairman of 'Consultatiebureau voor het Jonge Kind' in Kapellen, and of Bosgroepen Antwerpen Noord, as well as member of the commission environment at Intercommunale Igean.

Mandate ends 2021

PIERRE WILLAERT

(°1959, Belgian)

Non-executive director (since 1998)
Chairman of the audit committee (since 2004)

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

Mandate ends 2024

The mandates of Alexia Bertrand, Luc Bertrand and Frederic van Haaren expire at the ordinary general meeting of May 25, 2021. The board of directors will propose to the ordinary general meeting to (i) renew the mandates of Alexia Bertrand and Frederic van Haaren for a period of four years, and (ii) renew the mandate of Luc Bertrand for a period of two years. Although Luc Bertrand has already exceeded the age limit of 70, the board is of the opinion that, with his knowledge and experience, he can still make an exceptional and meaningful contribution to the deliberations of the board of directors.

2.2 Independent directors

- Marion Debruyne
- Julien Pestiaux
- Victoria Vandeputte

Marion Debruyne, Victoria Vandeputte and Julien Pestiaux meet the independence criteria of Article 3.5 of the Code.

2.3 Other directors

- Alexia Bertrand
- Luc Bertrand
- Jacques Delen
- Pierre Macharis
- Thierry van Baren
- Frederic van Haaren
- Pierre Willaert

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

2.4 Activity report

8 meetings

98% attendance

In 2020, the board of directors discussed and regularly updated the budget for the current financial year, monitored the group's results and the development of the activities of the various group companies on the basis of reports prepared by the executive committee, examined the off-balance-sheet commitments, and discussed the recommendations of the advisory committees.

Various investments were discussed during the course of the financial year, such as participation in the capital increases of Biotalys, Indigo Diabetes and MRM Health, the acquisition of an interest in OMP and in Verdant Bioscience, the provision of shareholder loans to Rent-A-Port and Financière EMG and of a loan to the IHC Merwede shipyard.

The board of directors also paid ample attention to the strategy for 2020-2021, the impact of the COVID-19 crisis on the group (including the postponement of the annual dividend payment to the autumn), the establishment of the AvH Solidarity Fund, the matter of double voting right, the preparation of the special and extraordinary general meeting of November 9, 2020, the profit sharing bonus plan for white-collar employees, the review of the Corporate Governance Charter, and follow-up of the pending judicial inquiry involving DEME.

The board of directors invited the management of DEME in 2020 to give presentations on specific investments as well as on the strategy of the group.

In accordance with Article 2.8 of the Charter, assessment procedures are carried out periodically within the board of directors. These assessments take place on the initiative and under the supervision of the chairman.

The annual assessment of the relationship between the board of directors and the executive committee took place on March 25, 2020. On that occasion, the non-executive directors expressed their general satisfaction with the good quality of the collaboration between the two bodies and made a number of suggestions to the chairman of the executive committee in this respect. It was pointed out that the COVID-19 crisis obliges us to review our strategy and to define even more precisely in what regions, sectors and sustainable activities the group wants to be and/or remain active in the long term.

	Attendance
Luc Bertrand	8/8
Alexia Bertrand	8/8
Marion Debruyne	7/8
Jacques Delen	8/8
Pierre Macharis	7/8
Julien Pestiaux	8/8
Thierry van Baren	8/8
Victoria Vandeputte	8/8
Frederic van Haaren	8/8
Pierre Willaert	8/8

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

2.5 Code of conduct regarding conflicts of interest

In the Charter (Articles 2.10 and 4.7), the board of directors published its policy regarding transactions between Ackermans & van Haaren or a company affiliated to it on the one hand, and members of the board of directors or executive committee (or their close relatives) on the other, which may give rise to a conflict of interest (within the meaning of the Code of Companies and Associations or otherwise). In 2020, no decisions were made to which this policy applied.

2.6 Code of conduct regarding financial transactions

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

3. Audit committee

3.1 Composition

Pierre Willaert Non-executive director	Chairman
Marion Debruyne Independent, non-executive director	
Julien Pestiaux Independent, non-executive director	

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

Pierre Willaert (°1959) holds a master's degree in commercial and financial sciences, and obtained the diploma of the Belgian Association of Financial Analysts (ABAF-BVFA). He worked for many years as a financial analyst at Bank Puilaetco. He later became responsible for the Institutional Management department. Pierre Willaert was managing partner and member of the audit committee of Bank Puilaetco until 2004. He was appointed as a director at Ackermans & van Haaren in 1998, and has been chairman of the audit committee since 2004.

Marion Debruyne (°1972) graduated as a civil engineer from Ghent University (1995) and obtained her PhD in applied economics (2002). Marion Debruyne has lectured at Wharton School, Kellogg Graduate School of Management and Goizueta Business School, all in the USA. She has been active as dean of the Vlerick Business School since 2015. Marion Debruyne was appointed director of Ackermans & van Haaren in 2016 and as a member of the audit committee in 2018. In addition, she holds directorships at Kinepolis and Guberna.

Julien Pestiaux (°1979) graduated in electromechanical civil engineering (specialisation energy) from the Université Catholique de Louvain in 2003, and also obtained a master's degree in engineering management at Cornell University (USA). The focus of the master in engineering management was on financial and economic analyses. Most of the course was given at the 'Johnson Graduate School of Management' of Cornell. Julien Pestiaux is a partner at Climact, a company that advises on energy and climate themes with numerous business customers. Before that, he worked for five years as a consultant and project leader at McKinsey & C°, where he became acquainted with various aspects of accounting. Julien Pestiaux was appointed director at Ackermans & van Haaren in 2011.

3.2 Activity report

5 meetings

100% attendance

The audit committee of January 31, 2020 was dedicated to ESG and the sustainability reporting in the annual report.

On February 19 and August 21, 2020, in the presence of the financial management and the auditor, the audit committee mainly focused on the reporting process and the analysis of the annual and half-yearly financial statements, respectively. The members of the audit committee received, in advance, the available reports of the audit committees of the operational subsidiaries of Ackermans & van Haaren.

The audit committee of March 18, 2020 focused on the financial reporting, as published in the annual report over 2019, and an analysis of the off-balance-sheet commitments. Attention was also paid to the statement on non-financial information and to the main issues that the auditor is obliged to include in his report.

The audit committee of August 21, 2020 paid special attention to the compliance with the rules of independence that apply to the statutory auditor. On December 14, 2020, the audit committee discussed the ESG reporting, deliberated on internal audit and control, ICT and human resources, the off-balance-sheet commitments and the audit plan (including materiality thresholds) of the statutory auditor.

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

4. Remuneration committee

4.1 Composition

Pierre Macharis Non-executive director	Chairman
Julien Pestiaux Independent, non-executive director	
Victoria Vandeputte Independent, non-executive director	

4.2 Activity report

2 meetings

100% attendance

At its meeting of March 25, 2020, the remuneration committee discussed the draft remuneration report, which, in accordance with Article 3:6, §3 of the Code of Companies and Associations, constitutes a specific part of the Corporate Governance Statement, and ensured that the draft report contains all the information required by law. The committee also reviewed the payment of the variable remuneration to the members of the executive committee, against the recommendations it had made on this subject at its meeting of November 20, 2019, and discussed with the CEO the conclusions of the feedback interviews with the members of the executive committee.

At the meeting of November 19, 2020, the committee discussed the following subjects and made recommendations to the board of directors in this respect: the fixed and variable remuneration of the members of the executive committee for 2021, the remuneration of the directors, and the number of stock options to be granted to the members of the executive committee. The committee also recommended maintaining the attendance fee for directors for meetings of the board of directors and of the audit and remuneration committees at 2,500 euros for the 2020 financial year.

5. Nomination committee

On January 14 and February 21, 2020, the board of directors, in the role of the nomination committee, deliberated on the future composition of the board of directors, and, in accordance with the procedure of Article 2.2.2 of the Charter, decided to propose to the ordinary general meeting of May 25, 2020 (i) to renew the mandate of Marion Debruyne BV, permanently represented by Marion Debruyne, as independent director for a period of 4 years, (ii) to renew the mandates of Pierre Macharis and Pierre Willaert for a period of 4 years, and (iii) to renew the mandate of Jacques Delen for a period of 2 years.

6. Executive committee

6.1 Composition

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

JAN SUYKENS

(°1960, Belgian)

Chairman of the executive committee

Jan Suykens holds a degree in applied economic sciences (UFSIA - 1982) and subsequently obtained an MBA (Columbia University -1984). He worked for a number of years in Corporate & Investment Banking at the Generale Bank.

Since 1990 at Ackermans & van Haaren

TOM BAMELIS

(°1966, Belgian)

CFO and member of the executive committee

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

Since 1999 at Ackermans & van Haaren

JOHN-ERIC BERTRAND

(°1977, Belgian)

Member of the executive committee

Following his studies as a commercial engineer (UCL Louvain - 2001), John-Eric Bertrand obtained a master's degree in international management (CEMS - 2002) and an MBA (Insead - 2006). He worked at Roland Berger as a senior consultant and at Deloitte as a senior auditor.

Since 2008 at Ackermans & van Haaren

PIET BEVERNAGE

(°1968, Belgian)

Legal counsel and member of the executive committee

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

Since 1995 at Ackermans & van Haaren

ANDRÉ-XAVIER COOREMAN

(°1964, Belgian)

Member of the executive committee

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

Since 1997 at Ackermans & van Haaren

PIET DEJONGHE

(°1966, Belgian)

Member of the executive committee

After his studies for a law degree (KU Leuven - 1989), Piet Dejonghe obtained a postgraduate degree in business administration (KU Leuven - 1990) and an MBA (Insead - 1993). He worked as a lawyer for Loeff Claeys Verbeke and as a consultant for The Boston Consulting Group.

Since 1995 at Ackermans & van Haaren

KOEN JANSSEN

(°1970, Belgian)

Member of the executive committee

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

Since 2001 at Ackermans & van Haaren

6.2 Activity report

24 meetings

95% attendance

On November 9, 2020, the extraordinary general meeting adapted the company's articles of association to the relevant provisions of the new Code of Companies and Associations. On that occasion, the meeting also expressly opted for a monistic management structure, and confirmed the possibility of setting up a committee around the CEO in which the general management of the company is discussed.

In this respect it should be pointed out that the board of directors decided at its meeting of October 6, 2020 to assign, with effect from that date, the daily management exclusively to the CEO. The new-style executive committee is essentially tasked with discussing the general management of the company, and prepares the decisions to be taken by the board of directors.

During the past financial year, the executive committee devoted a great deal of attention to the economic impact of the COVID-19 crisis on the group and the health of the employees. As usual, the committee also primarily prepared and followed up on the participation in the boards of directors of the subsidiaries, examined new investment proposals (both in the current group companies and outside), prepared the quarterly, half-yearly and annual financial reports, and investigated the impact of changes in the law that are relevant for the company.

7. Diversity policy

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

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

The current board of directors has 3 female directors (30%) and 7 male directors (70%), with a diversity of education and professional experience. On December 31, 2020, 4 directors were aged 50 or younger (40%) and 6 directors were older than 50 (60%).

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

A sound diversity policy starts with the recruitment. In 2020, Ackermans & van Haaren recruited two associate investment managers in the age category 25 to 35, with diverse backgrounds (Business Engineering and Biochemistry), to strengthen the multidisciplinary team.

Finally, investments in the training, career counselling and retention of staff members are also made on a permanent basis. This is done through a combination of broadening and deepening knowledge through training programmes, seminars and workshops, career perspectives both within Ackermans & van Haaren itself and in the group, and through a market-compliant remuneration policy.

For further information regarding the personnel policy, reference is made to the Sustainability report.

8. Internal and external audit

8.1 External audit

The company's statutory auditor is EY Bedrijfsrevisoren BV, represented by Patrick Rottiers and Wim Van Gasse. The statutory auditor conducts the external audit of both the consolidated and statutory figures of Ackermans & van Haaren, and reports to the board of directors twice a year. The statutory auditor was appointed at the ordinary general meeting of May 27, 2019 for a three-year term, which expires at the ordinary general meeting of 2022.

An annual fee of 62,500 euros (excluding VAT) was paid to the auditor in 2020 for auditing the statutory and consolidated annual accounts of Ackermans & van Haaren. In addition, an additional fee of 5,650 euros (excluding VAT) was paid to EY Tax Consultants for tax advice. The total fees for audit activities paid to EY by Ackermans & van Haaren and its consolidated subsidiaries in the past financial year amounted to 1,180,294 euros (including the above-mentioned 62,500 euros).

8.2 Internal audit

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

8.3 Principal features of the internal control and risk management systems with regard to the process of financial reporting and preparation of the consolidated annual accounts

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

Appropriate measures are proposed to accept, limit, transfer or avoid the identified risks.These assessments and decisions are clearly minuted and documented to allow a strict follow-up.

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

8.3.1 Control environment

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

a. Integrity and ethics

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

In order to emphasise the importance of ethical and responsible business and to promote sustainable growth within the group, the board of directors approved an integrity code on March 19, 2018. The integrity code can be consulted on the website. The integrity code will be regularly reviewed and updated.

b. Skills

Another cornerstone of the policy of Ackermans & van Haaren is the way in which its members work together as a professional team. Particular attention is paid to a balanced and qualitative content of the various positions within the organisation. In addition, the necessary training is provided to ensure that knowledge is constantly honed and fine-tuned. Highly skilled people with the right experience and attitude in the right job form the basis of the group's internal control and risk management system. This also applies at the level of the board of directors and the audit committee, who seek to ensure that the backgrounds and experience of the members are complementary.

c. Governance body / audit committeeé

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

d. Organisational structure, responsibilities and powers

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

8.3.2 Risk management process

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

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

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

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

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

8.3.3 Control activities

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

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

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

There is also a cycle of external audit of both the consolidated reporting and the reporting by the subsidiaries. One of the purposes of this external audit is to assess the effectiveness of the internal control and risk management systems implemented by the subsidiaries and to report on this to the statutory auditor of Ackermans & van Haaren.

Finally, there is a system of internal audit on the financial reporting which is carried out by different policy and management levels. This internal audit is completed prior to the external reporting.

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

8.3.4 Information and communication

The Charter provides that every staff member of Ackermans & van Haaren can approach the chairman of the board of directors and/or the chairman of the audit committee directly to inform them of any irregularities in financial reporting or other matters (whistle-blowing).

8.3.5 Control

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

9. Shareholder structure

9.1 Shareholder structure

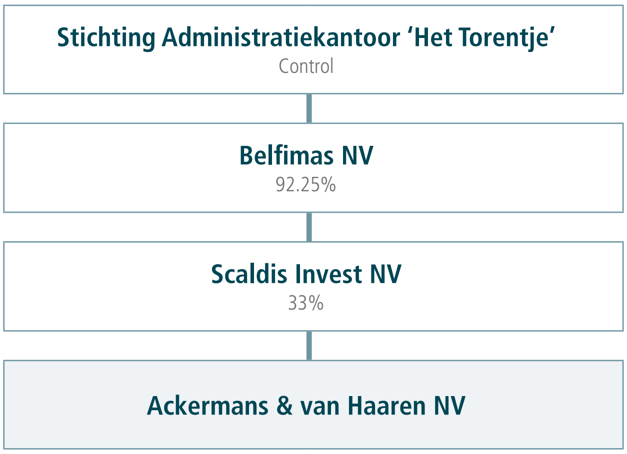
Scaldis Invest holds 11,054,000 shares in the capital of Ackermans & van Haaren, i.e. a stake of 33%. Scaldis Invest is in turn controlled by Belfimas, which holds 92.25% of the capital of Scaldis Invest. The ultimate control of Scaldis Invest is held by Stichting Administratiekantoor 'Het Torentje'.

9.2 Cross-participations

Ackermans & van Haaren holds 350,217 treasury shares as at December 31, 2020. These shares were mainly acquired with a view to covering the stock option plan.

9.3 Graphic representation

The shareholder structure, as known on December 31, 2020, is represented as shown below:



9.4 Reference shareholder

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

10. Comply or explain

The Charter of Ackermans & van Haaren complies with the provisions of the Code (as it applied in 2020) in all but one point:

- Composition of the nomination committee

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

IV. REMUNERATION REPORT

Remuneration policy 2021-2024

1. Introduction

In pursuance of the Act of April 28, 2020[1] (the Act), listed companies are from now required:
(i) to submit a remuneration policy for approval to the shareholders every four years, for the first time at the annual general meeting of May 25, 2021, and
(ii) to provide even greater transparency in their remuneration report - which forms part of the annual report - on the remuneration of their management.

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

2. Remuneration policy

2.1 Strategy • Long term • Sustainability

With its mission 'Your partner for sustainable growth', AvH wants to be the preferred partner of family businesses and management teams, and to co-invest with them in the long term with the ambition of letting them grow into market leaders that develop sustainable solutions to the major global challenges.

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

AvH is a network organisation where the diversity of backgrounds and the continuous development of its staff stand for a value-adding support to the management teams of the participations.

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

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

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

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

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

[1] The Act of April 28, 2020 transposes into Belgian law Directive (EU) 2017/828 of the European Parliament and of the Council of May 17, 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement. This Directive had to be transposed into domestic law by June 10, 2019.

In line with its mission 'Your partner for sustainable growth', AvH endeavours not only to promote sustainability and long-term thinking with its remuneration policy. AvH is also focused on achieving goals together and meeting a sustainable growth commitment to the shareholders. By linking a substantial proportion of the remuneration of the members of AvH's executive committee to the achievement of those long-term objectives and sustainability parameters, AvH tries to make a significant contribution to the implementation of its corporate strategy through the proposed remuneration policy.

AvH wants to attract and retain talented people to keep assuring the quality of the support which AvH, as an active shareholder, wants to give to its participations.

Frameworks for sound reward policies are developed in the remuneration committees of the participations.

To determine AvH's positioning in terms of total financial remuneration, AvH benchmarks itself against other relevant companies. AvH wants to position its CEO and members of the executive committee, as well as all other positions in the company, above the median in terms of total remuneration. AvH takes part in a benchmark exercise every two years to assess its relative position.

AvH is a strongly networked environment and invests in engagement and in achieving success together. AvH therefore resolutely opts not to employ individual targets in its remuneration policy.

Performance appraisal interviews focus on personal development and individual contribution to the corporate strategy without a mathematical link to short-term or long-term remuneration.

2.2 Scope

The board of directors of AvH numbers 10 members, its executive committee 7 members.

AvH and AvH Growth Capital number a total of 36 staff members, who together put the aforementioned strategy into practice.

The proposed remuneration policy is valid for the financial years 2021 through 2024 and, in accordance with Article 7:89/1 of the Code of Companies and Associations, applies to the 10 directors, the persons entrusted with the daily management, in this case the CEO, and the other persons in charge of the management of the company, in this case the 6 other members of the executive committee.

2.3 Remuneration committee

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

More particularly, the remuneration committee will:
- make recommendations to the board of directors with regard to the remuneration policy for the directors and the members of the executive committee and the resulting resolution proposals for the general meeting;
- make recommendations with regard to the individual remuneration of directors and members of the executive committee (including bonuses, long-term incentive programmes such as stock options and other financial instruments and severance packages) and any resulting resolution proposals for the general meeting;
- appraise the performance of the members of the executive committee, in consultation with the chairman of the executive committee, except as regards his/her own performance;
- evaluate the accomplishment of the corporate strategy by the executive committee on the basis of the agreed performance benchmarks and objectives;
- prepare the remuneration report which the board of directors incorporates in the Corporate Governance Statement; and

- explain the remuneration report at the ordinary general meeting.

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

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

2.4 Remuneration components

(i) Board of directors

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

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

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

(ii) Executive committee

The remuneration paid to the members of the executive committee consists of five components: (i) a fixed remuneration, (ii) a variable remuneration (STI or short-term incentive), (iii) stock options (LTI or long-term incentive), (iv) a group and hospitalisation insurance scheme, and (v) other benefits.

The members of the executive committee must each hold at least 1,000 Ackermans & van Haaren shares and have a period of 5 years from their appointment to build up this position.

(a) Fixed remuneration

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

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

The STI is initially calculated as a per mille of the consolidated net result (group share) and is then linked to financial and non-financial criteria. The practical implementation, as well as any one-off bonuses, is determined at the discretion of the board of directors at the suggestion of the remuneration committee.

The financial objective is 80% of the total STI. This cash incentive plan is based on long-term ambitions. Although this STI is based on a per mille of the consolidated net result over one year and may therefore be viewed prima facie as a short-term incentive, it should be borne in mind that, in its long-term strategy, AvH seeks recurring results and when considering new investments always looks at the undertaking's potential to generate value in the long term, year after year. Participations are coached over a long term by AvH's management, which prioritises long-term equity growth over short-term profit maximisation.

The non-financial objective is 20% of the total STI and encompasses measurable goals that fundamentally contribute to AvH's ESG policy. The KPIs are those that are employed in the sustainability report. AvH wants to evolve positively on all 'core KPIs'. Progress is a priority. The remuneration committee will assess this objective each year for its relevance and, where necessary, submit alternative objectives to the board of directors for approval.

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

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

The granting of stock options is not linked to predetermined and objectively quantifiable performance criteria. The board of directors decides on the granting of stock options to members of the executive committee based on the recommendation of the remuneration committee. Stock options are granted under a stock option plan that was approved in 1999 by the board of directors, which also serves as an incentive for persons who are not members of the executive committee. In accordance with applicable tax law, the members of the executive committee are taxed on the stock options that are granted. The value of this remuneration element is dependent on how the share price evolves.

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

The number of stock options granted may be reviewed each year at the discretion of the board of directors, at the suggestion of the remuneration committee.

(d) Insurance schemes and other benefits

AvH provides for a 'fixed-contribution' group insurance scheme (supplementary pension, death benefit, disability allowance, and orphan's pension) and a hospitalisation insurance scheme.

Everyone is also offered a smartphone and a laptop and/or tablet computer.

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

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

(e) Relative weighting of each remuneration component

The relative share of each component in the overall remuneration paid to members of the executive committee is not predetermined, since certain components are linked to variable elements, such as the consolidated results of the group and the share price. Based on practice over the past three years, the following ranges give a good indication of the weighting[1]:

- Fixed remuneration: 45-55%
- Bonus: 20-35%
- Stock options: 10-20%
- Group and hospitalisation insurance: 7-10%
- Company car and smartphone: 1%

[1] The share of the stock options offered is calculated according to the Black & Scholes method.

These components are evaluated each year, generally during a meeting in November, by the remuneration committee and reviewed for compliance with market practices. This review is carried out based on public information (for example, the remuneration data disclosed in the annual reports of other comparable listed companies) and/or salary studies. The adjustments proposed by the remuneration committee are then submitted to the board of directors for approval.

2.5 Contractual conditions

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

The contracts also contain provisions regarding the criteria for granting variable remuneration, and give the company the right to claw back variable remuneration that was granted on the basis of incorrect financial information.

The contracts apply for an indefinite period.

The CEO is entitled to unilaterally terminate his contract subject to a notice period of 6 months. The company is entitled to unilaterally terminate this contract subject to a notice period of 24 months.

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

2.6 Staff members

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

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

2.7 Changes

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

The board of directors will submit this remuneration policy to the annual meeting of May 25, 2021 for approval and looks forward to a constructive dialogue with the shareholders on this matter.

After the annual meeting, the remuneration committee will incorporate the opinions expressed by the shareholders in an assessment of the remuneration policy and, if necessary, prepare proposals for adjustments and submit them to the board of directors for approval.

Implementation of remuneration policy in 2020

1. Introduction

This remuneration report was prepared in accordance with Article 3:6, §3 of the Code of Companies and Associations, as amended last year by the Act of April 28, 2020 transposing Directive (EU) 2017/828 of the European Parliament and of the European Council of May 17, 2017 amending Directive 2007/36/EC as regards the encouragement of long-term shareholder engagement, and containing miscellaneous provisions regarding companies and associations (Remuneration Report).

The Remuneration Report contains a number of new elements compared to the reports for the previous financial years. They essentially concern the description of the relationship between, on the one hand, the remuneration of the directors and the members of the executive committee, and on the other hand the strategy and the results of the company, more details about the different components and the development of their remuneration, the evolution of the average remuneration of the staff members, and the pay gap between management and staff.

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

- Principle 7 of the Belgian Corporate Governance Code 2020 on the remuneration of directors and members of the executive management of listed companies (Code 2020), and
- (the draft) 'Guidelines on the standardised presentation of the remuneration report under Directive 2007/36/EC, as amended by Directive (EU) 2017/828, as regards the encouragement of long-term shareholder engagement', drawn up by the European Commission (Directive).

The board of directors took the entry into force of the new Code of Companies and Associations and the Code 2020 (both on January 1, 2020) and the aforementioned Act of April 28, 2020 as an opportunity to review the governance model of the company. The board of directors adheres to a monistic governance structure, where the board is and remains authorised to perform all acts that are necessary or useful to the accomplishment of the corporate purpose, except those for which the general meeting is authorised by law. Nevertheless, on October 6, 2020, the board of directors decided henceforth to delegate the daily management of the company exclusively to the CEO. However, the executive committee, of which the CEO is a member, remains responsible for discussing the general management of the company. One of the consequences of this change is that the remuneration of the members of the executive committee, except for the CEO, will no longer be disclosed individually in the Remuneration Report for the financial year 2021.

In accordance with Article 7:89/1 of the Code of Companies and Associations, the remuneration committee also applied itself to the preparation of a new remuneration policy, which will be submitted for approval to the general meeting of May 25, 2021. The new remuneration policy, which is included in its entirety in the annual report (as from page 35), will apply to the financial years 2021 through 2024. The Remuneration Report gives an overview of the current remuneration policy as applied in the financial year 2020.

The past year was dominated by the COVID-19 crisis, which obviously also had an impact on the activities and results of the group. The consolidated net result for the financial year 2020 decreased by 41.8% compared to the previous year. Unlike for 2019, no extraordinary bonuses were paid in respect of 2020. Accordingly, these two factors are reflected in a decrease of the variable 1-year cash bonus for the members of the executive committee (-52.4%). Throughout 2020, special attention went to monitoring the participations and how they withstood the coronavirus pandemic. AvH increased its share in the listed participations CFE, SIPEF and Sagar Cements, and became a 20% shareholder in OM Partners. Additionally, a series of new investments were made in young, technology-driven firms such as Verdant Bioscience, Biotalys, MRM Health, Indigo Diabetes and the HealthQuad funds in India. A total of 133 million euros was invested over the full financial year. On

November 9, 2020, the company paid an interim dividend of 76.8 million euros (gross) to the shareholders, thereby underscoring its trust in the resilience of its long-term investment policy.

During the past year, the remuneration of the members of the executive committee and the investment managers was benchmarked. On the basis of the report, the fixed remuneration of certain members of the executive committee was increased for 2021, while the variable remuneration of the investment managers was linked to the results of the group.

The remuneration of the members of the board of directors remains unchanged.

2. Remuneration procedure

On March 24, 2021, the remuneration committee discussed the draft remuneration report, which constitutes a specific part of the Corporate Governance Statement, and ensured that the draft report contains all the information required by law.

The committee also reviewed the payment of the variable remuneration to the members of the executive committee, against the recommendations it had made on this subject at its meeting of November 19, 2020. It should be recalled that the extraordinary general meeting on November 25, 2011 authorised the board of directors to depart from Article 7:91, second paragraph of the Code of Companies and Associations, and to link the entire variable remuneration of the members of the executive committee to predetermined and objectively quantifiable performance criteria measured over a one-year period.

The committee decided at its meeting of November 19, 2020 not to change the per mille of the variable remuneration of the members of the executive committee and the number of stock options to be granted relative to the previous year.

Finally, the committee proposed to keep the fixed remuneration of the directors (including attendance fees) for the financial year 2020 at the same level as in 2019.

3. Board of directors

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

On the recommendation of the remuneration committee, the board of directors proposed on March 27, 2013 to adjust the remuneration of the directors, which had remained unchanged in 2011 and 2012, as follows from the financial year 2013:

- Fixed remuneration for the chairman of the board of directors: 60,000 euros
- Fixed remuneration for the directors: 30,000 euros
- Additional fee for the members of the remuneration committee: 2,500 euros
- Additional fee for the chairman of the audit committee: 10,000 euros
- Additional fee for the members of the audit committee: 5,000 euros
- Attendance fee per meeting of the board of directors or the audit or remuneration committee: 2,500 euros

This proposal was approved by the ordinary general meeting of May 27, 2013.

Having regard to the fact that Luc Bertrand was appointed chairman of the board of directors on May 23, 2016, succeeding Jacques Delen, and that, additionally, and in the interest of the group, he became or remained chairman of CFE, DEME and SIPEF, and remained a director of Delen Private Bank and Bank J.Van Breda & C°, the remuneration committee proposed to grant him a fixed remuneration of 350,000 euros per year with effect from June 1, 2016, as well as placing a company car at his disposal. This proposal was announced at the annual general meeting of May 23, 2016. For the sake of completeness, it should be noted that Luc Bertrand also received a director's fee of 60,000 euros from SIPEF in 2020, half of which is transferred to Ackermans & van Haaren. Jacques Delen also received, directly and indirectly, remuneration in 2020 in his capacity as chairman of the board of directors of Delen Private Bank, to the amount of 250,000 euros (including pension insurance) and has a company car at his disposal. He also received a director's fee from SIPEF to the amount of 29,000 euros in 2020. The remuneration which SIPEF paid to Luc

Table 1

(€)	Fixed remuneration					Attendance fees[1]		
Name	Chairman of the board of directors	Director	Chairman of the audit committee	Member of the audit committee	Member of the remuneration committee	Board of directors	Committees	Total remuneration
Luc Bertrand	60,000					20,000		**80,000**
Alexia Bertrand		30,000				20,000		**50,000**
Marion Debruyne		30,000		5,000		17,500	12,500	**65,000**
Jacques Delen		30,000				20,000		**50,000**
Pierre Macharis		30,000			2,500	17,500	5,000	**55,000**
Julien Pestiaux		30,000		5,000	2,500	20,000	17,500	**75,000**
Thierry van Baren		30,000				20,000		**50,000**
Victoria Vandeputte		30,000			2,500	20,000	5,000	**57,500**
Frederic van Haaren		30,000				20,000		**50,000**
Pierre Willaert		30,000	10,000			20,000	12,500	**72,500**
Total								**605,000**

(1) An attendance fee of 2,500 euros is paid per attendance at meetings of the board of directors, the audit committee and/or the remuneration committee. In 2020, there were 8 meetings of the board of directors, 5 audit committee meetings and 2 remuneration committee meetings.

Bertrand and Jacques Delen is mentioned in SIPEF's annual report (Remuneration report - Remuneration of non-executive directors) for the financial year 2020.

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

Table 1 shows for each director the remuneration he/she is entitled to in respect of his/her mandate during the financial year 2020. This remuneration will be paid after approval of the annual accounts by the general meeting, scheduled for May 25, 2021.

4. Executive committee

4.1 Total remuneration

The remuneration paid to the members of the executive committee consists of the following 5 components:
(i) a fixed remuneration;
(ii) a variable remuneration (in cash) related to the consolidated net result;
(iii) stock options;
(iv) group insurance; and
(v) other benefits.

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

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

The variable remuneration that is granted to the members of the executive committee is based on an objectively quantifiable performance criterion, namely the consolidated net result, measured over a period of one financial year. There is no long-term cash incentive plan. The variable remuneration is paid out in cash after the board of directors has established the consolidated net result of the previous financial year (i.e. at the end of March). Although this STI is based on the consolidated net result over one year and may therefore be viewed prima facie as a short-term incentive, it should be borne in mind that, in its long-term strategy, AvH seeks recurring results and when considering new investments always looks at the undertaking's potential to generate value in the long term, year after year. Participations are coached over a long term by AvH's management, which prioritises long-term equity growth over short-term profit maximisation.

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

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

The stock options are discussed under 4.2.

The members of the executive committee declared that they each hold at least 1,000 Ackermans & van Haaren shares.

Table 2 shows for each member of the executive committee the remuneration he/she received in respect of his/her mandate during the financial year 2020, it being understood that the information concerning Tom Bamelis, John-Eric Bertrand, Piet Bevernage, André-Xavier Cooreman, Piet Dejonghe and Koen Janssen will no longer be reported individually for the financial years after 2020.

The reason for this is that the board of directors decided on October 6, 2020 to cease the delegation of the daily management to the executive committee and instead to delegate it to the CEO, it being understood that the executive committee, of which the CEO is a member, remains responsible for discussing the general

Table 2: Individual remuneration of the CEO and the other members of the executive committee

(€)	Fixed remuneration		Variable remuneration		Group insurance (fixed contribution paid by the company)	Hospital-isation insurance	Total remunera-tion	Proportion of fixed and variable remuneration in total remuneration
Name	Fixed remuneration	Benefits in kind[1]	One year	Stock options[2]				
Jan Suykens (CEO)	705,596	5,993	556,732		104,860	896	1,374,077	52%/41%
Tom Bamelis	393,120	5,127	231,971	112,150	50,363	752	793,703	50%/43%
John-Eric Bertrand	312,476	3,250	162,380	112,150	50,562	773	641,591	49%/43%
Piet Bevernage	393,120	6,080	231,971		50,604	827	682,602	58%/34%
André-Xavier Cooreman	352,804	3,109	162,380	112,150	55,844	1,098	687,385	52%/40%
Piet Dejonghe	432,480	6,536	371,154		113,775	1,125	925,070	47%/40%
Koen Janssen	342,716	4,439	162,380		51,083	955	561,573	62%/29%

[1] Benefits in kind: company car, smartphone and tablet computer.
[2] The market value of the stock options offered & accepted in 2020 was calculated according to the Black & Scholes method.

management of the company. One of the consequences of this change is that the remuneration of the members of the executive committee, except for the CEO, will no longer be disclosed individually in the Remuneration Report for the period after October 2020.

4.2 Stock options

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

The board of directors decides on the granting of stock options to members of the executive committee based on the recommendation of the remuneration committee. The granting of stock options is not linked to predetermined and objectively quantifiable performance criteria. In accordance with applicable tax law, the members of the executive committee are taxed on the stock options that are granted. The company does not offer the beneficiaries any hedging instruments against the risks associated with the stock options.

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

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

Definition of the terms used in Table 3:

- Opening balance: number of options held by the beneficiary on January 1, 2020 and not yet exercised in 2020
- Number of options offered: the number of options offered and accepted in 2020
- Value of underlying shares on date of offer: exercise price of the options on the date of the offer
- Number of options acquired: number of options acquired during 2020 (following the expiry of the vesting period)
- Value of underlying shares on date of acquisition: value of the underlying share on the date of acquisition of the options (i.e. after expiry of the vesting period), namely the exercise price of the options applied in 2020 (A)
- Value of underlying shares at original exercise price: number of options acquired in 2020 multiplied by their exercise price of 2016 (B)
- Potential capital gain on date of acquisition: A-B
- Closing balance: opening balance + the number of options offered and accepted in 2020 - the number of options exercised in 2020

5. Severance packages and claw-back rights

The agreements with the members of the executive committee contain the customary provisions regarding remuneration (both fixed and variable), non-competition and confidentiality, and apply for an indefinite period.

The CEO is entitled to unilaterally terminate his contract subject to a notice period of 6 months. The company is entitled to unilaterally terminate this contract subject to a notice period of 24 months.

The other members of the executive committee are entitled to unilaterally terminate their contract subject to a notice period of 6 months. The company is entitled to unilaterally terminate the contract of these members subject to a notice period of between 18 and 24 months.

The contracts between the company and the members of the executive committee also contain provisions regarding the criteria for granting variable remuneration, and give the company the right to claw back variable remuneration that was granted on the basis of incorrect financial information.

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

6. Departures from the remuneration policy

There were no departures from the remuneration policy in effect during the past financial year.

Table 3

(€)	Main provisions of the stock option plan				Information relating to financial year 2020							
					Opening balance	During the year						Closing balance
Name	Date of offer	Date of acquisition	Exercise period	Exercise price	Options on January 1	Number of options offered and accepted	Value of underlying shares on date of offer	Number of options acquired	Value of underlying shares on date of acquisition	Value of underlying shares at exercise price	Meerwaarde op datum van verwerving	Options on 31/12/2020 (is the start of 01/01/2020 + offered and accepted - exercised)
Jan Suykens (CEO)	13/01/2020	1/01/2024	12/01/2028	141.09	48,500	0 (1)	0,00	8,000	1,128,720	1,047,600	81,120	43,000
Tom Bamelis (CFO)	13/01/2020	1/01/2024	12/01/2028	141.09	28,000	5,000	705,450	5,000	705,450	654,750	50,700	33,000
John-Eric Bertrand	13/01/2020	1/01/2024	12/01/2028	141.09	24,000	5,000	705,450	4,000	564,360	523,800	40,560	28,000
Piet Bevernage	13/01/2020	1/01/2024	12/01/2028	141.09	32,000	0 (2)	0	5,000	705,450	654,750	50,700	28,000
André-Xavier Cooreman	13/01/2020	1/01/2024	12/01/2028	141.09	24,000	5,000	705,450	5,000	705,450	654,750	50,700	29,000
Piet Dejonghe	13/01/2020	1/01/2024	12/01/2028	141.09	33,500	0 (3)		0	846,540	785,700	60,840	25,500
Koen Janssen	13/01/2020	1/01/2024	12/01/2028	141.09	34,000	0 (4)		5,000	705,450	654,750	50,700	28,000

(1) During 2020, 8,000 stock options were offered that were not accepted.
(2) During 2020, 5,000 stock options were offered that were not accepted.
(3) During 2020, 6,000 stock options were offered that were not accepted.
(4) During 2020, 6,000 stock options were offered that were not accepted.

Table 4: Number of stock options exercised in 2020

	Number of stock options exercised	Exercise price	Exercise date
Tom Bamelis	-	-	-
John-Eric Bertrand	1,000	€ 61.71	17/12/2020
Piet Bevernage	2,000 2,000	€ 56.11 € 61.71	07/04/2020 10/12/2020
André-Xavier Cooreman	-	-	-
Piet Dejonghe	4,000 4,000	€ 66.05 € 61.71	31/12/2020 31/12/2020
Koen Janssen	2,000 4,000	€ 66.05 € 61.71	03/12/2020 08/12/2020
Jan Suykens	5,500	€ 66.05	23/11/2020

During 2020, no (non-exercised) stock options expired that were held by members of the executive committee.

Table 5: Stock options 2016-2020 (Number of stock options offered and accepted, calculated according to the Black & Scholes method)

	Main provisions of the stock option plan				During the year	
	Date of offer	Date of acquisition	Exercise period	Exercise price	Number of options offered and accepted	Value of options on date of offer
Jan Suykens (CEO)	13/01/2020	1/01/2024	12/01/2028	€ 141.09	0	0
	13/01/2019	1/01/2023	13/01/2027	€ 132.52	8,000	€ 199,360
	12/01/2018	1/01/2022	11/01/2026	€ 148.64	8,000	€ 218,560
	13/01/2017	1/01/2021	12/01/2025	€ 128.30	8,000	€ 205,600
	4/01/2016	1/01/2020	3/01/2024	€ 130.95	8,000	€ 221,760
Tom Bamelis (CFO)	13/01/2020	1/01/2024	12/01/2028	€ 141.09	5,000	€ 112,150
	13/01/2019	1/01/2023	13/01/2027	€ 132.52	5,000	€ 124,600
	12/01/2018	1/01/2022	11/01/2026	€ 148.64	5,000	€ 136,600
	13/01/2017	1/01/2021	12/01/2025	€ 128.30	5,000	€ 128,500
	4/01/2016	1/01/2020	3/01/2024	€ 130.95	5,000	€ 138,600
John-Eric Bertrand	13/01/2020	1/01/2024	12/01/2028	€ 141.09	5,000	€ 112,150
	13/01/2019	1/01/2023	13/01/2027	€ 132.52	5,000	€ 124,600
	12/01/2018	1/01/2022	11/01/2026	€ 148.64	5,000	€ 136,600
	13/01/2017	1/01/2021	12/01/2025	€ 128.30	4,000	€ 102,800
	4/01/2016	1/01/2020	3/01/2024	€ 130.95	4,000	€ 110,880
Piet Bevernage	13/01/2020	1/01/2024	12/01/2028	€ 141.09	0	0
	13/01/2019	1/01/2023	13/01/2027	€ 132.52	5,000	€ 124,600
	12/01/2018	1/01/2022	11/01/2026	€ 148.64	5,000	€ 136,600
	13/01/2017	1/01/2021	12/01/2025	€ 128.30	5,000	€ 128,500
	4/01/2016	1/01/2020	3/01/2024	€ 130.95	5,000	€ 138,600
André-Xavier Cooreman	13/01/2020	1/01/2024	12/01/2028	€ 141.09	5,000	€ 112,150
	13/01/2019	1/01/2023	13/01/2027	€ 132.52	5,000	€ 124,600
	12/01/2018	1/01/2022	11/01/2026	€ 148.64	5,000	€ 136,600
	13/01/2017	1/01/2021	12/01/2025	€ 128.30	5,000	€ 128,500
	4/01/2016	1/01/2020	3/01/2024	€ 130.95	5,000	€ 138,600
Piet Dejonghe	13/01/2020	1/01/2024	12/01/2028	€ 141.09	0	0
	13/01/2019	1/01/2023	13/01/2027	€ 132.52	6,000	€ 149,520
	12/01/2018	1/01/2022	11/01/2026	€ 148.64	6,000	€ 163,920
	13/01/2017	1/01/2021	12/01/2025	€ 128.30	5,500	€ 141,350
	4/01/2016	1/01/2020	3/01/2024	€ 130.95	0	0
Koen Janssen	13/01/2020	1/01/2024	12/01/2028	€ 141.09	0	0
	13/01/2019	1/01/2023	13/01/2027	€ 132.52	5,000	€ 124,600
	12/01/2018	1/01/2022	11/01/2026	€ 148.64	5,000	€ 136,600
	13/01/2017	1/01/2021	12/01/2025	€ 128.30	5,000	€ 128,500
	4/01/2016	1/01/2020	3/01/2024	€ 130.95	5,000	€ 138,600

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

7.1 Annual change in the remuneration

The fixed remuneration of the directors remained unchanged in 2020. The total fixed remuneration of the members of the executive committee increased in 2020 by 0.80% in line with the health index. Their variable cash bonus over 1 year decreased by 52.4% as a result of the decrease of the consolidated net result, which came under pressure from the COVID-19 crisis. Unlike for 2019, no extraordinary bonuses were paid in respect of 2020.

Table 6 shows the evolution, in percentage terms, of the average of the total fixed and variable remuneration of the members of the executive committee, relative to the development of the consolidated net result and the consolidated net equity.

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

As was mentioned earlier, a substantial part of the remuneration (notably the variable remuneration and the stock options) of the members of the executive committee is dependent on the evolution of the consolidated net result and on the development of the stock market price. These two parameters developed as follows in 2020 relative to 2019:

- Consolidated net result: -41.8%
- Stock market price: -12.0%

No variable remuneration was paid in respect of 2020, calculated on other than financial parameters.

7.3 Annual change in the average remuneration of the staff

As at December 31, 2020, the company employed 21 staff members. Their average fixed gross remuneration (excl. employer's contributions) was indexed at 0.80% in 2020. Their average variable remuneration increased by 18% in 2020. For staff members, AvH adopts a categorised profit sharing bonus plan, in the context of which the board of directors decides each year whether or not to pay a share of the profit to the staff. The two categorisation criteria are job title and length of service. The maximum ratio between highest and lowest profit sharing bonus is 1 to 10 (from 3,000 to 30,000 euros). The board of directors decides each year on the application of a profit sharing bonus plan and its terms and conditions. It was decided to use the same parameters for 2020 as for 2019. The 18% increase is connected with a promotion and increased length of service.

Table 7 shows the evolution, in percentage terms, of the average total fixed and variable remuneration of the staff, relative to the development of the consolidated net result and the consolidated net equity.

7.4 Pay gap

The ratio between the average fixed remuneration of the members of the executive committee and that of the staff of the company is 1 to 5.2 on the basis of the following data:

- Average fixed remuneration of the members of the executive committee: 418,902 euros
- Average fixed remuneration (gross annual salary) of the staff of Ackermans & van Haaren: 80,577 euros.

The ratio between the fixed remuneration of the CEO and the lowest staff salary is 1 to 15.

Table 6: Evolution of the average of the total fixed and variable remuneration of the members of the executive committee

(€)	2016	2017	2018	2019	2020
Fixed remuneration	344,554	358,210 (+3.9%)	374,039 (+4.4%)	415,570 (+11.1%)	418,902 (+0.8%)
Variable remuneration[1]	366,550	490,323 (+33.8%)	478,672 (-2.4%)	702,384 (+46.7%)	316,477 (-54.9%)
Consolidated net result[2]	224,237k	302,530k (+34.9%)	289,639k (-4.2%)	394,900k (+36.3%)	229,791k (-41.8%)
Consolidated net equity[2]	2,783,083k	2,972,208k (+6.8%)	3,176,447k (+6.9%)	3,456,109k (+8.8%)	3,562,038k (+3.1%)

Table 7: Evolution of the average total fixed and variable remuneration of the staff

(€)	2016	2017	2018	2019	2020
Fixed remuneration	74,281	71,670 (-3.5%)	69,400 (-3.2%)	74,109 (+6.8%)	80,577 (+8.7%)
Variable remuneration[3]	5,943	7,245 (+2.2%)	9,511 (+31.2%)	9,908 (+4.2%)	11,809 (+19.1%)
Consolidated net result[2]	224,237k	302,530k (+34.9%)	289,639k (-4.2%)	394,900k (+36.3%)	229,791k (-41.8%)
Consolidated net equity[2]	2,783,083k	2,972,208k (+6.8%)	3,176,447k (+6.9%)	3,456,109k (+8.8%)	3,562,038k (+3.1%)

[1] 'Variable remuneration' means the average of the variable cash bonus over 1 year + the stock options offered and accepted for that year calculated according to the Black & Scholes method.
[2] Group share
[3] 'Variable remuneration' includes here only the profit sharing bonus. The options offered to certain staff members are excluded from this calculation.

V. STATEMENT REGARDING NON-FINANCIAL INFORMATION

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

On behalf of the board of directors, March 24, 2021

Luc Bertrand
Chairman of the board of directors

SUSTAINABILITY REPORT (ESG)

This statement regarding the non-financial information[1] of Ackermans & van Haaren ('AvH') relates to the financial year closed on December 31, 2020.

Ackermans & van Haaren: **a sustainable investment company**

Inspired by long-term trends …

from a focus on ESG themes …

- Responsible ownership
- Business ethics
- Corporate governance
- Solvency and long term return

in a structured way.

SUSTAINABLE DEVELOPMENT GOALS

PRI Principles for Responsible Investment

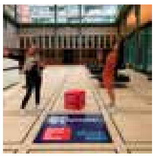
ATTENTION TO SOCIETY

AvH Solidarity Fund

"AvH POSITIONS ITSELF AS A LONG-TERM PARTNER TO HELP BUILD HIGH-PERFORMING MARKET LEADERS AND CONTRIBUTE TO A MORE SUSTAINABLE WORLD."

LUC BERTRAND,
Chairman of the board of directors

[1] In accordance with Article 3:32 CAC (Dutch WVV)



IT'S ALL ABOUT PEOPLE

Attention to personnel. 3 awards as a good employer in 2020: DEME, Bank J.Van Breda & C°, Mediahuis

> "WE ARE IMPRESSED BY THE RESILIENCE SHOWN BY THE 22,331 EMPLOYEES OF THE AvH GROUP IN 2020. THIS SHOWS THAT WE HAVE PLACED THE RIGHT EMPHASIS ON ESG."

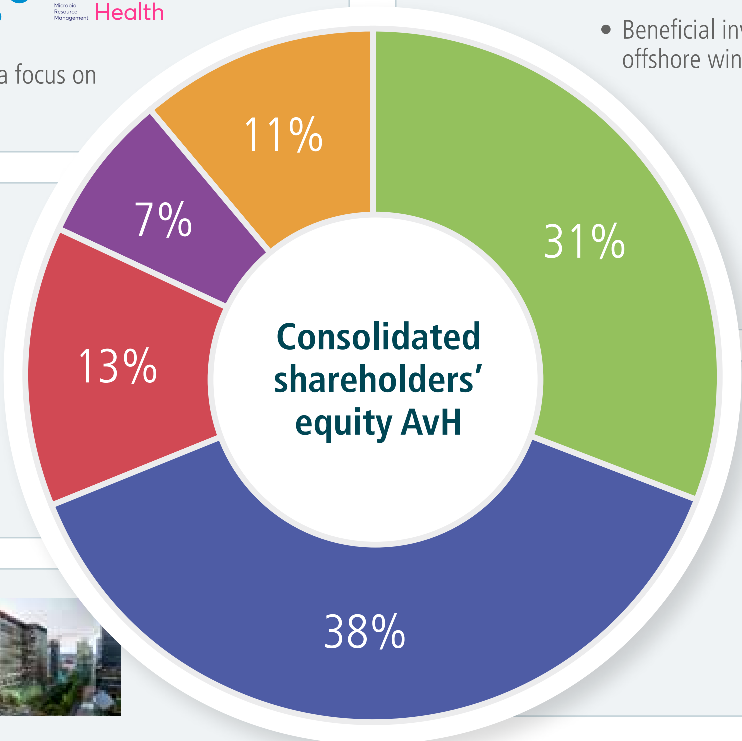
JAN SUYKENS,
CEO - Chairman of the executive commitee

Ackermans & van Haaren: **shareholder of sustainable participations**

- HEALTH QUAD indigo MRM Health
- New investments with a focus on sustainability

- 100% RSPO sustainable palm oil (SIPEF)
- Verdant BIOSCIENCE

- Innovative and sustainable construction projects (CFE, Extensa, Leasinvest)



- >2,300 offshore turbines installed and € 1.1 billion turnover in offshore and environmental (DEME)
- Beneficial investment in 155 MW of offshore wind

A+ PRI

- All patrimonial funds of Delen Private Bank are UN PRI compliant (> € 30 billion)

86%

86% of shareholders' equity AvH with SDG policy

ACKERMANS & VAN HAAREN
Your partner for sustainable growth

This chapter explains the activities of the AvH group in 2020 in the field of sustainability (including the evolution of ESG-related performance indicators (KPIs)).

In the first part of this chapter, the activities of 'AvH as an investment company' in the field of ESG (Environment, Social, Governance) in 2020 are discussed. This includes business ethics and corporate governance, solvency and long-term policy, talent management, innovation, risk management, reporting and responsible investment policy (SDGs 3, 8, 9 and 16).

The second part takes a closer look at the role of 'AvH as a responsible shareholder'. AvH considers this to be its most important lever in the context of its ESG policy. This is where the impact of the ESG policy of AvH on the environment, as well as of the environment on the AvH group (double impact analysis), is most evident. The most important ESG participations of AvH explain the ESG aspects of their activities that can have a material impact on AvH as a group, both from a risk perspective and from an opportunities approach.

The third part briefly explains the ESG policy of AvH, including with regard to the various legally-prescribed themes, and the methodology used in line with the sustainable development goals of the UN (UN SDGs) and the Principles of Responsible Investment prescribed by the UN (UN PRI). With regard to governance and risk reporting, reference is also made to the 'Corporate governance statement' and 'Consolidated annual accounts' chapters in the 'Annual report of the board of directors'.

All information is available on the AvH website under the Sustainability heading (www.avh.be/en/sustainability).

1. ESG ACTIVITIES AT AvH IN 2020

• General information

The ESG policy, which was renewed in 2019, was rolled out further in 2020, in line with the ESG materiality matrix below that was used by AvH.

The investment team, the ESG working group and steering committee spent 744 working hours on ESG-related topics, in addition to the time spent by the ESG teams in the participations. The focus was thereby on expanding the reporting and following it up, providing and following training, developing KPIs and objectives for material ESG topics and supporting the participations. A conscious choice was made for an approach by internal employees, so that ESG thinking is fully embedded in the various processes. External consultants were called in in order to gain the required knowledge. All this reflects the attention that ESG received within AvH.

10 workshops with the 8 most important participations of AvH from an ESG point of view (DEME, CFE, Delen Private Bank, Bank J.Van Breda & C°, SIPEF, Extensa, Leasinvest, Anima) showed a strong involvement of the participations and the in-

Materiality matrix at the level of AvH as an investment company[1]

[1] Version approved by the board of directors on November 20, 2019

vestment team of AvH. Various other participations were also active in the field of ESG, and exchanged their experiences with AvH. This shows an increasing focus within the group for a structured approach to ESG, which must match the operational strategies followed as closely as possible. The COVID-19 crisis has further increased awareness of these themes.

In 2020, in the interaction with the participations, more than average attention was paid to their financial situation and human resources aspects as a result of the COVID-19 crisis. The structuring of an innovation policy, as well as the compliance approach to business ethics, also received a lot of attention. They are essential for a long-term sustainable policy. The new reporting tool required a great effort. The basis was also laid for formal ESG reporting in response to new investments.

In 2020, AvH became a formal member of the UN PRI initiative, the framework of the United Nations that is working on a more sustainable financial system. The principles of UN PRI have already been applied in the current year, and will gradually be included in progress reports. A more active communication policy was pursued with regard to rating agencies.

The attention to specific ESG needs was incorporated into the investment policy of AvH, which is aimed at sustainability. This is also evident from the investments made in Biotalys, Indigo Diabetes, HealthQuad II, Medikabazaar, MRM Health, OncoDNA and Verdant Bioscience in 2020.

- **Environment**

Care for the environment at the headquarters of AvH is above all important as a role model for the group, although the activities carried out there have only a limited impact on the environment. As a result of the study on the CO_2 footprint carried out in 2019 (total emissions of 629 tons of CO_2 equivalents), the identified measures were implemented in the past financial year. This refers to the gradual greening of the vehicle park, and the limitation of business journeys by means of video conferencing and working from home, which have now been incorporated into an amended work code. During the corona pandemic, these policy choices turned out to be the right ones, so it was possible to react quickly.

As an investor, AvH actively studies sectors such as sustainable agriculture, sustainable food and 'cleantech'. In 2020, for example, AvH invested in Biotalys, which develops biological crop protection products, and in Verdant Bioscience, which develops seeds that can significantly increase the yield of palm oil plantations, thereby reducing the pressure on nature in the long term.

- **Social**

At the end of 2019, a start was made within AvH with regard to a new approach to the recruitment, retention, training and evaluation policy. Various procedures and the required tools were worked out during the past financial year. For example, a 360° feedback program with accompanying action plans was rolled out for a large number of employees, and work was done on leadership and a complementary investment team. More extensive feedback, evaluation and development processes were introduced. The investment team, which also includes finance, legal and HR expertise, recruited two additional employees with various profiles. Finally, mentoring and onboarding processes were provided for the new employees.

AvH continually strives to have teams with diverse skills and experience at its disposal, in order to be able to assist the most important functions within the participations. A low turnover ensures that the staff members promote the values of AvH to the maximum. No-one left the team in 2020, and the seniority of the investment team averaged 19.8 years. In 2020, all AvH employees spent 1,397 hours on training (2.35% of the total general costs), which shows its importance for AvH.

The KPIs shown are intended to monitor the evolutions realised in this respect, and are also shared through a number of internal reporting processes, and with the board of directors and the remuneration committee of AvH.

In addition, support for the participations in human resources, primarily aimed at talent management, was further expanded. To this end, three workshops were organised in 2020, involving an average of 13 participations. The following themes

Projects supported by the AvH Solidarity Fund

From left to right:

1. Animal Assisted Projects
2. ArmenTeKort
3. Coaching for Heroes
4. Eureka
5. Family Justice Center
6. Goods to Give
7. Kamiano
8. Limmerik
9. Lucia Antwerpen
10. Mucovereniging
11. PSC Open Huis
12. Recht-Op
13. SOS Kinderdorpen
14. Tejo
15. Togo Debout
16. Tutti Fratelli
17. Villa Clementina
18. Voedselbank Antwerpen Mechelen Turnhout

were discussed: future proof performance & reward, HR & digitisation and technology and ethics. As the investment managers of AvH actually participate in these initiatives, they can monitor these aspects in the participations via the boards of directors and/or remuneration committees of which they are members.

These processes came in handy in this turbulent year 2020. Safeguarding bonds between colleagues and with the group was a permanent concern. Experiences were exchanged through the network of HR managers from the group companies, even on a weekly basis, during the first lockdown. During these sessions, attention was paid, for example, to skills, personalities, motivation, mental health, working from home and employee experiences. The CEOs, together with the executive committee, also exchanged their experiences on how to keep an organisation resilient and connected in such situations, and how to take care of themselves. It was noticeable that many participations also involved their customers and suppliers in this, in order to perpetuate sustainable collaborations and support each other. Many organisations strongly increased their internal communication. During a workshop with the management teams of all subsidiaries, the approach to the COVID-19 challenges was explained by Professor Baron Peter Piot, and the group's policy was explained by Jan Suykens, CEO of AvH. Information was also actively and collectively exchanged among employees internally at AvH. The crisis thereby also contributed in a positive way to a number of new work processes.

Throughout the economic cycles, AvH positions itself as a partner for sustainable growth. The attention paid to solvency - with a net cash position at holding level - and a responsible use of credit and financial discipline enabled the group to support its participations where necessary during this crisis, whereby it should be understood that this was only necessary for one participation so far. Moreover, the solvency of the participations also reassured their employees, customers and suppliers. This offered numerous opportunities to strengthen relations with them.

In addition, AvH has capitalised on opportunities, both through its participations and for its own account. In the healthcare sector, this translated into (further) investments in HealthQuad II, Indigo Diabetes, Medikabazaar, MRM Health and OncoDNA.

AvH continued in 2020 to promote a humane society (SDG 11 Sustainable Cities and Communities). On the initiative of the executive committee, the 'AvH Solidarity Fund' was set up to respond to urgent needs brought about by COVID-19 in the area of poverty, disadvantage, physical and mental health care and education. The executive committee of AvH voluntarily donated part of their net salary. The staff of AvH and the other group companies had the opportunity to follow that example. AvH increased the collected funds threefold, thereby raising a sum of 755,000 euros, of which 375,000 euros has already been donated to 22 initiatives.

In addition, through its structural patronage policy, AvH provided 464,000 euros in 2020 (excluding the effort in that area through the participations) to support 26 projects in the field of culture, scientific research, the fight against poverty and human rights.

• Governance

The 'Annual report of the board of directors' deals with the corporate governance of AvH and the approach pursued in the risk policy. This section discusses the other ESG aspects of governance at AvH, or how AvH follows up on them at its participations.

In 2020, the investment team of AvH attended a training course on ESG policy and the associated processes, including, for example, formal reporting on ESG due diligences in accordance with the UN PRI approach. This covered topics such as cybersecurity, talent management, compliance and sustainable health policies.

This approach has been formally used in all new investment decisions since the second half of the year. The investment managers were also involved in the various ESG working meetings with the participations they follow. Much attention was paid to

Ackermans & van Haaren

3 GOOD HEALTH AND WELL-BEING

IT'S ALL ABOUT PEOPLE

- The training, personal development and the succession planning for **AvH staff members** receive permanent attention. A great deal of training is therefore provided.

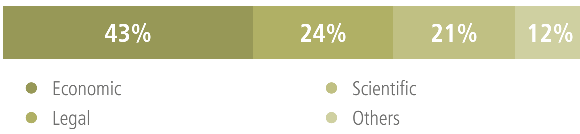
	2020
Total number of staff members	36
Costs for training (as % of general costs)	392,474 euros (2.35%)

Breakdown men/women

- AvH aims for a **well-balanced investment team**[1]. This enables the group to closely monitor the activities of the participations financially, substantively and strategically.

		2020	2019	Doel
KPI	**Average number of years of relevant experience per person**	**19.8 years**	19.6 years	> 10 years
KPI	**Employee turnover**[2]	**1.0%**	1.0%	< 10%
KPI	**Performance review**	**100%**		90%

Breakdown by degree



Breakdown men/women

[1] 22 staff members
[2] Excl. intra-group and retirement, over 3 years

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

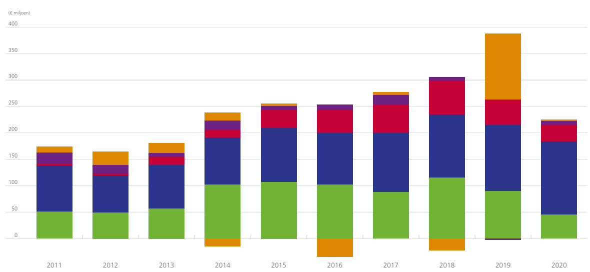
FOCUS ON SUSTAINABLE GROWTH

- AvH aims for **long term value creation** for all stakeholders.

		2020	2019	Goal
	Pro forma group turnover	5.0 billion euros	5.6 billion euros	
	Contribution of core segments[1]	227 million euros	268 million euros	
KPI	**Value creation**	**9.4%[2]**	9.8%[2]	> 7.3%[3]
KPI	**Net cash[1]**	**68 million euros**	267 million euros	Positive
	Pro forma personnel	22,331	21,522	

[1] See the attached Key figures for the 10-year figures
[2] Growth of shareholders' equity plus dividends paid (CAGR 2010-2020, 2009-2019)
[3] Growth of BEL20 index plus dividends paid (CAGR 2010-2020)

Result before remeasurement



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

- AvH is focussing on **innovation**. The group aims to have its innovation policy evaluated annually by the board of directors of the participating interests.

		2020	2019	Goal
KPI	**Number of participations with innovation policy formally on the agenda of the BoD[1]**	**72%**	72%	> 80%[1]

[1] Expressed as a % in relation to the consolidated shareholders' equity of AvH

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

PARTNERSHIPS AND ENGAGED ESG SHAREHOLDER

- AvH supports its participations from a long-term vision, enabling the companies to realise their growth potential.
- AvH aims for a number of objectives:
  - the annual discussion by the board of directors of the pursued ESG and HR policy, with the appropriate action plans,
  - the existence of audit and/or risk committees and remuneration committees, with the representation of AvH,
- risk management systems adapted to sector-specific conditions, and with applicable corporate governance or integrity codes, covering the following domains:
  - anti-corruption policy and procedures,
  - a policy with regard to human rights,
  - 'compliance' policy and adapted processes (e.g. for the banks with regard to anti-money-laundering practices, Know your client - KYC).

		2020	2019	Goal[1]
KPI	**ESG policy**	**86%**	85%	> 80%
KPI	**Corporate governance charter**	**85%**	78%	> 80%
KPI	**Integrity code (including Declaration of human rights)**	**85%**	79%	> 80%
KPI	**Audit and/or risk committee**	**94%**	90%	> 80%
	Remuneration committee	88%		> 80%
	Cybersecurity on agenda of BoD	71%		-

[1] Expressed as a % in relation to the consolidated shareholders' equity of AvH

ACKERMANS & VAN HAAREN
Your partner for sustainable growth

" FROM VALUES TO VALUE.
FOCUS ON PEOPLE,
THEIR TALENT,
AMBITION AND ENERGY
IS OUR MAIN LEVER TO CREATE VALUE
FOR OUR SHAREHOLDERS AND
SOCIETY."

HILDE HAEMS,
Chief Human Capital Officer

refining and rolling out the ESG reporting process during the past financial year, in line with the methodology of UN PRI. These processes must enable AvH to identify the material risks and opportunities with regard to ESG at its participations and to evaluate the policy pursued, the objectives set and the concrete action plans on the basis of performance indicators (KPIs). The results of this renewed ESG reporting cycle were discussed and approved by the boards of directors of the participations in 2020 or early 2021, and will be included in the annual processes. The intention is that they will also be discussed in the relevant audit committees in the future. The initiative was positively received by the eight companies that are currently receiving active ESG guidance. Consequently, further steps were taken in setting up a coherent and consistent reporting process that contributes to the prioritisation of the action programmes.

The evolution of the number of participations (expressed as a percentage of the consolidated shareholders' equity) with an ESG policy is expressed in the corresponding KPI. In 2020, the charters and codes used for this were also discussed with the participations concerned, and a number of steps were taken to refine them where necessary.

There were no breaches with regard to compliance with the AvH integrity code in 2020. With regard to cybersecurity, monitoring was strengthened and a number of software adjustments were made. Employees are regularly reminded of the security measures to be taken.

Peter Piot, Jan Suykens and André-Xavier Cooreman at the digital AvH Event (picture of the Videohouse control room)

AvH attaches great importance to innovation. The group asks the participations to evaluate their innovation policy together with their board of directors on an annual basis, so that strategy and innovation remain aligned, as shown by the reported KPIs. In order to support the participations in this, a cycle of workshops was organised in 2020 on the identification and elaboration of initiatives with regard to innovative product/market combinations. 15 participants and an average of 29 people took part in 5 workshops, including the investment managers of AvH. The 45 workshops organised by AvH in 2020 on ESG, HR, innovation, legal and finance, in which an average of 14 people participated for a total of 1,209 hours, were aimed at improving the existing work processes at the participations, based on the experiences of other participations and external speakers.

In order to support the long-term objectives of the pursued ESG policy, it was decided, following the revision of the Corporate Governance Charter, that the members of the executive committee must invest in 1,000 shares of AvH from 2021 onwards, and must hold them throughout their mandate. From 2021, the members of the board of directors are expected to invest and hold 10,000 euros in AvH shares.

• Ambitions 2021

AvH wishes to continue its current ESG policy in 2021:

a) In terms of content via
- initiatives regarding human capital (individual and as a team), both at AvH and at its participations,
- the provision of steering processes for innovation and cybersecurity,
- the renewal of the survey to test the materiality matrix of AvH against stakeholder expectations,
- increasing the consolidated equity of AvH with a structured ESG approach,
- strengthening the exchanges of experience between the participations.

b) With regard to the ESG methodology of the participations through
- an increased focus in their materiality matrices on the most important levers, using the EU taxonomy as a point of reference, and a greater number of measurements of CO_2 emissions (where possible with a 'science-based target' approach),
- fine-tuning KPIs in order to better monitor progress.

c) With regard to communication through
- further deepening of the contacts with external stakeholders and rating agencies, in order to better respond to the questions that arise there.

In addition, it also remains the ambition of AvH in 2021 to continue to invest, through its existing participations or new initiatives, in solutions for climate challenges, such as the transition to green energy, the development of hydrogen, making the business activities more sustainable or investments in more sustainable buildings.

Luc Bertrand as a guest on the DEME Tonight Show, the virtual Christmas party of DEME

Piet Dejonghe on a site visit at MOBIX (CFE)

2. ESG ACTIVITIES AT THE MAJOR PARTICIPATIONS OF AvH IN 2020

The largest ESG-related impact of or on the AvH group with regard to the existing investment mix takes place at the level of the participations. The table below shows the material ESG aspects, in terms of both risks and opportunities, at the participations that are material to AvH in terms of ESG. The focus is hereby on aspects that have an impact on the environment, and vice versa (double impact analysis).

On the following pages it is indicated per participation which actions they have undertaken in the past financial year, with a focus on the aspects that are material to them and AvH, how this should be framed in their policy, which objectives they pursue and through which action plans they wish to achieve this. The progress made is indicated by KPIs where possible. More information about their ESG policy is available in the activity report of the annual report, or in the reports or on the websites of the respective companies.

As an active shareholder, AvH participates in the formulation and application of their strategic policy through its representation on the board of directors of those participations, together with the management and the other shareholders. With its multidisciplinary team, AvH also offers support in the field of ESG-related themes.

Impact of the material ESG aspects of the participations on AvH

	Environment	Social (including human rights)	Governance (including anti-corruption)
AvH as a responsible shareholder			
DEME	Climate and energy innovation	Health and well-being	Business ethics Innovation
CFE	n.m.	n.m.	Corporate governance
Delen Private Bank	n.m.	n.m.	Asset protection Business ethics Protection of privacy and data Responsible investment policy
Bank J.Van Breda & C°	n.m.	n.m.	Safe harbour Business ethics Protection of privacy and data
SIPEF	n.m.	n.m.	n.m.
Extensa, Leasinvest, Anima	n.m.	n.m.	n.m.
Other participations	n.m.	n.m.	n.m.

n.m. (not material): no material ESG aspect at AvH level, measured by the impact on AvH's consolidated shareholders' equity and net result, and taking into account the participation percentage of AvH in the participation.

More details are available in the activity report of this annual report and in the ESG reporting of the participations.

Focus on SDGs at the 8 most important participations
(as a % of the consolidated equity of AvH)

11 SDGs receive special attention at many participations, where they are considered very important for their stakeholders and the company concerned. Their action plans aim to contribute to the realisation of those sustainability objectives.

0-25% 26-50% 51-75% 76-100%

Anima - Care for people and society

Bank J.Van Breda & C° - Well-being

CFE, Extensa - Sustainable construction

DEME - Investing in renewable energy

SIPEF - Training of employees

DEME

In 2019, DEME developed a materiality matrix to identify priorities based on their importance to both external and internal stakeholders and their impact on the results of DEME. This matrix was created as part of a widely supported internal consultation process, resulting in a two-dimensional sustainability strategy with eight key themes, as shown below.

The EXPLORE dimension focuses on developing a portfolio of activities and services that contribute substantially, directly and explicitly to SDGs. The EXCEL dimension aims for an efficient, cost-effective and sustainable implementation of its projects. DEME endorses the UN Agenda 2030, and uses the methodology of the SDGs as a framework for its policy.

In 2020, DEME further elaborated its sustainability strategy with operational programs that give concrete expression to the 8 key themes and the associated long-term ambitions. The priority themes for DEME of climate and energy, innovation, business ethics, health and well-being (SDGs 3, 7, 8, 13, 16) were also selected as material at AvH level. In addition, DEME also considers the following ESG factors to be material at its level: biodiversity and ecosystems (including water quality), waste and raw materials management, talent management and partnerships. Information regarding the ESG aspects that are less material at AvH level can be found in the activity report and/or the sustainability report of DEME.

• Highlights 2020

DEME proved to be very resilient during the COVID-19 crisis in 2020. It made significant efforts to ensure the continuation of its activities, always putting the well-being of its employees first, but still found time for many innovation initiatives, even under these exceptional circumstances.

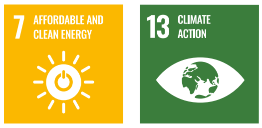
Despite the COVID-19 crisis, almost all projects could be continued worldwide. A specially established team coordinated and facilitated the change of the crews, including by diverting 5 operational ships and chartering 10 aircraft. Efficient testing in combination with pre-quarantine periods guaranteed safe working conditions for both the crew and the project teams.

• Environment

DEME has long contributed significantly to the production of renewable energy, through exploring new technologies, such as hydrogen, with partners in creative ways. DEME aims to reduce the greenhouse gas emissions of its fleet in such a way that it becomes a climate-neutral company by 2050. It actively contributes to making certain activities or situations less harmful to the environment, for example, through initiatives regarding GSR and the remediation of polluted areas and water.

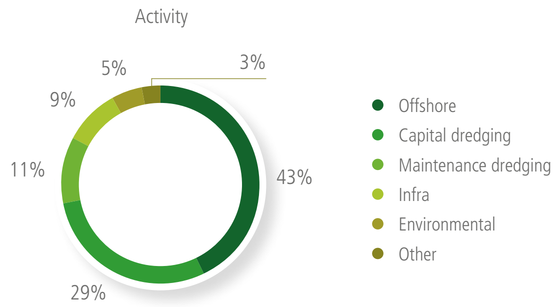
The construction of offshore wind farms, a market in which DEME occupies a leading position, makes a significant contribution to the necessary climate mitigation and the transition to renewable energy. In 2020, DEME contributed to the construction of offshore projects, to a total of 1,477 MW. With the installation of the 2,386th wind turbine in January 2021, DEME has now installed turbines on 46 different wind farm projects in Europe and China since the year 2000.

DEME



CLIMATE AND ENERGY

Breakdown of turnover by activity in 2020



		2020	2019
KPI	**GHG in kton CO_2-equivalents**[(1)]	**670**	693
	of which scope 1	659	676
	of which scope 2	1	5
	of which scope 3 (emissions from business air travel)	10	12
	MW offshore wind (beneficial ownership)	144	99
	MW installed wind turbines	1,477	1,057

(1) Greenhouse gas: DEME follows the Greenhouse Gas Protocol (ISO14064).

DEME is also working together with public and private partners on other forms of sustainable energy, such as the production, storage and transport of green hydrogen through various 'renewables to hydrogen' initiatives. Launched in January 2020, HYPORT® Ostend has the ambitious goal of running a green hydrogen plant by 2025. In Duqm (Oman), DEME Concessions wants to develop a green energy park and a green hydrogen plant that will supply green hydrogen and/or derivatives (such as green methanol or ammonia) to international customers, and will thereby contribute to a regional chemical industry with a lower carbon footprint. The PosHYdon offshore hydrogen pilot project integrates three offshore energy systems (wind, gas and hydrogen) on a fully electrified production platform in the Dutch part of the North Sea.

In addition, DEME is working on reducing the impact of projects on the environment. Specific emission reduction programmes focus on reducing greenhouse gas and pollutant emissions, so that local air quality improves.

DEME wants to reduce greenhouse gas emissions by 40% by 2030, compared to the reference year 2008 set by the International Maritime Organisation (IMO), with the aim of being a climate neutral company by 2050. More than 90% of DEME's greenhouse gas emissions come from the fuel consumption of the ships. Through a multi-year investment plan, DEME provides new ships with the most advanced

FOCUS ON SUSTAINABLE GROWTH

	2020	2019
KPI Frequency rate of accidents(1)	0.19	0.24
KPI Severity rate of accidents(2)	0.04	0.01

(1) Number of accidents with incapacity for work (worldwide) x 200,000, divided by the number of working hours.
(2) Number of calendar days of absence (worldwide) x 1,000, divided by the number of working hours.

BUSINESS ETHICS AND INNOVATION

	2020	2019
KPI Number of approved innovation initiatives	18	11
Number of approved green initiatives	128	105
KPI Permanent evaluation of compliance processes	✔	✔
KPI % employees compliance awareness training	97%	88%

technology for fuel saving and the use of low-emission fuels such as LNG and biodiesel, and is involved in various initiatives regarding future green fuels, such as green methanol and green hydrogen. The energy efficiency of the existing fleet is constantly being increased, for example, by converting heat from waste gases into electrical energy, through process optimisations and through improved productivity. With this aim, DEME focused on better registration of energy data, an integrated data structure and new monitoring tools in 2020. In addition, DEME's de Vries & van de Wiel subsidiary, working together with GMB and Heijmans, launched the 'Emission-free Infrastructure Network' in 2020 to accelerate the energy transition by four years, specifically for the equipment used in the infrastructure sector, so that construction with zero-emission equipment could start in 2026.

It is also worth noting the efforts taken to limit the impact of (underwater) noise and turbid water on the environment and on underwater life through specific programmes. The 2020 acquisition of SPT, which specialises in anchoring techniques for floating wind turbines, will also help reduce the impact on the sub-sea bed. Through its subsidiary Global Sea Mineral Resources (GSR), DEME is carrying out pioneering work to find certain raw materials on the ocean bed, while showing respect for the fauna and flora, so that these raw materials could be brought to the market with less environmental damage than the current extraction methods. Through the remediation of contaminated land, where the DEC subsidiary is also internationally active, DEME also contributes to remedying historical contamination.

• Social

DEME is a major employer with 4,976 employees. The company behaves like a good employer, paying attention to the social and physical well-being of all the workforce, regardless of whether they are employees or not. It also ensures that these employees have the necessary knowledge and integrity to perform their duties properly.

DEME sometimes has to work in very challenging circumstances. A safe and healthy workplace for all involved is a constant point of attention. The safety standard that is followed is very high, so that no accidents occur on the ships or other workplaces. This is continuously monitored through proactive and reactive KPIs. Every potentially dangerous situation is analysed in order to keep the risks at acceptable levels, and these safety parameters are monitored at every meeting of the management team and the board of directors. The achievement of the safety objectives has been anchored in the bonus policy.

Due to the COVID-19 crisis, additional efforts were made in 2020 regarding the mental health and well-being of all employees, including a specific online program on resilience and mental health, an employee assistance program for crews and their families and various initiatives on social cohesion. As in previous years, a lot of attention was paid to recruiting, training and retaining staff. At the Randstad Awards in 2020, DEME was voted the most attractive employer in Belgium for the second year in a row, and for the third time in four years. DEME is in the top three of the rankings in terms of financial health, work atmosphere, reputation and the use of new technologies.

DEME also pays a lot of attention to the local communities in the countries where it develops activities, and contributes to various social projects.

• Governance

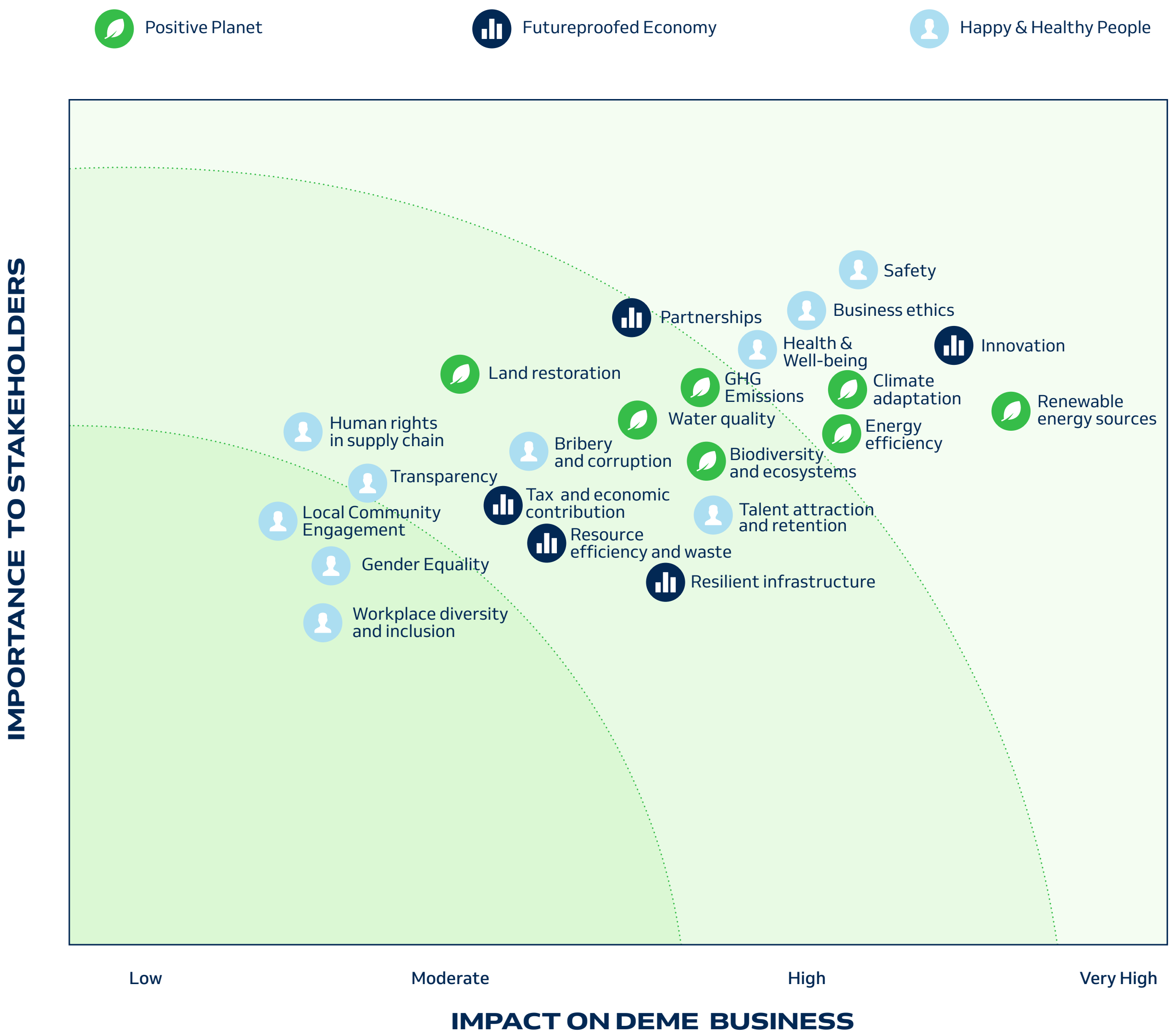
With regard to innovation, DEME focuses on internal entrepreneurship, which is at the same time important for its employer branding. This is reinforced by joint value creation through multi-stakeholder partnerships. Through the 'The Blue Cluster' innovation cluster, DEME will continue to work on sustainable growth at sea through various projects in 2020, together with partners. The MARCOS project investigates the potential of large-scale offshore aquaculture. DP4@Sea aims to develop a methodology to map the challenges and solutions of marine multi-functional landscape infrastructure. The first Coastbusters project won the Blue Innovation Award in October 2020. Coastbusters 2 wants to research marine biodegradable and sustainable materials as building blocks for coastal defence. DEME focused strongly on international cooperation in 2020, including, among others, through the European Clean Hydrogen Alliance and the Global Plastic Action Partnership of the World Economic Forum. DEME is working together with universities and technology suppliers to develop high-tech solutions for the removal of plastic from rivers, ports and coastal areas, with a pilot project in Temse in 2020. Use is hereby made of artificial intelligence (recognition of objects) and virtual reality to operate equipment, and (eventually) autonomously control vessels (the Marine Litter Hunter) that have electrical and CO_2-neutral propulsion.

Internal entrepreneurship was supported in 2020 through various innovation programmes. The focus in 2020 was on two specific sustainability challenges: climate and energy (SDGs 7 & 13) on the one hand, and waste and materials management (SDG 12) on the other. Sustainability is included in the evaluation criteria throughout the innovation process, so that they reinforce each other.

DEME is often active in countries that have a higher risk profile in terms of business ethics. This requires increased vigilance. The objective is always to conduct business with integrity and to proactively prevent corruption or bribery in any form. With regard to the ongoing investigation following the judicial search that took place in March 2018 at DEME's offices in Zwijndrecht, reference is made to the risk factors on p. 21 of this annual report.

DEME is also actively committed to respecting and protecting labour and human rights in its activities. To this end, DEME applies a 'Code of ethics and business integrity' and various specific policy documents ('Compliance policy & practices', 'Human Rights Policy' & 'Whistle-blower policy & procedures'). An annual mandatory training is linked to this 'Code of ethics and business integrity'. The participation rate in 2020 was 97% (excluding crew members who received an approach adapted to COVID-19). In line with previous years, the procedures for cooperation with third parties were also further tightened in 2020. The functioning of the internal audit was further strengthened in 2020.

DEME: Materiality matrix



More information about sustainability is available in the annual report and the sustainability report of DEME and on the website www.deme-group.com/sustainability.

CFE (EXCLUDING DEME)

This chapter deals with the activities of CFE Contracting (CFEC) and BPI: the activities of the CFE group in onshore construction and real estate development, excluding those of the DEME group.

In the course of 2019, CFE Contracting and BPI defined a structured policy around the ESG themes. After a thorough survey of the stakeholders, including staff, the Sustainable Development Goals (SDG) 3, 4, 7, 8, 11, 12, 13, 16 and 17 were chosen as guidelines. This materiality exercise has resulted in a clear and sustainable vision, priority objectives and the basis for an action plan and for key performance indicators. All this was validated by the board of directors in 2019. CFEC and BPI have used the year 2020 to put in place a concrete action plan and an effective system for monitoring KPIs. In this way, each branch was able to master the sustainability concepts - in order to incorporate them in daily operations. As the next step, all the partners in the construction projects will become even more involved in CFE's sustainable approach, so that, together, they will have a strong impact on the world of tomorrow. The two divisions have a clear will to emphasize the sustainable aspects, both in the construction processes and in the projects.

The corona pandemic has confirmed the relevance of the chosen priorities and, in particular, of the accelerated digitization and focus on operational excellence. The KPIs were refined in 2020, and a dashboard of non-financial indicators was introduced. The most complex themes, such as transport of materials and circularity, are closely followed in several pilot projects. Each indicator ensures regular monitoring of the chosen priority objectives. In terms of concrete actions, there were several large-scale, sustainable projects, such as ZIN and the use of consolidation centres for logistics, but the emphasis was mainly on internal communication and raising awareness about sustainability among the teams. These actions will be continued in 2021 via action plans in the various entities of the group.

CFEC has joined the Belgian Alliance for Climate Action (BACA). It thereby endorses the 'Science Based Targets' initiative. This approach will make it possible to validate sustainable goals that meet the ambitions of the Paris Agreement.

Based on the materiality analysis at the level of the AvH group and the priority themes of CFE, only 'Corporate Governance', which is part of SDG 16, was chosen as material at the level of AvH.

At the level of CFEC and BPI, the following ESG factors are considered to be material: the optimisation of the transport of materials and waste, the reduction of waste and packaging, health and safety, fair working conditions for all, talent management and innovation.

CFE

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

CORPORATE GOVERNANCE

Overview of corporate governance charters/codes

	CFE	CFE Contracting	BPI
KPI Corporate Governance Charter	✔	✔	✔
KPI Risk procedures	n.a.(1)	✔	✔(2)
KPI Anti-corruption code	n.a.(1)	✔	✔

(1) Transferred to CFE Contracting and BPI
(2) Internal guidelines in the field of financial transactions

	2020	2019
GHG in kton CO_2-equivalents(1)	17.7	17.8
of which scope 1	15.8	14.8
of which scope 2	1.9	3.1
Frequency rate of accidents(2)	26.12	13.72
Severity rate of accidents(3)	0.61	0.44
KPI Number of training hours per FTE	**14**	18

(1) Greenhouse gas: CFE follows the Greenhouse Gas Protocol.
(2) Number of accidents with incapacity x 1 million divided by the number of working hours.
(3) Number of calendar days of absence x 1000, divided by the number of working hours.

- **Environment**

The two divisions are aware of the impact of their activities on the environment. The transport of people and materials has an impact on mobility, and also causes direct CO_2 emissions. Reducing the need for transport and an advanced waste policy can help reduce that impact. The lean construction processes applied at the various construction sites also contribute to this.

For example, several construction sites in Belgium and Luxembourg have revised their logistics by working with consolidation centres in 2020. These logistics hubs significantly reduce the number of trucks supplying the construction sites, and also make delivery planning more reliable. Alternative delivery methods are also used in Brussels, such as delivery by waterway. This has an immediate impact on the CO_2 emissions.

Another approach to limiting CO_2 emissions is the reduction of the energy consumption of both the buildings and the construction site installations. Through its subsidiary VEMAS, CFEC provides ESCO services (energy-saving activities) with guaranteed energy performance to customers who want this. This expertise is also used in the design of the construction sites, with a monitoring of electricity and water consumption enabling their optimisation. CFEC is also active in the multi-year Luwa project for the installation of LED lighting along the Walloon motorways, a project that will contribute significantly to a drastic reduction in electricity consumption.

According to studies, the choice of materials is a decisive but indirect factor in the analysis of the CO_2 costs of a building. Working with recycled or reused materials is also a solution for reducing the carbon footprint. The choice of more sustainable materials also contributes to this. CFEC and BPI therefore pooled their know-how at the beginning of 2020 to set up the joint venture Woodshapers. The control of the materials (and in particular of wood) and of construction techniques for an optimised structure, together with an integrated project vision, are central to the sustainable approach of Woodshapers.

CFEC has started the ZIN project in Brussels' Noordwijk with its three subsidiaries Van Laere, BPC and VMA. This innovative project of more than 110,000 m² places an emphasis on circularity. The circular approach starts with the preservation of 65% of the existing WTC towers, which limits the amount of demolition waste and the use of new building materials. This is the first project in Belgium to apply the circularity principles on this scale. In concrete terms, a total of 95% of the material will be stored, reused or recycled, and 95% of the new materials for the offices will be certified C2C ('Cradle to Cradle').

ZIN - Brussels

Brussels Construction Consolidation Center

- **Social**

People are central to the construction processes of CFE. CFE is a major employer, both directly (3,137 employees) and indirectly through the various subcontractors and suppliers. In 2020, CFEC launched an employer branding campaign highlighting the 'Framily' (family & friends) concept that characterises it. The human-sized subsidiaries and the solidity of the group, together with its many forms of synergy, are CFEC's strength and peculiarity. Respect for fellow human beings is not limited to its own employees, but also applies to the personnel of subcontractors and suppliers. This philosophy is embodied in a code of integrity that includes respect for human rights. From this perspective, the procedures for selecting and interacting with the subcontractors are recorded in writing. No human rights violations were identified in 2020.

CFE also wishes to pay due attention to safety and health in the workplace. The seriousness and frequency of occupational accidents receive special attention at each meeting of the board of directors. CFE outperforms the Belgian sector as a whole in this domain. This doesn't prevent CFEC from wanting to improve its score every year. In this respect, the policy of raising awareness, training and prevention is an important tool. The lean method also contributes to this. Construction sites are regularly visited to check compliance with procedures.

CFE: Focus on sustainability

TALENT ATTRACTION
Great place to work: Grand Poste
'We are Framily' campain

CAREER DEVELOPMENT
Digital awareness programs
Positive Thinking training

DIVERSITY & INCLUSION
Micro living community,
mix use projects, incubator

HEALTH & SAFETY
Fitbees
Urban Farm

CIRCULARITY
Re-use material: Samaya - Serenity Valley
ZIN

MATERIAL TRANSPORT
BCCC Park West
CC Luxembourg

BACA Subscription

ENERGY CONSUMPTION
Solar & geothermal energy: Serenity Valley
Energetic optimisation of the sites installations
Esco VEMAS + BMS system Vimat
LuWa

MODULARITY
Wood Shapers

ALTERNATIVE TRANSPORT MODE
Mobility Plan
Massification project of MOBIX

INNOVATION
Sustainability & innovation board

STRONG CORPORATE GOVERNANCE
Internal audits

WE DO WHAT WE BELIEVE IN
Remediation Wola Libre
YouthStart support
Wood Shapers plant trees

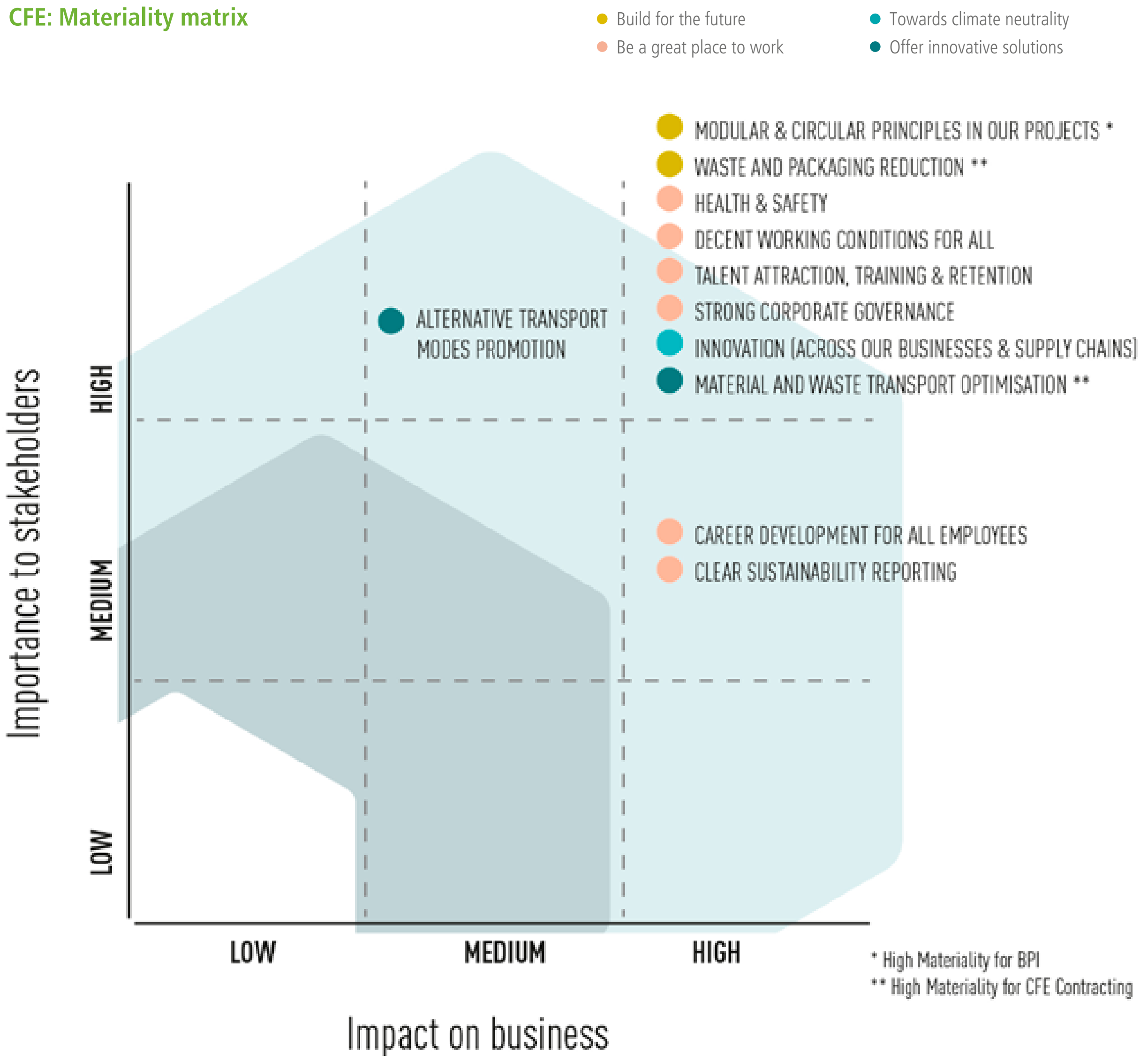
Projects, actions, business unit BPI
Projects, actions, business unit CFE Contracting
Projects, actions, business unit CFE Contracting & BPI

- **Governance**

A Corporate Governance Charter with concrete and understandable procedures must guarantee the greatest possible impact on operations. These procedures contribute to a coherent and consistent corporate culture. The Corporate Governance Charter (available on the website www.cfe.be/en/corporate-governance) of CFE and CFEC was amended in 2019. These charters describe, among other things, the division of tasks between the board of directors, the management and the various committees. CFEC has redoubled its efforts this year to train its operational staff in the knowledge and understanding of the social legislation. More than 450 operational employees from the various branches thereby received training in 'Best Practices: contract management & social law' in order to ensure a good understanding of the applicable regulations regarding contracts and social laws.

The internal audit unit regularly submits each entity to an analysis of the risks and procedures. The internal audit is an independent function, the main task of which is to support and guide the management to ensure better risk management. The internal audit reports functionally to the audit committee of CFE, and annually submits the audit plan, the main results of the audits carried out and a follow-up of the action plans. If necessary, it can carry out additional assignments. In 2020, the internal audit mainly examined the principles of good management of the projects. The other themes of the internal audits were the separation of powers in the ERP systems, the archiving, the signature authorisation for the payment software and the application of GDPR. In addition, a general analysis of the internal control system was carried out at MOBIX. The results of the audits are presented to both the members of the audit committee of CFE and to the executive committee of CFEC, in order to agree on the latest corrective measures with them.

CFE: Materiality matrix



* High Materiality for BPI
** High Materiality for CFE Contracting

More information about sustainability is available in the annual report and the sustainability report of CFE, and on the website www.cfe.be.

DELEN PRIVATE BANK

2020 was an intense year in terms of sustainability at Delen Private Bank[1]. The responsible investment policy, broadened and deepened in recent years, was further strengthened in the past year. The pursuit of responsible asset management is based on a sense of responsibility, a sustainable investment vision that makes it possible to help build a better, greener and more humane society. It also makes financial sense. In the course of the COVID-19 crisis, with great turbulence in the markets, it became clearer than ever that responsible investment reduces investment risks, strengthens participation in forward-looking companies and thereby offers the prospect of a balanced return.

As a member of UN PRI, Delen Private Bank is therefore consistently committed to making its investment process fundamentally sustainable. The annual evaluation by UN PRI is an important KPI, whereby the A+ assessment for strategy and policy was confirmed in 2020, and encourages Delen Private Bank to continue on the chosen path.

Where advice is provided, Delen Private Bank aims to inspire through its policy of responsible asset management. Delen Private Bank plays a pioneering role at JM Finn, where advice, as well as decentralised discretionary management, is still very important, but this approach is taking more time to become established.

The ESG policy of Delen Private Bank, which encompasses the other aspects of the bank in addition to the core activity of asset management, takes into account the UN SDGs on which Delen can exert a significant influence. Particular attention is paid to SDG 8, 12, 13 and 16. In addition to the responsible investment policy, AvH gives priority attention to asset protection, business ethics and the protection of privacy and data - all linked to SDG 16 - as they are also material at that level. In addition, customer satisfaction was included as an important ESG factor.

Moreover, the innovative mindset of Delen Private Bank emerged strongly during the COVID-19 crisis. A rapid shift to the new digital world proved necessary in 2020, both within Delen Private Bank and with regard to customers. From day 1, the staff have been able to continue their activities in a high-quality manner from their home offices.

A full description of the ESG policy, which was discussed and approved at the board of directors on March 23, 2021, and the sustainable approach can be found on www.delen.be/en/about-us/sustainability-policy.

- **Environment**

The direct environmental impact is largely limited to that of the offices and the mobility of the employees. The impact of its investment policy is viewed by Delen Private Bank as an indirect, but much more powerful opportunity to contribute to the realisation of a sustainable impact on business and to the fight against climate change. Both the direct and the indirect environmental impact have been quantified and monitored since 2019. These insights enable Delen Private Bank to further optimise its policy and to set specific targets so that the environmental impact can be kept as small as possible.

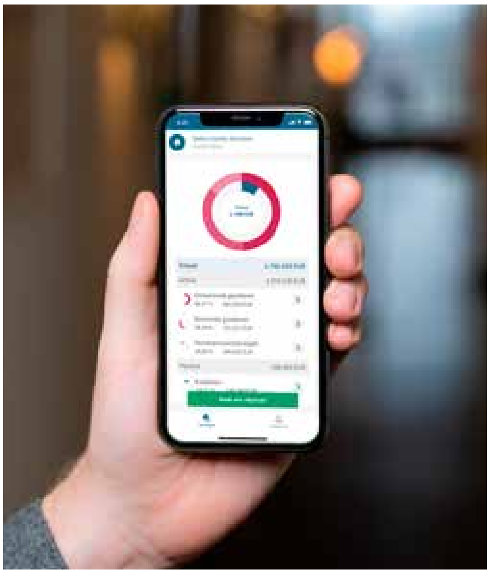
- **Social**

The development and well-being of its staff are an important lever for Delen Private Bank to protect its assets and mitigate risks. The bank therefore pays a lot of attention to developing its human capital, the well-being of its employees and diversity. Even during the outbreak of the COVID-19 crisis, employees received priority attention, and were guided and supported to facilitate the shift to working from home in a safe and comfortable manner.

Protecting the accumulated capital of the clientele remains of prime importance for Delen Private Bank and leads to strong customer satisfaction. Following the customer satisfaction survey in 2019 (with a Net Promoter Score of 43), a new survey will be conducted in 2021. The strong communicative and coordinated approach to the COVID-19 crisis in 2020 was greatly appreciated by customers, and translated into positive net inflow and positive year-end returns, as customers did not panic.

In view of the challenges posed by the COVID-19 outbreak, Delen Private Bank decided to increase the budget for charities and sponsorships in 2020, and to offer extra support to organisations that work around COVID-19.

[1] The impact and contribution of the English subsidiary JM Finn in the field of ESG policy is not included in this contribution, in view of their specific local customs and activities.



Data privacy and security in Delen App

Asset protection is a priority for customers

Delen Private Bank

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

SUSTAINABLE INVESTMENT

Environment

	2020	2019
GHG in ktons of CO_2-equivalents[1]	**1.8**	2.3
of which scope 1	1.1	1.4
of which scope 2	0.3	0.3
of which scope 3[2]	0.4	0.5

Personnel and core ratios

	2020	2019
Net Promoter Score[5]	n.a.	43
Average annual staff growth over 5 years (in FTE)	26.8	24.4
KPI **CET1-ratio**	**40.5%**	36.7%
KPI **Leverage ratio**	**32.4%**	25.4%

Assets under management

	2020	2019
KPI **Funds that follow responsible investment (billion euros)**	**29.5**	26.7
KPI **Engagement scope[3]**	**71%**	70%
Average ESG rating of own funds[4]	19.7	22.2

(1) Only Belgium.
(2) Upstream of scope 1 and 2, commuting, business travel and paper.
(3) Ratio of the number of companies with an engagement procedure to the total number of companies in the portfolio. The engagement programme sets the bank's priorities according to the urgency of certain themes, the openness of the company in question, and the possible impact of a particular engagement action.
(4) Sustainalytics: ESG risk scores between 0 and 100, where a lower score is better and less risk. A score of 40 is regarded as a low risk.
(5) Bi-annual measurement.

International recognition

A+ PRI

UN PRI is the global network that pursues a more sustainable financial system within the UN. Delen Private Bank and its 100% subsidiary fund manager Cadelam endorse these principles, and, for many years, have committed to making the investment process fundamentally sustainable. That is not without obligations. Every year, Delen Private Bank reports extensively to UN PRI on its responsible investment efforts, based on exclusion, commitment and integration. After a thorough evaluation, Delen Private Bank received the **maximum A+ score** for the **'Strategy & policy'** module again in 2020. This result is a nice reward for the work delivered, and encourages Delen Private Bank to continue along this path.

Exclusion

As an investor, it is important to choose what does not belong in the portfolio

Engagement

Active and constructive dialogue with the participations.

Integration

Inclusion of non-financial parameters in the investment process.

The **collaborative aspect** of UN PRI is also not to be underestimated: within the financial sector, investors can learn from each other and work together to tackle social problems decisively. For example, Delen Private Bank is part of ClimateAction100+. They encourage the world's key greenhouse gas issuers to take action against climate change and accelerate the energy transition.

- **Governance**

Both 'asset protection' and 'business ethics', as well as 'data privacy and security' form the cornerstones of the policy of Delen Private Bank, which is supported in this by AvH. They receive constant attention from the board of directors and the various committees.

Asset protection is a priority for its clientele. Delen Private Bank strives to invest its client assets in a dynamic and prudent manner. In addition to the existing, thorough financial analyses, non-financial (sustainability) parameters are also integrated into the management process. The day-to-day implementation of the responsible investment policy, which has been broadened and deepened over the past five years, ensures long-term thinking and risk mitigation.

In addition to its focus on sustainable and responsible investment, Delen Private Bank also realises this through its solvency and liquidity buffers and through a simple business model with a conservative risk policy. As a shareholder, AvH monitors this through the board of directors and the audit and risk committee. This approach guarantees a very strong solvency ratio, and consequently high financial stability.

Business ethics is particularly relevant for a bank. After all, financial institutions play a key role in the economic fabric of a country and in the wealth accumulation and protection of individuals. They are therefore subject to a strict legislative framework, which contributes to the realisation of SDG 16. Based on its core values (family and personal, honest and fair, thoughtful and careful, trusted and sustainable, transparent and efficient), Delen Private Bank has drawn up an umbrella integrity policy that all employees are expected to respect, in both the spirit and the letter, and that is closely in line with the requirements of the legislator.

Given the background of increasing cybercrime worldwide, the protection of data and privacy receives a considerable amount of attention within the bank. Delen Private Bank invests heavily in its own IT systems and support services in order to be able to comply with legal obligations and to guarantee the protection of data and privacy. For example, a specific 'Information Security' department has been set up, which is responsible for monitoring this matter and for training.

Delen Private Bank: Materiality matrix

More information about responsible asset management is available in the annual report (available from Q2 2021) of Delen Private Bank and on www.delen.be/en/about-us/sustainability-policy.

BANK J.VAN BREDA & C°

Providing a safe harbour, business ethics, and protection of data and privacy are priorities for Bank J.Van Breda & C°. In addition, Bank J.Van Breda & C° pays special attention to wealth accumulation and protection, respect for laws and regulations and client satisfaction. The board of directors confirmed the ESG policy on December 17, 2020. A full description of this can be found in the annual report on www.bankvanbreda.be/nl-be/financiële-informatie.

• Highlights 2020

For a bank that focuses exclusively on entrepreneurs and liberal professions, the corona crisis is an important reality check. Both target groups of the bank suddenly found themselves in the eye of the storm. The bank reaffirmed its role as a safe harbour, and chose to be close to the customer. Bankruptcy prevention was thereby paramount. Flexible capital payment deferral was granted to customers with business or home loans. Alternatives were examined for individual files.

The health crisis was accompanied by shock waves on the stock market. Thanks to patrimonial advice and a long-term view, panic selling was prevented from jeopardising the retirement goals of the clients. Clients appreciated this follow-up and financial advice, which was reflected in an increased satisfaction and Net Promoter Score (from +55 to +60). This was only possible because the staff took a flexible approach and quickly switched to working from home and consultation via video calls.

Via 'Coaching for heroes', Bank J.Van Breda & C° sponsored free coaching sessions for care providers who were affected by the long-drawn-out crisis. The bank supported various initiatives in hospitals through 'Cheer for champions'.

• Environment

The direct environmental impact of Bank J.Van Breda & C° is limited to the mobility of its staff and the offices. The bank has undertaken to reduce its emissions by at least 25% and to be certified climate-neutral by 2025. The bank also strives for a paperless environment, and in 2020 issued 76% of all documents in digital format to its clients.

The indirect impact of the policies of financial institutions, both through loans and through investment, offered a much greater opportunity to contribute to a sustainable world. The responsible asset management of Delen Private Bank and the house funds of Bank J.Van Breda & C° illustrate this. From now on, the EPC value is also taken into account in the analysis of new real estate loans.

The bank endorses the principles and objectives of the Paris climate agreement, and is analysing how it can help realise the rollout of the European Green Deal through its investment and credit strategy.

• Social

Bank J.Van Breda & C° regards the health and wellbeing of its staff as an important lever in protecting its assets and limiting risks. The bank pays a great deal of attention to attracting new talent, developing financial expertise and promoting diversity. The bank has an excellent team, and was nominated as the best employer in March 2020 by 'Great Place to Work', in collaboration with Vlerick Management School, and with a special mention for 'well-being'. The most important scores from this survey can be found as a KPI in the bank's annual report.

These efforts allow to keep a close watch on the long-term financial health of the clients, who are often confronted with complex professional and private questions.

Bank J.Van Breda & C°

8 DECENT WORK AND ECONOMIC GROWTH

SAFE HARBOUR

Environment

	2020	2019
CO_2-emission in kton CO_2[(1)]	n.a.	2.5

Assets under management

	2020	2019
Average ESG rating portfolio at Delen Private Bank[(2)]	19.7	22.2

[(1)] CO_2-logic: bi-annual measurement.
[(2)] Sustainalytics: ESG risk scores between 0 and 100, where a lower score is better and less risk. A score of 40 is regarded as a low risk.
[(3)] Great Place to Work: bi-annual measurement.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

BUSINESS ETHICS AND PROTECTION OF PRIVACY AND DATA

Personnel and core ratios

		2020	2019
	Days of training and education per FTE	3.5	4.1
KPI	**Positive answers to the statement** "Generally speaking, I can say that this is a very good organisation to work for"[(3)]	95%	n.a.
KPI	**Net Promoter Score**	60	55
KPI	**CET1 ratio**	14.7%	13.1%
KPI	**Leverage ratio**	8.2%	8.5%

Health and well-being are driving forces for an important target group of the bank, specifically the medical liberal professions. The financial peace of mind that Bank J.Van Breda & C° offers them enables them to focus on their core social tasks.

With regard to human rights, the bank rejects any form of discrimination. The bank subscribes to the 10 principles of the UN Global Compact in relation to human rights, labour, the environment and anti-corruption.

- ## Governance

By 'Safe harbour', Bank J.Van Breda & C° means safeguarding the financial stability of the bank and, in a broader sense, the Belgian economic fabric. This fits in with SDG 8, which focuses on employment, innovation and economic growth. The bank contributes to this by lending 5.4 billion euros to Belgian SMEs and households, thereby providing entrepreneurs and the liberal professions with the opportunity to develop their activities. The bank thereby serves the economy and society and promotes the protection of welfare and prosperity.

Financial stability translates into a very high solvency and leverage ratio, a low percentage of credit losses, and independence from the financial markets for the financing of the loan portfolio. This stems from a healthy business model based on a low risk appetite, which AvH monitors as a shareholder. Via the board of directors, AvH determines the 'risk appetite', which is monitored by a risk committee. AvH aims to keep the correlation with developments in the financial markets low, as was apparent during the financial crisis in 2008.

The policy and follow-up with regard to 'integrity and ethics' and 'protection of data and privacy' is largely in line with Delen Private Bank, as described in the section above.

Van Breda The Square, digital networking events for clients

Specifically with regard to Bank J.Van Breda & C°, the following elements can also be mentioned:

- The bank aims to achieve a good balance between a personal relationship and digital support.
- The remuneration policy includes a limited variable component, in line with the target of sustainable growth and the long-term interests of clients.
- The bank operates completely 'cashless', and is a pioneer in digital banking with electronic signatures, i.e. paperless.

Bank J.Van Breda & C°: Materiality matrix

Governance

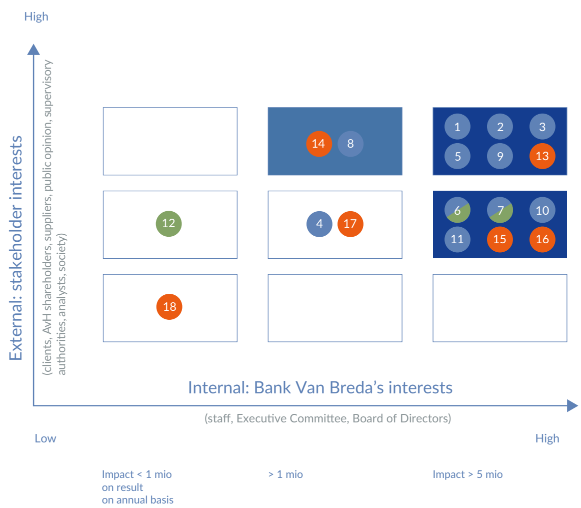
1. **Safe haven** for clients (high net worth, solid liquidity position, prudent balance, careful risk management, long-term profitability)
2. **Integrity and ethics**, own values firmly rooted in the company culture
3. **Protection of privacy and data**
4. **Ethical taxpayer**, based in Belgium
5. **High client satisfaction** thanks to client-orientedness, familiarity with their world, specialised advice, personal and proactive, quick response times, learning from complaints
6. **Responsible investing** with a view to the ESG criteria and respect for human rights
7. **Responsible lending** with a view to bankruptcy prevention and the ESG criteria
8. **Secure payments**
9. **Compliance** with the letter and the spirit of laws and regulations, prevention of bribery, money laundering, fraud and corruption
10. **Simplicity and transparency** in organisation, products, price setting and communication
11. **Innovative mindset** with the right mix of personal and digital

Environment

12. **Limiting our environmental footprint**

Social

13. **Capital accumulation** and protection for clients over the generations, with a balance between risk and return, maintaining one's standard of living both during and after one's active career, in good times and bad
14. **True contribution** to welfare and well-being by investing all deposits in the local economy
15. Attractive employer for **new talent and lifelong learning**
16. **High personal satisfaction** (great place to work, fair remuneration policy, equal opportunity, attention to gender equality, good work/life balance, flexibility, accessibility, etc.)
17. **Openness to diversity**, among both clients and staff
18. **Patronage, social engagement and good neighbourliness**



More information about sustainability is available in the annual report of Bank J.Van Breda & C° and on the website www.bankvanbreda.be/nl-be/financiële-informatie.

SIPEF

SIPEF is a listed agro-industrial group active in tropical agriculture, mainly in the production of sustainable, certified crude palm oil in Southeast Asia.

Sustainability is an essential aspect of the business model of SIPEF. Plantation management is inextricably linked to respect for the planet and people. SIPEF is committed to creating and managing plantations in a safe, responsible and sustainable manner, with a focus on best practices. The group also directly and indirectly creates major employment and prosperity in often remote areas. In this way, SIPEF contributes to the realisation of various SDGs.

The sustainability aspect of its activities is reflected in the 33 certificates that SIPEF obtained over the years. These include, among others, the Round Table on Sustainable Palm Oil (RSPO), the International Sustainability and Carbon Certification (ISCC), Indonesian Sustainable Palm Oil (ISPO) for palm oil, Rainforest Alliance for rubber and tea and Global Good Agricultural Practices (GLOBAL G.A.P.) for bananas.

All palm oil produced by SIPEF meets the sustainability standards of RSPO. Customers pay a premium on top of the market price for these certified products. The loss of a particular certification could significantly damage SIPEF's reputation and lead to loss of turnover.

SIPEF is convinced that palm oil is and will remain an essential part of a balanced diet for a growing world population. This is partly due to the highly productive and efficient nature of this vegetable oil, the cost of which is ecologically and economically lower than other vegetable oils as indicated below. Sustainable and efficient production with respect for scarce agricultural land and the environment makes SIPEF a reliable partner in the production and sale of sustainable palm products.

The ESG policy of SIPEF is reflected in its Responsible Plantations Policy (RPP), which is reviewed annually by the board of directors. On September 21, 2020, the board of directors decided to supplement the RPP with a Responsible Purchasing Policy (RPUP) that focuses on the origin of raw materials. From 2019 onwards, the company has published an extensive sustainability report (previously every two years), which can be consulted on www.sipef.com/hq/sustainability/sustainability-reports. This provides a broad overview of all the ESG aspects associated with the activities of SIPEF, including the due diligence procedures applied, the results of the policy pursued, the main risks and the KPIs.

No single point with material importance at AvH level was identified for SIPEF, taking the interest of AvH in SIPEF (34.68%) into account. This does not alter the fact that AvH attaches great importance to SIPEF's ESG policy of sustainable cultivation. In a sector that is very important for the food supply, AvH supports SIPEF because the company aims for a 'best in class' management of sustainability and the efficient use of agricultural land. The material ESG targets of SIPEF include: certification, zero deforestation, zero forest fires, reduction of greenhouse gas emissions, proper working conditions, development of local communities and traceability. SIPEF achieved a 100% score in the field of zero deforestation and zero forest fires in both 2019 and 2020, which implies that the group never used these techniques in 2019 and 2020.

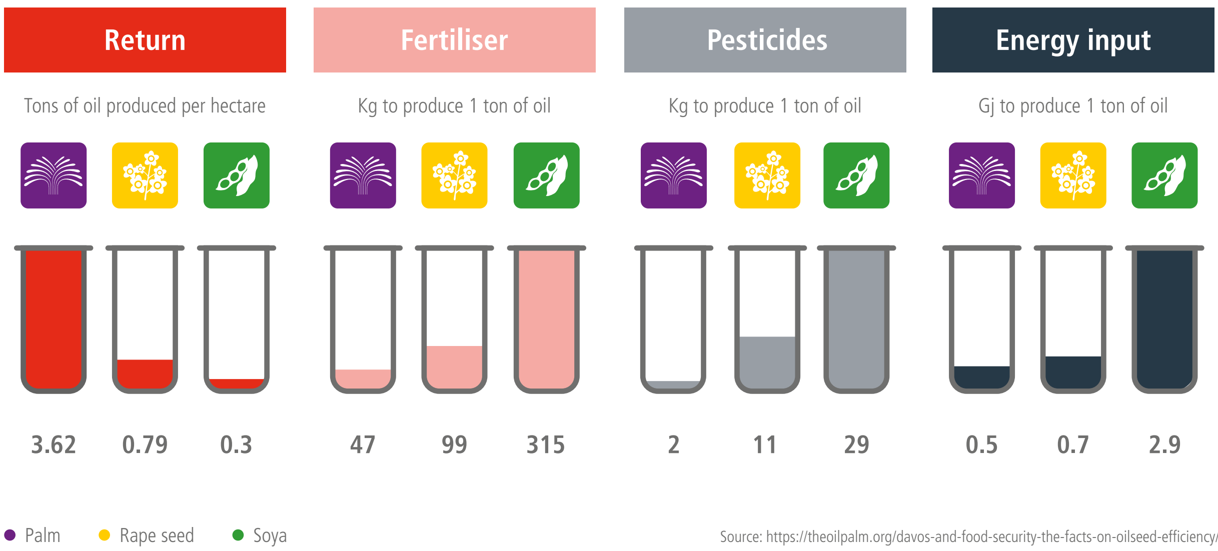
• Environment

The palm oil industry often receives bad press in the media, with little distinction being made between sustainable palm oil and less sustainable crops. Recently, however, there have been more and more positive voices, especially with regard to palm oil growers who adhere to a policy aimed at sustainability. Certifications such as RSPO are therefore particularly important, as they confirm the sustainable role that SIPEF fulfils. For example, the company is a pioneer in the fight against deforestation ('SDG 15 Life on Land') and has entered into important commitments in this regard from 2014 onwards.

With regard to 'SDG 12 Responsible Consumption and Production', SIPEF aims for complete traceability of all its products and raw materials. This policy regarding the responsible sourcing of all raw materials was reaffirmed by the board of directors of SIPEF on September 21, 2020 in the Responsible Purchasing Policy (RPUP), in addition to the already existing RPP.

In 2020, SIPEF started a procedure to calculate the greenhouse gas emissions (GHG, 'SDG 13 Climate Action') in a uniform way for all companies in the group, under the guidance of an external consultant. In this way, the basis was laid for the future reduction of greenhouse gases. The group has also taken various measures to reduce these emissions in recent years. Examples include the construction of a composting

Palm oil production versus other liquid oils



Source: https://theoilpalm.org/davos-and-food-security-the-facts-on-oilseed-efficiency/

facility for palm oil residues, a hydropower plant for own use, and biogas plants to generate electricity for factories, housing and the public electricity grid. In addition, the board of directors of SIPEF launched the SBI project (SIPEF Biodiversity Indonesia project) in 2008 to protect 12,656 hectares of 'primary forest' (a nature reserve that acts as a buffer for the Kerinci Seblat National Park), and therefore also stimulate the biodiversity and absorption of CO_2.

The construction of a biocoal production facility in Indonesia started in 2019, and will become operational in early 2021. In this process, empty fruit bunches are processed into biomass with high calorific value, which is intended for energy generation. SIPEF is thereby contributing towards renewable energy. The group has also invested heavily in fire prevention, fire-fighting and risk monitoring in recent years, working together with the local authorities and communities.

The activities of SIPEF are subject to weather conditions. Climate change therefore has a major impact on the production of palm oil. The geographical location of the plantations, sometimes located in volcanic areas, are another major risk.

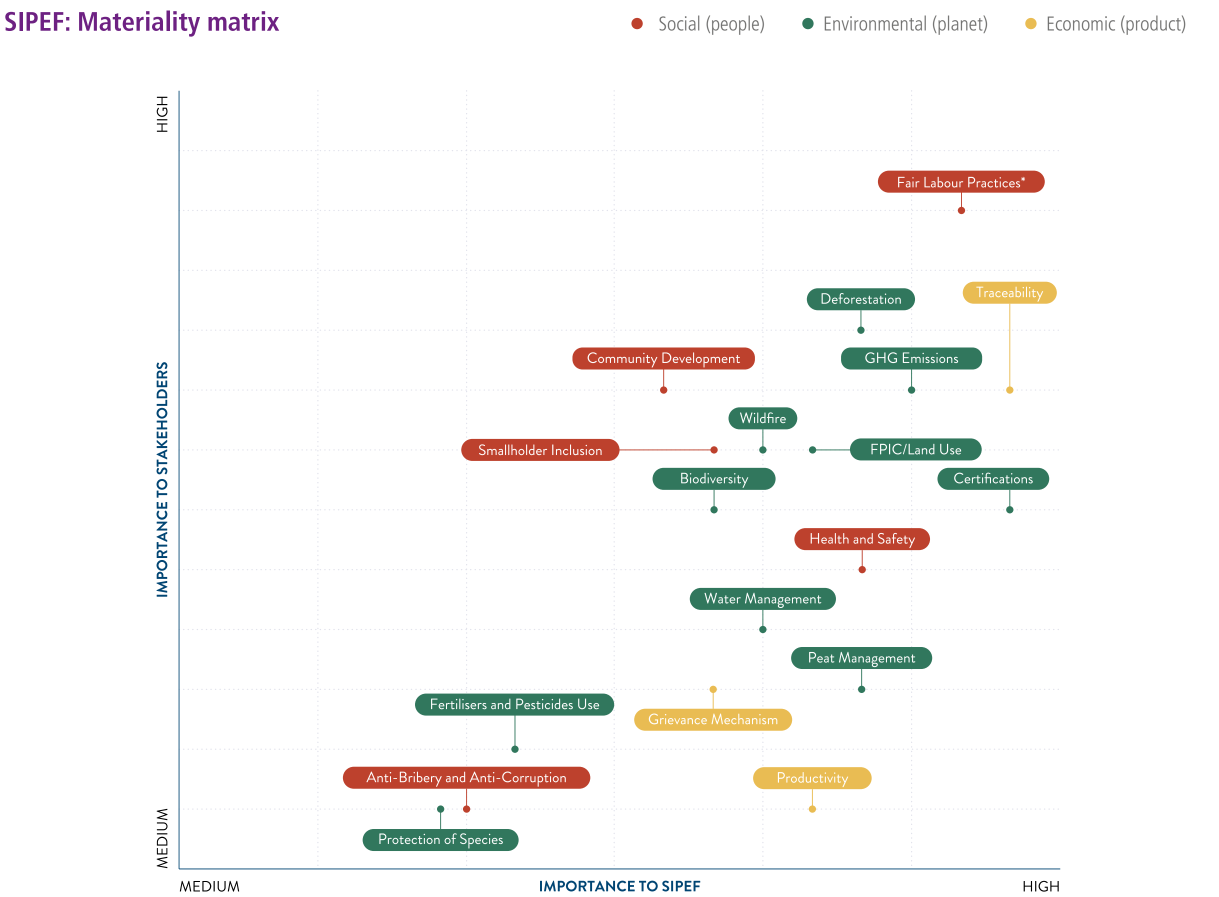
• Social

SIPEF employs more than 21,000 people, often in areas that are very remote. It therefore makes a substantial contribution to prosperity in these regions. SIPEF therefore pays a lot of attention to the terms of employment. SIPEF aims to treat all employees fairly, with respect for human rights, in line with the local and international laws, such as the 'International Labour Organisation Declaration of Fundamental Principles and Rights at Work'. The provision of a good school infrastructure or medical facilities are examples of this. In addition, a great deal of attention is paid to ensuring a good cooperation with the local communities. For example, SIPEF takes on major tasks in the areas of medical care, education and road infrastructure in regions of Papua New Guinea. SIPEF has also set up an additional programme in Indonesia in 2020, following on from the existing programme in Papua New Guinea, to assist the group's local farmers in obtaining RSPO certification.

• Governance

The board of directors pays a great deal of attention to maintaining the several certifications and the reporting processes in this regard. There is a well-developed complaints procedure for the various stakeholders, which can be consulted on the website of SIPEF (www.sipef.com/hq/sustainability/grievances-sipef-group). The board of directors includes at least one director with specific ESG expertise.

SIPEF: Materiality matrix



(*) Including Child labour prevention, Equal treatment and Workers' welfare.

More information about sustainability is available in the annual report (from April 29, 2021) of SIPEF and on the website www.sipef.com/hq/sustainability/sustainable-approach.

EXTENSA

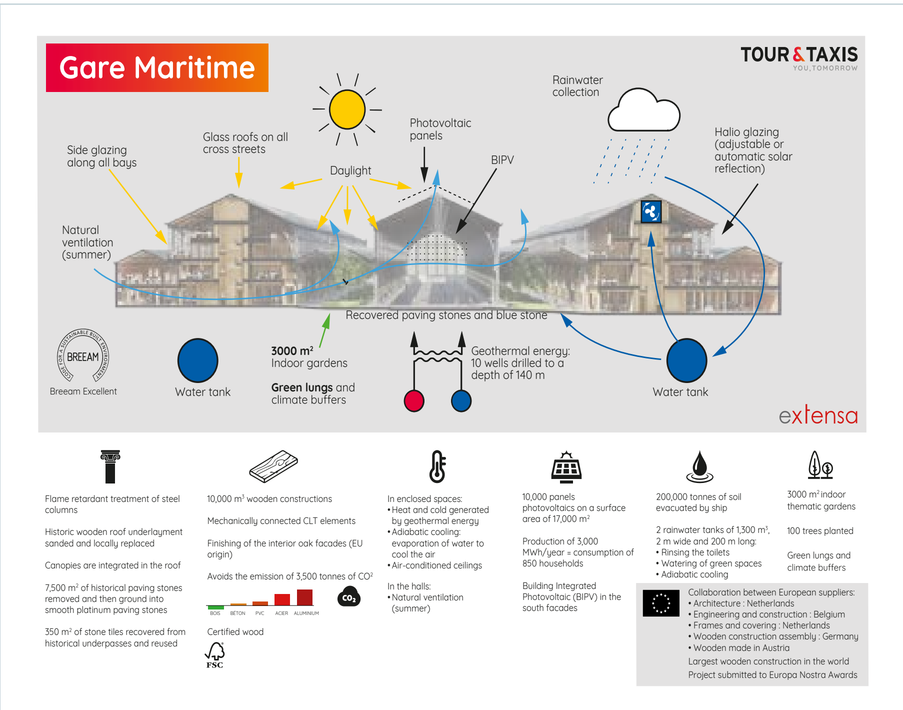
Extensa develops mixed real estate projects, aiming at maximum application of the principles of circular economy, harmonious integration into the local urban fabric and the use of innovative technologies and processes. Its major projects are located in Belgium (the Tour & Taxis site) and in Luxembourg (the Cloche d'Or site).

The pursued ESG policy was further elaborated in 2020 on the basis of an analysis of the United Nations SDGs. The entire organisation was thereby involved, and progress was discussed by the board of directors. In internal operations, special attention is paid to energy and waste management, health, social involvement, gender equality and participatory and transparent management. The materiality matrix shows that actions at the level of real estate projects (for example with regard to CO_2) have a much greater impact than those performed in the field of internal business operations. This chapter will therefore mainly report on the real estate projects. From 2021, the further formalisation and systematic collection of data will allow Extensa to measure this impact and to continuously improve action plans.

• Environment

In its real estate projects, Extensa makes maximum use of renewable energy, circular construction and responsible water, material and waste management.

The 'Gare Maritime' project in Brussels, which was completed in 2020, is an exemplary international project with regard to the application of these principles. This historic and monumental train station has been transformed into a new mixed-use district with the re-use of all the original materials. The additional constructions are in wood ('cross-laminated timber' - CLT), which means a saving of 3,500 tons of CO_2 emissions compared to the use of concrete. Thanks to the use of geothermal energy, no fossil fuels are used for heating or cooling. With 17,000 m² of photovoltaic roof panels, this building is the largest 'solar factory' in the Brussels Region, and generates more than 3,000 MWh of green electricity annually, which represents the average annual consumption of approximately 850 families. 1,300 m³ of rainwater can be stored for reuse.



Both Tour & Taxis and Cloche d'Or include new public parks that are to be built. In addition, an 'ecoduct' was built in Cloche d'Or and the natural course of a stream was restored.

• Social

Working together with the local authorities, Extensa carries out urban expansion and reconversion projects, with a view to creating qualitative, inclusive and lively neighbourhoods. This translates into a special focus on urban development and architectural quality, and on support of the local socio-economic fabric, as well as the facilitation of sustainable modes of transport. The intertwining of the new neighbourhoods with the existing environment is a long-term process of collaboration with local authorities, organisations and communities.

This is reflected in, among other things:

- working together with the government in the selection of the designers, the design of equipment of collective interest and the realisation of urban renewal contracts,
- the realisation of affordable housing,
- participating in infrastructure projects (e.g. the Suzan Daniel bridge over the Canal in Brussels and the road infrastructure of the Cloche d'Or district in Luxembourg),
- supporting local art and culture associations and initiatives for youth work and sports in the neighbourhood (in Brussels, for example, the Circus School and the SWISH non-profit organisation that promotes basketball for young people),
- supporting entrepreneurship in the social and circular economy (for example Permafunghi with sustainable production of oyster mushrooms in the cellars of Tour & Taxis).

Extensa assumed its responsibility to the neighbourhood in 2020, by making a building available to Artsen Zonder Grenzen (Doctors Without Borders) as a COVID-19 homeless triage centre.

• Governance

The relationships of Extensa with governments, suppliers and customers are subject to strict rules, with a view to avoiding conflicts of interest, corruption and abuse. The remuneration and benefits of employees take into account the position they occupy in relation to these parties. A punctual payment policy, the respect for commitments, regardless of form, the pursuit of compromise in place of legal procedures and the spontaneous observance of tax and social obligations are inherent to the corporate culture. Extensa is transparent in its reporting to its stakeholders, as well as in terms of the business objectives pursued. Where necessary, procedures will be further formalised in codes in 2021.

More information about sustainability will be available (from Q2 2021) on the website www.extensa.eu.

LEASINVEST

Sustainability is one of the pillars of the strategy of Leasinvest. As a real estate investor, Leasinvest aims for a solid return and good relations with all stakeholders, thanks to the sustainable development of real estate in Luxembourg, Belgium and Austria. The objective is to grow by sustainably increasing the value of the portfolio and by responding to trends to meet the needs of the end users.

To this end, an external consultant assists the 'Sustainability' working group in identifying and rolling out the sustainability policy. The materiality matrix was revised in 2020, with the greatest impact and the greatest improvement potential being identified for each real estate project. The following SDGs were selected: 'SDG 7 Affordable and Clean Energy', 'SDG 11 Sustainable Cities and Communities', 'SDG 12 Responsible Consumption and Production', 'SDG 13 Commitment to the Climate' and 'SDG 16 Peace, Justice and Strong Institutions'.

Leasinvest aims to further develop the objectives, the associated KPIs and supporting tools that correspond to this analysis in 2021.

• Environment

As a real estate investor, Leasinvest can have a major impact on the CO_2 emissions of buildings. By investing in sustainable buildings and sustainably renovating existing buildings, energy consumption and CO_2 emissions can be reduced. This is currently being mapped out with checklists for the sustainability score of the buildings. In 2021, concrete objectives will be set for reducing emissions.

In addition, Leasinvest focuses on circular construction by limiting waste, stimulating material re-use and opting for natural and renewable materials. Leasinvest continues to focus on BREEAM certification as a guideline for its sustainability barometer. The ambition is to subject all owned buildings to a BREEAM assessment.

The 2020-2021 energy supply contract has been reviewed on a global basis, whereby the energy purchased comes 100% from renewable sources at a price that is 5% lower than the average market price.

Various concrete and building-specific initiatives were also taken in 2020 to improve the sustainability of the real estate portfolio.

Belgium
- Several sites have been equipped with charging points for electric cars.
- Brixton Business Park Retail: 8 charging points for electric cars and an implementation file for installing 815 kWp of solar panels.
- Hangar 26/27: Leasinvest participates in the steering group on Urban Mobility and Energy, in close consultation with the KU Leuven and VITO research institutions, and the BREEAM ambition level for the development has been set at Excellent.
- Monteco: the BREEAM ambition level for the development has been set at Excellent, and there is the will to develop Monteco as a high-tech building, in terms of both comfort and use (Smart technologies).

Charging point for cars and bicycles

Monteco - Brussels

- Motstraat Mechelen: an implementation file is being drawn up to install 207kWp of solar panels and DeltaQ has started smart control of the indoor climate control based on weather forecasts, in order to reduce energy consumption by 15%.
- The Crescent Brussels: involvement of DeltaQ in the second year resulted in 24.1% less CO_2 emissions and an upgrade of the control system for HVAC applications (finished in 2021).
- Tour & Taxis Royal Depot: upgrading the control system for HVAC applications, with energy recovery via by-pass ventilation.

Grand Duchy of Luxembourg
- Various buildings were BREEAM-in USE certified or re-certified in the past year, and DeltaQ was engaged in a number of buildings in order to optimise energy consumption.
- EEBC: a thorough facelift of the buildings, with more green space and sustainable materials and a significant improvement of the energy performance.
- Knauf Schmiede shopping center: maximum attention to sustainable techniques (LED lighting, a cooling device with a low GWP index, heat recovery, etc.).

Austria
- Hornbach Stadlau: start-up of a project for solar panels and charging infrastructure for electric cars.

• Social

The initiatives of Leasinvest in the social field mainly concern HR policy and sponsoring initiatives. In addition to respect and appreciation for all employees, the HR policy also highlights well-being. With regard to sponsorship, Leasinvest has been supporting the Antwerp Conservatoire Foundation and the Middelheim museum for many years. In addition, new relevant initiatives are taken up every year, such as the contribution to the AvH Solidarity Fund in 2020.

• Governance

The Corporate Governance policy of Leasinvest is contained in the Corporate Governance Charter. In addition, Leasinvest has a 'code of conduct'. With this approach, which is based on co-creation and dialogue with all stakeholders, Leasinvest wants to guarantee receptive, inclusive, participatory and representative decision-making at all levels.

More information about sustainability is available in the sustainability report of Leasinvest and on the website www.leasinvest.be.

ANIMA

Anima further shaped its ESG policy and launched various initiatives in 2020.

Anima is working hard to be ready for the challenges of the future. Its focus is thereby on providing the best quality of care and housing for its residents. In order to be able to achieve this, it already launched its own quality management programme in 2019.

• Environment

Anima invests in an energy-efficient and ecological real estate park. The intention is to keep the environmental impact of the activities as limited as possible, but also to ensure that the property retains its value in the long term.

Flemish residential care centres are obliged to emit 22% less CO_2 over a period of 10 years (2021-2031). In this context, Anima drew up a climate vision plan in 2020. Energy audits are currently being carried out to see how this objective can best be achieved. In addition, it is being examined together with the suppliers how the ecological footprint of the supply chain to and from Anima residential care centres can be reduced.

• Social

Anima chooses employees who give the best of themselves in the interest of the residents, day in, day out. Anima thereby also attaches great importance to well-being of its employees whereby dialogue, coaching, frequent training and the availability of qualitative and innovative tools are central. Finding enough care personnel is a challenge, especially in areas where the demand for care personnel exceeds the supply. In the times of COVID-19, in which the personnel have been put to the test, their well-being has certainly received special attention.

In order to underline its commitment to providing a pleasant workplace, Anima has decided to participate in the 'Great Place to Work' initiative. The first survey on this subject was organised among the staff in February 2020. These results were thoroughly analysed and, where necessary, action plans were developed per site.

Anima pays a great deal of attention to maintaining good relationships with its various stakeholders.

• Governance

Anima has a professional business organisation with the necessary reporting and control mechanisms, in which compliance with applicable laws and regulations is closely monitored. Anima developed a code of good governance in 2020. In this code, Anima repeats the basic principles of its business organization, including procedures for internal reporting, audit function, control and security measures. The code of good management can be consulted on the website of Anima.

More information about sustainability at Anima is available on the website www.animagroup.be.

Start of the COVID-19 vaccination programme

Anima's new slogan: "We like to see you happy."

Inspired and passionate care for the residents

OTHER PARTICIPATIONS

Various initiatives regarding ESG were also taken at the other participations. These are discussed in the activity report for the various participations. The investment managers involved apply the same approach to all participations as to the 8 above-mentioned participations.

In any case, the 'best in class' approach of cement manufacturer Sagar Cements in India is worth mentioning; as well as the close cooperation with manufacturers who focus on lower fuel consumption and emissions, and who develop alternative 'clean' power trains (e.g. electricity, hydrogen) and the relevant driver training courses at Turbo's Hoet Groep; Mediahuis' membership of the Belgian Alliance for Climate Action (BACA) and the various initiatives to guarantee freedom of the press and the fight against false reports ('fake news'); the Level 5 certification on the CO_2 Performance Ladder at Agidens, which, as a supplier, also helped build the vaccine production lines; the innovation around the 'remote' technology that saves travel kilometres at Euro Media Group; the CO_2 neutral head office of Manuchar and the 'COVID Combat Collaboration Platform' that Medikabazaar launched.

In addition, there are various initiatives for achieving a positive impact on society, caring for human capital, reducing the environmental impact of production processes and dealing with data security and privacy.

Besides these specific ESG initiatives, several participations of the group are, by the very nature of their activities, engaged on various aspects of sustainability. Examples include Rent-A-Port (offshore wind farms), Verdant Bioscience (development of high-yielding F1 hybrid oil palms), Biolectric (biogas installations to convert methane gas from manure and sludge into sustainable electricity), Biotalys (development of technology for crop and food protection), HealthQuad (investments in the Indian healthcare sector), Indigo Diabetes (invisible sensor to monitor the health of people with diabetes), Medikabazaar (B2B platform for medical supplies in India), MRM Health (development of innovative technologies based on healthy intestinal bacteria) and OncoDNA (theranostics and genomics with expertise in precision oncology).

From top to bottom: Mediahuis, Biolectric, Biotalys, MRM Health and Turbo's Hoet Groep.

3. ESG POLICY OF AvH

" IN 2020, OUR ESG POLICY PROVIDED THE STRUCTURE TO MEASURE EVEN BETTER HOW SUSTAINABLE OUR PARTICIPATIONS ARE IN 2021."

ANDRÉ-XAVIER COOREMAN,
Member of the executive commitee
Responsible for the ESG policy

As a diversified investment company, AvH applies a business model of sustainable growth, as illustrated in its baseline 'Your partner for sustainable growth'. The company values are long-term vision, entrepreneurial spirit, integrity, partnership, sustainability, respect, independence and teamwork, with attention to a strong competitive position and long-term profitability. These values reflect a focus on the broad spectrum of ESG, and not only on the environment. This chapter is a summary of the ESG policy of AvH, a more detailed version of which is available on the AvH website (www.avh.be/en/sustainability). The mission and values of AvH are described in more detail on pages 6 and 7 of this annual report.

Based on the materiality analysis performed in 2019, AvH has selected 4 themes that determine the group's ESG policy in the long term: responsible shareholding, business ethics, sound management, solvency and long-term profitability.

Based on its policy vision, AvH focuses on four SDGs:

'SDG 3 Good Health and Wellbeing': well-trained and motivated employees,

'SDG 8 Decent Work and Economic Growth': financially sustainable business models and strategies,

'SDG 9 Industry, Innovation and Infrastructure': a sustainable policy supported by permanent innovation,

'SDG 16 Peace, Justice and Strong Public Services': priority areas for attention on business ethics (including the policy to prevent corruption), good governance and responsible shareholding.

• Responsible ownership

As a sustainable investor, AvH pursues an active (dis-)investment policy, in which ESG aspects are always part of the evaluation and decision-making process. If AvH wishes to become or remain active in a particular sector, AvH applies a 'best in class' approach.

AvH considers its role as a responsible shareholder to be one of its most important levers in the context of its ESG policy. Each participation pursues its own ESG policy, while AvH acts as a partner and asks that relevant ESG aspects be taken into account. As a long-term investor, AvH monitors the strategy implemented, taking into account legal requirements, societal trends and efficient processes. The characteristics of the sector in which the company operates are thereby taken into account.

The scope of the ESG policy will be steadily expanded over the period 2019-2022. The aim here is to have a fully-fledged ESG policy by 2022 at the 8 most important participations in the ESG field. The other participations are encouraged and supported to also reach this level by 2022.

• Business ethics

AvH strives to offer its staff members a good working environment in which ethical and respectful behaviour is central. Business ethics are considered to be a priority, and as being material. For AvH, this means respect for people and society, for the legislation and the regulatory framework, and for acting with integrity.

This philosophy is reflected in the Integrity Code of AvH (www.avh.be/en/about/leadership-and-governance/corporate-documents), which is inspired by the 10 key principles of the 'UN Global Compact'. The integrity code deals with important topics such as the anti-bribery and anti-corruption policy, the anti-discrimination policy and the freedom of association through the endorsement of the Universal Declaration of Human Rights. The group recommends the same commitment to its employees and participations. AvH aims to create a climate of openness and transparency, in which every employee feels treated equally and with dignity and respect. All participations are also expected to issue and apply such guidelines.

• Corporate governance

The 'Corporate governance statement' chapter of the annual report contains a full description of the corporate governance processes. AvH regularly updates its charters and codes with regard to social developments and legislative changes, and supervises their compliance.

The Corporate Governance Charter of AvH (www.avh.be/en/about/leadership-and-governance/corporate-documents) deals with the matter of minimising conflicts of interest and also provides for a whistle-blower scheme. In order to avoid abuse related to outgoing payments at AvH level, the person who makes the payment must always be a different person from the one who initiated the payment. This is the subject of an annual internal audit.

In view of the decentralised management, AvH is, in principle, always represented on the boards of directors and in the audit or strategic committees of its participations. This process is coordinated by the board of directors at group level, which oversees the whole through appropriate processes and committees.

• Solvency and long-term profitability

Both AvH and its stakeholders consider it a high priority to monitor solvency, the responsible use of credit, and financial discipline aimed at long-term profitability. This strategy enables AvH to make its own decisions about its fate in times of economic downturn or financial crisis, and to remain independent, and makes possible a counter-cyclic policy, aimed at value determination. Safeguarding a healthy financial structure requires transparent financial reporting and monitoring. Risk management thereby receives the necessary attention in this context. For this reason, equity and net financial debt are always reported in the activity report of each participation.

4. ESG METHODOLOGY OF AvH

A working group led by André-Xavier Cooreman, a member of the executive committee, monitors the ESG policy of the AvH group. The working group, in which investment managers, finance, legal, communication and HR are all represented, is in regular contact with the participations. They report to an ESG steering committee in which three other members of the executive committee sit, including the CEO, Jan Suykens. After discussion in the executive committee, the pursued ESG policy is reported annually to the audit committee and the board of directors of AvH. This document is a summary of the methodology used at AvH. A more detailed version of the ESG methodology is available on the website of AvH (www.avh.be/en/sustainability).

• Materiality analysis

AvH carried out an analysis in 2019 to map its material ESG risks and opportunities. Inspiration was drawn for this from the GRI (Global Reporting Initiative) lists and from the points of attention mentioned by legislation, in particular the environment, personnel and social matters, human rights and the fight against corruption. In addition, a wide circle of stakeholders was questioned.

AvH considers an element to be material if (i) it can have a material positive or negative impact on the shareholders' equity or recurring net profit of the group over a horizon of 5 to 10 years, and (ii) if a shareholder or stakeholder expects from AvH that management pays a lot of attention to it. Based on this analysis, the materiality matrix of AvH as an investment company is presented (see p. 46). This was made on the basis of a general sector approach for companies with a similar profile to AvH and not from a company-specific point of view. The materiality matrix only shows potential risks and opportunities, to ensure these aspects get the necessary attention in the risk management. It helps AvH to focus on the relevant, material issues for the sector. They are not necessarily the risks or opportunities actually encountered by AvH. This insight for the stakeholders will emerge from AvH's reporting on the policy pursued.

The materiality matrix determines the long-term ESG policy of the group. This is not expected to change substantially on an annual basis.

The identification and follow-up of material ESG risks and opportunities for the participations takes place at the level of the participations themselves.

Given the importance that certain ESG risks may have, both at the level of AvH and of the associates, it has also been opted to mention them in the chapter on risks and uncertainties (from p. 20 of this annual report).

• Sustainable Development Goals (SDGs)

AvH uses the internationally recognised 'Sustainable Development Goals' (SDGs) reference model of the United Nations for its sustainability reporting. By doing this, AvH wants to contribute to a number of objectives that must be addressed as priorities worldwide. A conscious choice has been made to work on the most important SDGs, where AvH or the company concerned can make a difference, and which are also material to AvH or its participations. This does not alter the fact that the other SDGs also receive attention. The SDGs are also linked to the GRI methodology.

The participations are also asked to link their own materiality analysis to SDGs.

• Monitoring the ESG policy through UN PRI

The ESG cooperation between AvH and the participations takes place at two levels. In addition to the relationship between the participation and AvH as its shareholder, participations of the group also work together on this theme.

In order to support the ESG aspects in its relations with the participations, AvH has been drawing inspiration from the Principles for Responsible Investment (UN PRI), the framework of the United Nations that is working towards a more sustainable financial system, from 2020 onwards. AvH formally subscribed to the principles of UN PRI in 2020. A first external report on this will be published no later than the 2022 financial year.

• ESG reporting

Perimeter
As a responsible shareholder, AvH analyses its participations on the basis of various parameters that a potentially material ESG impact for AvH. Examples of this are the relative investment value of a participation in relation to the consolidated equity of AvH, whether or not it has the character of an OPI (Organisation of Public Interest), or a particular focus of stakeholders on a specific issue or participation from an ESG perspective.

Based on this analysis, DEME, CFE, Delen Private Bank, Bank J.Van Breda & C° and SIPEF are considered to be material for AvH. Their ESG policy (including materiality matrix, ESG risks and opportunities), KPIs and objectives are therefore given greater attention by AvH. Anima, Extensa and Leasinvest have been involved in this monitoring since 2020, in order to gradually apply this philosophy as well. The percentage of the consolidated equity of AvH with a specific ESG policy is monitored annually.

The ESG perimeter, consisting of the aforementioned 8 group companies, differs from the accounting consolidation perimeter used by AvH. Some participations are still not fully consolidated (Delen Private Bank, SIPEF). On the other hand, no specific reports are made on the fully consolidated participations of AvH (Agidens, Biolectric, Green Offshore and Rent-A-Port), as they are not considered material from an ESG perspective. Where necessary, the above and the other participations will deal with the ESG topics that are material for them in their activity report.

Within the group, CFE, Delen Private Bank and SIPEF are also required to draw up their own statement in accordance with Article 3:32 of the CCA. Their individual statements can be consulted via their websites (www.cfe.be, www.delen.be, www.sipef.com).

Reported figures
Due to the diversity of the group activities, it is not useful to develop comprehensive action plans based on aggregated figures, nor to report these aggregated figures at the group level. It does remain the ambition, however, to do this in the future.

Legal criteria
The emphasis within the Social cluster is on human rights. The Governance cluster includes the policy for combatting corruption.

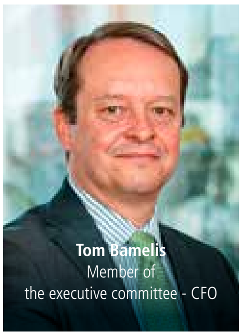
• Lexicon

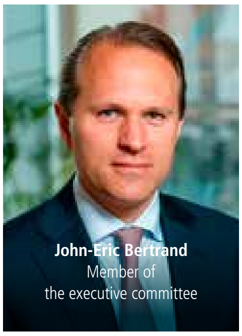
An ESG-related glossary with definitions of the abbreviations and terms used is included at the end of the annual report.

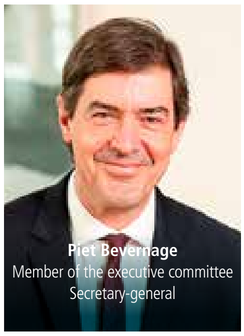
DAILY MANAGEMENT AND STAFF MEMBERS

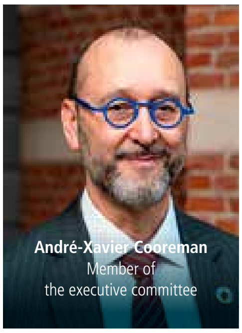
EXECUTIVE COMMITTEE


Jan Suykens
Chairman of the executive committee


Tom Bamelis
Member of the executive committee - CFO


John-Eric Bertrand
Member of the executive committee

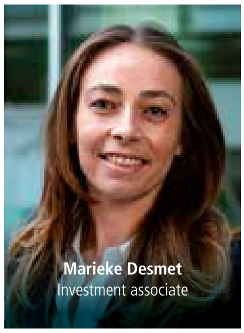

Piet Bevernage
Member of the executive committee
Secretary-general

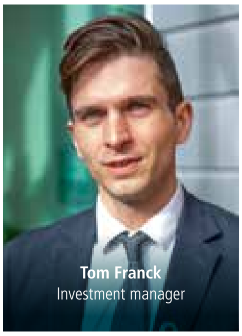

André-Xavier Cooreman
Member of the executive committee

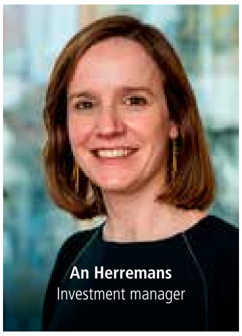

Piet Dejonghe
Member of the executive committee


Koen Janssen
Member of the executive committee

PORTFOLIO MANAGE-MENT

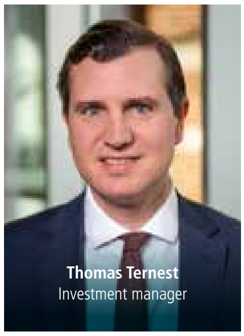

Marieke Desmet
Investment associate


Tom Franck
Investment manager


An Herremans
Investment manager


Philip Heylen
Business development manager


Thijs Hoste
Investment associate


Thomas Ternest
Investment manager

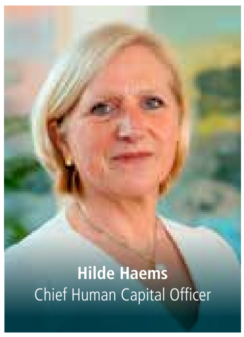

Jeroen Vangindertael
Investment associate


Jens Van Nieuwenborgh
Investment manager

GROUP-SERVICES

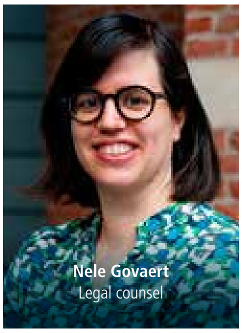
Human resources


Sonja Goossens
Personnel administration


Hilde Haems
Chief Human Capital Officer

GROUP SERVICES

Legal affairs


Nele Govaert
Legal counsel


Anke Jeurissen
Legal counsel

GROUP SERVICES

Finance

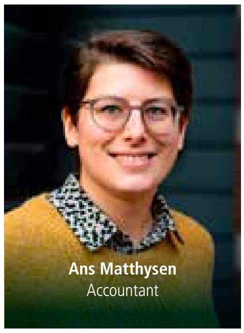

Bart Bressinck
Accountant


Hilde Delabie
Group controller


Peter Florus
Tax officer


Jean-Claude Janssens
Treasurer


Gilles Huyghebaert
Group controller

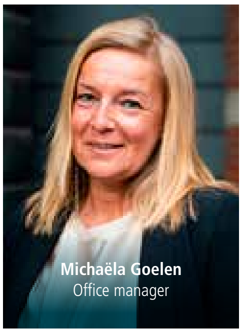

Ans Matthysen
Accountant

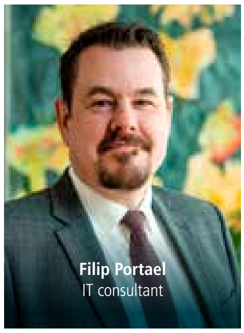

Kim Vander Haegen
Group controller

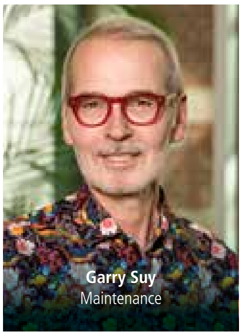

Katia Waegemans
Communication manager

GROUP SERVICES

ICT and Office management

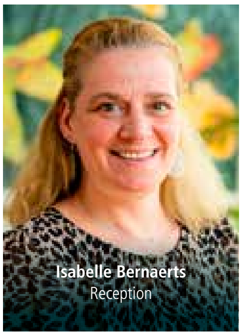

Michaëla Goelen
Office manager

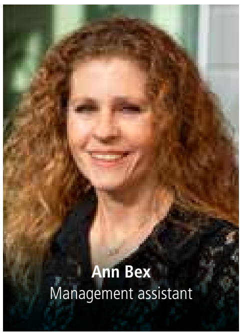

Filip Portael
IT consultant

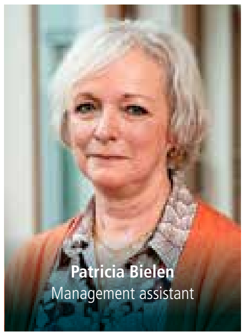

Garry Suy
Maintenance

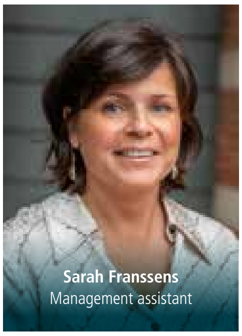
GROUP SERVICES

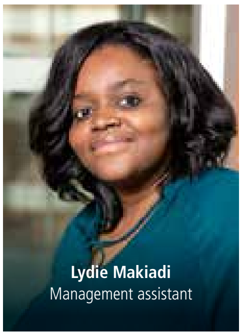
Administration


Isabelle Bernaerts
Reception

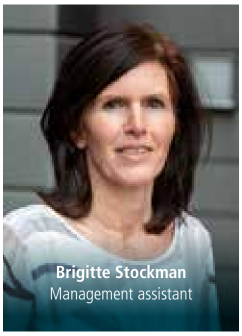

Ann Bex
Management assistant

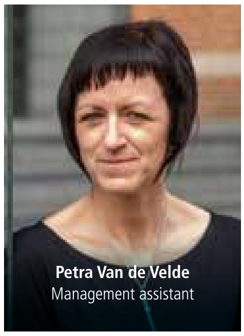

Patricia Bielen
Management assistant


Sarah Franssens
Management assistant


Lydie Makiadi
Management assistant


Robin Muller
Reception


Brigitte Stockman
Management assistant


Petra Van de Velde
Management assistant

Statutory auditor: EY Bedrijfsrevisoren BV, represented by Patrick Rottiers & Wim Van Gasse.

Ackermans & van Haaren

ACTIVITY REPORT 2020

YOUR PARTNER FOR SUSTAINABLE GROWTH

ACKERMANS & VAN HAAREN

Marine Engineering & Contracting

- DEME 62%
- CFE 62%
- Rent-A-Port 81%
- Green Offshore 81%

Private Banking

- Delen Private Bank 79%
- Bank J.Van Breda & C° 79%

Real Estate & Senior Care

- Extensa 100%
- Leasinvest 30%
- Anima 93%

Energy & Resources

- SIPEF 35%
- Verdant Bioscience 42%
- Sagar Cements 22%

AvH & Growth Capital

- Agidens[1] 86%
- AXE Investments 48%
- Biolectric Group 60%
- Euro Media Group 23%
- Manuchar 30%
- Mediahuis 13%
- OMP 20%
- Telemond 50%
- Turbo's Hoet Groep 50%

Non-consolidated

- Biotalys[3] 13%
- HealthQuad I Fund 36%
- HealthQuad II Fund 22%
- Indigo Diabetes 9%
- Medikabazaar[2][3] 10%
- MRM Health 17%
- OncoDNA[3] 10%

(1) Including participation via AXE Investments
(2) Including participation via HealthQuad
(3) Fully diluted

31/12/2020

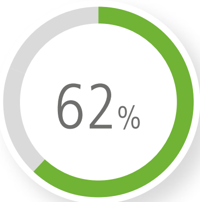

DEME
CFE
RENT A PORT
Green Offshore
Creating land for the future

MARINE ENGINEERING & CONTRACTING

In 'Marine Engineering & Contracting', the pandemic disrupted normal business on projects in Belgium and abroad. This resulted in a lower level of activity and profitability at both DEME and CFE. Nevertheless, the recovery in the second half of the year was strong, and both DEME and CFE closed 2020 with order backlogs at record level.

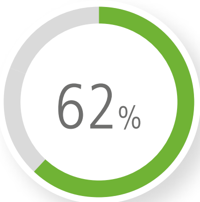
Contribution to the AvH consolidated net result

(€ million)	**2020**	2019	2018
DEME	**28.6**	73.9	92.8
CFE	**7.8**	13.5	17.3
Rent-A-Port	**1.0**	0.5	5.3
Green Offshore	**9.3**	4.0	2.7
Total	**46.7**	91.9	118.1



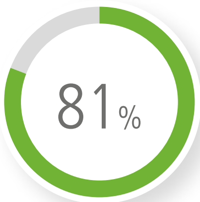
DEME

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



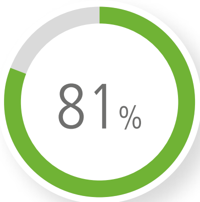
CFE

CFE is a listed Belgian industrial construction group active in dredging, environment, offshore and infrastructure (DEME), in contracting and in real estate development.



Rent-A-Port

Rent-A-Port develops port-related industrial zones around the Haiphong harbour in Vietnam.



Green Offshore

Green Offshore invests in the development and operation of the offshore wind farms Rentel and SeaMade.

Shareholding percentage AvH: 62%

DEME

Luc Vandenbulcke | Hugo Bouvy | Philip Hermans | Eric Tancré | Els Verbraecken

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

FINANCIAL OVERVIEW 2020

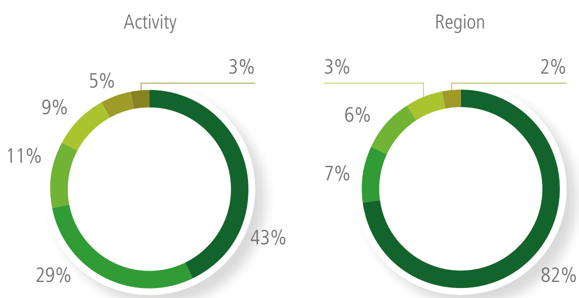
DEME realised a consolidated turnover of 2,195.8 million euros in 2020, compared to 2,622.0 million euros in 2019. A substantial part of this decrease, estimated at around 300 million euros, is attributable to the health crisis and its indirect impact on the economy (e.g. the oil and gas industry).

DEME's traditional dredging activity was worst affected by the pandemic, a.o. due to logistical complications and delays in the start-up and execution of projects. The turnover decreased by 19% to 877 million euros. The turnover of DEME Offshore decreased by 18% to 934.6 million euros. In the offshore activities, it was mainly the Moray East project that was severely affected by the non-availability of the installation vessel Orion. Only DEME Infra, DEME's subsidiary specialising in large-scale infrastructure works, reported a turnover increase compared to previous year, namely to 208.8 million euros.

DEME realised an EBITDA in 2020 of 369.5 million euros, 16.8% of the turnover and in line with 2019 (16.7%). DEME's activities were badly affected in 2020 by the health crisis. Border closures, travel restrictions, reduction and even suspension of air travel were unprecedented logistical challenges that resulted in considerable extra costs. Additionally, local measures such as lockdowns, quarantines and social distancing measures led to diminished productivity and delays in execution. The health crisis also delayed the award and start of several projects. The total impact of the pandemic, the decrease in oil and gas prices, and the accident with the 'Orion' is estimated at 100 million euros (EBIT) in 2020. This is only partly compensated by the capital gain on the disposal of the 12.5% stake in Merkur Offshore in May 2020 (63.9 million euros). The net result over the full year amounted to 50.4 million euros, compared to 125.0 million euros in 2019.

DEME's order backlog increased in 2020 by 20% to 4,500 million euros, compared to 3,750 million euros at the end of 2019. Pending financial close, the following contracts are not yet included in this order backlog: Arcadis Ost offshore wind farm and Courseulles-sur-Mer, nor are the Hai Long and Zhong Neng offshore wind farm projects in Taiwan (total contract worth more than one billion euros; status preferred bidder) and the projects Right Bank of the Oosterweel link and Hinckley Point in the UK, which were only awarded at the beginning of 2021.

Split of turnover



- Offshore
- Capital dredging
- Maintenance dredging
- Infra
- Environmental
- Other

- Europe
- Asia Pacific
- Africa
- Middle East & India
- America

FLEET INVESTMENT PROGRAMME

In 2020 DEME's multi-year fleet investment programme continued, with the arrival of two new trailing suction hopper dredgers, 'Meuse River' and 'River Thames'. 'Meuse River', a sistership to the pioneering dual fuel hopper 'Scheldt River', immediately headed to a first project in the Arctic and was also deployed on the River Elbe deepening and widening project in Germany.

'Spartacus', the most powerful cutter suction dredger (CSD) in the world, is expected to arrive in the first half of 2021. 'Spartacus' represents the next step in terms of production rates, pumping power, water depth and unmatched workability. It is also the first CSD that is capable of running on LNG.

CSBC-DEME Wind Engineering (CDWE) in Taiwan is investing in a dedicated DP3 heavy lift installation vessel 'Green Jade', which represents the largest single overseas investment for DEME. Being built in Taiwan, 'Green Jade' will feature an exceptional combination of high transport and load capacity, impressive lifting heights and green technology. The vessel is expected in the fourth quarter of 2022.

In May 2020, before DEME could take ownership of the new offshore installation vessel 'Orion', there was an accident involving the crane hook during overload tests. Due to the delay in the delivery of the vessel to DEME, third-party vessels had to be chartered to ensure a timely delivery of the accepted projects.
To be able to offer the total package of services to the offshore wind industry, from installation to maintenance, DEME is building its first Service Operation Vessel for maintenance technicians. The vessel already has a long-term contract for the maintenance of the Rentel and Mermaid & Seastar (known as SeaMade) offshore wind farms in Belgium.

“THE ORDER BACKLOG INCREASED IN 2020 BY 20% TO 4,500 MILLION EUROS.”

LUC VANDENBULCKE,
CEO

OPERATIONAL OVERVIEW 2020

- **Dredging**

End 2020, DEME won the largest ever dredging and land reclamation contract in its history (in terms of dredging volume), for the Abu Qir port project in Egypt. This is the first project where the game changing cutter suction dredger ‘Spartacus’ will be deployed. DEME also secured several contracts for port developments in Italy and Portugal, while in Ghana a new contract has been awarded to develop Elmina port, enabling it to accommodate larger vessels.

In Belgium, the long-term maintenance dredging contracts on major waterways and along the coast run until January 2022. DEME has successfully executed the first campaign of the ‘Sea Channel’ project in the Arctic. Eight large trailing suction hopper dredgers have been mobilised to dredge the access channel to Sabetta port, where a liquefied natural gas facility is being developed. In Germany, the Elbe deepening and widening project continued, where DEME is responsible for the dredging, transportation and relocation of around 32 million m^3 of material. The dredging works for the modernisation project of the Świnoujście-Szczecin fairway in Poland started in 2020. Despite most of the mobilisation taking place at the height of the pandemic, the project is firmly on schedule.

In a very remote project, taking place right in the midst of the pandemic, DEME successfully concluded a project to elevate wetlands between Bonny and Bodo in Nigeria, where a new road will be built. At the end of 2020, all the marine works for the Tuas Terminal Phase 1 (TTP1) megaproject in Singapore were concluded, with only subsequent earthmoving works on the reclamation footprint remaining. A major project in the Port of Rio Grande in Brazil was finished off in early 2020 and handed over to the client. DEME also wrapped up a maintenance campaign in the access channel of the Port of Buenaventura in Colombia at the end of the year.

Apollo - SeaMade

• Offshore

In Germany, DEME has been awarded the EPCI contract for the foundations for Parkwind's Arcadis Ost 1 offshore wind farm and for the installation of collars at the Kaskasi wind farm. A new contract was also secured for the DolWin6 project, where DEME will transport and install the offshore section of the high-voltage direct-current cable, which runs from German offshore wind farms through the Wadden Sea. In the UK DEME has been awarded a major EPCI contract for the inter-array cables at the Dogger Bank A and Dogger Bank B wind farms in the UK, the first two phases of the 3.6 GW Dogger Bank Wind Farm, which is the world's largest offshore wind farm under development. This contract also makes history in the industry, being the largest inter-array project ever awarded. A three-year contract has been awarded to perform various rock placement campaigns for the 1,400 MW high voltage direct current (DC) electricity link between the British and Danish transmission systems.

In a particularly impressive achievement, construction of Belgium's largest offshore wind farm - SeaMade - was successfully completed within 16 months. This is a staggering performance given that most of the work took place in the middle of the pandemic. Deploying 'Apollo', DEME installed 58 Siemens Gamesa 8.4 MW turbines. DEME also installed the foundations, inter-array cables, two offshore substations, export cables and performed the rock placement works.

A key milestone in the Saint-Nazaire offshore wind farm project was achieved when DEME successfully commissioned the tailormade XL subsea drill on schedule. Saint-Nazaire will be the first commercial offshore wind farm ever to be built in France. In 2021 DEME will deploy the drill for the installation of 73 foundations, which is a first in the offshore wind industry. DEME's two-vessel turbine installation solution really proved successful at the East Anglia ONE offshore wind farm project, where 102 7 MW turbines seamlessly have been installed, even though DEME faced some heavy weather conditions and the challenges of the pandemic. In the Netherlands, the installation of 94 foundations and turbines at the Borssele 1&2 wind farm has been completed. By the end of the year, 103 jackets have been installed at the Moray East offshore wind farm in Scotland. Offshore installation vessel 'Orion', which was earmarked for the project, was severely damaged before it was delivered to DEME. Despite the setback, DEME managed to swiftly charter a third-party vessel and production has continued apace ever since. Offshore works for what will become the world's largest offshore wind farm kicked off at the Hornsea Two offshore wind farm. In total, 165 monopiles and transition pieces will be installed in preparation for the site's 8.4 MW turbines.

In the summer, the latest rock placement campaign was completed for the North Sea Link project, an interconnector between Norway and the UK. A first rock placement project was completed in Taiwan for a gas pipeline. Several major projects around the Norwegian Continental Shelf on behalf of Equinor wrapped up in December. DEME successfully completed the dredging and backfilling of a 130 km offshore pipeline in Nam Con Son in Vietnam.

DEME NV

(€ 1,000)	2020	2019	2018
Turnover	**2,195,828**	2,621,965	2,645,780
EBITDA	**369,458**	437,011	458,905
EBIT	**64,281**	141,146	196,012
Net result (group share)	**50,410**	125,041	155,570
Shareholders' equity (group share)	**1,467,492**	1,435,482	1,401,403
Net financial position	**-489,030**	-708,453	-555,777
Balance sheet total	**3,941,494**	3,944,779	3,820,722
Order backlog (€ million)	**4,500**	3,750	4,010
Capex (€ million)	**202**	435	441
Personnel	**4,976**	5,089	4,937

• Infra

In June, DEME has been awarded a major contract for the Oosterweel link, which will complete the Antwerp Ring Road. As a member of a consortium, DEME will construct the Scheldt tunnel (Scheldetunnel) for project developer Lantis.

The Femern Link Contractors joint venture, including DEME, now has the green light to proceed with the Fehmarnbelt Fixed Link project. Once completed, it will be the world's longest immersed road and rail tunnel (18 km) and connect Denmark with Germany. This historic project, one of Europe's largest infrastructure projects to date, will take nearly a decade to complete. For DEME's Infra activity line, the project is another opportunity to deploy its expertise in immersed tunnels.

In the Netherlands three mega-projects continued: the RijnlandRoute, New Lock Terneuzen and Blankenburgverbinding. Besides the infra marine works, a major dredging and ground works component is included in the projects. These impressive infrastructure projects highlight how DEME's core activity lines support, reinforce and generate works for each other. This combined strength ensures the success of these complex projects.

• Environmental

In Belgium, large-scale remediation works continued at Blue Gate, Fort Filips and BP Hoboken. In an important contract awarded by Voies Navigables de France, work on the Condé-Pommeroeul Canal project continued throughout 2020. This multi-year project will ultimately lead to the reopening of a 6-km section of the canal between the Belgian border and the city of Condé in Northern France.

In a joint venture, DEME has been awarded a contract to perform the environmental remediation of the former Renault site in Vilvoorde and the BASF site in Feluy. DEME has also been awarded a major contract to remediate the former ExxonMobil site in Bowling near Glasgow (Scotland), under an Early Contractor Involvement (ECI) agreement. This award followed very soon after the successful completion of a four-year refinery remediation project recently handed over to ExxonMobil in Tønsberg, Norway.

To tackle the increasing problem of river pollution, DEME launched an innovative project to deploy a marine litter hunter on the river Scheldt in Belgium. The project combines artificial intelligence, virtual reality and autonomous navigation to detect and collect marine litter. With DEME's vast expertise in environmental remediation, it is a logical step for DEME to use this expertise to cooperate on solutions to tackle the plastic soup.

• GSR

In 2020, GSR completed two key assessments of its seabed mineral collector technology. This paves the way for a new expedition to the CCZ (Clarion Clipperton Zone) in April 2021. GSR is close to completing a scoping report that will form the basis of a research programme to establish a baseline for biodiversity in the exploration area. These studies will assess the impact of nodule collection on the ecosystem's function. They will also prepare the way for a full Environmental Impact Assessment, a crucial step in the process of applying to the International Seabed Authority (ISA) for a licence to commence commercial activities.

DEME - Elbe - Germany

DEME - Terneuzen - Netherlands

- **Concessions**

DEME sold its 12.5% share in the 396 MW Merkur offshore wind farm. The transaction was signed early December 2019, with financial close achieved in the second quarter of 2020.

DEME aims to be a front runner in the hydrogen market and has entered into several green hydrogen partnerships internationally to ensure the company is at the forefront of developments. The company entered into exclusive partnerships to develop industrial scale green hydrogen plants: one in Oman (HYPORT® Duqm) and one in Belgium (HYPORT® Ostend). Duqm offers the ideal location for solar energy and this can be optimally combined with a good resource of wind energy. Essentially, Duqm would become a hydrogen producer and exporter.

HYPORT® Ostend will be the first liquefied hydrogen plant in the EU producing hydrogen from renewable energy sources. The combination of renewable offshore wind energy with the production of green hydrogen is fully in line with DEME's sustainability goals.

COVID-19

In an unprecedented year, many of DEME's people had to stay on vessels and projects across the globe for much longer than anticipated because of the various lockdowns and travelling restrictions. Around 1,200 crew members had extended stays on board. DEME chartered more than 10 aircrafts to bring people home. Several vessel deviations took place so crew changes could be carried out and so projects could continue. Additionally, special teams were organised to repatriate people. Throughout this challenging period, we remain focused on our number one priority of ensuring the health and safety of our staff and crew, while at the same time continuing to serve our clients.

In addition to dealing with the practical logistics matters, DEME recognised that the pandemic could potentially have a big impact on mental health. Several wellbeing training and development courses were set up, whereby the team could support people remotely wherever they were in the world. DEME also offered this support to family members as well.

OUTLOOK 2021

Even though some negative impact of the corona pandemic is still expected in the first months of 2021, DEME, supported by its record order book and thanks to the start of some large projects, should be able to realise a higher turnover and net profit in 2021.

PARTNERS FOR SUSTAINABLE GROWTH

- To push sustainable value creation forward, DEME continuously challenges itself to develop more sustainable solutions within the portfolio so that the operations become more environmentally friendly.
- DEME identified its key sustainability themes supporting the Sustainable Development Goals of the United Nations, and on which DEME has an economic, environmental or social impact: climate and energy, natural capital, sustainable innovation, waste and resource management, safety, health & well-being, diversity & opportunity, ethical business and local communities.
- More information can be found in the DEME sustainability report 2020.

www.deme-group.com

DEME

Shareholding percentage AvH: 62%

CFE

Piet Dejonghe

Manu Coppens

Fabien De Jonge

Alexander Hodac

Jacques Lefèvre

Raymund Trost

Valerie Van Brabant

Yves Weyts

CFE is a Belgian industrial group listed on Euronext Brussels, and active in three different lines of business: Dredging, Environment, Offshore and Infrastructure activities (DEME); Contracting, which includes construction, multitechnics and rail/utilities; and finally Real Estate Development (BPI).

FINANCIAL OVERVIEW 2020

Despite an economic context strongly marked by the corona pandemic, the CFE group was able to close 2020 with an overall positive balance. The results for the financial year remain satisfactory, even though they were partly impacted by the side-effects of the pandemic. Every staff member of the group displayed tireless dedication and creativity, enabling a recovery of the turnover and operating result in the second half of the year, while the order book remained well filled.

Thanks to the growth of activity reported by BPI (Real Estate Development) and Rail Infra (MOBIX), CFE's turnover (excluding DEME) even increased in 2020 to 1,026.2 million euros (2019: 1,002.8 million euros).

CFE Contracting reported a 9% decrease in turnover to 911.9 million euros (2019: 998.7 million euros). The impact of the COVID-19 pandemic on the turnover is estimated at approximately 90 million euros, of which 70 million euros in the first half of the year, and at just under 20 million euros on the operating result (EBIT). The net result of CFE Contracting amounted to 5.5 million euros, compared to 9.5 million euros in 2019. The order book of CFE Contracting closed at a record level of 1,493 million euros, which is an 8% increase compared to year-end 2019.

CFE NV (including DEME)

(€ 1,000)	2020	2019	2018
Turnover	**3,221,958**	3,624,722	3,640,627
EBITDA	**414,715**	451,224	487,960
EBIT	**87,253**	143,615	213,075
Net result (group share)	**64,020**	133,424	171,530
Shareholders' equity (group share)	**1,787,113**	1,748,703	1,720,878
Net financial position	**-601,429**	-798,061	-648,322
Balance sheet total	**5,137,483**	5,112,632	4,948,951
Order book (€ mio)	**6,049**	5,183	5,386
Personnel	**8,291**	8,244	8,598

The activities of the Real Estate Development division (BPI) experienced a substantial growth, more particularly in Poland, where four residential property projects were delivered in 2020. The real estate portfolio at year-end 2020 amounted to 192 million euros, a 34% increase compared to 2019. BPI is currently developing 545,000 m² (group share) on some forty projects, of which 69,000 m² are under construction. BPI's net result increased by 14% to 13.2 million euros (2019: 11.6 million euros), primarily thanks to the delivery of the above-mentioned Polish projects, the sale of three office buildings in Luxembourg, and the margins recognised on projects in progress according to percentage of completion.

CFE's non-transferred activity was essentially confined to the continuation of the construction of the Brussels-South wastewater treatment plant.

OPERATIONAL OVERVIEW 2020

- **Contracting**

In Belgium and Luxembourg, the first lockdown period from March to May had a direct impact on the Contracting activities. Most building sites had to be shut down, which also meant that several contracts were suspended. Nevertheless, the dedication of the teams and the efficient support of Human Resources and IT made a dynamic recovery possible. The acceleration of the digitalisation processes played an essential role in this respect. Within a few weeks, adjustment measures were taken so that the building sites could resume work at their normal pace. In the second half of the year, the effects of the pandemic were limited, and business was back to what it was in 2019. In Poland, the pandemic had a limited impact. Activity remained more or less at a normal level, which helped to stabilise results. Ultimately, the turnover of CFE Contracting decreased slightly relative to 2019, whereas the order book increased to approximately 1,500 million euros.

2020 was characterised by large completed or continued projects. For BPC these included the construction of the new Courthouse in Namur. The building of 16,000 m² on the former 'Casernes Leopold' site will have 14 courtrooms. Completed projects with a special focus on sustainability include Jardins de la Chasse, a passive residential building and a new administrative centre for the municipality of Etterbeek, and the Quartz office building in Brussels, which obtained the BREEAM Excellent certification. In order to enable the hospitals to handle the first wave of the coronavirus pandemic in the best possible conditions, the teams of the building site of the CHC MontLégia in Liège pulled out all the stops to speed up the delivery. Thanks to BPC, Infrabel has since December 2020 its first railway school, the Infrabel Academy, where staff will be trained under highly realistic conditions, tailored to their specific requirements.

" CFE'S POSITIVE RESULTS FOR 2020 TESTIFY TO THE ADAPTABILITY OF ALL THE STAFF."

PIET DEJONGHE,
CEO

CFE - Gare Maritime - Brussels

At MBG, the monumental Gare Maritime project on the Tour & Taxis site in Brussels is worth mentioning. The project, which has been awarded several prizes, involves the transformation of a former freight station into a modern, sustainable building with geothermal energy for heating and air conditioning, solar panels on the roof and on the south façade, a system for rainwater reuse, and dynamic glazing that adapts to the sunlight. The project, which was delivered to the customer's great satisfaction, was carried out in collaboration with other entities of the CFE group, VEMAS and VMA. VEMAS provides fully integrated energy performance solutions during the life cycle of buildings.

The main building site of 2020 is undoubtedly the ZIN project in Brussels, on which the entities Van Laere, BPC and VMA work together. The Flemish government awarded the contract for this ambitious redevelopment of the present WTC 1 and 2 in the Northern Quarter of Brussels to the property developer Befimmo, which in turn contracted CFE Contracting. Van Laere and BPC work together on the construction, while VMA is in charge of the multitechnics aspect and the smart management of the building. For the first time in Belgium, the circular principles will be put into practice on a building site of this size. 65% of the existing tower blocks will be preserved in order to minimise the volume of waste from the dismantling and to use less new materials in the construction. In total, 95% of the materials will be preserved, reused or recycled.

In Luxembourg, 2020 was marked at CLE by the launch of timber construction, together with Wood Shapers, more particularly on the building sites Wooden and Le Domaine des Vignes. The latter project involves the construction of 57 apartments and 17 houses in timber. Other remarkable projects include the start-up of the Omnia building site in the Belval quarter and the Aurea tower in Differdange, a real pilot project for Construction 2.0. In Poland, CFE Polska delivered several projects, including Riverview, a prestigious residential complex in the old centre of Gdansk with 282 apartments, which received the Leed Gold sustainability certification. The growth of the logistics industry during the past year, thanks among other things to the significant increase in e-commerce, enabled CFE Polska to further strengthen its position as an industrial contractor. Following on from the successful collaboration with Momentum Capital and the opening of the first Plopsa theme park in Kownaty, CFE Polska started construction work on a second similar amusement park in Warsaw at the end of 2020.

On August 1, MOBIX started a large-scale massification project in Denderleeuw for Infrabel, a first for Belgium. The teams of the Rail Track, Catenary and Signalling business units joined forces to execute a successful and huge maintenance project over a very short period of time. Despite the heat wave and the health measures, this project was completed in 23 days, on a 24/7 basis, in order to minimise the inconvenience to rail passengers. Nine kilometres of catenaries and 17,500 tonnes of ballast later, the synergy between the different Business Units and their impeccable coordination prove the quality of MOBIX's know-how. MOBIX is also a member of the LuWa consortium, which is tasked with modernising the public lighting of the Walloon road network. This is a very large-scale project that uses new technologies to provide solutions that are both innovative and sustainable and that lay the foundations for future mobility. The development of this project, which will span more than 20 years in total, began in November 2019 and made steady progress in 2020.

In the past few years, VMA has focused on four segments: Building Technologies, Automotive, PMT (Processing & Manufacturing Technologies) and Infrastructure. With these complete 'product as a service' solutions, VMA provides an answer that is tailored to the specific needs of each segment. The 'Building Energy Solutions' business unit in particular experienced a solid growth with the entity VEMAS, which can boast references such as the Gare Maritime in Brussels and the residential care centre Huize De Pauw in Sint-Katelijne-Waver.

Sustainability not only holds centre stage at the CFE Group; it now also forms part of its DNA. There are very concrete examples of this on a large number of building sites, in particular Gare Maritime and Tivoli Green City, projects that garnered awards with their green ambitions. The Wooden project in Leudelange for the new head office of Baloise Assurances (the first project realised by Wood Shapers, a joint venture between BPI and CFE Contracting that specialises entirely in timber construction), is another example, as is Park West in Brussels. For the Park West project, an innovative logistical approach was adopted: the materials are delivered at a site by the canal and subsequently transported to the building site just-in-time and in the right quantities. This limits both the number of transport movements and the volume of waste.

• Real Estate Development

Cessation of the marketing of apartments, delays in the granting of planning permission and during the construction phase: for BPI Real Estate, too, the pandemic disrupted the development of the various projects. Nevertheless, the picture for 2020 remains more than satisfactory, and the results of 2019 were amply exceeded.

Poland played an important part this year in the success of BPI Real Estate, breaking all records with the delivery of four projects, and without losing sight of the future. In Poznań, BPI Real Estate made the biggest acquisition in its Polish history: a former barracks of 5.5 hectares in the city centre, in one of the most prestigious districts. The project will be developed in partnership with Revive and involves the construction of more than 1,000 housing units, and 24,000 m² of office and retail space. With its combination of housing, retail and office spaces, this type of project will leave a strong mark on Poznań as well as on BPI Real Estate Polska, whose most ambitious project to date it will be.

CFE (excluding DEME): Breakdown by division

(€ million)	Turnover		Net result		Order book		Shareholders' equity	
	2020	2019	**2020**	2019	**2020**	2019	**2020**	2019
Construction	**634.8**	733.5			**1,058.7**	1,016.8		
Multitechnics	**164.9**	179.6			**251.1**	188.5		
Rail Infra	**112.2**	85.6			**182.8**	180.2		
Contracting	**911.9**	998.7	**5.5**	9.5	**1,492.6**	1,385.5	**78.4**	76.3
Real estate development	**131.1**	59.1	**13.2**	11.6	**192.0**	143.0	**85.5**	83.7
Holding, non-transferred activities and eliminations[1]	**-16.8**	-55.0	**-1.0**	-9.1			**-68.6**	-75.2
Total	**1,026.2**	1,002.8	**17.7**	12.0			**95.3**	84.8

[1] Including contribution Rent-A-Port (50%) and Green Offshore (50%) to CFE

CFE - Jardins de la Chasse - Brussels

CFE - BPI - Le Domaine des Vignes - Luxembourg

Two major projects in Luxembourg also made a significant contribution to BPI's excellent results. The first is Le Domaine des Vignes, in partnership with CLE, delivery of which will begin in 2022. 54 of the 57 apartments of the first phase have already found takers. The second is the acquisition of part of the portfolio of the Luxembourg contractor-developer Soludec. The transaction, which was finalised in the summer of 2020, relates to four sites, of which 2 have already been sold on, and the acquisition of a call option on 100% of the shares of an SPV. This SPV is the owner of a land position on the edge of the Kirchberg plateau where eventually, in partnership, 22,430 m² of high-quality residential units will be built. Belgium is also well represented and accounts for more than half of the annual turnover. One of the finest projects is Brouck'R, the redevelopment of the former site of the Allianz insurance company on the De Brouckère square in Brussels. It comprises a four-star hotel, student residences, shops, offices and housing units around a courtyard with green façades and a garden. This project of 41.000 m², inspired by the vision of the Danish architect Jacob Jurek of the firm Henning Larsen, is the outcome of a thoroughgoing reflection on urban integration and environmental impact that fully accords with the vision of the City of Brussels on the redevelopment of the city centre around the new car-free zone.

Two other residential projects in Oudergem, Pure and Serenity Valley, and the renovation/reconstruction of an office building in the heart of the European district of Brussels illustrate an approach where sustainability plays an increasingly important part.

OUTLOOK 2021

CFE Contracting expects an increase in revenue and net result in 2021. In the absence of project deliveries in Poland in 2021, which lead to the recognition of the corresponding results, and because of delays in the granting of building permits in Brussels, BPI's net result is expected to decrease in 2021 but should nevertheless remain high.

PARTNERS FOR SUSTAINABLE GROWTH

- CFE Contracting and BPI Real Estate are guided by the 17 Sustainable Development Goals (SDG) of the UN to clarify their own objectives in relation to the measures connected with the daily operations and with the realisation of the real estate and construction projects.
- CFE Contracting joined the Belgian Alliance for Climate Action in 2020 and subscribes to the Science Based Targets initiative. This approach will make it possible to validate sustainable goals in response to the ambitions of the Paris agreements: protecting the general safety and health of all workers, optimising the transport of materials and waste, limiting waste and packaging of materials, guaranteeing decent working conditions for all workers, promoting the attraction, retention and training of human talent, introducing a decent governance, and stimulating innovation at all levels of the production chain.
- The corona crisis has underscored the relevance of these priority goals. The accelerated digitalisation and the focus on operational excellence in particular have proven indispensable to keep work going on the building sites, in the offices or by telework.
- Solidarity did not go overboard in this difficult period. Quite the opposite. More than ever, CFE assumed its social responsibility, among other things by supporting the organisation Medical Equipment for Belgium, which facilitates the access of Belgian hospitals to essential medical equipment.
- CFE continues to reinvent itself and wants to be a driver of change and put the necessary evolution towards a sustainable society into practice. The construction and real estate sectors account for approximately 40% of the global emissions and waste. The reduction of this carbon footprint requires a revolution in mindset and approach to the business. The design, the use of materials, the construction phase, the impact on the environment and on the workforce: CFE works on all those aspects and prioritises a collaborative approach to achieve a paradigm shift to a new generation of buildings.

www.cfe.be

Steve Theunissen

Ruben Baeckelandt

Bruno Jaspaert

Shareholding percentage AvH: 81%

RENT-A-PORT

Rent-A-Port specialises in the development of port-related industrial zones and port projects, primarily in Vietnam.

• Vietnam

Rent-A-Port was able to largely meet its growth expectations in 2020 despite the additional challenges presented by COVID-19 with regard to commercialisation. Development of the DEEP C Industrial Zones in Haiphong (Vietnam) by subsidiary IAI was accelerated with the support of the shareholders and local partners. Sales increased substantially from 33 hectares (2019) to 89 hectares, and the order book for 2021 became well filled. Accordingly, Rent-A-Port expects a further increase of sales in 2021.

The more than 3,000 hectares of industrial land under management of DEEP C Industrial Zones are situated next to the new deep-sea port of Lach Huyen, near the city of Haiphong, allowing the import and export of products in a cost-effective manner. The Zone is also directly connected to China and Hanoi by motorways. There is a continuous power supply to the zones as they are connected to the national and regional power grid, and there is a stable supply of untreated and treated water. The zone's own ISO (9001 and 14001) certified wastewater treatment plant is operated by sister company DEEP C Blue.

As a result, a considerable increase of land sales is expected in the coming years. Moreover, Deep C continues to expand its services by offering turnkey warehouses, a reliable telecommunications network, a growing energy hub, total wastewater management, fire-fighting facilities and park management services at a strategic investment location in North Vietnam.

• Green Energy

In November 2020, Rent-A-Port Green Energy (Rent-A-Port 66.7%) announced the start of the construction of a first battery energy storage system (10 MW/20 MWh) in Bastogne, which has to be ready by mid-2021. For this project, Rent-A-Port Green Energy and its partners are developing a battery storage system in order to meet the demand for flexible solutions in the supply of energy on the market.

Rent-A-Port - Deep C Industrial Zones - Vietnam

Rent-A-Port NV[1]

(€ 1,000)	2020	2019	2018
Turnover	**72,706**	32,828	3,180
EBITDA	**16,894**	6,416	-2,338
EBIT	**14,248**	4,063	-2,403
Net result (group share)	**1,174**	2,172	7,371
Shareholders' equity (group share)	**60,154**	64,401	44,394
Net financial position	**-66,106**	-42,874	-15,316
Balance sheet total	**248,279**	238,618	66,287

[1] IAI fully consolidated from 2019

PARTNERS FOR SUSTAINABLE GROWTH

- In Vietnam, Rent-A-Port stimulates its customers in the industrial zones to invest in renewable energy production (mainly solar panels) or to allow the roofs of their buildings to be used for the installation of solar panels.
- Rent-A-Port also tries as much as possible to use international standards in the installation and operation of the infrastructure (such as wastewater treatment and pipelines) in the industrial zones.
- These industrial zones create a lot of local employment and thus contribute to increasing prosperity.

www.rentaport.be

RENT A PORT

Shareholding percentage AvH: 81%

Mathias Verkest

Christophe De Winter

Wendy Goossens

Bruno Verbeke

GREEN OFFSHORE

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

Green Offshore invests in the Belgian offshore wind farms Rentel (12.5%) and SeaMade (8.75%), as well as a participating interest in the umbrella company Otary (12.5%).

The Rentel offshore wind farm lies approximately 34 km from Ostend and has 42 wind turbines of 7.35 MW. With a total installed capacity of 309 MW, Rentel supplies renewable energy to approximately 300,000 households. During the past year, the wind farm generated more than 1.1 TWh green energy.

The SeaMade wind farm comprises the Mermaid and Seastar concession zones in the Belgian North Sea, respectively 50 km and 38 km off the Ostend coast. SeaMade has 58 wind turbines of 8.4 MW. Construction work was completed in 2020: the installation of two offshore transformer platforms connected to the Elia Modular Offshore Grid by 2,220kV export cables, the laying of 70 km of 33kV infield cables between the turbines, and the installation of all the wind turbines. With a total capacity of 487 MW, SeaMade is the largest offshore wind farm in Belgium. SeaMade already generated more than 0.5 TWh green power in 2020.

This makes Otary the largest offshore wind energy producer in the Belgian North Sea with a total installed capacity of 796 MW. Belgium ranks fourth worldwide in terms of total offshore wind capacity (2,262 MW). The two wind farms will be operated and maintained by Otary from the port of Ostend.

SeaMade - Apollo

Green Offshore NV[1]

(€ 1,000)	2020	2019	2018
Contribution of Rentel and SeaMade[1]	9,229	3,917	2,555
Net result (group share)	11,430	4,926	3,352
Shareholders' equity (group share)	14,749	15,642	19,890
Net financial position	-13,916	-11,340	-33,374
Balance sheet total	29,096	29,575	55,762

[1] Participations in Rentel and SeaMade via equity method

PARTNERS FOR SUSTAINABLE GROWTH

- Rentel and SeaMade generate a total capacity of just under 800 MW, producing approximately 2.7 TWh a year. This is a substantial share of the total annual expected production of circa 8 TWh, which accounts not only for 10% of the total electricity consumption in Belgium, but also for a substantial share of the binding objective of deriving 13% energy from renewable sources by 2020.
- Rentel and SeaMade will together supply renewable energy to 700,000 households, resulting in an annual reduction of 1,200,000 tonnes of CO_2 emissions. The realisation of SeaMade constitutes - for now - the final stage of the currently available concession zone for offshore wind energy production. This brings the total capacity in the Belgian part of the North Sea at this stage to more than 2,200 MW.
- Green Offshore is watching developments surrounding the second zone very closely with a view to further strengthening its position in the Belgian offshore market.

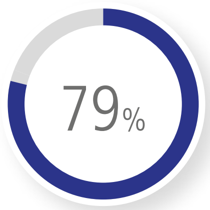

DELEN
PRIVATE BANK
Bank
J.Van Breda & C°

PRIVATE BANKING

Delen Private Bank and Bank J.Van Breda & C° both reported a record result, laying the foundations for further growth with a strong increase of assets under management.

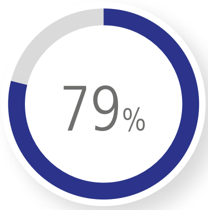
Contribution to the AvH consolidated net result

(€ million)	2020	2019	2018
FinAx	**-0.2**	-0.2	-0.4
Delen Private Bank	**103.5**	93.4	88.5
Bank J.Van Breda & C°	**38.0**	34.1	33.2
Total	**141.3**	127.3	121.3



Delen Private Bank

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



Bank J.Van Breda & C°

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

PRIVATE BANKING

In order to show the real strength of the economic model of the combination of Delen Private Bank and Bank J.Van Breda & C°, a number of combined key figures are published here.

Thanks to the long-term relationship of trust with their clients, the assets entrusted by these clients to Delen Private Bank and to Bank J.Van Breda & C° increased to a new record level of 54.1 billion euros at December 31, 2020 compared with 51.9 billion euros at December 31, 2019 (+4%).

Assets under management

(€ million)	2020	2019
Delen Private Bank	**45,116**	43,566
Delen Private Bank	**33,771**	32,118
Oyens & Van Eeghen[1]	*859*	*629*
JM Finn	**11,345**	11,448
Bank J.Van Breda & C°		
Off-balance sheet products	**11,948**	10,651
Client deposits	**5,907**	5,416
AuM at Delen[1]	**-8,873**	-7,761
Delen and Van Breda combined (100%)	**54,098**	51,872

[1] Already included in AuM Delen Private Bank

" EVEN UNDER DIFFICULT CORONA CONDITIONS, THE ASSETS UNDER MANAGEMENT OF DELEN PRIVATE BANK (CONSOLIDATED) ATTAINED A RECORD LEVEL."

RENÉ HAVAUX,
CEO Delen Private Bank

> “ BANK J.VAN BREDA & C° REALISES STRONG RESULTS IN FULL CORONA CRISIS THANKS TO THE LOYALTY OF CLIENTS AND STAFF.”

DIRK WOUTERS,
CEO Bank J.Van Breda & C°

Delen Private Bank and Bank J.Van Breda & C° combined (100%)

(€ mio)	Delen and Van Breda combined (100%)			Delen Private Bank	Bank J.Van Breda & C°
	2020	2019	2018	**2020**	**2020**
Assets under management (AuM)					
Total invested by clients	**54,098**	51,872	45,381	**45,116**	**17,855**
Total AuM	**48,191**	46,455	40,503	**45,116**	**11,948**
Gross inflow AuM	**3,585**	3,234	3,800	**3,283**	**1,447**
% discretionary				**84%**	
Profitability					
Operating income (gross)	**534**	504	496	**412**	**164**
Net profit	**180**	163	156	**131**	**48**
Return on equity	**12.2%**	12.1%	12.3%	**15.0%**	**8.1%**
Gross fee and commission income / Gross operating income	**83%**	82%	82%	**99%**	**48%**
Gross fee and commission income as % of total AuM	**0.9%**	0.9%	1.0%	**1.0%**	**0.7%**
Net interest income as % of total interest generating assets	**1.0%**	1.0%	1.0%	**-**	**1.2%**
Cost-income ratio	**54%**	56%	55%	**54%**	**56%**
Balance sheet					
Total equity (incl. minority interests)	**1,562**	1,384	1,303	**940**	**620**
Total assets	**9,117**	8,667	8,911	**2,054**	**7,211**
Customer deposits	**5,907**	5,416	4,877	**-**	**5,907**
Customer loans	**5,885**	5,656	5,203	**470**	**5,415**
Cost of risk	**0.09%**	0.03%	0.06%	**-**	**0.10%**
of which ECL	**0.07%**	0.01%	0.01%	**-**	**0.08%**
CET1 ratio	**21.7%**	19.5%	18.4%	**40.5%**	**14.7%**
Leverage ratio	**13.3%**	12.9%	11.2%	**32.4%**	**8.2%**
LCR	**249%**	327%	334%	**614%**	**171%**

Shareholding percentage AvH: 79%

René Havaux | Michel Buysschaert | Matthieu Cornette | Alexandre Delen | Paul De Winter | Katrin Eyckmans | Eric Lechien | Bart Menten

DELEN PRIVATE BANK

Delen Private Bank focuses on the management and planning of assets of private clients. The group has developed into an established name in Belgium, and has a growing presence in the Netherlands (Oyens & Van Eeghen) and in the United Kingdom (JM Finn).

FINANCIAL OVERVIEW 2020

• Record level of assets under management

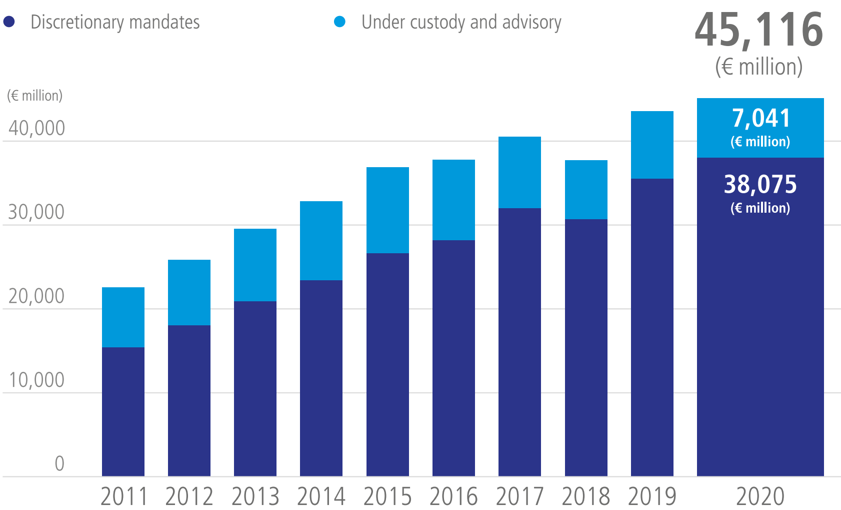
Even under difficult corona conditions, the assets under management of Delen Private Bank (incl. JM Finn) attained a record level of 45,116 million euros at the end of 2020 (2019: 43,566 million euros).

At Delen Private Bank (Belgium, the Netherlands, Luxembourg, Switzerland), the assets under management amounted to 33,771 million euros at year-end 2020 (2019: 32,118 million euros). Of that amount, 859 million euros is represented by Oyens & Van Eeghen, the branch of Delen Private Bank in the Netherlands (2019: 629 million euros). The increase is explained by the solid gross inflow of assets and by the value increase of the underlying assets. Both these findings are all the more remarkable, given the anxiety that the corona crisis created in many investors. The good figures attest to the clients' sustained confidence in the bank, and also to the steadfastness with which Cadelam, the fund manager of Delen Private Bank, guided the clients through the storm and realised excellent returns on their funds.

The inflow of assets at Delen Private Bank - from both existing and new clients - consisted almost exclusively of discretionary asset management. All Belgian branches contributed to this inflow, but with an increasing share from the regional branches. This validates the strategy of opening new branches. Oyens & Van Eeghen, too, reported a strong inflow of assets thanks to the commercial efforts and the successful acquisition of Nobel Vermogensbeheer in 2019. The integration of Nobel Vermogensbeheer in Oyens & Van Eeghen was accomplished in 2020 and went perfectly thanks to the dedication of the whole team.

At the British asset management company JM Finn (Delen Private Bank 92.8%), the assets under management reached a record level of 11,345 million euros (10,200 million pounds sterling) at year-end 2020 (2019: 11,448 million euros, 9,740 million pounds sterling). At JM Finn, the increase was primarily due to the value increase of the assets (expressed in pounds sterling). This was however largely offset by the depreciation of the pound sterling against the euro.

Delen Private Bank: Consolidated assets under management



• Increase of the net result

The assets under management at Delen Private Bank were higher in 2020 than in 2019. Moreover, the account managers were able to let the clients channel their cash into investments with greater return potential. This also resulted in a better revenue mix at Delen Private Bank: the consolidated gross revenues increased to 412.4 million euros (compared to 388.6 million euros in 2019).

Delen Private Bank continued to keep a tight rein on costs in 2020. While marketing expenditure was reduced by the corona crisis, IT investments increased. Out of solidarity with society, the budget for charities was substantially increased. At JM Finn, the costs remained virtually stable as a result of higher costs for IT and staff, and lower marketing costs.

The operating expenses of the entire group increased slightly (2.9% increase excluding JM Finn). The cost-income ratio decreased to 53.6% (41.8% at Delen Private Bank, 86% at JM Finn), which is a good figure compared to the market.

DELEN DURING CORONA

The corona crisis came as a complete and unpleasant surprise for everyone. Nevertheless, it did not mark a turning point for the bank, only an occasion to perpetuate or accelerate existing reflexes in the bank:

- In an instant, all staff members began working from home, thanks to the tireless efforts of the IT team and the flexibility of all the staff.
- The accelerated digitalisation helped staff and clients remain in close touch with each other, despite the physical distance, through digital events, video chats and new smart functions on the Delen app.
- The client portfolios had already been made robust and resilient even before the crisis broke out (see also Operational Overview). This cautious strategy, combined with the sustainable investment philosophy, contributed significantly to good returns on the client portfolios.

The net profit of the group increased to 131.4 million euros in 2020 (compared to 118.6 million euros in 2019). JM Finn's contribution to this was 7.8 million euros (2019: 7.8 million euros).

The consolidated equity of Delen Private Bank amounted to 940.3 million euros as at December 31, 2020, compared to 809.6 million euros as at December 31, 2019. The group's Core Tier1 capital (taking into account the intangible assets of 234.4 million euros, of which 47 million euros relates to JM Finn clients and 14.3 million euros to Oyens & Van Eeghen and Nobel clients) amounted to 603.4 million euros at the year-end (year-end 2019: 566.2 million euros). Delen Private Bank is more than adequately capitalised, and fully meets the Basel III requirements in terms of shareholders' equity. The Common Equity Tier1 ratio of 40.5% is well above the industry average. Delen Private Bank has a solid and easily understandable balance sheet.

Delen Private Bank

(€ 1,000)	2020	2019	2018
Gross revenues	**412,422**	388,642	384,262
Net result (group share)	**131,387**	118,609	112,390
Shareholders' equity (group share)	**940,277**	809,625	742,927
Assets under management	**45,116,280**	43,564,970	37,712,549
Cost-income ratio	**53.6%**	55.3%	55.3%
Return on equity	**15.0%**	15.3%	15.8%
CET1 ratio	**40.5%**	36.7%	30.9%
Personnel	**757**	718	709

OPERATIONAL OVERVIEW 2020 BY ACTIVITY

- ### Delen Private Bank (BE, NL, LX, CH)

The mission of Delen Private Bank - protection and balanced composition of the assets of its clients - was once again thrown into sharp relief by the corona crisis. The traditional investment principles of the bank and of its fund manager Cadelam also proved their added value in the challenging year of corona. Three aspects are important in that respect: cautious but alert management of the clients' assets, optimal risk spread of the funds, and accurate and regular assessment of the investment profile of the clients.

The stock market crisis in March 2020 was severe and could not be predicted. Nevertheless, the fund managers of Cadelam were well prepared. Already during 2019 they had been steadily making the funds resilient. With shares of solid and future-oriented businesses, the managers offered the prospect of potentially attractive returns, and with liquid high-quality bonds they created a solid buffer to cushion a possible stock market correction as effectively as possible. In selecting the companies, they also took into account respect for climate, people and good governance. Cadelam stood fast at the helm in the storm that ravaged the stock market, without giving in to impulse selling. As a result, the funds were able to profit by the swift stock market recovery. As soon as it became clear that the vaccines would 'liberate' the world from the virus sooner than expected, the funds were gradually repositioned in favour of disadvantaged regions and sectors that will derive extra benefit from the (hopefully) imminent economic recovery. This strategy led to portfolio returns that were significantly better than those of the broad market, and this applies to clients of both Delen and Oyens & Van Eeghen.

At year-end 2020, 84% (28,758 million euros) of the entrusted assets in Belgium were managed directly under a discretionary management mandate or through the bank's own patrimonial beveks (open-ended investment trusts). Expressed in number of accounts, the share of discretionary management accounts is 95%. This represents more than 27,130 management mandates. Delen Private Bank continues to gain market share in the Belgian private banking niche, also thanks to the strong increase in new private capital. The increased local embedding of the bank is bearing fruit. This encourages Delen Private Bank to continue to invest in staff and infrastructure. Delen Private Bank opened a new branch in Antwerp-North (Brasschaat) and in Waregem in 2020. The refurbishment work on the head office in Antwerp was disrupted by the lockdown measures. The bank hopes to bring this office into use in 2021. For 2021, the bank is looking out for every opportunity that presents itself. In the Netherlands, too, the sustained commercial efforts paid off. The transfer of the clients of Nobel Vermogensbeheer went perfectly.

Bank J.Van Breda & C° once again made a significant contribution to the increase of the assets under management and represented approximately 27% of the total assets under management. On December 31, 2020, Delen Private Bank managed 7,508 million euros on behalf of clients introduced by the Bank J.Van Breda & C° network. In addition, Delen Private Bank handled the securities administration of Bank J.Van Breda & C° (1,366 million euros).

- ### JM Finn (UK)

The UK stock markets fared much worse than their European counterparts on account of the uncertainty surrounding Brexit. In this difficult context, JM Finn still managed to realise solid returns, thanks to the geographical diversification of their portfolio and their choice of British multinationals that operate worldwide and are therefore less dependent on the British economy.

At the operational level, 2020 was an exceptional year for JM Finn too. The team showed flexibility in the face of the corona situation. From their home offices, the managers maintained close contact with their clients, and this was reflected in a good commercial result. The automation and digitalisation process of recent years was accelerated further, and the range of estate planning services was further extended.

JM Finn started 2021 with a new and rejuvenated management team, with fresh ambition and full of energy. Hugo Bedford, a board member since 2011, is now CEO, replacing Steven Sussman who becomes chairman of the board of directors. James Edgedale, the outgoing chairman, remains a member of the board of directors. Dominique May, the current CFO, is also joining the board of directors.

Since the acquisition of JM Finn in 2011, Delen Private Bank increased its participation to 92.8%. At year-end 2020, JM Finn managed 11,346 million euros (10,200 million pounds sterling) of entrusted funds, 82% of which in discretionary management. The level of the assets under management and the expansion of the discretionary management segment confirmed that JM Finn is a healthy company with growth potential. The position of JM Finn in the British onshore asset management market, combined with the dedication and experience of Delen Private Bank, will enable JM Finn to continue to expand and to evolve into a prominent player in the British market.

The impact of Brexit on JM Finn is very limited: JM Finn is a British asset manager with British clients, and local expenses and revenues.

OUTLOOK 2021

Delen Private Bank strives for consistency in its performance. This calls for discipline in the implementation of its principles of responsible asset management: optimal diversification in geographical areas, sectors and companies, an effective risk management, and a sustainable long-term investment philosophy. This policy also already offered protection in 2020 from particularly turbulent markets, and yielded a highly satisfactory return both in the neutral and the more dynamic profiles.

The corona crisis will continue to have a major impact on the global economy in 2021. Nevertheless, the large-scale recovery measures of the governments and the vaccination campaigns offer reasonable hope of an economic recovery sometime in the second half of the year. This makes the bank cautiously optimistic about the stock markets in 2021. Accordingly, the equity positions were slightly increased. At the same time, the bank remains alert to risks, as geopolitical and medical developments may cause volatility on the markets. In the long-term perspective, however, investing in shares offers the best returns. For that reason, Delen Private Bank advises its clients to adopt a buy-and-hold strategy.

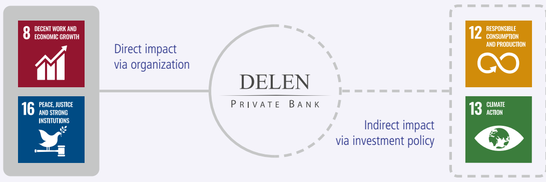
Besides asset management, Delen Private Bank will continue to improve its estate planning services. Delen Family Services, the service that gives an overview, analysis and planning of the client's total assets, will be rolled out further, including in the Delen app. For more complex arrangements, the legal and tax experts of the Estate Planning team are ready to offer the clients personal advice with the necessary expertise.

Delen Private Bank, in Belgium and the Netherlands, and JM Finn will in 2021 continue their efforts to attract new capital. The strong increase of assets under management in 2020 has laid the foundations for a further increase of the results in 2021. Besides internal growth opportunities, opportunities for acquisition are looked into whenever interesting parties with a similar strategy cross the path.

Delen Private Bank - Leuven

PARTNERS FOR SUSTAINABLE GROWTH

- Delen Private Bank strongly believes in the importance of value creation through corporate social responsibility. The bank uses its five values - sustainability, prudence, efficiency, family and personal touch - as a guide to chart a sustainable course. Respect for the environment, social responsibility and good governance (ESG) are reflected in the day-to-day management of the organisation (direct impact) and in the responsible investment policy (indirect impact). Delen Private Bank steers this course with an eye on the Sustainable Development Goals of the United Nations (UN-SDGs), paying special attention to SDG 8, 12, 13 and 16.

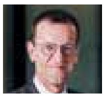


- As regards the indirect impact, the bank further reinforces its responsible investment policy. A sustainable investment vision allows it to help build a better, greener and more humane society and also makes sense financially. During the COVID-19 crisis, which caused major turmoil on the markets, it became patently obvious that responsible investment reduces risks, strengthens participation in forward-looking companies, and in this way offers the prospect of a balanced return.
- For its direct impact, Delen Private Bank continues to focus firmly on asset protection, business ethics, data privacy and data security. Additionally, in 2019 the bank began monitoring and quantifying its direct and indirect environmental impact. These insights enable Delen Private Bank to further optimise its policy and to set certain targets so that the bank can keep its environmental impact as small as possible.

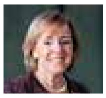
www.delen.be

DELEN
PRIVATE BANK

Shareholding percentage AvH: 79%



Dirk Wouters



Véronique Léonard

Vic Pourbaix

Marc Wijnants

BANK J.VAN BREDA & C°

Bank J.Van Breda & C° is a specialised advisory bank that focuses on assisting its target group client base of entrepreneurs and liberal professionals in their asset accumulation.

The outbreak and spread of the coronavirus at the beginning of 2020 not only brought about an unexpected health crisis, but also had a significant impact on the global and Belgian economy, everyone's private life and the professional activities of the clients of Bank J.Van Breda & C°. Its first priority was to protect, inform and support colleagues and clients. The investments in IT and digitalisation of the past few years allowed the bank to carry on providing its services without interruption. The staff of the head office and of the branches were mostly able to work from home. The introduction of videoconferencing was speeded up. The bank kept in close touch with its clients and chose to communicate with them as personally as possible.

FINANCIAL OVERVIEW 2020

Bank J.Van Breda & C° closed 2020 with a record result, despite the corona crisis. The consolidated net profit increased by 11% to 48.3 million euros (43.4 million euros in 2019). The gross revenues (bank product - costs) amounted to 71.1 million euros, an increase of 13.2 million euros (+23%) compared to 2019 thanks to a 9% increase in bank product and constant costs. This result was driven by a strong commercial performance and an increase of commercial volumes, both in banking services for entrepreneurs and liberal professionals and at Van Breda Car Finance.

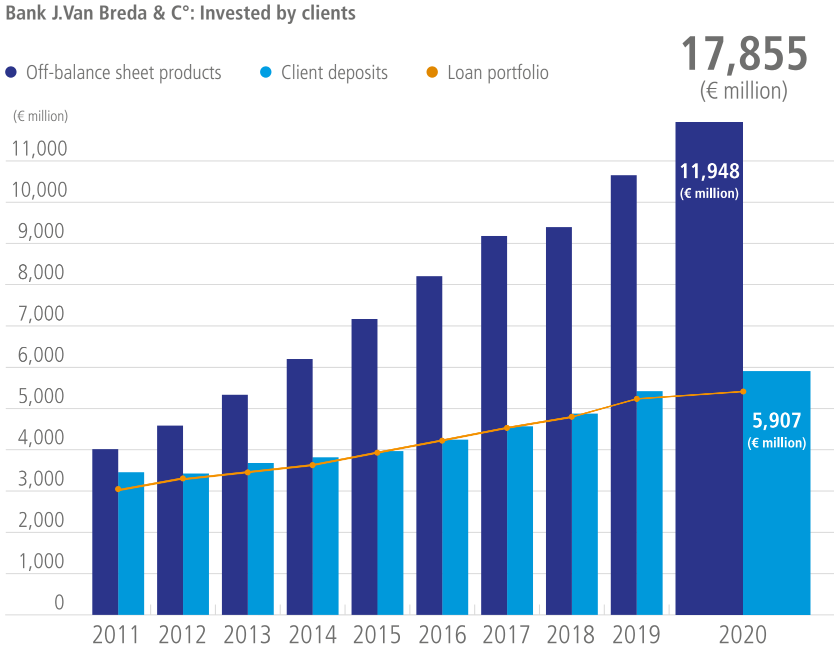
The commercial volumes (total invested by clients + lending) increased by 9% to 23.3 billion euros in 2020.

The bank's shareholders' equity increased to 620 million euros, and an 8% return on equity (ROE) was realised.

- **Increase of commercial volumes**

Assets invested by clients increased by 1.8 billion euros to 17.9 billion euros, confirming the confidence that the clients have in the bank, even during the corona crisis. This amount consists of 11.9 billion euros (+12%) off-balance sheet products and 5.9 billion euros (+9%) client deposits. The total loan portfolio increased in a controlled manner to 5.4 billion euros (+3%).

Bank J.Van Breda & C°: Invested by clients



The consolidated bank product increased by 9% to 163 million euros. Realised capital gains, dividend income and results of hedging instruments represented less than 1% of the total bank product, which is therefore almost entirely commercially driven.

The interest result increased by 4%, partly thanks to these increased volumes and the participation in the TLTRO III, an ECB instrument that encourages banks to provide loans to businesses and consumers. This is a strong result in times of low interest rates, high competitive pressure on interest rate margins, and taking into account the bank's strategy of prioritising safety over yield in its investment portfolio. Thanks to the increase in off-balance sheet investments of clients, the fee income increased by 12%.

The total operating costs remained stable (91.5 million euros) thanks to lower costs (e.g. for marketing and events) due to the corona crisis. These compensated for the higher bank levies (+11%) and forward-looking investments. Bank J.Van Breda & C° continues to invest in commercial strength, in the refurbishment and upgrading of its branches, and in its IT platform in order to respond fully to opportunities presented by the digitalisation. The increased bank product at constant costs resulted in an improvement of the cost-income ratio from 61% to 56%. This makes Bank J.Van Breda & C° one of the better performing Belgian banks.

• Impact of the corona crisis

The bank responded proactively to requests for deferment of professional and mortgage loan repayments, allowing entrepreneurs and liberal professionals to focus on managing the crisis and restarting their activities. Deferment of principal repayments was temporarily granted on nearly 10% of the outstanding loans. Impairment losses on loans were limited to 1.0 million euros or just 0.02% of the average loan portfolio. Including the provision for expected credit losses (ECL), the impairment losses increase to 0.10% of the average loan portfolio as a result of the extra IFRS 9 provisions for the corona crisis.

The long-term impact of the crisis is still uncertain. Although so far no major losses as a result of the corona crisis have been reported on specific loans, an additional provision of 4.5 million euros was earmarked for expected credit losses (ECL), as already mentioned in the previous paragraph.

HAPPY CLIENTS

In 2020, in reply to the question "To what extent would you recommend Bank J.Van Breda & C° to other entrepreneurs or liberal professionals?", 65% of the clients gave us a score on the ten-point scale of 9 or 10 ('promoters'), 30% gave 7 or 8 ('passives') and 5% gave a score of 6 or lower ('detractors'). This gives the bank an excellent Net Promoter Score (NPS) of 60 (promoters minus detractors). This is one of the best figures in the Belgian banking sector.

HAPPY STAFF MEMBERS

In addition to high client satisfaction, Bank J.Van Breda & C° also enjoys high staff satisfaction. From the ´Great Place to Work´ survey that was conducted in November 2019, it appeared that 95% of the staff members consider the bank to be a very good organisation to work for. On the basis of that participation, the bank was nominated as 'Best Employer' in March 2020.

• Strong liquidity and solvency

Based on its prudent approach, the bank always ensures a generous liquidity position. The Liquidity Coverage Ratio (LCR) and the Net Stable Funding Ratio (NSFR) amounted to 171% and 140% respectively, well above the required lower limit of 100%. The CET1 ratio stood at 14.7%. The credit portfolio is fully financed through client deposits, so the bank is not dependent on external financing on the international markets.

The shareholders' equity (group share) increased from 573 million euros (2019) to 620 million euros (2020). This increase allows the pace of commercial expansion to continue, without compromising on a healthy leverage, which is the main protection for deposit holders. The solvency expressed as shareholders' equity to assets (leverage ratio) was 8.2%, a multiple of the required 3% that will become binding from June 2021.

Bank J.Van Breda & C° NV

(€ 1,000)	2020	2019	2018
Bank product	162,681	149,564	143,759
Net result (group share)	48,295	43,362	42,165
Shareholders' equity (group share)	620,249	573,343	549,800
Balance sheet total	7,211,370	6,380,896	5,820,019
Invested by clients	17,855,170	16,066,871	14,268,673
Loan portfolio	5,414,654	5,232,650	4,797,177
Net loan loss provision	0.10%	0.03%	0.05%
Cost-income ratio	56.3%	61.3%	61.0%
Return on equity	8.1%	7.7%	7.7%
CET1 ratio	14.7%	13.1%	13.6%
Solvency ratio (RAR)	15.7%	14.2%	15.0%
Personnel	502	486	464

OPERATIONAL OVERVIEW 2020 BY ACTIVITY

• Bank J.Van Breda & C°

The line of steady commercial expansion continued in 2020. In a very exceptional year in which the stock markets were also rocked by the corona crisis, the total entrusted assets from entrepreneurs and liberal professionals increased by 1.8 billion euros to 17.5 billion euros.

Despite a context of low interest rates, the client deposits increased by 550 million euros (+11%) to a total volume of 5.7 billion euros. This growth is almost entirely from current accounts and savings accounts.

The off-balance sheet products increased by 1.3 billion euros (+12%) to 11.8 billion euros. Of this amount, 7.5 billion euros has been entrusted to Delen Private Bank in the form of asset management.

Despite the stiff competition and aided in part by principal deferment (deferred repayments) as a result of the corona crisis, the volume of loans to entrepreneurs and liberal professionals increased by 166 million euros (+4%) to 4.8 billion euros.

• Van Breda Car Finance

2020 was a particularly challenging year for the automotive industry. The dealers faced 8 weeks of compulsory closure in March and April, and 4 weeks in November. This was reflected in the trend of new car registrations on the Belgian market (21.6% fewer passenger cars and 12.2% fewer commercial vehicles). Nevertheless, Van Breda Car Finance reported a strong commercial performance. The production volume increased by 2%, while the portfolio increased by 8% to 495 million euros.

Bank J.Van Breda & C° - Genk

Bank J.Van Breda & C° - Oudenaarde

OUTLOOK 2021

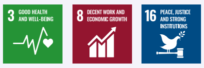
The coronavirus outbreak at the beginning of 2020 means that these results were achieved in a very challenging economic context. For most countries, the virus outbreak will this year cause the greatest economic shock of the post-war period. This unparalleled shrinkage of economic activity, in combination with spiralling budget deficits and unprecedented measures taken by governments and central banks, will continue to create much uncertainty in 2021 and the following years. There seems to be no end in sight yet to the climate of low interest rates. New virus outbreaks could quickly nip an economic recovery in the bud, while new (geo)political tensions may arise as well.

The continuing pressure on interest rate margins, the high bank levies, the necessary investments in the future, and a potential increase of credit losses as a result of the corona crisis impact profit growth. Nevertheless, Bank J.Van Breda & C° remains very well prepared for the future.

- Its high client satisfaction ensures loyal clients and enthusiastic ambassadors who attract new clients.
- The commercial strength and positioning should ensure the continued increase of entrusted assets. The impact of this increase on the operational result will also depend on the evolution of the financial markets, the interest rate climate and the competitive environment. New initiatives in the field of digitalisation, such as the asset management app for entrepreneurs and liberal professionals, will continue to play a crucial role.
- Van Breda Car Finance invested heavily in customer loyalty over the past few years and projected itself even more as a solid, reliable and fast partner for the car dealers. As a result, the volumes increased despite the corona crisis, and growth is expected to continue in 2021 as well. The core values of 'fast, friendly & flexible' were major strengths in 2020 and will continue to be so in 2021.
- The bank remains cost-conscious and strives for high efficiency.
- Although Bank J.Van Breda & C° has a track record of low credit losses, even in an economically turbulent environment, it cannot be ruled out that credit losses will increase as a result of the corona crisis. In any case, the conservative loan policy should help to limit losses in the future as well.

The goodwill, reputation, positioning, constant investment and healthy financial structure of the bank form a solid basis for successful long-term financial growth.

PARTNERS FOR SUSTAINABLE GROWTH

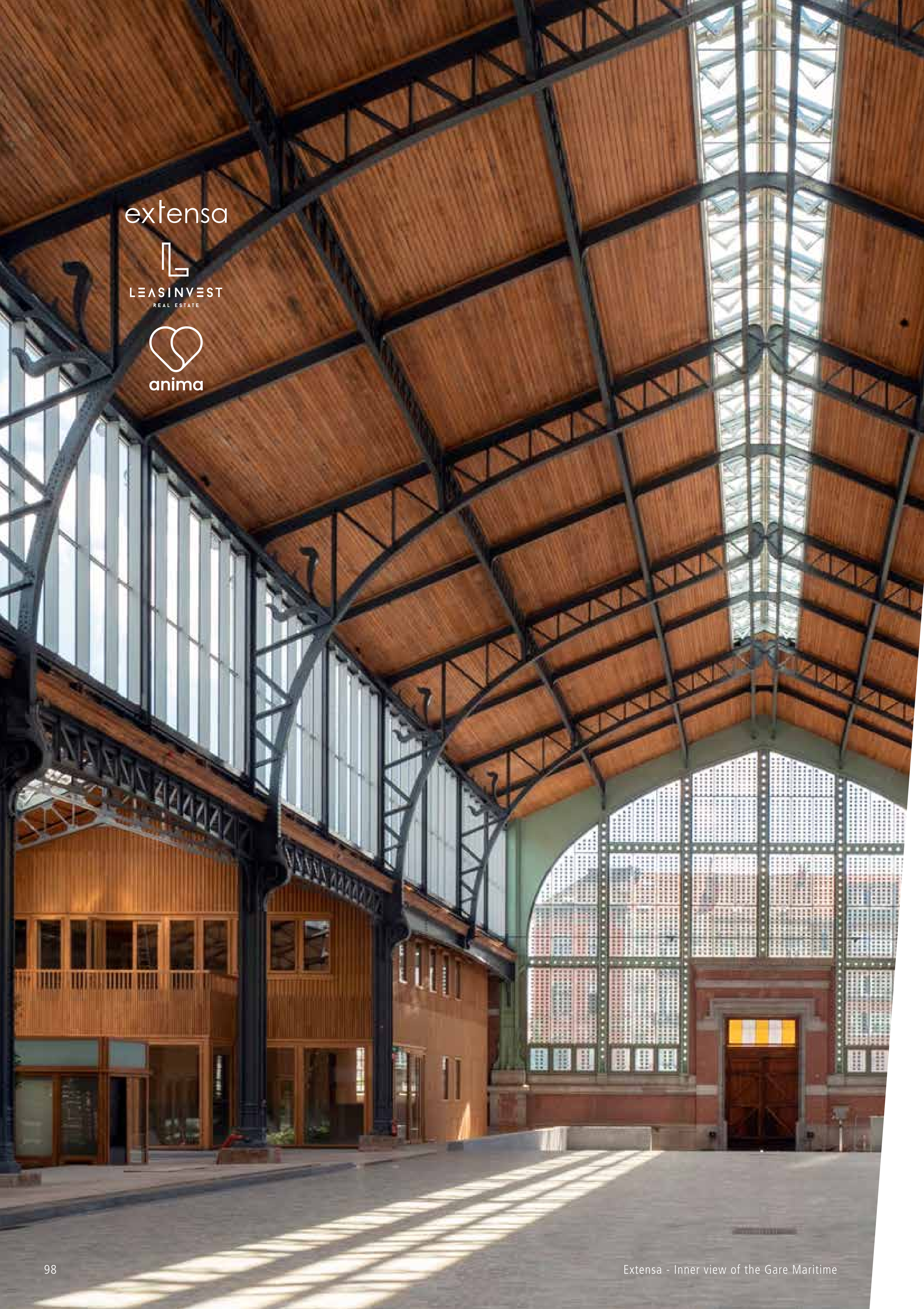


Bank J.Van Breda & C° opts to systematically and expressly integrate its economic, social and environmental commitment in its corporate policy. The Sustainable Development Goals (SDGs) of the United Nations provide a global framework for this. From its specialisation in services for entrepreneurs and liberal professions, the bank primarily endorses these three goals: 'SDG 3 Good Health and Well-being', 'SDG 8 Decent Work and Economic Growth', and 'SDG 16 Peace, Justice and Strong Institutions'.

- For a bank, sustainability means, in the first place, that it is solvent and that it is always able to meet its commitments without having to rely on society to support it. The banking crisis of 2007-2008 was the acid test. Bank J.Van Breda & C° remained at all times a 'healthy bank' and a 'safe haven'. With a leverage ratio of 8.2% (shareholders' equity to assets) and only 0.02% impairment losses on loans, the bank is still in a very strong position to play its economic and social role to the full today. The bank is not dependent on the financial markets to finance its loan portfolio (91% loans vs. client deposits).
- Bank J.Van Breda & C° protects the wealth that clients have accumulated over the long term - often across several generations. It does so by helping entrepreneurs and liberal professionals to make the right financial choices. This is socially relevant, since entrepreneurs are the engine of the economy. The liberal professions guarantee health care, legal certainty and financial transparency. Together, they make a crucial contribution to our prosperity and well-being.
- Staff satisfaction (95%) and spontaneous recommendation by clients (Net Promoter Score of >60) rank among the best in the Belgian financial sector for several years now. The bank intends to at least maintain, and where possible further strengthen, this pole position. Moreover, the bank is paying more explicit attention to the broader social relevance of its activities. ESG factors (Environment - Social - Governance) play an increasingly important role in the policy on client acceptance, lending, investments, choice of suppliers, and reducing the bank's ecological footprint.

www.bankvanbreda.be

Bank J.VanBreda&C°



Extensa - Inner view of the Gare Maritime

REAL ESTATE & SENIOR CARE

The results in ‘Real Estate & Senior Care’ managed to recover in the second half-year after a difficult first half of the year.

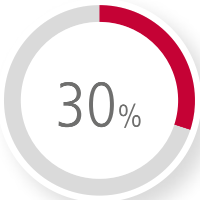
Contribution to the AvH consolidated net result

(€ million)	2020	2019	2018
Extensa Group	**25.9**	29.5	27.2
Leasinvest	**3.3**	15.7	11.9
Anima	**3.4**	5.0	4.7
HPA/Residalya	**-**	-	21.5[1]
Total	**32.7**	50.2	65.3

[1] Incl. 21.3 million euros realised on the sale of real estate

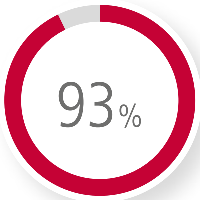
Extensa Group

Extensa is a real estate developer focused on mixed-use projects in Belgium and the Grand Duchy of Luxembourg.



Leasinvest

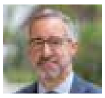
Leasinvest is a listed company managing high-quality and well-located offices and shopping centres in the Grand Duchy of Luxembourg, Belgium and Austria.

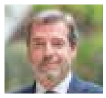


Anima

Anima focuses on the up-market segment of accommodation and care for the elderly in Belgium.

Shareholding percentage AvH: 100%



Kris Verhellen | Peter De Durpel | Laurent Jacquemart | Ward Van Gorp

EXTENSA GROUP

Extensa is a real estate developer that is primarily focused on mixed-purpose projects in Belgium and the Grand Duchy of Luxembourg.

FINANCIAL OVERVIEW 2020

Extensa reported a net profit of 25.9 million euros over the 2020 financial year. The decrease relative to previous years (29.5 million euros in 2019) is largely due to the impact of the COVID-19 crisis on Extensa's operating and development activities.

The one-month suspension, followed by a gradual resumption of construction activity in Belgium and Luxembourg in the second quarter led to a lower profit recognition on the projects under construction (percentage of completion). Apart from the slightly higher finance cost, it only concerns a deferment of the projected profits to the next financial year. The cancellation of trade fairs, events and conferences, however, resulted in an actual loss of income compared to previous years.

Sales of residential projects continued to be highly satisfactory, notwithstanding the restrictions imposed and the fact that the administrative procedures in general took more time. The office market stagnated somewhat, as many businesses are reassessing their future requirements as a result of increased telework.

The net contribution (after tax, but before allocation of overhead costs of Extensa) of the projects on the Tour & Taxis site in Brussels amounted to 3.9 million euros, while that of the projects on the Cloche d'Or site in Luxembourg came to 25.5 million euros.

Extensa - Gare Maritime - Brussels

The balance sheet total evolved from 551.1 million euros at year-end 2019 to 598.4 million euros at year-end 2020, mainly as a result of investments in Tour & Taxis. The heritage buildings on the Tour & Taxis site are strategic assets under management and at year-end 2020 represented an estimated market value of 271.9 million euros. The group's total shareholders' equity increased from 217.7 million euros (2019) to 243.6 million euros (2020).

OPERATIONAL OVERVIEW 2020

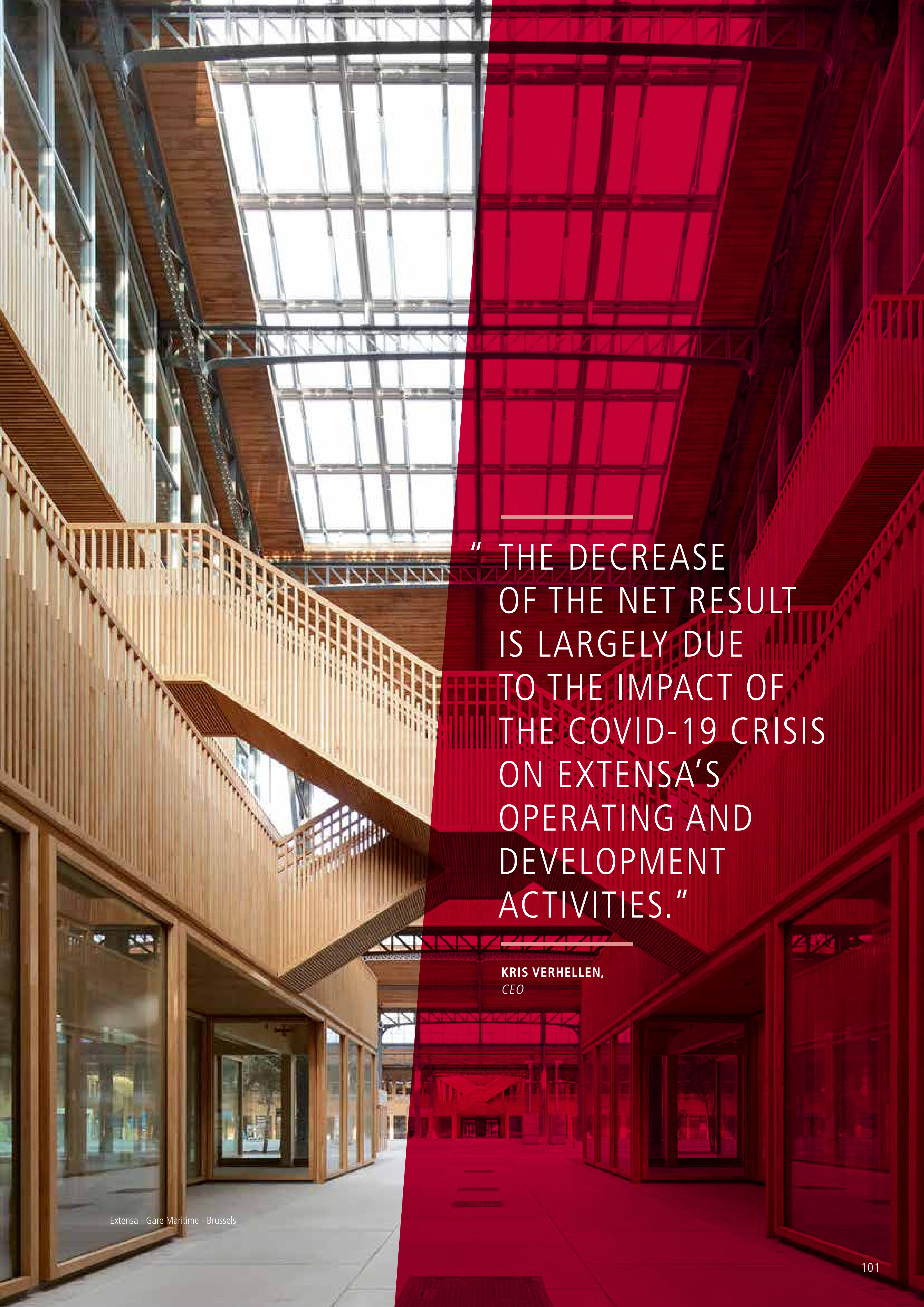
- **Tour & Taxis**

Several tenants postponed their actual move to the Gare Maritime due to the compulsory telework in the first half of 2020. In the meantime, Publicis Groupe, BSH, Spaces, Collibra and Universal Music have brought their premises into use. The further allotment of the mixed-purpose area on the ground floor (catering businesses, theme shops, culture and entertainment) was delayed by the lockdown measures. The commercialisation continued, however, with a view to opening in the third quarter of 2021. At year-end 2020, a long-term agreement was concluded with Bruxelles Formation (Brussels Region) for offices and classrooms totalling 7,900 m².

The first phase of 'Park Lane' is under construction. The new underground car park (908 parking places) was brought into use in the second quarter of 2020, and Anima started construction work on a residential care centre (197 beds). Of the 319 apartments (in 6 buildings), more than 200 were sold off-plan by year-end 2020. Planning permission for phase 2 (350 apartments) has been requested, and sales are expected to begin in the third quarter of 2021.

All the apartments in the Riva project (139 units) were already sold in 2019 and were delivered in the first quarter of 2020. The new Suzan Daniel bridge is under construction (by Beliris) and will open in the autumn of 2021, which will also enhance the value of the retail spaces on the ground floor of Riva. Some of these spaces have already been sold or let, such as to a supermarket, an electric car dealer, and a property manager.

The 'Sheds' still realised their planned turnover in January and February 2020, but from March onwards they were confronted with the cancellation of virtually all activities. The same applies to Maison de la Poste, which nevertheless could still keep organising smaller events on a limited scale in the spacious rooms.



“ THE DECREASE OF THE NET RESULT IS LARGELY DUE TO THE IMPACT OF THE COVID-19 CRISIS ON EXTENSA’S OPERATING AND DEVELOPMENT ACTIVITIES.”

KRIS VERHELLEN,
CEO

Extensa - Gare Maritime - Brussels

Extensa - Tour & Taxis (artist impression)

Extensa - Cloche d'Or

- **Cloche d'Or**

The last of in total 909 apartments of îlot A were delivered during 2020, which fully completes this project. The 151 apartments of the new residential complex îlot D-Sud were almost entirely sold off-plan, and construction is proceeding as planned.

The special office building Bijou (6,021 m²), which was developed at Extensa's own risk, could be fully let and then sold to an institutional investor. Four more office buildings totalling approximately 24,000 m² are under construction. An office building of 4,259 m² has been pre-let to the International Workspace Group, which will operate it under the brand name 'Spaces'. The project company has already been sold off-plan to international investors. The new head office of Banca Intesa Sanpaolo (10,830 m²) is under construction and will be delivered in 2021. Two other office buildings will be delivered after 2021.

- **Other developments**

Various other development projects are currently going through planning procedures or administrative appeals, in which no formal decisions were taken during the financial year.

Extensa Group NV

(€ 1,000)	2020	2019	2018
Contribution Tour & Taxis	**3,855**	6,586	1,585
Contribution Cloche d'Or	**25,517**	26,018	34,392
Net result (group share)	**25,913**	29,475	27,238
Shareholders' equity (group share)	**243,633**	217,654	190,859
Net financial position	**-232,090**	-189,386	-114,345
Balance sheet total	**598,425**	551,081	441,795

OUTLOOK 2021

The measures taken to combat the pandemic will continue to adversely affect the results of certain activities in 2021. In so far as the current office and residential projects can be continued under normal conditions, Extensa expects again good results in 2021.

PARTNERS FOR SUSTAINABLE GROWTH

- Extensa's ESG strategy is entirely in keeping with its mission of developing and embedding mixed-use urban neighbourhoods through responsible co-creation. This strategy is focused on the following Sustainable Development Goals: 'SDG 7 Affordable and Clean Energy', 'SDG 11 Sustainable Cities and Communities' and 'SDG 12 Responsible Consumption and Production'.
- Extensa is setting a good example by taking large-scale environmental actions. The Gare Maritime project on the Tour & Taxis site stands out in terms of environmental and energy performance. Examples include circular construction, natural ventilation, heating and cooling using geothermal energy, photovoltaic power generation, laminated timber structures, use of recycled materials for footpaths, rainwater collection and planting of large gardens.
- In co-creation with its stakeholders - local authorities, investors, tenants, residents, event planners, contractors and suppliers - Extensa fosters ecodynamic entrepreneurship with focus on responsible production and consumption, well-being and craftsmanship.
- Local partnerships improve the social cohesion and community spirit on the site.

www.extensa.eu

extensa

Shareholding percentage AvH: 30%


Michel Van Geyte   Tim Rens

LEASINVEST

Leasinvest Real Estate (Leasinvest) is a listed regulated real estate company (REIT) with a diversified portfolio of sustainable buildings in top locations in Belgium (offices) and Luxembourg (offices and retail) and retail parks in Austria that has proven its defensive character.

FINANCIAL OVERVIEW 2020

The 2020 financial year was a year of unprecedented challenges. The corona pandemic impacted the result of Leasinvest, both in terms of rental income and of remeasurement results on real estate as well as on the participation in Retail Estates.

The various lockdowns, with associated mandatory store closures in the three countries in which Leasinvest operates, have led several tenants from the retail segment to ask for payment deferral and/or temporary rent reductions. This resulted in a turnover decrease of 4.2 million euros, of which 2.5 million euros has already been definitively granted and the balance was recognised as a provision on turnover, as negotiations with various tenants were still ongoing. Leasinvest chooses to consider the situation of each tenant individually, so that a tailor-made solution can be found for every one of them.

The fair value of the real estate portfolio amounted to 1,141 million euros at year-end 2020. Including the participation in Retail Estates, this fair value reached 1,221 million euros at year-end 2020.

The EPRA profit (previously net current result) amounted to 35.6 million euros (6.01 euros per share) at the end of December 2020, which is a decrease of 12% per share compared to the end of December 2019 (4.9 million euros or 0.82 euros per share). The net result amounted to 7.7 million euros, compared to 49.9 million euros in 2019. The strong decrease is primarily due to the impairment loss (-33.5 million euros) on the participation in Retail Estates, which in accordance with the IFRS standards was reported at the stock market price on balance sheet date. In addition, a number of effective hedging instruments were redeemed early, as a result of which a negative amount of 20.3 million euros was reclassified from other comprehensive income to profit or loss. Both those negative effects were partly offset by a positive portfolio result (31.5 million euros), although a significant loss (25 million euros) was also recognised on the Knauf shopping centres in Luxembourg.

At year-end 2020, the shareholders' equity (group share) amounted to 487.2 million euros (2019: 492.6 million euros). The net asset value per share, excluding the impact of the fair value adjustments of financial instruments and deferred taxes (EPRA), was 91.3 euros at year-end 2020, compared to 93.4 euros at year-end 2019. The net asset value per share, based on fair value, was 82.2 euros at year-end 2020 (2019: 83.1 euros). Given the closing price of the Leasinvest share at December 31, 2020 of 77.80 euros, this resulted in a discount of 15%.

OPERATIONAL OVERVIEW 2020

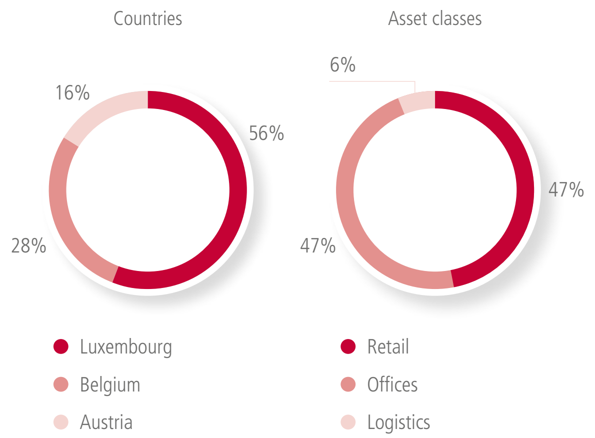
By diversifying into Luxembourg (since 2006) and Austria (end of 2016), Leasinvest continues its development outside Belgium in countries with an AAA rating, a healthy economy with low unemployment and a high per capita GNP, which show growth.

2020 was a special year, and 2021 will be a transitional year for Leasinvest if it is to keep weathering the COVID-19 crisis and make the group even more resilient for the future.

No acquisitions were made during 2020; instead, certain non-strategic assets were divested, resulting in a capital gain of 2.2 million euros. Investment also continued in the development of strategic assets within the existing portfolio.

Grand Duchy of Luxembourg:
- Knauf shopping centre in Pommerloch (near Bastogne): delivery of two new commercial premises, a new car park, and a number of new incoming international retail brands.
- Knauf shopping centre in Schmiede (Northern Luxembourg): an extension of approximately 7,000 m² in two phases, the first of which was finalised. This extension is due for delivery in the first quarter of 2022. These works encompass

Leasinvest: Real estate portfolio (% based on fair value)



a wider commercial offering, a new catering concept, and an area for activities and entertainment for families. The largest Delhaize supermarket of the Belux area opened here as well.

- EBBC Business Park (near the airport), now Moonar: This park is being entirely repositioned and will be the new corona-proof Campus of Luxembourg. A concept with emphasis on community, greenery and outdoor environment, different places to meet, such as bookshops, a coffee bar, and a new pavilion.
- Mercator office building, ideally situated along the Route d'Arlon, which will be renamed High5!: The building will be adapted to today's needs and is targeted at a young and dynamic public.

Belgium:

- Monteco office building: the first high-rise timber-framed building in the heart of the European district in Brussels. This building will distinguish itself in terms of smart technology and serve as a point of reference for the new generation of sustainable recyclable buildings. Completion is scheduled for the first half of 2022.
- The iconic Hangar 26/27 building in Antwerp: this will be a high-quality mixed-use project, with an extension of the office and retail areas, and with special attention to the accessibility between the private areas and the public area of the quays.

Several rentals (new, expansions and extensions) were concluded again in Luxembourg, Belgium and Austria in the course of 2020.

2020 was also the year of the rollout of Leasinvest's sustainability strategy, which will be reported on separately in the CSR report, available at www.leasinvest.be.

"THE DIVERSIFIED PORTFOLIO OF LEASINVEST OF SUSTAINABLE BUILDINGS IN BELGIUM, LUXEMBOURG AND AUSTRIA HAS SHOWN ITS DEFENSIVE STRENGTH."

MICHEL VAN GEYTE,
CEO

LeasInvest - Monteco - Brussels (artist impression)

Leasinvest - Knauf Shopping Center - Pommerloch

Leasinvest - Moonar (artist impression)

OUTLOOK 2021

The markets where Leasinvest is active are still in the grip of the corona pandemic.

In Belgium, the catering industry remains closed until further notice, which will definitely make its impact felt on the rental income, especially from the ground floor of the Royal Warehouse on the Tour & Taxis site.

In Luxembourg, the catering industry also remains closed until further notice. Non-essential shops reopened on January 11, 2021. The borders remain open until further notice, although for Belgians living outside a perimeter of 20 km from the Luxembourg border there are restrictions on border crossings until at least March 1, 2021.

In Austria, non-essential shops and catering establishments were closed from December 26, 2020 until February 7, 2021. Non-essential shops reopened on February 8, 2021, whereas the catering industry remains closed until further notice. Since Austrian law provides the right for tenants to suspend rent payments during the period of a government-imposed lockdown, this will undoubtedly also have a negative impact on rental income in 2021.

Additionally, certain non-strategic buildings were sold in 2020, which consequently will not yield any rental income in 2021. On the other hand, there will be a significant decrease in finance costs as a result of the early redemption of a number of derivatives in December 2020. Furthermore, a large number of buildings are under (re)development, and will only start contributing to the rental income after 2021.

Notwithstanding the healthy, diversified portfolio and the redevelopment potential of certain sites, the current corona conditions oblige us to be cautious about financial prospects. In this context, it seems unlikely that the dividend for the 2021 financial year, payable in May 2022, can be maintained at the level of 5.25 euros per share.

Leasinvest Real Estate Comm. VA

(€ 1,000)	2020	2019	2018
Net result (group share)	**7,683**	49,900	38,194
Shareholders' equity (group share)	**487,211**	492,577	475,811
Real estate portfolio (fair value)	**1,141,190**	1,110,249	1,037,083
Rental yield (%)	**5.63**	5.84	6.45
Occupancy rate (%)	**91.62**	90.46	94.26
Per share (in €):			
Net asset value	**82.2**	83.1	80.3
Closing price	**77.8**	113.0	87.40
Gross dividend	**5.25**	5.25	5.10

PARTNERS FOR SUSTAINABLE GROWTH

Leasinvest appointed the consultant Bopro in 2020 to assist the company in the implementation of its sustainability policy. The strategic plan encompasses the elaboration of the tools, determining the KPIs, and defining the goals. As part of the sustainability policy, the following Sustainable Development Goals were selected: affordable and clean energy; sustainable cities and communities; responsible consumption and production; climate action; peace, justice and strong institutions.

This shows that Leasinvest has the greatest impact through its buildings portfolio. One of the main assessment tools in this respect is BREEAM certification (breeam.org). Presently this covers:

- New buildings (BREEAM New Construction):
  - Montoyer 63 Brussels: Excellent
  - Treesquare Brussels: Excellent
  - Monteco Brussels: target Excellent
  - Hangar 26-27 Antwerp: target Excellent
- Existing buildings (BREEAM In Use):
  - Titanium Luxembourg: Very good (pre-assessment)
  - Monnet Luxembourg: Very good (pre-assessment)
  - Mercator Luxembourg: Very good (pre-assesment)
  - The Crescent Brussels: Excellent
  - Motstraat Mechelen: Good

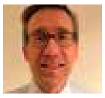
The ultimate aim is to sustainably increase the value of the real estate portfolio through greater and more stable cash flows.

www.leasinvest.be

LEASINVEST REAL ESTATE

Shareholding percentage AvH: 93%

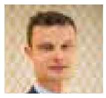

Johan Crijns


Luc Devolder


Olivier Fassin


Frank Foucart


Ingrid Van de Maele


Jeroen Versnick

ANIMA

Anima (formerly Anima Care) specialises in the care and health sector in Belgium, focusing on the up-market segment of residential care for the elderly. In residential senior care, Anima invests in both the operational activities and the real estate.

As of December 31, 2020, Anima had 2,539 beds in operation, of which 2,150 nursing home beds, 130 convalescence beds and 259 service flats, spread over 23 care centres (9 in Flanders, 7 in Brussels, 7 in Wallonia).

FINANCIAL OVERVIEW 2020

The results of Anima were heavily impacted in 2020 by the corona crisis. The loss of income due to the lower occupancy compared to 2019 and the extra costs incurred to control the coronavirus have to a large extent been offset by extra subsidies. As a result of the admission stop in the first corona wave, the fear of being infected with the virus in residential care centres, the vacancies at the competing residential care centres, and the high number of deaths among the over-75s in general, the occupancy rate of the four new care centres, which opened in the last quarter of 2019 and the beginning of 2020, improved only gradually.

Anima realised a turnover of 95.8 million euros in 2020. The increase is primarily due to the residential care centres Villa 34 and Le Rossignol, which only began to contribute to the consolidated results in the last quarter of 2019, and to the residential care centre Les Trois Arbres, which was acquired on July 1, 2020. The contribution that was expected from the 4 recent new-build projects remained below budget as a result of this corona crisis. The EBITDA amounted to 20.7 million euros (2019: 19.5 million euros). As a result of the additional depreciation and finance costs connected with the new-build projects, the profit for the year decreased from 5.4 million euros in 2019 to 3.7 million euros in 2020.

The group's shareholders' equity increased from 65.0 million euros at year-end 2019 to 68.7 million euros at year-end 2020.

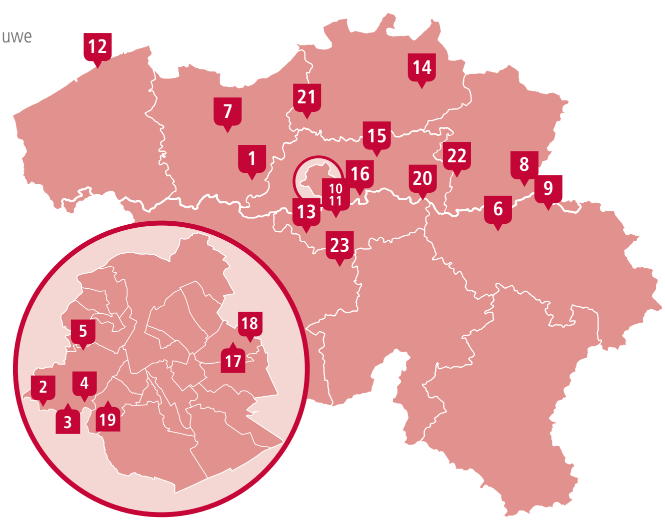
Anima invested 11.5 million euros in 2020, of which the majority in its new-build projects. These investments led to an increase of the net financial debt (incl. IFRS 16 Leases) from 140.3 million euros at December 31, 2019 to 151.4 million euros at December 31, 2020, and to an increase of the balance sheet total from 244.7 million euros to 264.3 million euros.

OPERATIONAL OVERVIEW 2020

The first quarter of 2020 was off to a promising start with the opening of the new residential care centre Nuance in Vorst (121 beds) and the permission to expand the new residential care centre Kristallijn in Bilzen (from 57 beds to 106 beds).

Due to the outbreak of the corona crisis, the ambitions for 2020 could not be fulfilled. Some of Anima's care centres were spared of coronavirus outbreaks. Regret-

1. De Toekomst - Aalst
2. Alegria - Anderlecht
3. Edelweiss - Anderlecht
4. La Roseraie - Anderlecht
5. Home Scheut - Anderlecht
6. Château d'Awans - Awans
7. Kruyenberg - Berlare
8. Kristallijn - Bilzen
9. Les Comtes de Méan - Blegny
10. Le Rossignol - Braine-l'Alleud
11. Villa 34 - Braine-l'Alleud
12. Duneroze - Wenduine
13. Au Privilège - Haut-Ittre
14. Aquamarijn - Kasterlee
15. Atrium - Kraainem
16. Résidence St. James - La Hulpe
17. Arcade - Sint-Lambrechts-Woluwe
18. Neerveld - Sint-Lambrechts-Woluwe
19. Nuance - Vorst
20. Zevenbronnen - Walshoutem
21. Zonnesteen - Zemst
22. Ravelijn - Zoutleeuw
23. Les Trois Arbres - Mellet



In 2020, living and working at the residential care centres of Anima has been complicated due to the COVID-19 pandemic. AvH would like to pay a sincere tribute to all employees of Anima's residential care centres. They have given their utmost to support, help and care for their residents, often in exceptionally difficult conditions. Unfortunately, they have not been able to shield every residential care centre from the effects of the COVID-19 virus. Our thoughts therefore go to all employees, residents and their families who were confronted with the crisis.

Anima

tably, additional deaths were reported in care centres where the virus did manage to strike.

During the crisis, Anima made every possible effort to support and protect the local teams and residents with extra staff and resources. The employees have given their very best to keep guaranteeing the quality of service in this crisis.

Not only the excess deaths due to COVID-19, but also the admission stop during the first lockdown, the isolation of the residents, and the fear of becoming infected with the virus in a residential care centre resulted in a significant decrease of the occupancy rate in the existing residential care centres and convalescent homes, and caused a considerable delay in the ramp-up of the latest new-build projects.

Even during the corona crisis, Anima forged ahead with the development of the group.

- In the spring, construction work began on a residential care centre with a capacity of 197 beds on the Tour & Taxis site in Brussels.
- On July 1, Anima acquired the real estate and operation of the residential care centre Les Trois Arbres, with 54 beds, in Mellet.
- In the autumn, construction work began on a new care centre with 129 nursing home beds and 32 service flats on the Parc de l'Alliance site in Braine-l'Alleud. This new-build project is being realised in partnership with AG Real Estate and AXA.

Anima NV

(€ 1,000)	2020	2019	2018
Turnover	**95,819**	89,276	84,290
EBITDA	**20,739**	19,459	16,211
EBIT	**9,474**	10,579	9,719
Net result (group share)	**3,711**	5,382	5,060
Shareholders' equity (group share)	**68,699**	64,981	59,518
Net financial position	**-151,448**	-140,337	-99,127
Balance sheet total	**264,347**	244,723	204,258
Personnel	**1,553**	1,511	1,416

OUTLOOK 2021

The operating activities in the first half of 2021 will still be affected by the COVID-19 crisis. The vaccination campaign offers the hope that the tide will turn soon afterwards. Nevertheless, it will take time to restore the occupancy rate to the desired level.

Besides the new-build projects on the Tour & Taxis site in Brussels and the Parc de l'Alliance site in Braine-l'Alleud, where construction work began in 2020, Anima is making preparations for a new-build project in Oudenaarde (64 nursing home beds and 20 service flats) and a new care centre in Putte (98 nursing home beds and 15 service flats).

A project is also in preparation for an extension of the residential care centre Atrium in Kraainem to increase the capacity from 44 to 67 nursing home beds.

In 2021, Anima will continue to invest in its development as a high-quality and professional group where satisfied staff who have their heart in the right place give their very best day after day to make residents happy by giving them good care and offering them a warm home. To reinforce its mission, Anima Care has chosen to change its name to Anima with the slogan "We like to see you happy".

PARTNERS FOR SUSTAINABLE GROWTH

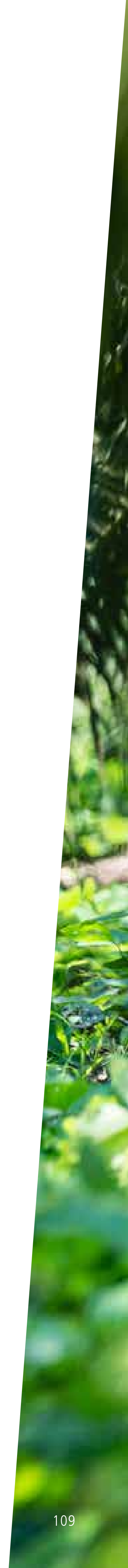
- In 2020, Anima launched a new quality assurance system that measures the quality of care on the basis of KPIs that apply without distinction to all of Anima's residential care centres.
- At the end of 2019 and in 2020, Anima opened four state-of-the-art new-build projects, and closed older and less environmentally friendly operations.
- Anima also launched its climate action plan with the aim of generating 22% less CO_2 emissions at group level over a period of 10 years.
- Anima underscored its commitment to being a good place to work by taking part in 2020 for the first time in the Great Place to Work survey.
- Anima also elaborated its own Corporate Governance Code in 2020.

www.animagroup.be

anima

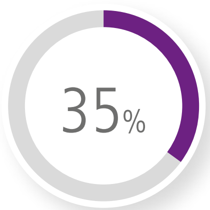
ENERGY & RESOURCES

Thanks to increasing market prices for palm oil (SIPEF) and cement (Sagar Cements), the results of 'Energy & Resources' showed a clear improvement.



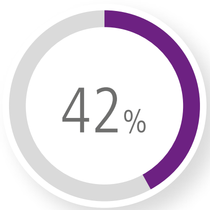
Contribution to the AvH consolidated net result

(€ million)	2020	2019	2018
SIPEF	**4.3**	-2.3	7.8
Verdant Bioscience	**-0.6**	-	-
Sagar Cements	**3.1**	0.8	-0.1
Total	**6.8**	-1.5	7.7



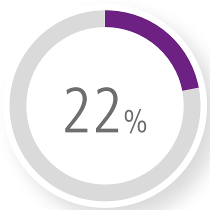
SIPEF

SIPEF specializes in certified sustainable production of tropical agricultural commodities, primarily palm oil.



Verdant Bioscience

Biotech company Verdant Bioscience develops F1 hybrid palm oil seeds with a higher yield as their main characteristic.



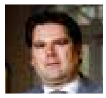
Sagar Cements

Sagar Cements, with headquarters in Hyderabad (India), is a listed cement manufacturer.


François
Van Hoydonck


Charles
De Wulf


Thomas
Hildenbrand


Robbert
Kessels


Johan
Nelis

Shareholding percentage AvH: 35%

SIPEF

The listed agro-industrial group SIPEF produces sustainable certified tropical agricultural commodities, primarily crude palm oil and palm products.

SIPEF is convinced that palm oil, as the most productive and efficient vegetable oil, is an essential part of a balanced diet for an increasingly large and wealthy global population. Its goal is to be a reliable partner for its customers, suppliers, employees and other stakeholders in the production and sale of sustainable palm products.

As a tropical agricultural company, SIPEF remains focused on the production and sale of palm products: crude palm oil, palm kernel oil and palm kernels. SIPEF continues to do that within the framework of certified goods flows covered by the RSPO and the International Sustainability and Carbon Certification (ISCC), for use in the food industry and green energy production respectively. Those checks also go for the other products (rubber, tea and bananas), which are all certified, with full traceability of the raw materials and produced with respect for people and nature.

In recent years, SIPEF has taken an important step forward in the 'No Deforestation, No Peat, No Exploitation' movement with its own 'Sustainable Plantation Policy', which is constantly fine-tuned. This guarantees that the palm oil that SIPEF puts on the market is not only certified, but has also caused no harm to people or the environment in the process of expansion.

SIPEF: Production

(Tonnes)[1]	2020	2019
	329,284	312,514
	6,011	6,326
	2,762	2,331
	31,158	32,849

[1] Own + outgrowers

FINANCIAL OVERVIEW 2020

SIPEF realised an increase of its total production of RSPO compliant, certified 'segregated' sustainable palm oil by 5.4% to 329,284 tonnes, compared to 312,514 tonnes in 2019.

All the group's production units remained operational, without loss of volume or yield, despite COVID-19. Palm oil production in Indonesia was almost stable (+0.7%). In North Sumatra, volume recovery from last year's drought remained limited, while in the expansion regions in South Sumatra, production growth continued vigorously. The plantations of Hargy Oil Palms affected by last year's volcanic eruptions recovered, so that SIPEF's total palm oil production in Papua New Guinea increased by 14.9%.

In 2020, the average world market price for crude palm oil (CPO) was 715 USD per tonne of CIF Rotterdam, which is 26% higher than in 2019. The turnover for palm oil increased by 12.6% due to a combination of higher production volumes and a higher world market price for CPO. By contrast, the turnover for rubber decreased sharply by 14.2% in 2020, while the turnover for tea increased by 15.5%, and the turnover for bananas remained almost unchanged. Consequently, the total turnover increased to 274.0 million USD (+10.4% compared to 2019).

The fixed export levy which Indonesia had reintroduced since January 2020 had a total impact of approximately 74 USD per tonne over the full year 2020. Thanks to the strong recovery of palm oil prices during the second half of the year, the net result over the full year 2020 increased to 14.1 million USD, compared to a loss of 8.0 million USD in 2019.

OPERATIONAL OVERVIEW 2020

- **Palm oil**

After a year of extreme weather effects in 2019, the climatic conditions in Indonesia and in Papua New Guinea were clearly far more favourable in 2020, allowing SIPEF to look forward to a normalised growth pattern in most of its plantations, with precipitation volumes that were well spread over the year.

The aftermath of the drought of 2019 still had its expected effect on the production of the third quarter, but persisted for longer than expected in the older plantations in the fourth quarter.

" SIPEF REALISED AN INCREASE OF ITS TOTAL PRODUCTION OF CERTIFIED SUSTAINABLE PALM OIL BY 5.4% TO 329,284 TONNES."

FRANÇOIS VAN HOYDONCK,
CEO

SIPEF - Young palm plant

SIPEF - Mature palms

Indonesia

All annual production volumes were increasing, except for the mature plantations of the Tolan Tiga group in North Sumatra, where the average weights of the fruits remained below expectations, especially for the older palms. Consequently, a decrease of 11.6% was reported for the fourth quarter. The annual palm oil production volume decreased by 4.5% relative to 2019. By contrast, both the younger UMW/TUM plantations in North Sumatra and the Agro Muko plantations in Bengkulu province that are currently being replanted closed the year with a slight increase relative to 2019. The young, mature plantings in South Sumatra continued their steady growth with an annual volume increase of 10.9%, and will in the next few years remain the principal growth factor of the SIPEF group in terms of volumes.

Papua New Guinea

In 2020, SIPEF in Papua New Guinea produced 479,406 tonnes of fresh fruit bunches (FFB) in total, of which 269,616 tonnes from SIPEF's own plantations and 209,790 tonnes from local smallholders. This represented a production increase of 8.9% relative to 2019. This increase is primarily due to the recovery of the areas that were affected by the volcanic eruptions in 2019, and to a less intense rainy season in the Hargy and Navo plantations, which began in January 2020 and only lasted until the end of February, whereas usually it keeps raining until the end of April. Together with a better planning of the harvesting rounds, this had a positive impact on the harvest and on the quality of the FFBs. During the rest of the year, Hargy Oil Palms reported average rainfall, with the exception of the unusually dry December month, which caused the rainy season of 2021 to begin later than usual.

A very substantial part of the production (44%) at Hargy Oil Palms derives from the processing of fruits from the local smallholders who are all certified for RSPO, like the SIPEF plantations and mills. The own plantations accounted for an increase of 11.0% compared to last year, and the production from fruits supplied by local smallholders even increased by as much as 20.2%, since those planted areas were less affected by the volcanic eruptions in 2019.

The three consecutive eruptions in June, August and October 2019 had a major impact. Approximately 45% of the planted areas suffered from the descending ashes and cinders. The 3,000 hectares that were affected are gradually recovering, yet focus is now mainly on cleaning up the plantations, while production will gradually resume in 2022. No lasting effects are to be expected once the palms have once more grown sufficient foliage.

SIPEF - Processing of palm fruits

Investments

Due to the travel restrictions related to COVID-19, a number of planned industrial investment projects were delayed, such as the necessary expansion of the processing capacity of the Dendymarker palm oil mill and the start-up of a biocoal plant for high calorific value pellets manufactured from palm fibre. However, the investment programmes related to the expansion in South Sumatra in Indonesia continued steadily in 2020. The cultivated hectares in Musi Rawas increased by 1,811 hectares to a total area of 14,014 hectares. A total of 5,207 hectares have also already been replanted in the nearby Dendymarker plantation.

As a result of these recent achievements, a total of 83,685 hectares was planted in the SIPEF group by the end of 2020, and the supply base (including local smallholders) is over 100,000 hectares, for delivery to nine palm oil processing mills in Indonesia and Papua New Guinea.

• Other products

In 2020, too, rubber, tea and banana plantations continued to form part of the tropical agricultural activities of the group, albeit with varying success in terms of their contribution to the results.

The rubber markets continued to be confronted with low prices, particularly in the first half of the year. The temporary COVID-19 effect on commodity prices also impacted on the demand for natural rubber. Soon, however, prices began to recover in June, which ensured that the losses of the first half-year were not exacerbated in the second half of the year. Nevertheless, due to the low yields and the result of the impact of the Pestalotiopsis fungus, the gross margin for natural rubber remained negative for the third year in a row.

The tea division also had to contend with an oversupply on the Kenyan markets, which meant that for a whole year the price offered for the high-quality, hand-picked Javanese tea from the Cibuni plantation was far too low. Despite a good production volume, the year nevertheless closed with a negative contribution. SIPEF is in the process of optimising the costs in response to the low sales prices, which are set to persist in 2021.

Following a thorough review of the management structure in 2018, the production and export of bananas from Ivory Coast continues to make a very even contribution to the gross margin of the group, despite the fact that in 2020 a slight decrease of the production volume by 5.2% was reported relative to 2019. This was the result of a standardisation of the replanting programmes in the newest plantations. The good export quality, combined with high-quality packaging standards, gives SIPEF access to a niche market that continues to guarantee stable returns through annual contracts.

OUTLOOK 2021

The long-term expectations for palm oil generally remain very favourable. This is based on the evidence of a growing world population, especially in countries in the southern hemisphere, where the population takes the increasing consumption of palm oil as a basic ingredient of their diet for granted. Worldwide - with the exception of Europe - this vegetable oil is gaining an ever increasing share of the food and biofuel industries. This is due, among other things, to its efficient industrial processing and its low cost compared to other vegetable oils. Farmland acreage is becoming increasingly scarce. Palm oil has a yield per hectare that is five to ten times greater than all other vegetable oils, and this yield will continue to increase as a result of efficiency improvements.

The short-term outlook is very good. Because of the low prices of the past two years, the smallholders worldwide fertilised their plantations far less than usual, and they represent just under half of the world production. This had an impact on the current production volumes and on those for the next year. The general increase in planted hectares is also still very much restricted by ecological measures. Additionally, the demand for palm oil, partly due to the increasing government mandates for biofuels in Indonesia and Malaysia, is strong enough to reduce the accumulated stocks to levels unseen during the last 12 years. This was reflected in strong palm oil prices in 2020, except for the brief decline related to the corona crisis. These strong prices are expected to hold up on the world market in the next two years.

However, the excessive government levies on Indonesian palm oil supplies that were suddenly introduced at the end of 2020 are limiting the group's profit potential on its Indonesian production. Thanks to the strong market and good production expectations, SIPEF expects better results in 2021.

SIPEF NV

(USD 1,000)	2020	2019	2018
Turnover	**274,027**	248,310	275,270
EBITDA	**73,682**	47,225	88,811 [1]
EBIT	**30,778**	4,940	50,065 [1]
Net result (group share)	**14,122**	-8,004	30,089
Shareholders' equity (group share)	**638,688**	628,686	644,509
Net financial position	**-151,165**	-164,623	-121,443
Balance sheet total	**946,641**	943,125	938,368

[1] Including capital gain (USD 7.4 mio) on sale of BDM-Asco

SIPEF - Palm fruits

PARTNERS FOR SUSTAINABLE GROWTH

- Sustainability is an essential aspect of SIPEF's corporate model. The management of plantations is inextricably linked to respect for the planet and for people. SIPEF undertakes to establish and manage plantations in a safe, responsible and sustainable way with focus on best practices. All palm oil produced by SIPEF meets RSPO's sustainability standards. The group also directly and indirectly creates employment and prosperity in often remote areas.
- SIPEF's ESG policy is reflected in the Responsible Plantation Policy and in the Responsible Purchasing Policy, which is assessed each year by the board of directors, and in which the corporate values are translated into the following principles: 1) no new use of peatlands, 2) no deforestation, and 3) no social exploitation. In 2019, the company published its first annual extensive sustainability report.
- SIPEF chose the following material ESG factors at its level: certification, biodiversity, zero deforestation, zero forest fires, reduction of greenhouse gas emissions, efficient and safe use of chemical products, reduction of water footprint, increase of profitability, decent working conditions, health and well-being, development of local communities, care for the smallholders, and traceability. In this way, SIPEF contributes to the achievement of several SDGs.

www.sipef.com

SIPEF

Brian
Dyer

Brian
Forster

Juan-Carlos
Martinez

Stephen
Nelson

Shareholding percentage AvH: 42%

VERDANT BIOSCIENCE

Verdant Bioscience (VBS) is a biotech company established in 2013 with the primary objective of developing high-yielding F1 hybrid oil palms.

High-yielding F1 hybrid oil palms are expected to deliver a significant potential in terms of yield and productivity enhancement in the global palm oil industry. Increasing yields per unit area is considered the only real solution to meeting the world's growing demand for vegetable oil without increasing planted areas. This could remove the risk of further loss of rainforests and biodiversity. Palm oil is already the world's highest yielding vegetable oil, but there is still the physiological potential to at least double the yields per hectare.

PT Timbang Deli Indonesia, the operating entity of VBS, continued to produce and sell conventional oil palm seeds for the Indonesian market in 2020, although sales and marketing were hampered as a result of the pandemic. VBS is the first Indonesian seed producer to market semi-clonal seed, using clones produced by a tissue culture process as female seed palms. The production of semi-clonal seed allows VBS to produce selected elite crosses under the brand name of Verdant Select.

Despite the challenges of working during a pandemic, the F1 hybrid programme made good progress. Candidate F1 hybrid crosses were planted in the nursery with a view to being planted out in the field in 2021. Further testing of new F1 hybrid crosses will continue with mother plants of different genetic backgrounds. Successes were also achieved in increasing the frequency of crossings with F1 hybrid mother plants with specific genetic backgrounds.

VBS works together with a.o. SIPEF to test commercial varieties of candidate oil palms at its plantations in Sumatra. The agronomists and staff of Verdant also make recommendations to realise the potential of the SIPEF plantations, chiefly by increasing the yield per hectare.

In 2020, AvH acquired a 42% stake in VBS, representing an investment of 7 million USD. For AvH, this acquisition is a strategic investment in line with its 34.68% interest in SIPEF. SIPEF itself holds a 38% interest in VBS.

Verdant Bioscience

PARTNERS FOR SUSTAINABLE GROWTH

- Higher yields from Verdant seed will mark a very significant step forward for the environment and will help to meet the market demand for vegetable oil, while at the same time removing the pressure to destroy forests and biodiversity.
- VBS is working on the development of effective integrated strategies to combat harmful organisms and diseases and to prevent and control commercial losses in oil palms, rubber and tea. Emphasis is on biological pest control, minimising the use of pesticides.

www.verdantbioscience.com

Verdant BIOSCIENCE

Shareholding percentage AvH: 22%

Sreekanth Reddy

Prasad Kolluru

SAGAR CEMENTS

Sagar Cements is a listed manufacturer of cement, with headquarters in Hyderabad (India). The factories in the states of Telangana and Andhra Pradesh, in the south of India, have a total cement capacity of 5.75 million tonnes per year.

Even before the start of one of the strictest lockdowns in the world, at the end of March 2020, India faced structural challenges, such as a credit crisis, low private investment, low consumption and a grim situation on the labour market. In this context, the IMF expected an 8% decrease of the Indian GDP in 2020 and a return to growth in 2021 with an 11.5% increase. Furthermore, the cement industry was hard hit by the lockdown and the resulting delays in the construction industry. In April 2020, the industry nearly came to a standstill (-85% relative to April 2019). It gradually recovered later on, returning in October 2020 to a pre-COVID level, driven by a strong demand in rural areas (after a good monsoon) and a recovery of the infrastructural activities.

Despite the pandemic, Sagar reported a very strong result in 2020. The turnover increased only slightly by 2% (in INR), from 12.4 billion INR in 2019 to 12.6 billion INR (141 million euros) in 2020. However, the EBITDA increased during the same period by 70% (in INR), from 2.1 billion INR to 3.5 billion INR (39 million euros). This improved profitability was due to a favourable price environment, combined with efforts in terms of cost rationalisation, such as an improvement of energy efficiency, increasing consumption of alternative fuels, and limitation of average transport distances.

Sagar also continued its expansion projects in Madhya Pradesh (cement factory with a production capacity of 1 million tonnes) and Orissa (grinding station with a capacity of 1.5 million tonnes). These two plants are expected to become operational in the second half of 2021. This is in line with Sagar Cements' strategy aimed at increasing its capacity to 10 million tonnes by 2025, and further expanding its market reach into regions with a strong potential for growth.

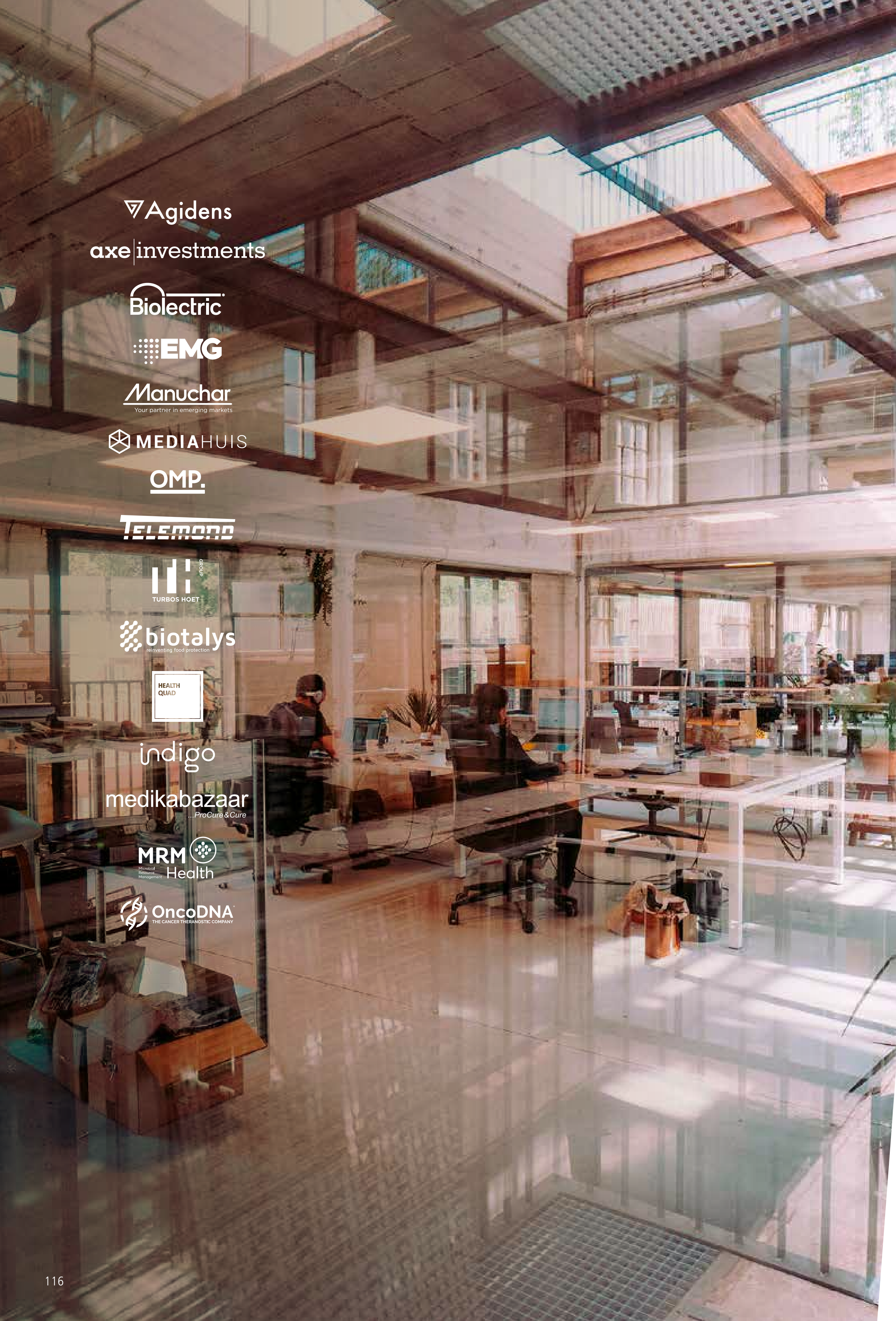
Sagar Cements LTD

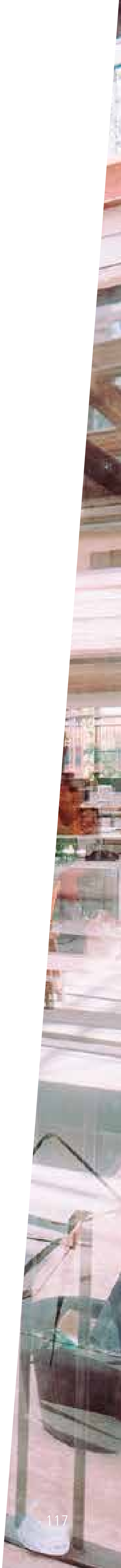
	2020		2019	2018
	€ 1,000	INR (mio)	INR (mio)	INR (mio)
Turnover	**140,804**	**12,572**	12,374	11,466
EBITDA	**39,110**	**3,492**	2,052	1,302
EBIT	**29,938**	**2,673**	1,303	677
Net result (group share)	**15,384**	**1,374**	4,417	-4,200
Shareholders' equity (group share)	**143,107**	**12,128**	9,480	7,704
Net financial position	**-67,174**	**-5,693**	-4,683	-5,366
Balance sheet total	**271,758**	**23,032**	18,711	17,507

PARTNERS FOR SUSTAINABLE GROWTH

- Sagar continues to invest in green energy and energy-efficient equipment. It has already made much progress in its capacity to work with alternative fuels/biomass and so become less dependent on carbon-based energy sources. In 2020, Sagar replaced approximately 4% of carbon-based fuels by alternative fuels at the factory in Mattampally. The aim is to increase this to 15% over the next three years.
- Other priorities include good mining practices, technology and data driven manufacturing processes, proactive limitation of waste, and strict control of emissions.
- Sagar regularly works together with local communities and actively invests in their inclusion and empowerment. Examples include the sponsoring of local schools, health camps, irrigation works and eye tests for truck drivers.

www.sagarcements.in


Agidens
axe investments
Biolectric
EMG
Manuchar
Your partner in emerging markets
MEDIAHUIS
OMP.
TELEMOND
TURBOS HOET GROUP
biotalys
reinventing food protection
HEALTH QUAD
indigo
medikabazaar
...ProCure & Cure
MRM Health
Microbial Resource Management
OncoDNA
THE CANCER THERANOSTIC COMPANY



AvH & GROWTH CAPITAL

The participations in the 'Growth Capital' segment generally held up well. The decreased contribution of 'AvH & subholdings' to the result is mainly due to a negative value development of AvH's investment portfolio (last year this was positive).

Contribution to the AvH consolidated net result

(€ million)	**2020**	2019	2018
Contribution of participations	**12.7**	17.6	-6.9
AvH & subholdings	**-13.5**	-3.5	-13.7
Capital gains/losses	**3.1**	112.9	-2.2
Total	**2.3**	127.0	-22.8

86% Agidens[1]

48% AXE Investments

60% Biolectric Group

23% Euro Media Group

30% Manuchar

13% Mediahuis

20% OMP

50% Telemond

50% Turbo's Hoet Groep

Non-consolidated[3]

13% Biotalys

36% HealthQuad I Fund

22% HealthQuad II Fund

9% Indigo Diabetes

10% Medikabazaar[2]

17% MRM Health

10% OncoDNA

[1] Including through AXE Investments - [2] Including through HealthQuad - [3] Fully diluted

AvH & GROWTH CAPITAL

AvH makes venture capital available to a limited number of companies with international growth potential. The investment horizon is longer on average than that of the typical private equity providers. The diversified nature of these investments and the healthy balance sheet structures that are employed in that respect contribute to a spread of the economic and financial risks.

The selective investment policy takes account of a number of global trends, a sustainable growth potential, and realistic long-term business plans. Special attention is paid to the quality of the management team, talent development, operational improvements, innovation, and other ESG aspects such as respect for the environment, people and society. By restricting the number of participations, the AvH team is able to build up an in-depth understanding and help shape the strategy in an informed manner. In workshops, group companies can share best practices.

In a year marked by major economic disruption with implications that few could have suspected at the beginning of 2020, the AvH model proved its strength. The focus on strong corporate cultures with concern for staff well-being became clearly apparent by the great resilience that the participations displayed and the fact that only one participation needed limited financial support from AvH. The severe economic downturn initially led to a sharp decline of the European M&A market, which however picked up again at the end of the year. Emphasis was increasingly on high-tech companies, in line with the trend of previous years, and on companies active in health care. This is driven by the accelerated need for digitalisation, as well as by the low interest rate environment that offers more scope for venture capital. The persistent low interest rates also inflate valuations, calling for selectivity. Private equity funds are accumulating more and more unused capital - more than 1 trillion USD worldwide -, since they still offer a reasonable prospect of return. The public markets are characterised by great volatility and a number of conventional companies are leaving the stock exchange. Sustainability is getting increasing attention in the investment analyses.

In private equity, many portfolio companies are increasingly acknowledging the merit of strong shareholders who, besides a financial contribution, also provide active support and networks. The interaction between strong investment teams and active boards of directors, which together offer a sounding board to management teams, is a success factor which AvH also keeps focusing on.

AvH can look back on another busy investment year. Numerous projects were examined. Participating interests were taken, or additional investments were made, in venture capital firms active in health care (Biotalys, Indigo Diabetes, MRM Health and OncoDNA), with strong R&D activities which will involve substantial development costs for many years yet. Additional investments were also made in the fast-growing sector of (digital) health care in India by assuming the role of anchor investor in HealthQuad's second investment fund as well. Towards the year-end, a major participating interest was taken in OMP, a burgeoning software company that is active worldwide in supply chain planning.

CONTRIBUTION OF THE PARTICIPATIONS

Despite COVID-19, the contribution of Growth Capital to AvH's results held up well.

Mediahuis recorded a particularly strong result in a difficult sector, with a number of one-off windfalls, but also restructuring costs and costs associated with a number of acquisitions, such as in Luxembourg and the Netherlands. These also explained the increase of the turnover. For many participations, the COVID-19 context sometimes had a substantial impact on the turnover, although specific measures enabled them to limit the decrease in turnover fairly well. This was the case with Manuchar, Turbo's Hoet Groep, Agidens and the Telemond group. Euro Media Group was not only confronted with the cancellation of most major events such as the Olympic Games or football tournaments, the big regular sports competitions were temporarily suspended as well, causing rapidly mounting losses. Biolectric also reported a limited loss, which however was mainly due to a renewed commercial approach. OncoDNA continued to invest in the development of its products, and acquired control over the listed company IntegraGen with a view to expanding its range of services.

NET CAPITAL GAINS/LOSSES

At the beginning of 2020, AvH sold its 50% stake in the Indian company Oriental Quarries & Mines to the co-shareholder, yielding a capital gain of just under 3 million euros.

AvH & SUBHOLDINGS

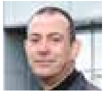
The decreased contribution of 'AvH & subholdings' to the result is mainly due to a negative value development of AvH's investment portfolio (last year this was positive). AvH's investment portfolio, which partly consists of funds managed by Delen Private Bank and of financial assets, is measured at market value on the closing date. Over the full year 2020, the market value adjustment of it resulted in a negative impact of 1.7 million euros.

“ WE REMAIN COMMITTED TO INVEST IN STRENGTHENING OUR PORTFOLIO, AND INVESTING IN A MORE SUSTAINABLE AND DIGITAL SAVVY WORLD.”

JAN SUYKENS,
Chairman of the executive committee

Shareholding percentage AvH: 86%

Hedwig Maes



Arnoud den Hoedt

Steven Peeters

Pieter Tilkens

Ken Watzeels

AGIDENS

Agidens, an independent systems integrator, provides advice, engineering and automated solutions for industrial processes. The group currently has about 650 employees, spread across Belgium, the Netherlands, France, Switzerland and the US.

Despite difficult market conditions and a change of CEO, Agidens reported a strong order intake in 2020 (92 million euros), in line with the record year 2019. This was the result of a focused strategy in which Agidens invested in profitable growth through innovative solutions and the expansion to new markets, in combination with the expertise and flexibility of its workforce. Agidens closed 2020 with the highest EBITDA of the last 4 years at 7.4 million euros (a 17% increase relative to 2019).

Life Sciences realised a strong turnover increase (+22%), partly thanks to its contribution in the automation of production installations for the COVID-19 vaccine. Agidens also strengthened its market position in Switzerland with the successful implementation of a large-scale automation project for a pharmaceutical multinational.

Oil & Gas further expanded its market position with new projects for existing and new customers. The modular and innovative packaged solutions for Terminal Management Systems make Agidens an important international partner for digital transformation in the field of process automation.

Infra was confronted in 2020 with delays in the decision-making process for investments in new projects, yet also saw an increase in contracts for the upgrading of existing installations. This will be reflected in 2021 in a turnover increase, with new framework contracts for automation platforms for locks in Flanders.

Agidens

Food & Beverages and Fine Chemicals reported a 15% turnover increase, thanks to an increasing demand for further digitalisation to improve productivity. The strategic focus and the offering in MES (Manufacturing Execution Systems) with related services led to an improvement of both the market position and the profitability.

Agidens NV

(€ 1,000)	2020	2019	2018
Turnover	**91,688**	92,875	82,550
EBITDA	**7,363**	6,297	-2,996
Net result (group share)	**1,299**	1,326	-6,180
Shareholders' equity (group share)	**17,583**	16,548	15,557
Net financial position	**-11,873**	-16,021	-4,690

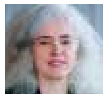
PARTNERS FOR SUSTAINABLE GROWTH

- A sustainable ESG policy is one of the priorities of Agidens, and this is reflected in the Level 5 certification on the CO_2 Performance Ladder and the EcoVadis 2019 CSR Silver Medal.
- Agidens builds sustainable systems to improve quality, safety and efficiency and reduce raw material consumption.
- Agidens continuously pursues improvement for all stakeholders and the focus on the well-being of employees in a spirit of respect, sense of responsibility, open-mindedness and excellence.
- Agidens has a Code of Business Conduct and invests heavily in innovation.

www.agidens.com

Shareholding percentage AvH: 48%

Christian Leysen



Saskia Lapere

Veerle Peeters

AXE INVESTMENTS

AXE Investments is an investment company with participations in the IT group Xylos and in Agidens. In addition, AXE Investments also owns part of the Ahlers building on the Noorderlaan in Antwerp.

Together, the results from the participation in Xylos and the rental income from the Ahlers building determined the annual result of AXE Investments.

Xylos is a leading company in the Belgian ICT landscape, focusing on the digital transformation of its customers. Xylos offers solutions for change management, the digital workplace and cooperation platforms, Intelligent Cloud and ICT infrastructure.

In 2020, focus was on user adoption, more than ever a differentiator for Xylos. It was able to support its customers in the area of IT with the necessary fast transition to digital workplaces and at the same time offer the tools and training to let their staff work efficiently in this new environment. Xylos also responds to the latest trends in learning and user adoption. One example is the Teams Escape Room App: an easy-to-implement hands-on game in which employees interactively learn to use Microsoft Teams efficiently.

The software and Internet of Things company Bagaar is also part of the Xylos group. Bagaar assists and supports its customers from A to Z in their digital transformation: from strategic, customised advice to the creation and development of new online tools and digital platforms and products.

The Xylos group employs 250 people, and has offices in Brussels, Antwerp, Herentals and Ghent.

Digital workplace

AXE Investments NV[1]

(€ 1,000)	2020	2019	2018
Turnover	**568**	630	634
EBITDA	**168**	122	183
Net result (group share)	**-434**	-68	226
Shareholders' equity (group share)	**14,407**	14,841	14,909
Net financial position	**4,470**	4,463	4,073

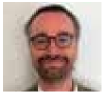
[1] The figures of Agidens are not consolidated at the level of AXE Investments.

PARTNERS FOR SUSTAINABLE GROWTH

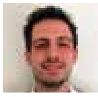
- With its DRIVE values, Xylos focuses on Diversity, Respect, Innovate, Vision and Entrepreneurship.
- In this context, Xylos in 2020 signed the Pioneering Employer Charter, an initiative that ties in perfectly with its vision of supporting three pillars of sustainability with focus on the employee: less on the road, human-centred hybrid working, and smarter and greener on the road.
- Xylos actively stimulates environmentally friendly modes of transport. The car fleet consists only of hybrid and electric cars, and staff are given a mobility budget that can be spent on (electric) bicycles or public transport.
- Designing a digital - location-independent - workplace is one of the key skills of Xylos, not only for customers, but for its own staff as well. For Xylos this means continuing down the chosen path, with permanent focus on jobs in which flexibility, mutual trust and efficiency are prioritised.

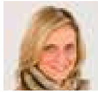
www.axe-investments.com

Shareholding percentage AvH: 60%


Philippe Jans


Hans Degrande


Laurens De Vos


Els Van Brussel


Klaas Vanhee

BIOLECTRIC GROUP

Biolectric is market leader in the production and sale of compact biogas installations (11 to 74 kW) intended for cattle and pig farms and water purification stations. Thanks to the anaerobic digestion technique, methane gas from manure and sludge is converted into sustainable electricity and heat, avoiding the emission of harmful greenhouse gases.

Biolectric closed the challenging year 2020 with 89 new orders for biogas installations, of which around 70% from France and the Netherlands. The group reported a growing interest in its high-performance 74 kW type installations. This means an increase by more than 50% for the second year in a row (56 units in 2019 and 36 units in 2018). Despite the restrictions on international travel, 52 installations were set up in several countries, of which 9 with retention of ownership in Belgium and the Netherlands. This puts the accumulated asset value of this new activity at 1.4 million euros. In 2020, a turnover of 8.6 million euros was realised, which is also approximately 50% more than in 2019.

In 2020, Biolectric also introduced certain innovations to improve the quality and continuity of the installations, such as a foam breaker and an automatic oil filling system.

In 2020, direct sales by Biolectric's own sales team increased significantly. Where in 2019, 59% of the units were still sold through partners, that percentage had decreased to 36% in 2020. This is the result of the strategic choice of relying more on the company's own sales teams and of the greater impact of COVID-19 on the sales through partners. Nevertheless, the sharp increase in direct sales allowed the company to land perfectly on its ambitious target for 2020. Although this shift leads to a longer sales cycle, it has the advantage that the company can keep a larger part of the margin for itself and creates greater certainty and a clearer view of the order book. As a result of this longer sales cycle, the substantial investments in the sales organisation will only begin to generate extra turnover after 12 to 18 months. For that reason, Biolectric reported a limited loss in 2020 (-0.1 million euros).


Biolectric

Biolectric NV

(€ 1,000)	2020	2019
Turnover	**8,588**	5,830
EBITDA	**199**	75
Net result (group share)	**-125**	-127
Shareholders' equity (group share)	**9,774**	9,902
Net financial position	**-3,691**	-3,323

PARTNERS FOR SUSTAINABLE GROWTH

- The global livestock population is responsible for about 10% of all greenhouse gas emissions. A solution to the emission of methane gas, a greenhouse gas that is 28 times (even 34 times according to some sources) more harmful than CO_2, will therefore have a huge impact on efforts to control global warming. Biolectric can make a significant contribution to these efforts. By installing one digester, an average Belgian farm can avoid 270 tonnes of CO_2 equivalents of methane gas emissions, which corresponds to the annual emissions from 150 cars. Biolectric's solution thus creates a win-win situation for farming and the environment.

www.biolectric.be

Shareholding percentage AvH: 13%
(non-consolidated)

Patrice Sellès | Diego Angelo | Mark Chadwick | Luc Maertens | Wim Ottevaere | Hilde Revets | Mike Stepan

BIOTALYS

Biotalys, a spin-off of VIB (Flemish Institute for Biotechnology) founded in 2013, is a fast-growing crop and food protection company which disposes of a groundbreaking technology platform to develop effective and safe products with novel modes of action, addressing key crop pests and diseases across the whole food value chain.

Despite the COVID-19 crisis, Biotalys managed to realize a number of important milestones in 2020.

In March, the company raised an additional 10 million euros, bringing the total amount of capital raised through its Series C to 45 million euros. The financial round was supported by the current shareholders, including AvH, and US investor Novalis LifeSciences.

The company was awarded 2 research grants by Flanders Innovation & Entrepreneurship (VLAIO) for a total amount of 2.7 million euros. One grant will support the development of cost-efficient microbial cell factories for the industrial production of Biotalys' biocontrols. The other grant serves the development of protein-based bactericides for the management of bacterial plant and fruit diseases.

The company's highly qualified research team continued making progress on the pipeline of additional bio controls addressing pests, bacterial diseases and fungi.

Following the successful completion of extensive field trials and regulatory studies, Biotalys submitted in December 2020 its first protein-based biocontrol, Evoca™, to the Environmental Protection Agency (EPA) in the US for approval. Evoca targets diseases such as Botrytis cinerae and powdery mildew and is on track as a critical market test to reach select regions in the US market in late 2022.

The company has been recognized with a number of industry awards, such as the 'Crop Protection Solution of the Year' and the 'Overall Food Quality Solution of the Year' and has been named a Tracxn #CropTech Startup 2020.

Biotalys has sufficient cash available to realize its goals for 2021, and is actively preparing the next financing round to support its future growth.

AvH wants to make an active contribution to the long- term development of Biotalys as a frontrunner in the market of environmentally friendly and sustainable crop protection.

Biotalys

PARTNERS FOR SUSTAINABLE GROWTH

- Biocontrols represent in 2019 a global turnover of approximately 3.7 billion euros (expected to grow at double digit CAGR for the next decade), out of a total turnover in crop protection of more than 60 billion euros.
- There are several trends and factors that work strongly in Biotalys' favour: the population growth, the need for efficiency improvement in agriculture (including tackling the 30% food waste challenge), the trend towards healthy and environmentally friendly food, and the ever stricter rules on the use of chemical pesticides products.

www.biotalys.com

biotalys
reinventing food protection

Shareholding percentage AvH: 23%

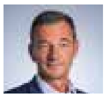

Patrick van den Berg


François-Charles Bideaux


Pauline Bénéat


Xavier Devreker


Bevan Gibson


Timo Koch


Francois-Xavier Quenin


Stéphane Vermersch

EURO MEDIA GROUP

EMG is a leading global provider of broadcast services and media solutions for live sports, entertainment and events, active in 10 countries: France, Belgium, the Netherlands, Germany, United Kingdom, Switzerland, Italy, Luxembourg, the USA & Australia.

While the COVID-19 global pandemic has been a real challenge for the entire industry, EMG has shown a strong resilience capacity, imagining new workflows and accelerating the scope and scale of innovation via the use of remote technologies. During the first lockdown, EMG UK built its first Remote Operation Centre (ROC) in no more than four weeks. It has also increased its competitive advantage by bringing to life diPloy, a cutting-edge IP flypack with currently no equivalent on the market thereby placing EMG as the leading company in broadcasting IP technology. EMG positioned itself as a key player, in the post-covid world where virtual events will certainly become more common. It secured large contracts with international institution maximising its assets such as studios, and augmented reality expertise. The pandemics forced several entertainment productions traditionally captured outside of EMG's markets to relocate, thereby bringing new opportunities for EMG's studios (Benelux, Italy, Germany). In 2020, EMG continued its buy & build strategy with the acquisition of Infront Studios in Italy, enlarging the service offer and reinforcing the links with Infront in the coverage of ski events.

EMG was badly affected by the outbreak of the COVID-19 crisis in 2020. Not only major sporting events, such as the European Football Championship and the Olympic Games were cancelled or postponed, but virtually all big regular sports competitions and other live events were interrupted as well. To make up for this decrease of the turnover by one third, a financing package of 40 million euros was deployed with the support of the French government, EMG's banking pool, and also the shareholders of EMG. AvH Growth Capital has a participation of 22.5%, and contributed 4.1 million euros to this package.


Euro Media Group

On a turnover of 240.9 million euros, EMG booked a net loss of 44.7 million euros (2019: -9.6 million euros), of which 7.1 million euros is due to goodwill impairments and 10.0 million euros to interest charges on convertible bonds that have been converted into capital in Q1 2021. Significant events like the Euro 2020 or Olympic Games have however not been cancelled but postponed to 2021 thereby offering EMG better business perspectives.

Financière EMG

(€ 1,000)	2020	2019	2018
Turnover	**240,850**	337,541	306,644
EBITDA	**13,806**	53,848	55,431
Net result (group share)	**-44,690**	-9,636	838
Shareholders' equity (group share)(1)	**82,081**	104,240	103,364
Net financial position (without convertible bonds)	**-147,687**	-149,373	-68,001

(1) € 125.4 mio convertible bonds, issued by Financière EMG for the benefit of the shareholders of Financière EMG, are included in the shareholders' equity, but not in the net financial position (2019: € 100.5 mio, 2018: € 92.9 mio).

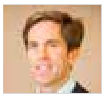
PARTNERS FOR SUSTAINABLE GROWTH

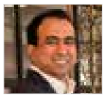
- Research into the carbon footprint of sports TV production and outside broadcasting shows that travel and energy use are two of the areas that require improvement. The rapid implementation of remote technologies immediately saved thousands of crew travel miles for every event.
- EMG has also been accepted in 3 social corporate responsibility programs: Albert (UK); Lucie (France); Film bewegt nachaltig (Germany).

www.euromediagroup.com

EMG

Shareholding percentage AvH:
HealthQuad I Fund: 36% (non-consolidated)
HealthQuad II Fund: 22% (non-consolidated)


Charles-Antoine Janssen


Manish Jha


Pinak Shrikhande


Sunil Thakur

HEALTHQUAD

HealthQuad is an Indian venture & growth capital fund that focuses on the fast-growing Indian healthcare sector.

The Indian healthcare sector has experienced a double-digit growth over the past 10 years and is expected to grow further by 12% per year to 340 billion USD in 2025. The growth is driven by the need for adequate medical infrastructure in the context of India's growing population, rising incomes and improved access to health insurance.

Since 2017, AvH has been a shareholder and member of the investment committee of the HealthQuad I fund, which participates in seven companies in the Indian healthcare sector, including Medikabazaar (AvH 10%). The fund invests in growth companies that have the potential to contribute unique and innovative solutions to improve the efficiency, accessibility and quality of the Indian healthcare sector. Focus segments include specialised hospitals, medical devices and technology, IT/software and related services. With the medical background and expertise of the management and its extensive network, HealthQuad adds operational and strategic value to its participations. The HealthQuad I fund is now fully invested.

In July 2020, HealthQuad successfully completed the first closing of its second fund with more than 68 million USD in committed capital. AvH has assumed the role of anchor investor in HealthQuad II.

Besides AvH, which was also the anchor investor in HealthQuad's first fund, the second fund will be supported by Teachers Insurance and Annuity Association of America (TIAA), the Indian-based SIDBI, Swedfund and Merck & Co. Inc. AvH has earmarked 15 million USD for HealthQuad II. This sum will be invested over a period of 4 years. In line with its active investment strategy, AvH will be represented on the investment committee and on the board of directors of HealthQuad II, and seeks to co-invest with the fund in a few promising portfolio companies.


HealthQuad

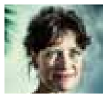
PARTNERS FOR SUSTAINABLE GROWTH

- HealthQuad aims to create a structural and sustainable social impact by focusing on the following objectives:
  - Improving access to health care
  - Making health care affordable
  - Increasing health awareness
  - Improving the quality of health care
- Positive social impact factors take a central place in the decision-making process and go beyond the improvement of health results.
- HealthQuad pursues a holistic improvement of the environment and the communities in which its participations are active.

HEALTH QUAD

www.healthquad.in

Shareholding percentage AvH: 9% (non-consolidated)



Danaë
Delbeke

INDIGO DIABETES

Indigo Diabetes is a high-tech scale-up with the mission of improving the quality of life of millions of people with diabetes with its innovative medical technology.

Indigo Diabetes develops a technology platform for continuous monitoring of glucose and other blood levels using a chip sensor that is invisibly placed under the skin. The sensor will monitor the patient's health unnoticed in the background as an extra sense and report any anomalies. The patented technology which Indigo's innovative application uses is an on-chip miniature optical sensor. It is the world's smallest spectrometer and can be introduced under the skin.

Indigo Diabetes was set up at the end of 2016 as a spin-off from Ghent University and imec, which together form the cradle of integrated photonics worldwide. The company developed the technology at a dazzling speed, from paper concept to pre-clinical prototypes. 2020 was a milestone year for Indigo Diabetes. For the first time worldwide, Indigo's invisible sensor measured glucose, ketone and lactate levels, in vivo and in real time, in a pre-clinical setting.

This milestone marked the start of clinical preparations with a view to performing the first clinical trials in 2021.

Besides the promising pre-clinical results, the successful close of a 'Series B' investment round of more than 38 million euros was the second milestone for Indigo Diabetes in 2020. AvH announced that it will invest 6 million euros, phased according to milestones to be achieved, in Indigo Diabetes as part of this capital round, and as a result acquired a participation of 9.1% (fully diluted). This investment round will allow the company to further develop the sensor into a marketable product and to roll out the necessary clinical trials in Europe and the US.

PARTNERS FOR SUSTAINABLE GROWTH

- As a young company with a potentially great socio-economic impact, Indigo Diabetes prioritised ESG right from the start in its various policy choices.
- Today, Indigo's multidisciplinary team numbers some thirty experts of 12 different nationalities. The HR policy is geared towards an inclusive organisation supported by its diversity.
- Its product development prioritises sustainable product life cycle management, with minimal packaging and no-waste processes.
- Its operational policy, even as a small business, is also focused on sustainability.

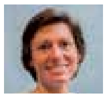
www.indigomed.com

Shareholding percentage AvH: 30%

MANUCHAR

Philippe Huybrechs

Dirk Aerts



Sofie Beernaert

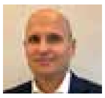
Barry Collard

Matthias De Raeymaeker

Bart De Schutter

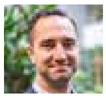
Ben De Voecht

Marc Jacobs



Anthony Maas

Bart Troubleyn



Stephan Van den Eynde

Stefan Van Loock

Manuchar is active in the distribution of (mainly) dry bulk chemicals, with focus on emerging markets. Relying on its strong local presence, maritime trade volumes and a solid back office, it is also active in international trading (back-to-back) of steel, plastics, paper and other commodities.

Manuchar reported excellent results in a very challenging year and showed its great resilience and flexibility.

The shutdown of production plants of suppliers, the disruption of loading and unloading operations in the ports and of the domestic logistics heavily impacted the supply chain. This led to a decrease of volumes and highly volatile prices on several end markets in 2020. Taking these factors into account, Manuchar nevertheless succeeded in making essential deliveries so that its customers could remain operational, thanks to optimised inventory management, contingency planning, and without risking the health of the workers. In this way, Manuchar confirmed its reputation as preferred distributor and logistics partner in emerging markets.

The foundations of the home care markets and the detergents in particular remained solid. Moreover, the group was able to carry on expanding its chemical distribution activity to other end markets, such as artificial fertilisers, mining, human and animal nutrition.

Despite the health crisis, Manuchar reported excellent results. All countries with local distribution in emerging markets made a net profit contribution. The profitability of non-chemical international trade increased thanks to increasing sales of steel products, cement and plastics. Although the turnover decreased by 1.3% due to lower commodity prices, Manuchar improved its margins and kept a tight rein on costs, which led to a net profit of 24 million USD. Furthermore, Manuchar was able to significantly improve its balance sheet and solvency, and reduce the net financial debt by 109 million USD.

Manuchar NV

(USD 1,000 - BGAAP)	2020	2019	2018
Turnover	**1,497,853**	1,518,033	1,691,121
EBITDA	**80,249**	76,755	79,389
Net result (group share)	**23,620**	28,484	-10,609
Shareholders' equity (group share)	**113,068**	99,382	68,450
Net financial position	**-238,078**	-347,151	-464,176

Manuchar - Brazil

In line with its strategy, Manuchar invested in a new port concession in Bao Long (Vietnam), with the option of building approximately 34,000 m² of warehouses and a quay with mooring capacity for 5 barges. Manuchar currently has a total storage capacity of 465,000 m², of which 239,000 m² is owned or in concession.

PARTNERS FOR SUSTAINABLE GROWTH

- Manuchar integrated its different programmes around the SDGs of the United Nations. Specific short-term and long-term goals were defined to further speed up progress. Manuchar's headquarters also officially became CO_2 neutral.
- The business model of end-to-end chemical distribution and logistics in emerging markets, combined with the international trade in other commodities, assures Manuchar of a profitable, consistent and responsible growth.

www.manuchar.com

Manuchar
Your partner in emerging markets

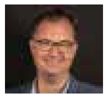
Shareholding percentage AvH: 13%

MEDIAHUIS

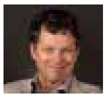

Gert Ysebaert

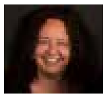

Kristiaan De Beukelaer


Peter Soetens


Dominic Stas


Geert Steurbaut


Rien van Beemen


Martine Vandezande


Marc Vangeel


Koen Verwee


Paul Verwilt

Mediahuis is one of the leading media groups in Belgium, the Netherlands, Ireland and Luxembourg. The national and regional news titles of Mediahuis supply more than 10 million readers each day with online and printed news.

2020 was an extraordinary year for Mediahuis as well. Where the consequences of the COVID-19 pandemic had a considerable negative impact on advertising income, Mediahuis realised very solid results in the readership market. The Mediahuis news sites and apps were visited more than ever, and the average reading time of articles had never been so long. The readers appreciated the solid and independent journalism of Mediahuis, and were prepared to pay for it. Driven by a particularly strong increase in digital subscriptions, Mediahuis saw the total number of subscribers in Belgium, the Netherlands, Luxembourg and Ireland exceed 1.7 million.

2020 was also the year of further geographical expansion. The acquisition of Luxembourg's largest media group, Saint-Paul Luxembourg (a.o. Luxemburger Wort and Luxembourg Times), and of the NDC media group in the Northern Netherlands (a.o. Dagblad van het Noorden, Leeuwarder Courant and Friesch Dagblad) strengthened the position of Mediahuis as a leading media player in the Benelux area and Ireland. At the same time, the Mediahuis portfolio was further optimised, and the group created extra focus. Mediahuis sold its participations in Keesing Media Group and in the Belgian Mass Transit Media (Metro). Through its participation in Audiopresse, Mediahuis exited the capital of RTL Belgium. In the Irish market, Mediahuis left the Irish Daily Star newspaper.

In 2020, Mediahuis also took further steps in its diversification strategy, aimed at broadening the group's development potential. By investing in Lepaya, a Dutch scale-up specialising in the provision of blended soft skill training, Mediahuis entered the market of education technology. In the Belgian market, Mediahuis, Telenet/SBS, Proximus/Skynet and Pebble Media concluded a unique partnership by together creating a national advertising sales house. The new agency is scheduled to start up in the spring of 2021.

Mediahuis

Mediahuis recorded its strongest result ever in 2020, with the group realising a turnover of 990.5 million euros and a net result of 58.6 million euros (2019: 14.7 million euros).

Mediahuis NV

(€ 1,000)	2020	2019	2018
Turnover	**990,527**	857,942	819,176
EBITDA	**172,010**	82,064	86,114
Net result (group share)	**58,592**	14,723	28,301
Shareholders' equity (group share)	**378,525**	324,568	311,475
Net financial position	**-228,139**	-277,897	-161,627

PARTNERS FOR SUSTAINABLE GROWTH

- Mediahuis has in recent years been working hard at sustainability and wants to be a pioneer in this area. For this purpose it focuses on three sustainability pillars: a solid and independent journalism with a positive impact on people and society, talent development with increased attention to diversity, and reduction of the ecological footprint with a view to evolving towards a climate-neutral and - by 2035 - even a climate-positive company.

www.mediahuis.be

MEDIAHUIS

Shareholding percentage AvH: 10% (non-consolidated)


Ketan Malkan


Vivek Tiwari


Manoj Mani


Jitesh Mathur


Sanjeet Singh

MEDIKABAZAAR

Medikabazaar is India's pioneering and largest online B2B platform for medical supplies, from high-end medical equipment to specialty medical supplies including pharma, non-pharma & dental.

The Mumbai-based firm was set up in 2015 by Vivek Tiwari and Ketan Malkan in order to bridge the gap between care providers and product suppliers. It addresses the key pain points of India's healthcare industry: affordability, accessibility, availability and awareness.

In 2020, Medikabazaar has made major progress with the development of VIZI, its AI/ML (Artificial Intelligence/Machine Learning) powered SaaS product and the industry's first predictive inventory management tool enabling lower procurement cost. Another major initiative was the launch of VPO (Value Procurement Organisation). VPO helps the partner hospitals to enter an exclusive procurement arrangement with Medikabazaar wherein the company takes over the responsibility of the entire healthcare procurement needs and thus provided significant operational efficiencies and cost savings. This is generating high customer interest with some prominent large and middle size hospitals. Other innovations include Medikabazaar Freedom, offering flexible financing options, and a dental specific online portal.

Medikabazaar continued its strong and consistent growth trajectory, increasing gross revenues from 43 million USD in 2019 to 114 million USD in 2020. Medikabazaar also turned EBITDA positive in 2020.


Medikabazaar

PARTNERS FOR SUSTAINABLE GROWTH

- COVID-19 gave rise to a major challenge for India due to its population size and density and inadequate health infrastructure, with strict lockdowns leading to a complete disruption of logistics. Medikabazaar significantly augmented its supply-chain and last mile capabilities and operated its 26 fulfilment and distributions centers seven days a week ensuring a timely supply of essential COVID products across India, even in remote locations.
- Medikabazaar also launched the COVID Combat Collaboration Platform joining suppliers, healthcare institutes and industry experts in the fight against the pandemic and helped augment COVID-19 testing by setting up testing booths at hospitals. In 2020 Medikabazaar supplied over 10 million masks, 1 million personal protection kits, and installed 500 lifesaving ventilators whilst training 2000 technicians, intensivists and critical care specialists.
- From a public awareness perspective, Medikabazaar launched several marketing campaigns amplifying health & safety messages, and its knowledge sharing & conversation platform MedikaTalks.

www.medikabazaar.com

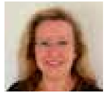
medikabazaar ...ProCure & Cure

Shareholding percentage AvH: 17% (non-consolidated)


Sam Possemiers


Ludo Haazen


Nigel Horscroft


Christiane Verhaegen

MRM HEALTH

MRM Health is a biotech company specialising in the development of innovative therapies based on healthy intestinal bacteria. Using a new technology that allows the optimisation and production of combinations of specific intestinal bacteria, MRM Health develops medicines for treating inflammatory diseases, neurological disorders and metabolic diseases.

MRM Health was established at the beginning of 2020 by the Ghent-based microbiome expert MRM Technologies, in collaboration with the VIB research institute. For this purpose, 14.25 million euros worth of capital was raised, including an investment of 4 million euros by AvH. Furthermore, a first strategic partnership was concluded in 2020 with DuPont Nutrition Biosciences for the development of medicines for treating metabolic diseases.

The intestines harbour a large population of bacteria (the microbiome). Research in recent years has shown that this intestinal microbiome has an important regulatory function in the body, and that disruptions are closely associated with local diseases of the intestine, such as inflammatory bowel disease (IBD), as well as disorders in the rest of the body, such as arthritis, obesity and even Parkinson's disease.

MRM Health combines a number of innovative technologies in the development of microbial therapeutics. This includes the most advanced laboratory device capable of emulating the digestive system and the intestinal microbiome in laboratory conditions (SHIME®). MRM Health also has access to the extensive microbiome expertise of Prof. Jeroen Raes (VIB-KU Leuven) and the know-how in inflammatory diseases of Prof. Dirk Elewaut (VIB-UGent).

In 2020, the company prepared the most advanced internal programme, MH002, for first-time testing in patients in 2021. MH002, a candidate medicine for treating inflammatory bowel diseases such as colitis ulcerosa and Crohn's disease, is an optimised consortium of 6 specific bacteria. Additionally, MRM Health continued to work on its current programmes focusing on spondyloarthritis (rheumatic diseases), Parkinson's disease, metabolic diseases and the development of certain probiotics.


MRM Health

PARTNERS FOR SUSTAINABLE GROWTH

- MRM Health focuses on the improvement of health in society and puts the patient first in strategic choices.
- In the pursuit of its strategic growth, the use of innovative technologies and making decisions, MRM Health prioritises ethics, transparency, sustainability, good governance, society and environment.

www.mrmhealth.com

MRM Microbial Resource Management Health

Shareholding percentage AvH: 20%

OMP

Anita Van Looveren | Georges Schepens | Jan Geuens | Kurt Gillis | Abhi Patel | Luc Schepens

Marc Scherens | Bart Stijnen | Pieter Van Nyen | Paul Vanvuchelen | Philip Vervloesem

OMP is a leading company in the fast-growing digital market of supply chain planning (SCP). OMP implements its leading Unison Planning™ worldwide, including among Fortune 500 companies.

OMP, established in 1985, has more than 750 employees of more than 35 nationalities, and branches in more than 10 countries. OMP is known for its industry knowledge and integrated solutions. OMP was confirmed in May 2019 as Leader in the Gartner Magic Quadrant for Sales and Operations Planning Systems of Differentiation, an accolade it has won for several years now.

OMP is a fast-growing group that realised a turnover of just over 85 million euros during 2019. Its 2019 EBITDA eventually closed at 22.7 million euros, or 26.5%. The group is conservatively financed and at year-end 2019 had a net financial cash position of 29.4 million euros and shareholders' equity of 51.4 million euros.

At first, the travel restrictions imposed by the COVID-19 crisis seemed to retard OMP's growth story in 2020. However, OMP was soon able to carry out most of its activities remotely, up to and including project delivery. Globally operating firms in the chemical, life sciences or consumer goods industries restarted their projects or speeded them up, especially as now it is even more important to have a clear overview of the whole supply chain. Other customers from more traditional sectors such as the metal and packaging industries reacted more cautiously. Nevertheless, they too continued to invest in digital supply chain planning. Moreover, new important customers were attracted, even in the absence of traditional conferences or trade fairs. This shows that OMP is agile and responds flexibly to the new situation.

Despite all these challenges, the pre-COVID-19 targets were exceeded. This was made possible by paying much attention to the well-being of workers, who had to learn how to deal with customers and with the internal teamwork in a totally different way. In 2020, OMP kept actively hiring new staff and investing in product development. A branch was opened in Brazil. In 2021, too, OMP will continue to invest heavily in cloud software and in people.

It will invest heavily in further international growth in this highly volatile and digital world, which is confronted with many uncertainties in the supply chains as a result of the COVID-19 crisis.

In November 2020, AvH acquired a 20% interest in OMP, and so became a strategic long-term investor, next to the founders, the management and staff, in this leading global provider in the field of supply chain planning.

OMP

PARTNERS FOR SUSTAINABLE GROWTH

- OMP's activities make the supply chain more efficient. Inventory requirements and lead times were reduced, thereby saving energy and raw materials.
- Teamwork, an in-depth industry knowledge, the willingness to keep learning, and the focus on long-term partnerships are at the heart of OMP's DNA.

www.omp.com

Shareholding percentage AvH: 10% (non-consolidated)

ONCODNA

Bernard Courtieu

Jean-Pol Detiffe

Berengere Genin

Eduardo Bravo

Pierre Flamant

Emmanuel Martin

Tanguy Swinnen

OncoDNA is a theranostic and genomic company with renown expertise in precision oncology. The company provides comprehensive testing of cancer biomarkers (DNA, RNA and proteins) on solid and liquid biopsies as well NGS data interpretation services to oncologists, research institutes and biopharmaceutical companies across the globe.

OncoDNA proved the resilience of its business model and once again realised a solid growth in a challenging year. After negotiations during the first half of 2020, OncoDNA successfully acquired in 2020 65.15% of the French publicly quoted company IntegraGen via a friendly takeover, creating a European leader in the genomics space and providing access to state-of-the-art sequencing services.

To be able to successfully provide the services stated above, efforts have been focused on improving OncoDNA's regulatory compliance. Dedicated resources ensured the completion of the software documentation and of the merge of the OncoSHARE and OncoKDM platforms. Finally, the project for migration to the cloud started, building on IntegraGen's experience in this area.

As for new products, is on the verge of finalizing the validation of the new gene test OncoDeep V7, which could run on all sequencing machines currently used in the labs.

Related to the geographic expansion, the deal announced in January 2021 with HalioDX in Richmond Virginia (USA) will provide OncoDNA with a direct access to a US CLIA certified laboratorya key step to become a global service partner for biopharma companies.

Among the key projects launched in 2020, of note are the BALLETT study (Belgian Approach for Local Laboratory Extensive Tumor Testing) which will utilize OncoKDM tool to evaluate large gene panels sequencing versus currently reimbursed sequencing approaches, as well as an agreement with the Dana Farber Cancer Institute (DFCI) in Boston to utilize the MERCURY™ cloud-based software as part of their analysis and reporting process for sequencing data obtained from tumors.

OncoDNA was distinguished by the Deloitte's 2020 Technology Fast 50 Biotech Award.

OncoDNA

PARTNERS FOR SUSTAINABLE GROWTH

- OncoDNA takes the view that each cancer is different and that oncologists should therefore have the best clinical decision-making tools. In this way, they can prescribe the best medication for their patients, keep better track of how the cancer evolves, and check how the disease responds to the treatment.

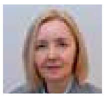
www.oncodna.com

OncoDNA®
THE CANCER THERANOSTIC COMPANY

Shareholding percentage AvH: 50%


Christopher Maas


Tobias Müller


Alicja Ozimek


Thorsten Peterman


Grego Peters


Dieter Schneider

TELEMOND GROUP

Telemond Group is a manufacturer of high-grade steel structures and modules for the hoisting, automotive and civil maritime sectors.

Telemond Group was able to deliver a strong result over 2020 despite very challenging market conditions and a 15% decrease in consolidated turnover to 84 million euros. The group was confronted with an overall demand shock in its end markets as well as significant disruptions of supply chains following the COVID-19 pandemic. This resulted in temporary shutdowns of customers' production plants both in the automotive and mobile crane market segments.

Telemond, supplying telescopic and lattice structure booms to the crane industry, saw its market contract by 25% as a result of a slow-down of activity in construction markets and depressed demand in the US, one of the world's biggest crane markets. This led to the Chapter 11 filing of one of the major mobile crane producers. Telemond was nevertheless able to defend its market position by reducing its workforce and further streamlining its cost structure. Moreover, the merger of the two companies of the group serving the crane industry, Teleskop and Montel, which took place in 2019, also led to synergies. Telemond's continued focus on process optimization and automation, in combination with the cost reductions realised over the year, are expected to strengthen its position as one the global leaders in its sector.

Henschel Engineering Automotive, a tier 1 supplier of drop side bodies and three way tippers for light utility vehicles, was also hit hard by the crisis with automotive production site closures during the summer totalling 8 weeks. The company's lean cost structure and the return of sales to around 80% of the pre corona volumes towards the end of the year allowed Henschel to achieve positive margins. Henschel focused on broadening its product range and extending its geographical footprint over the past year. The company also increased its sales and R&D teams, preparing the grounds for sales of more innovative solutions.


Telemond

Teleyard, the group's offshore division, further strengthened its organisation ahead of the expansion of its activities towards other markets. A first contract was awarded to the company and successfully executed in the offshore wind market, a segment with great potential, especially in the company's home market, Poland.

Telemond Group

(€ 1,000)	2020	2019	2018
Turnover	**84,050**	98,575	92,327
EBITDA	**9,973**	12,665	9,195
Net result (group share)	**6,074**	8,194	4,075
Shareholders' equity (group share)	**54,451**	55,735	52,994
Net financial position	**-3,516**	-9,792	-15,415

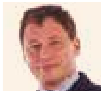
PARTNERS FOR SUSTAINABLE GROWTH

- Telemond has shown strong resilience and agility in difficult market conditions. In consideration of the global trends towards renewables and largescale infrastructural investments, the group is very well positioned for further, sustainable growth.

www.telemond.be

Shareholding percentage AvH: 50%

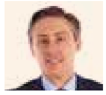
TURBO'S HOET GROEP


Piet Wauters


Kristof Derudder

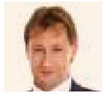

Gheorghe Chita


Bart Dobbels


Filip Matthijs


Sergei Tarasiuk


Peter Tytgadt


Serge Van Hulle


Georgi Zagorov

Turbo's Hoet Groep (TH) is a leading European truck dealer and leasing company for commercial vehicles. In addition, TH is also one of the major European turbo distributors for the aftermarket.

With 61 branches in 8 countries, TH Trucks is one of the biggest DAF dealers worldwide, and also a dealer of a.o. Iveco, Ford Trucks, Nissan, Fiat Professional, Isuzu, Fuso, Kögel and various other trailer brands. In Belgium, TH Lease is the largest independent leasing company for commercial vehicles and also provides these services in the other countries where TH operates. TH Turbos is a major European turbo distributor for the aftermarket of passenger cars, trucks and industrial applications, with its own branches in 7 countries.

2020 was severely impacted by the COVID-19 pandemic. The European truck market (+16T) decreased by 28%, from 325,000 vehicles sold in 2019 to 233,000 vehicles. The Eastern European market experienced a stronger decrease than the Western European market. TH, too, did not escape the impact of this general macroeconomic trend and reported a 26% turnover decrease. A very strict cost control policy, introduced with immediate effect at the time of the first lockdowns, and made possible in part by specific government support measures, meant that the EBITDA decrease could be limited to 10%. However, exchange losses of 2.8 million euros had an additional negative impact on the net result, which closed at 7.2 million euros. The net financial debt position was reduced by 30 million euros thanks to a sharpened focus on working capital and lower investments. TH is thus really proud of the results achieved, which once more demonstrate the resilience of the group in times of crisis.

For 2021, the manufacturers expect the European market (+16T) to recover to a level of 250,000 to 280,000 vehicles (+7% to 20%), so that TH expects to be able to continue its strategy of sustainable growth in 2021.

Turbo's Hoet Groep NV

(€ 1,000 - BGAAP)	2020	2019	2018
Turnover	**447,935**	602,016	532,647
EBITDA	**29,049**	32,423	30,837
Net result (group share)	**7,178**	9,951	10,136
Shareholders' equity (group share)	**118,363**	116,476	107,154
Net financial position	**-106,319**	-136,338	-117,468

Turbo's Hoet Groep

PARTNERS FOR SUSTAINABLE GROWTH

- TH attaches a large importance to sustainable and ethical enterprise, with respect for the individual and for society as a whole.
- TH joins in taking the lead in fostering a general awareness raising and in the search for more environmentally friendly sustainable transport solutions. Accordingly, TH is only a dealer for manufacturers who share the same vision and who also take concrete initiatives in that area. Focus is primarily on lower fuel consumption and lower emissions of the conventional propulsion systems (mainly diesel) and the development of alternative 'clean' new propulsion systems powered by electricity, hydrogen, etc.
- TH attaches great importance to the development of its staff and therefore provides training programmes and specialist publications on a permanent basis. But this commitment goes further than that: a special compliance programme commits and stimulates every staff member to pursue the objectives of sustainable and ethical enterprise.
- TH has made ethically responsible enterprise a top priority. Several initiatives have been developed and implemented in this respect.

www.th-group.eu

TURBOS HOET GROUP

FINANCIAL STATEMENTS 2020

YOUR PARTNER FOR SUSTAINABLE GROWTH

CONTENTS

The consolidated financial statements are prepared in accordance with the International Financial Reporting Standards and IFRIC interpretations effective on December 31, 2020, as approved by the European Commission.

140 CONSOLIDATED ANNUAL ACCOUNTS

146 NOTES TO THE FINANCIAL STATEMENTS

222 STATUTORY ANNUAL ACCOUNTS

INCOME STATEMENT

(€ 1,000)	Note	2020	2019
Revenue		**3,910,250**	**4,270,398**
Rendering of services		95,880	89,270
Real estate revenue	10	226,468	218,778
Interest income - banking activities		102,803	101,513
Fees and commissions - banking activities		77,857	69,723
Revenue from construction contracts	14	3,264,108	3,695,290
Other operating revenue		143,134	95,824
Operating expenses (-)		**-3,773,047**	**-3,974,839**
Raw materials, consumables, services and subcontracted work (-)	25	-2,532,009	-2,764,828
Interest expenses Bank J.Van Breda & C° (-)		-22,710	-24,597
Employee expenses (-)	24	-816,589	-809,938
Depreciation (-)		-350,772	-342,950
Impairment losses (-)		-9,592	-27,225
Other operating expenses (-)		-39,797	-39,818
Provisions	17	-1,579	34,516
Profit (loss) on assets/liabilities designated at fair value through profit and loss		**-3,805**	**23,531**
Financial assets - Fair value through P/L (FVPL)	12	-35,201	18,182
Investment property	10	31,396	5,348
Profit (loss) on disposal of assets		**90,666**	**121,899**
Realised gain (loss) on intangible and tangible assets		12,172	6,379
Realised gain (loss) on investment property		2,211	-308
Realised gain (loss) on financial fixed assets		75,837	113,216
Realised gain (loss) on other assets		446	2,613
Profit (loss) from operating activities		**224,063**	**440,989**
Financial result		**-73,718**	**-19,386**
Interest income		13,737	20,708
Interest expenses (-)	18	-39,576	-35,333
(Un)realised foreign currency results		-16,698	2,969
Other financial income (expenses)		-31,182	-7,730
Derivative financial instruments designated at fair value through profit and loss	20	**-5,242**	**-5,370**
Share of profit (loss) from equity accounted investments	11	**179,253**	**154,952**
Other non-operating income		**0**	**4,442**
Other non-operating expenses (-)		**0**	**0**
Profit (loss) before tax		**324,356**	**575,627**
Income taxes	21	**-46,742**	**-61,756**
Deferred taxes		44,693	12,537
Current taxes		-91,435	-74,292
Profit (loss) after tax from continuing operations		**277,614**	**513,871**
Profit (loss) after tax from discontinued operations		**0**	**0**
Profit (loss) of the period		**277,614**	**513,871**
Minority interests	15	47,823	118,971
Share of the group		229,791	394,900

Earnings per share (€)		2020	2019
1. Basic earnings per share			
1.1. from continued and discontinued operations		6.93	11.92
1.2. from continued operations		6.93	11.92
2. Diluted earnings per share			
2.1. from continued and discontinued operations		6.93	11.89
2.2. from continued operations		6.93	11.89

The presentation of the income statement has been subject to limited changes to bring it better in line with the IFRS taxonomy (for the purposes of XBRL tagging). A full reconciliation can be found in Note 31. Revised presentation of the balance sheet and the income statement. The modified presentation has no impact on the net profit, nor does it fundamentally alter the structure of the income statement. We refer to Note 6. Segment information for more comments on the consolidated results.

STATEMENT OF COMPREHENSIVE INCOME

(€ 1,000)	Note	2020	2019
Profit (loss) of the period		**277,614**	**513,871**
Minority interests	15	47,823	118,971
Share of the group		**229,791**	**394,900**
Other comprehensive income		**-44,382**	**-51,862**
Items that may be reclassified to profit or loss in subsequent periods			
Changes in revaluation reserve: bonds - Fair value through OCI (FVOCI)	12	5,333	3,446
Taxes	21	-1,330	-1,019
		4,003	2,426
Changes in revaluation reserve: hedging reserves	20	6,543	-55,846
Taxes	21	1,241	7,413
		7,783	-48,434
Changes in revaluation reserve: translation differences		-50,418	7,088
Items that cannot be reclassified to profit or loss in subsequent periods			
Changes in revaluation reserve: shares - Fair value through OCI (FVOCI)	12	7	-292
Taxes	21	-2	86
		5	-205
Changes in revaluation reserve: actuarial gains (losses) defined benefit pension plans	26	-7,510	-16,756
Taxes	21	1,754	4,019
		-5,756	-12,737
Total comprehensive income		**233,232**	**462,009**
Minority interests	15	51,741	97,392
Share of the group		**181,491**	**364,618**

For a breakdown of the item 'Share of the group and Minority interests' in the results, we refer to Note 6. Segment information.

As a result of the application as of 2018 of the new accounting standard "IFRS 9 Financial Instruments", financial assets are broken down into three categories on the balance sheet. Another consequence of the application of this new standard is that, as of 2018, fluctuations in the fair value of financial assets are reported in the consolidated income statement. The only exception to this rule are the fair value fluctuations in the investment portfolio of Bank J.Van Breda & C° and Delen Private Bank, which in the table above are divided into shares and bonds.

Hedging reserves arise from fluctuations in the fair value of hedging instruments used by group companies to hedge against risks. Several group companies (a.o. DEME, Leasinvest Real Estate and Rentel/SeaMade) have hedged against a possible rise in interest rates. As a result of the evolution of the market interest rates, the market value of these hedges has evolved negatively, as such the unrealised loss on these hedges increased further in 2020. The fact that a positive net change of 7.8 million euros (including minority interests) is reported, results from the termination by Leasinvest Real Estate of part of its hedges. As a result of this termination, the negative market value of these hedges to the amount of 20.3 million euros was charged to profit and loss in 2020. If those hedges had not been terminated, the (negative) evolution of their market value would have been recognised in the other comprehensive income.

Translation differences arise from fluctuations in the exchange rates of group companies that report in foreign currencies. In 2020, the euro increased in value against most relevant currencies, which is reflected in negative translation differences of 50.4 million euros (including minority interests).

With the introduction of the amended IAS 19 accounting standard in 2013, the actuarial gains and losses on certain pension plans are recognized directly in other comprehensive income.

BALANCE SHEET - ASSETS

(€ 1,000)	Note	2020	2019
I. Non-current assets		**10,952,870**	**10,478,704**
Intangible assets	7	**147,762**	**126,902**
Goodwill	8	**325,937**	**331,550**
Tangible assets	9	**2,825,552**	**2,909,167**
Land and buildings		415,415	403,032
Plant, machinery and equipment		1,835,423	1,899,461
Furniture and vehicles		53,525	53,457
Other tangible assets		4,736	5,245
Assets under construction		516,454	547,971
Investment property	10	**1,414,057**	**1,336,093**
Participations accounted for using the equity method	11	**1,456,070**	**1,202,477**
Non-current financial assets	12	**260,413**	**287,576**
Financial assets : shares - Fair value through P/L (FVPL)		131,391	154,418
Receivables and warranties		129,022	133,158
Non-current hedging instruments	20	**3,279**	**1,213**
Deferred tax assets	21	**140,439**	**111,004**
Banks - receivables from credit institutions and clients after one year	13	**4,379,362**	**4,172,722**
Banks - loans and receivables to clients		4,327,706	4,134,167
Banks - changes in fair value of the hedged credit portfolio		51,656	38,555
II. Current assets		**5,274,000**	**4,782,119**
Inventories	14	**382,451**	**423,429**
Amounts due from customers under construction contracts	14	**400,034**	**328,441**
Investments	12	**546,322**	**476,513**
Financial assets : shares - Fair value through P/L (FVPL)		51,155	55,717
Financial assets : bonds - Fair value through OCI (FVOCI)		474,991	420,628
Financial assets : shares - Fair value through OCI (FVOCI)		173	168
Financial assets - at amortised cost		20,003	0
Current hedging instruments	20	**8,399**	**911**
Amounts receivable within one year	12	**765,168**	**909,138**
Trade debtors		616,808	744,679
Other receivables		148,361	164,458
Current tax receivables	21	**34,554**	**25,927**
Banks - receivables from credit institutions and clients within one year	13	**2,242,735**	**1,694,553**
Banks - loans and advances to banks		163,712	141,306
Banks - loans and receivables to clients		1,086,948	1,098,483
Banks - changes in fair value of the hedged credit portfolio		269	44
Banks - cash balances with central banks		991,806	454,720
Cash and cash equivalents		**842,408**	**887,985**
Deferred charges and accrued income		**51,930**	**35,221**
III. Assets held for sale	5	**1,874**	**40,724**
Total assets		**16,228,744**	**15,301,547**

The presentation of the consolidated balance sheet has been subject to limited changes to bring it better in line with the IFRS taxonomy (for the purposes of XBRL tagging) and with the balance sheet presentation of certain entities (primarily Bank J.Van Breda & C°). These are only reclassifications/groupings without impact on the balance sheet total. A full reconciliation can be found in Note 31 Revised presentation of the balance sheet and the income statement.

The breakdown of the consolidated balance sheet by segment is presented in Note 6. Segment information. This reveals that the full consolidation of Bank J.Van Breda & C° (Private Banking segment) has a significant impact on both the balance sheet total and the balance sheet structure of AvH. Bank J.Van Breda & C° contributes for 7,211.4 million euros to the balance sheet total of 16,228.7 million euros, and although this bank is solidly capitalized with a Common Equity Tier 1 ratio of 14.7%, its balance sheet ratios, as explained by the nature of its activity, are different from those of the other companies in the consolidation scope. To improve the readability of the consolidated balance sheet, certain items from the balance sheet of Bank J.Van Breda & C° have been summarized in the consolidated balance sheet.

BALANCE SHEET - EQUITY AND LIABILITIES

(€ 1,000)	Note	2020	2019
I. Total equity		**4,782,169**	**4,681,834**
Equity - group share		**3,562,038**	**3,456,109**
Issued capital		**113,907**	**113,907**
Share capital		2,295	2,295
Share premium		111,612	111,612
Consolidated reserves		**3,592,273**	**3,439,322**
Revaluation reserves		**-112,772**	**-64,472**
Financial assets : bonds - Fair value through OCI (FVOCI)		6,614	3,469
Financial assets : shares - Fair value through OCI (FVOCI)		45	41
Hedging reserves		-46,080	-43,889
Actuarial gains (losses) defined benefit pension plans		-27,236	-23,019
Translation differences		-46,115	-1,074
Treasury shares (-)	22	**-31,370**	**-32,648**
Minority interests	15	**1,220,131**	**1,225,725**
II. Non-current liabilities		**3,414,785**	**3,100,095**
Provisions	17	**46,175**	**45,541**
Pension liabilities	26	**83,250**	**75,990**
Deferred tax liabilities	21	**159,777**	**164,694**
Financial debts	18	**1,869,486**	**1,906,344**
Bank loans		1,395,608	1,466,076
Bonds		241,934	204,152
Subordinated loans		44,680	37,422
Lease debts		138,093	151,984
Other financial debts		49,170	46,710
Non-current hedging instruments	20	**97,324**	**96,874**
Other amounts payable		**52,713**	**31,429**
Banks - non-current debts to credit institutions, clients & securities	19	**1,106,061**	**779,224**
Banks - deposits from credit institutions		298,417	0
Banks - deposits from clients		767,701	739,301
Banks - debt certificates including bonds		39,943	39,923
III. Current liabilities		**8,031,790**	**7,519,619**
Provisions	17	**38,083**	**37,701**
Pension liabilities	26	**342**	**331**
Financial debts	18	**689,864**	**625,560**
Bank loans		319,771	279,208
Bonds		0	49,969
Subordinated loans		20,974	13,216
Lease debts		33,939	42,707
Other financial debts		315,181	240,460
Current hedging instruments	20	**8,914**	**10,563**
Amounts due to customers under construction contracts	14	**309,192**	**295,849**
Other amounts payable within one year		**1,454,021**	**1,452,872**
Trade payables		1,092,826	1,140,174
Advances received		60,643	40,426
Amounts payable regarding remuneration and social security		207,031	197,967
Other amounts payable		93,521	74,306
Current tax payables	21	**94,895**	**59,441**
Banks - current debts to credit institutions, clients & securities	19	**5,378,292**	**4,936,693**
Banks - deposits from credit institutions		28,875	27,825
Banks - deposits from clients		5,139,401	4,667,248
Banks - debt certificates including bonds		210,016	241,620
Accrued charges and deferred income		**58,187**	**100,608**
IV. Liabilities held for sale	5	**0**	**0**
Total equity and liabilities		**16,228,744**	**15,301,547**

CASH FLOW STATEMENT (INDIRECT METHOD)

(€ 1,000)	2020	2019
I. Cash and cash equivalents - opening balance	**887,985**	**513,588**
Profit (loss) from operating activities	224,063	440,989
Reclassification 'Profit (loss) on disposal of assets' to cash flow from divestments	-90,666	-121,899
Dividends from participations accounted for using the equity method	38,042	62,192
Other non-operating income (expenses)	0	4,442
Income taxes (paid)	-70,441	-69,274
Non-cash adjustments		
Depreciation	350,772	342,950
Impairment losses	9,652	28,628
Share based payment	-2,566	-144
Profit (loss) on assets/liabilities designated at fair value through profit and loss	3,805	-23,531
(Decrease) increase of provisions	2,142	-35,823
Other non-cash expenses (income)	3,711	-2,425
Cash flow	**468,514**	**626,104**
Decrease (increase) of working capital	**118,570**	**-41,361**
Decrease (increase) of inventories and construction contracts	68,001	-123,584
Decrease (increase) of amounts receivable	97,678	211,038
Decrease (increase) of receivables from credit institutions and clients (banks)	-746,754	-530,741
Increase (decrease) of liabilities (other than financial debts)	-85,915	-95,940
Increase (decrease) of debts to credit institutions, clients & securities (banks)	769,629	507,257
Decrease (increase) other	15,931	-9,392
Cash flow from operating activities	**587,084**	**584,743**
Investments	**-780,577**	**-1,040,894**
Acquisition of intangible and tangible assets	-236,598	-503,154
Acquisition of investment property	-46,388	-212,713
Acquisition of financial fixed assets (business combinations included)	-240,476	-76,049
Cash acquired through business combinations	2,274	38,212
New amounts receivable	-15,849	-22,315
Acquisition of investments	-243,539	-264,875
Divestments	**385,295**	**625,524**
Disposal of intangible and tangible assets	21,071	14,456
Disposal of investment property	35,404	42,350
Disposal of financial fixed assets (business disposals included)	141,357	202,698
Cash disposed of through business disposals	0	-26,483
Reimbursements of amounts receivable	10,240	96,889
Disposal of investments	177,223	295,615
Cash flow from investing activities	**-395,282**	**-415,370**
Financial operations		
Dividends	7,838	6,547
Interest received	11,654	18,708
Interest paid	-39,313	-43,749
Other financial income (costs)	-54,864	-11,095
Decrease (increase) of treasury shares	-1,635	-6,108
(Decrease) increase of financial debts	-23,515	389,404
(Investments) and divestments in controlling interests	-17,830	-7,478
Distribution of profits	-76,813	-76,741
Dividends paid to minority interests	-36,234	-65,960
Cash flow from financial activities	**-230,712**	**203,529**
II. Net increase (decrease) in cash and cash equivalents	**-38,910**	**372,902**
Impact of exchange rate changes on cash and cash equivalents	-6,667	1,496
III. Cash and cash equivalents - ending balance	**842,408**	**887,985**

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

(€ 1,000)	Issued capital & share premium	Consolidated reserves	Bonds -Fair value through OCI (FVOCI)	Shares -Fair value through OCI (FVOCI)	Hedging reserves	Actuarial gains (losses) defined benefit pension plans	Translation differences	Treasury shares	Equity - group share	Minority interests	Total equity
Opening balance, 1 January 2019	**113,907**	**3,124,841**	**1,568**	**228**	**-13,528**	**-14,997**	**-7,462**	**-28,112**	**3,176,446**	**1,181,549**	**4,357,994**
Profit		394,900							394,900	118,971	513,871
Unrealised results			1,901	-187	-30,360	-8,023	6,388		-30,282	-21,580	-51,862
Total of realised and unrealised results	0	**394,900**	**1,901**	**-187**	**-30,360**	**-8,023**	**6,388**	0	**364,618**	**97,392**	**462,009**
Distribution of dividends		-76,741							-76,741	-65,960	-142,702
Operations with treasury shares								-4,537	-4,537		-4,537
Other (a.o. changes in consol. scope / beneficial interest %)		-3,678							-3,678	12,745	9,067
Ending balance, 31 December 2019	**113,907**	**3,439,322**	**3,469**	**41**	**-43,889**	**-23,019**	**-1,074**	**-32,648**	**3,456,109**	**1,225,725**	**4,681,834**

(€ 1,000)	Issued capital & share premium	Consolidated reserves	Bonds -Fair value through OCI (FVOCI)	Shares -Fair value through OCI (FVOCI)	Hedging reserves	Actuarial gains (losses) defined benefit pension plans	Translation differences	Treasury shares	Equity - group share	Minority interests	Total equity
Ending balance, 31 December 2019	**113,907**	**3,439,322**	**3,469**	**41**	**-43,889**	**-23,019**	**-1,074**	**-32,648**	**3,456,109**	**1,225,725**	**4,681,834**
Impact IFRS amendments									0		0
Opening balance, 1 January 2020	**113,907**	**3,439,322**	**3,469**	**41**	**-43,889**	**-23,019**	**-1,074**	**-32,648**	**3,456,109**	**1,225,725**	**4,681,834**
Profit		229,791							229,791	47,823	277,614
Unrealised results			3,145	4	-2,191	-4,217	-45,041		-48,300	3,918	-44,382
Total of realised and unrealised results	0	**229,791**	**3,145**	**4**	**-2,191**	**-4,217**	**-45,041**	0	**181,491**	**51,741**	**233,232**
Distribution of dividends		-76,813							-76,813	-36,234	-113,047
Operations with treasury shares								1,278	1,278		1,278
Other (a.o. changes in consol. scope / beneficial interest %)		-27							-27	-21,100	-21,128
Ending balance, 31 December 2020	**113,907**	**3,592,273**	**6,614**	**45**	**-46,080**	**-27,236**	**-46,115**	**-31,370**	**3,562,038**	**1,220,131**	**4,782,169**

More details on the unrealised results can be found in the section "Statement of comprehensive income".

In light of the COVID-19 uncertainty, and bearing in mind the recommendation addressed by the European Central Bank on March 27, 2020 to all banks in the eurozone not to pay out any dividends before October 1, 2020, AvH withdrew the initially formulated dividend proposal of 2.50 euros per share. In the fourth quarter of 2020, an interim dividend of 2.32 euros per share was distributed.

In the course of 2020, AvH has purchased 42,750 treasury shares in order to hedge options for the benefit of staff. Over the same period, beneficiaries of the share option plan exercised options on 62,000 AvH shares. On December 31, 2020, 304,750 options were outstanding on AvH shares. In order to hedge these (and future) obligations, AvH owned 343,750 treasury shares on the that date.

In addition, 102,607 AvH shares were purchased and 101,668 shares were sold in 2020 in the context of the contract that AvH entered into with Kepler Cheuvreux in order to support the liquidity of the AvH share. These transactions are initiated entirely autonomously by Kepler Cheuvreux, but as they take place on behalf of AvH, the net purchase of 939 AvH shares has an impact on AvH's equity. On December 31, 2020, the number of treasury shares in the portfolio in the context of this liquidity agreement amounts to 6,467.

The item "Other" in the "Minority interests" column arises, among other aspects, from the changes in the AvH consolidation scope (i.e. the increased stake in CFE). We refer to Explanatory Note 6. Segment reporting for more details.

The item "Other" in the colomn "Consolidated reserves" includes a.o. the eliminations of results on sales of treasury shares, the impact of the acquisition of minority interests and the impact of the remeasurement of the purchase obligation on certain shares.

General data regarding the capital

The issued capital amounts to 2,295,277.90 euros. The capital is fully paid-up and is represented by 33,496,904 shares without nominal value. Please refer to the Section 'General information regarding the company and the capital'.

NOTE 1: IFRS VALUATION RULES

1. Statement of compliance

The consolidated annual accounts are prepared in accordance with the International Financial Reporting Standards and IFRIC interpretations effective on 31 December 2020, as approved by the European Commission.

New and amended standards and interpretations
Following new standards and amendments to existing standards published by the IASB, are applied as from January 1, 2020.

- Amendment to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors – Definition of material, applicable from January 1, 2020
- Amendments to IFRS 3 Business Combinations – Definition of a business combination, applicable from January 1, 2020
- Amendments to the Conceptual Framework – Amendments to References to the Conceptual Framework in IFRS Standards, applicable from January 1, 2020
- Interest Rate Benchmark Reform – Amendments to IFRS 9, IAS 39 and IFRS 7

The application of the new and amended standards and interpretations has no significant impact on the group's financial statements. The amendments to IFRS 16 Leases were not applied.

2. Main assumptions and estimates

The preparation of financial statements under IFRS requires estimates to be used and assumptions to be made that affect the amounts shown in the financial statements, particularly as regards the following items:

- the period over which non-current assets are depreciated or amortized;
- the measurement of provisions and pension obligations;
- the measurement of income or losses on construction contracts using the percentage of completion method;
- estimates used in impairment tests;
- the measurement of investment property and financial instruments at fair value;
- the assessment of control;
- the qualification of a company acquisition as a business combination or an acquisition of assets;
- the assumptions used to determine the financial liabilities in accordance with IFRS 16.

These estimates assume the operation is a going concern and are made on the basis of the information available at the time. Estimates may be revised if the circumstances on which they were based alter or if new information becomes available. Actual results may be different from these estimates.

3. Principles of consolidation

The consolidated annual accounts contain the financial details of the parent AvH, its subsidiaries and jointly controlled companies, as well as the share of the group in the results of the associated companies.

3.1 Subsidiaries

Subsidiaries are entities which are controlled by the group. Control exists when AvH (a) has power over the subsidiary; (b) is exposed, or has rights, to variable returns from its involvement with the subsidiary; and (c) has the ability to affect those returns through its power over the subsidiary. The participating interests in subsidiaries are consolidated in full as from the date of acquisition until the end of the control.

The financial statements of the subsidiaries have been prepared for the same reporting period as AvH and uniform IFRS valuation rules have been used. All intra-group transactions and unrealised intra-group profits and losses on transactions between group companies have been eliminated. Unrealised losses have been eliminated unless they concern an impairment.

3.2 Jointly controlled subsidiaries and associated participating interests

Jointly controlled subsidiaries
Companies which are controlled jointly (defined as those entities in which the group has joint control, among others via the shareholders' percentage or via contractual agreement with one or more of the other shareholders and that are considered to be joint ventures) are included on the basis of the equity method as from the date of acquisition until the end of the joint control.

Associated participating interests
Associated participating interests in which the group has a significant influence, more specifically companies in which AvH has the power to participate (without control) in the financial and operational management decisions, are included in accordance with the equity method, as from the date of acquisition until the end of the significant influence.

The equity method
According to the equity method, the participating interests are initially recorded at cost and the carrying amount is subsequently modified to include the share of the group in the profit or loss of the participating interest, as from the date of purchase. The financial statements of these companies are prepared for the same reporting period as AvH and uniform IFRS valuation rules are applied. Unrealised intra-group profits and losses on transactions are eliminated to the extent of the interest in the company.

4. Intangible fixed assets

Intangible fixed assets with a finite useful life are stated at cost, less accumulated amortisation and any accumulated impairment losses.

Intangible fixed assets are amortised on a straight-line basis over the useful economic life. The useful economic life is reviewed per annum and this is also the case for any residual value. The residual value is assumed to be zero.

Intangible fixed assets with indefinite useful life, stated at cost, are not amortised but are subject to an impairment test on an annual basis and whenever indications of a possible impairment occur.

Costs for starting up new activities are included in the profit or loss at the time they occur.

Research expenses are taken into profit or loss in the period in which they arise. Development expenses that meet the severe recognition criteria of IAS 38 are capitalised and amortised over the useful life.

The valuation rules applied when accounting for acquisitions of residential care centres are as follows:

- Authorizations and operating licenses that have been acquired are initially recognised in the consolidation at their value in use or fair value at the time of acquisition.
- Executable building permits that have been acquired are initially recognised in the consolidation at their value in use or fair value at the time of acquisition. This only takes into account the potential net capacity expansion.
- These authorization and advanced licences and permits are recognised under intangible assets and amortised over a period of 33 years. If a long lease is concluded, the amortisation period is the same as the term of the long lease. Amortisation starts when the building is provisionally completed and operated. Operating licences are not amortised since in principle they are of unlimited duration.
- In accordance with IAS 36, intangible fixed assets with an indefinite useful life are subject to an annual impairment test by comparing their carrying amount with their recoverable amount. The recoverable amount is the higher of the fair value less cost to sell and the value in use.

5. Goodwill

Goodwill is the positive difference between the cost of the business combination and the share of the group in the fair value of the acquired assets, the acquired liabilities and contingent liabilities of the subsidiary, jointly controlled subsidiary or associated participating interests at the time of the acquisition.

Goodwill is not amortised but is subject to an annual impairment test and whenever indications of a possible impairment have occurred.

6. Tangible fixed assets

Tangible fixed assets are carried at cost or production cost less accumulated amortisations and any impairments.

Tangible fixed assets are amortised on a straight-line basis over the useful economic life. The useful life is reviewed on a yearly basis and this is also the case for any residual value.

The depreciation periods as defined by DEME of the floating and other construction materials range from 3 years (such as for pipelines) to 21 years. The principal component of trailing suction hopper dredgers and cutter suction dredgers is depreciated over a period of 18 years. For new hopper dredgers, cutter suction dredgers, cable lay vessels and DP3 Offshore crane vessels in production since 2019 the principal component is depreciated over a period of 20 years and a second component is depreciated over a period of 10 years. For major jack-up vessels this depreciation rule was already applicable. The principal component mainly includes the hull and machinery and the second component relates to parts of a vessel for which the lifespan is shorter than the economic life cycle of the vessel.

Repair and maintenance expenses for tangible assets are recognized as an expense in the period in which they occur, unless they result in an increase of the future economic benefit of the respective tangible fixed assets, which justifies their capitalisation.

Assets under construction are amortised as from the time they are taken into use.

Government grants are recorded as deferred income and taken into profit as income over the useful life of the asset following a systematic and rational basis.

7. Impairment of fixed assets

On each closing date, the group verifies whether there are indications that an asset is subject to an impairment. In the event that such indications are present, an estimation is made of the recoverable amount. When the carrying amount of an asset is higher than the recoverable amount, an impairment is recorded in order to bring the carrying amount of the asset back to the recoverable amount.

The recoverable amount of an asset is defined as the higher of the fair value minus costs to sell (assuming a voluntary sale) and the value in use (based upon the net present value of the estimated future cash flows). Any resulting impairments are charged to the profit and loss account.

Previously recorded impairments, except on goodwill, are reversed through the profit and loss account when they are no longer valid.

8. Leases

8.1 Lessor accounting

When the Group acts as a lessor, it determines at lease inception whether a lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is considered a finance lease. As part of the assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

If the lease agreement contains both lease and non-lease components, the Group applies IFRS 15 to allocate the consideration in the contract.

8.2 Lessee accounting

IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model. IFRS 16 replaces IAS 17 "Leases", IFRIC 4 "Determining Whether an Arrangement Contains a Lease", SIC 15 "Operating Leases – Incentives" and SIC 27 "Evaluating the Substance of Transactions in the Legal Form of a Lease".

Under IFRS 16, a contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognises a right-of-use asset and a corresponding lease liability at the lease commencement date. Assets and liabilities arising from a lease are initially measured on a present value basis, discounted using the incremental borrowing rate of the lessee. The right-of-use asset is subsequently depreciated and/or impaired when deemed necessary. The right-of-use asset is also adjusted for certain remeasurements of the lease liability.

The lease liability is subsequently increased by the interest cost on the lease liability and reduced by lease payment made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable, or a change in the reassessment of whether a purchase or extension option is reasonably certain to be exercised (or a termination option curtained not to be exercised). The Group has applied judgement to determine the lease term for lease contracts containing renewal options.

In accordance with the standard on lease contracts, the Group elected to use following exemptions when applying IFRS 16 accounting for:

- short-term leases, i.e. contracts with a duration of less than one year;
- leases for which the underlying asset is of low value;
- intangible assets.

The most important judgements and assumptions in determining the lease asset and liability are as follows:

- The lease payments are discounted using the interest rate implicit in the lease agreement. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee has used judgement to determine its incremental borrowing rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.
- In determining the lease term, management considers all facts and circumstances that create an incentive to exercise an extension option, (or not exercise a termination option). Extension options (or periods after termination options) are only included in the lease term if the lease agreement is reasonably certain to be extended (or not terminated).

9. Investment property - leased buildings and project developments

These investments cover buildings which are ready to be leased (real estate investments) as well as buildings under construction or being developed for future use as operative real estate investments (project development).

Investment property is measured at fair value through profit or loss. On a yearly basis, the fair value of the leased buildings is determined based upon valuation reports.

10. Financial instruments

10.1 Recognition and derecognition of financial instruments

- Financial assets and liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument. Financial assets bought and sold in accordance with standard market conventions are recognized on the transaction date.
- Financial assets are derecognized when the contractual rights to receive cash flows from the assets have expired or have been transferred and the Group has transferred all risks and rewards of ownership of those assets.
- Financial liabilities are derecognized when the obligation specified in the contract is discharged, cancelled, or expires.

10.2 Classification and measurement of financial assets

When another financial asset is acquired or invested in, the contractual terms determine whether it is an equity instrument or a debt instrument.

Equity instruments give entitlement to the remaining interest in the net assets of another entity.

Classification and measurement of debt instruments
The assessment of the contractual cash flow characteristics or SPPI test is carried out per product group (financial assets with similar cash flow characteristics) or, where necessary, on an individual basis. It is assessed whether the instrument generates cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding (SPPI: solely payments of principal and interest). It is also investigated how these cash flows fit in with the business model of the entity in question.

The relevant classification and measurement method follows from those assessments:

i) **measured at amortised cost (AC)**: debt instruments that pass the SPPI test and are held under an HTC business model (Held-to-collect). At initial recognition, they are measured at fair value plus transaction costs that are directly attributable to their acquisition. Subsequently, the effective interest rate method is applied where the difference between the measurement at initial recognition and the repayment value is recognized pro rata temporis in profit or loss on the basis of the effective interest rate.

ii) **fair value measurement with value changes recognized in other comprehensive income (FVOCI)**: debt instruments that pass the SPPI test and are held under an HTC&S business model (Held-to-collect & sell). On disposal, the cumulative fair value changes are reclassified to profit or loss.

iii) **fair value measurement with value changes recognized in profit or loss (FVPL)**: debt instruments that fail the SPPI test and/or are not held under an HTC or HTC&S model must mandatorily be measured in this way.

Irrespective of these assessments, one can make an irrevocable election to designate, at initial recognition, a financial asset as measured at FVTPL (fair value option) if doing so eliminates or significantly reduces a measurement or recognition inconsistency ('accounting mismatch').

For the aforementioned financial assets that are measured at amortised cost and at fair value with value changes recognized in other comprehensive income, a loss allowance for expected credit losses is required (see section 6. Impairment of financial assets).

Classification and measurement of equity instruments
Equity instruments held for trading must mandatorily be measured at fair value with value changes recognized in profit or loss (FVTPL).

For other equity instruments, the Group can make an irrevocable election, at initial recognition, to measure those instruments at fair value with value changes recognized in other comprehensive income (FVTOCI). This election can be made instrument by instrument (per share). On disposal, the cumulative fair value changes must not be reclassified to profit or loss. Only dividend income may be recognized in profit or loss.

For equity instruments, no loss allowance is required for expected credit losses.

10.3 Classification and measurement of financial liabilities

For the classification and measurement of financial liabilities, other than derivatives, there are the following possibilities:

- fair value measurement with value changes recognized in profit or loss (FVTPL):
  - if the financial liability is held for trading;
  - if the Group opts for this method (fair value option), more specific regarding Bank J.Van Breda & C°)
- measurement at amortised cost: at initial recognition, they are measured at fair value, less transaction costs that are directly attributable to their issue.

10.4 Derivative financial instruments

The operational subsidiaries belonging to the AvH-group are responsible for their risk management, such as exchange risk, interest risk, credit risk, commodity risk, etc. The risks vary according to the particular business where the subsidiaries are active and therefore they are not managed centrally at group level. The respective executive committees report to their board of directors or audit committee regarding their hedging policy.

Derivative instruments are initially valued at cost. Subsequently, these instruments are recorded in the balance sheet at their fair value; the changes in fair value are reported in the income statement unless these instruments are part of hedging transactions.

The recognition of derivative instruments is in accordance with IFRS 9, except for macro hedge accounting for which IAS 39 is applied.

Cash flow hedges
The value fluctuations of a derivative financial instrument that complies with the strict conditions for recognition as a cash flow hedge are recorded in other comprehensive income for the effective part. The ineffective part is recorded directly in the profit and loss account. The hedging results are transferred from of 'other comprehensive income' into the profit and loss account at the same moment the hedged transaction has impact on the result.

Fair value hedges
Changes in fair value of a derivative instrument that is formally allocated to hedge the changes of fair value of recorded assets and liabilities, are recognized in the profit and loss account together with the profits and losses caused by the fair value revaluation of the hedged component. The value fluctuations of derivative financial instruments, which do not meet the criteria for fair value hedge or cash flow hedge are recorded directly in the profit and loss account.

10.5 Cash and cash equivalents

Cash and cash equivalents consist of cash and short-term investments and are recorded on the balance sheet at nominal value.

10.6 Impairment of financial assets

Under IFRS 9, a loss allowance is made at initial recognition for expected credit losses (ECLs) for:

- financial assets measured at amortised cost;
- debt instruments measured at fair value with value changes recognized in other comprehensive income;
- finance lease receivables;
- loan commitments and financial guarantee contracts.
- for the purpose of determining the loss allowance for expected credit losses, the financial assets are classified in three stages:
  - Stage 1: performing assets, for which at initial recognition a one-year expected credit loss allowance is made based on the probability that events will occur within 12 months that give rise to default;
  - Stage 2: underperforming assets for which a lifetime expected credit loss allowance is made if there has been a significant increase in credit risk since initial recognition;
  - Stage 3: for non-performing assets an estimate is made of the recoverable amount. When the carrying amount of an asset is higher than the recoverable amount, an impairment is recorded in order to bring the carrying amount of the asset back to the recoverable amount.

Changes in loss allowances are recognized under the item 'Impairment losses' in profit and loss. The loss allowance for expected credit losses is presented:

- as deducted from the gross carrying amount of financial assets that are measured at amortised cost (incl. lease receivables);
- as a loss allowance in other comprehensive income for debt instruments measured at fair value with value changes recognized in other comprehensive income;
- as a loss allowance under obligations resulting from loan commitments and financial guarantee contracts.

The staging in the event of a significant increase (or decrease) in credit risk is done on an individual contract level ('bottom-up' staging) based on certain criteria such as payment arrears, renegotiations, and rating category. The internal credit rating is used for the individual staging of loans. As this is a criterion based on past history, a distinct 'collective staging' logic is used as well to take into account the macroeconomic outlook.

For the bond portfolio, the 'low credit risk exemption' is applied: as long as bonds retain their investment grade rating category, they remain in stage 1. On the basis of the low credit risk at the reporting date it may be concluded that there has been no significant increase in credit risk. Should a bond migrate to a non-investment grade rating category, the bank will either sell the bond or transfer it to stage 2 and determine an appropriate lifetime ECL.

A valuation model calculates the expected credit losses for contracts in stages 1 and 2 in line with the literature on IFRS9 ECL modelling. They are determined without any deliberate optimistic or conservative bias, and are based on all reasonable and substantiated information available by justifiable cost or effort. This includes information about past history, present circumstances and future projections. They also reflect the expected value that the bank deems possible in the foreseeable future.

These one-year expected credit losses and lifetime expected credit losses are calculated for each individual contract on the basis of the future cash flows and the following model parameters:

- PD stands for 'Probability of Default' in a given period. The PD modelling has been set up using migration matrices based on existing internal credit ratings for loans and supplied by rating agency DBRS for the bond portfolio.
- Loss Given Default (LGD) stands for expected loss in the event of default. The LGD figure is obtained from the 'exposure at default' and the pledged collateral.
- 'Survival Probability' is the probability that a contract is still liable to credit losses. The Survival Probability is determined on the basis of:
  - the probability that a contract has not disappeared from the balance sheet following an earlier default, and
  - the probability that a contract has not yet disappeared from the balance sheet following full early repayment.
  - Effective Interest Rate' (EIR) is the effective interest rate at which the losses are discounted. For fixed-rate contracts this is the contractual effective interest rate; for variable-rate contracts, the most recent fixing is used.

On each closing date, an investigation is performed whether there are objective indications that a financial asset is becoming non-performing and therefore transfers to stage 3, based on one of the following objectively observable events:

- major financial difficulties at the borrower;
- breach of contract, including failure to meet due dates for principal and/or interest repayments;
- the granting by the bank of certain terms, for economic or legal reasons, which the Group under normal circumstances would not grant to the borrower;
- the likelihood of the borrower going bankrupt or being restructured;
- for bonds, the extinction of an active market due to financial difficulties or other indications threatening the recoverability of the acquisition value;
- objective criteria showing a measurable deterioration of the expected future cash flows from a collective group of financial assets, even though such deterioration cannot be detected on an individual basis, or criteria indicating a deterioration of the creditworthiness or financial capacity of the borrowers of the group, or national or economic circumstances specific to that group of borrowers.

For stage 3 contracts, an estimate is made of the recoverable amount. When the carrying amount of an asset is higher than the recoverable amount, an impairment is recorded in order to bring the carrying amount of the asset back to the recoverable amount.

The net recoverable amount of an asset is defined as the higher of the following values:

- the net sale price (assuming a voluntary sale), and
- the value in use (based on the present value of the expected future cash flows).

11. Inventories / construction contracts

Inventories are valued at cost (purchase or production cost) or at net realisable value when this is lower. The production cost comprises all direct and indirect costs incurred in bringing the inventories to their completion at balance sheet date and this corresponds with the estimated sales prices in normal circumstances, minus the handling, marketing and distribution costs (net realizable value). Construction contracts are valued according to the Percentage of Completion method whereby the result is recognized in accordance with progress of the works. Expected losses are immediately recognized as an expense.

12. Capital and reserves

Costs which are related to a capital transaction are deducted from the capital.
The purchase of treasury shares is deducted from equity at purchase price. Subsequent sale or cancellation at a later date does not affect the result. Profits and losses with regard to treasury shares are recorded directly in equity.

13. Translation differences

Statutory accounts
Transactions in foreign currency are recorded at the exchange rate on the date of the transaction. Positive and negative unrealised translation differences, resulting from the calculation of monetary assets and liabilities at closing rate on balance sheet date, are recorded as income or cost respectively in the profit and loss account.

Consolidated accounts
Based upon the closing rate method, assets and liabilities of the consolidated subsidiary are converted at closing rate, while the income statement is converted at the average rate of the period, which results in translation differences included in the consolidated 'other comprehensive income'.

14. Provisions

A provision is recognized if a company belonging to the group has a (legal or constructive) obligation as a result of a past event, and it is probable that the settlement of this obligation will require an outflow and the amount of this obligation can be determined in a reliable manner. In the event that the difference between the nominal and discounted value is significant, a provision is recorded for the amount of the discounted value of the estimated expenses. The resulting increase of the provision in proportion to the time is recorded as an interest charge.

Restructuring
Provisions for restructuring costs are only recognized when the group already has a detailed and approved restructuring plan and the planned restructuring has already started or been announced to the relevant staff members. No provisions are made for costs relating to the normal activities of the group.

Guarantees
A provision is made for warranty obligations relating to delivered products, services and contracts, based upon statistical data from the past.

15. Contingent assets and liabilities

Contingent assets and liabilities are mentioned in the note "Rights and commitments not reflected in the balance sheet", if their impact is important.

16. Taxes

Taxes concern both current taxes on the result as deferred taxes. Both types of taxes are recorded in the profit and loss accounts except when they relate to components being part of the equity and therefore allocated to the equity. Deferred taxes are based upon the balance sheet method applied on temporary differences between the carrying amount of the assets and liabilities of the balance sheet and their tax base. The main temporary differences consist of different amortisation percentages of tangible fixed assets, provisions for pensions, carry-forward tax losses and tax credits.

Deferred tax liabilities are recognized for all taxable temporary differences:

- except when the deferred tax liability arises from the original recognition of goodwill or the initial recording of assets and liabilities in a transaction that is not a business combination and that at the time of the transaction has no impact on the taxable profit;
- except with regard to investments in subsidiaries, joint and associated companies, where the group is able to control the date when the temporary

difference will be reversed, and it is not likely that the temporary difference will be reversed in the foreseeable future.

Deferred tax assets are recorded for all deductible temporary differences and on carry-forward tax credits and tax losses that can be recovered, to the extent that it is probable that there will be taxable profits in the near future in order to be able to enjoy the tax benefit. The carrying amount of the deferred tax assets is verified on every balance sheet date and impaired to the extent that it is no longer probable that sufficient taxable profit will be available to credit all or part of the deferred taxes. Deferred tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

17. Employee benefits

Employee benefits consist of short-term employee benefits, postemployment benefits, other long-term employee benefits, redundancy pay and rewards in equity instruments. The post-employment benefits include the pension plans, life insurance policies and insurance policies for medical assistance. Pension plans with fixed contribution or defined benefit plans are provided through separate funds or insurance plans. In addition, employee benefits consisting of equity instruments also exist.

Pension plans

Defined Contribution Plans
Several subsidiaries within the group have taken out group insurance policies for the benefit of their employees. Since Belgian subsidiaries are obliged to make additional payments if the average return on the employers' contributions and on the employees' contributions is not attained, those plans should be treated as "defined benefit" plans in accordance with IAS19 (Revised).

Defined Benefit Plans
The group has a number of defined benefit pension plans. The costs of the defined benefit pension plans are actuarially determined using the 'projected unit credit' method.

Remeasurements, composed of actuarial gains and losses, the effect of changes to the asset ceiling and the return on plan assets, are directly recognized in the balance sheet; a corresponding amount is credited or charged to retained earnings through other comprehensive income in the period in which they arise.

Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the effective date of the change or restriction of the pension plan or the date on which the group accounts for reorganization costs, whichever occurs first.

Net interest is calculated by applying the discount rate to the net defined benefit asset or liability and is recognized in consolidated profit or loss.

Employee benefits in equity instruments
On different levels stock option plans exist within the AvH, giving employees the right to buy AvH shares or the shares of some subsidiary at a predefined price. This price is determined at the time when the options are granted and it is based on the market price or the intrinsic value.

The performance of the beneficiary is measured (at the moment of granting) on the basis of the fair value of the granted options and warrants and recognized in profit and loss when the services are rendered during the vesting period.

18. Revenue recognition (IFRS 15)

Revenue is recognised in accordance with the IFRS standards, taking into account the specific activities of each segment.

Revenue recognition
Revenue is recognised when or as each performance obligation is satisfied, at the amount of the transaction price allocated to that performance obligation. Control of an asset refers to the ability to direct the use of and obtain substantially all the remaining benefits from the asset.

When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or before payment is due,the Group presents the contract as a contract asset, unless the Group's rights to that amount of consideration are unconditional, in which case the Group recognises a receivable.

When an amount of consideration is received from a customer prior to the Group transferring a good or service to the customer, the Group presents the contract as a contract liability.

The main streams of revenue are recognised if it meets the criteria outlined below.

Identifying the separate performance obligations in a contract with a customer
Most of the revenue recognised by the construction companies in the group relates to contracts with customers for the sale of properties and services revenue generated from construction, project management and selling activities. In accounting for these contracts, the Group is required to identify which goods or services are distinct and therefore represent separate performance obligations to which revenue can be assigned.

Management uses judgement to determine whether a promised good or service is distinct by assessing if the customer can benefit from the good or service on its own or together with other resources that are readily available to the customer and by ascertaining whether the Group's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract.

Determination of transaction prices for revenue recognition
The Group is required to determine the transaction price in respect of each of its contracts with customers. Where consideration is variable due to a performance bonus, the Group estimates the amount of variable consideration to be included in the transaction price.

Allocation of transaction price to performance obligations in contracts with customers
The Group uses the stand-alone selling price of the distinct goods and services underlying each performance obligation to apportion the transaction price to identified performance obligations. This occurs for a limited number of EPCI contracts in the "Marine Engineering & Contracting" segment, where the multiple performance obligations (procurement activities and installation activities) give rise to a separate revenue recognition pattern.

Satisfaction of performance obligations for revenue recognition
The Group assesses each of its customer contracts to determine whether performance obligations are satisfied over time or at a point in time in order to determine when revenue is recognised. For sales of properties under development the Group recognises revenue over time, according to the percentage of completion method, because control transfers over time. Its performance creates an asset that the customer controls as the asset is created. It does not create an asset with alternative use as the Group has an enforceable right to payment for performance completed to date. For the EPCI contracts, revenue on the procurement activities are recognised at a point in time and the installation activities are recognised over time.

Method of measuring progress of completion of performance obligations and recognition of revenue
For performance obligations satisfied over time, contract revenue is recognized according to the percentage of completion of the contract activity at the closing date by using an input method calculated as the proportion of contract costs at the closing date and the estimated total contract costs. An expected loss on a construction contract is immediately recognized.

Other
Contracts for the sale of properties contain certain warranties covering a period of up to ten years after completion of the property. The Group assessed that these conditions represent 'assurance-type' warranties that are legally required to be provided as quality guarantees and will continue to be accounted for under IAS 37, consistent with its current practice.

A variation may lead to an increase or a decrease in contract revenue. A variation is an instruction by the customer for a change in the scope of the work to be performed under the contract. These contract modifications form typically part of the performance obligation that is partially satisfied at the date of the contract modification, hence the effect is recognised as an adjustment to revenue.

Dividend revenue is recognised when the Group's right to receive the payment is established.

Other revenue is recognised when it is received or when the right to receive payment is established.

19. Discontinued operations

The assets, liabilities and net results of the discontinued operations are reported separately in a single item on the consolidated balance sheet and profit and loss account. The same reporting applies for assets and liabilities held for sale (measured at the lower of its carrying amount and fair value less costs to sell).

20. Events after balance sheet date

Events may occur after the balance sheet date which provide additional information with regard to the financial situation of the company at balance sheet date (adjusting events). This information allows the adjustment of estimations and a better reflection of the actual situation on the balance sheet date. These events require an adjustment of the balance sheet and the profit and loss account. Other events after balance sheet date are mentioned in the notes if they have a significant impact.

21. Earnings per share

The group calculates both the basic earnings per share and the diluted earnings per share in accordance with IAS 33. The basic earnings per share are calculated on the basis of the weighted average number of outstanding shares during the period. Diluted earnings per share are calculated according to the average number of shares outstanding during the period plus the diluted effect of the warrants and stock options outstanding during the period.

22. Segment reporting

AvH is a diversified group which is active in the following core sectors:

1. **Marine Engineering & Contracting** with DEME, one of the largest dredging companies in the world, CFE a construction group with headquarters in Belgium, Rent-A-Port and Green Offshore.

2. **Private Banking** with Delen Private Bank, one of the largest independent private asset managers in Belgium and asset manager JM Finn in the UK and Bank J.Van Breda & C°, a niche-bank for entrepreneurs and liberal professions in Belgium.

3. **Real Estate & Senior Care** with Leasinvest Real Estate, a listed real estate investment trust, Extensa Group, an important land and real estate developer and Anima, active in the health & care sector.

4. **Energy & Resources**, SIPEF, an agro-industrial group in tropical agriculture, Verdant Bioscience and Sagar Cements.

5. **AvH & Growth Capital** with AvH Growth Capital and GIB and their respective Growth Capital participations.

The segment information in the financial statements of AvH is published in line with IFRS 8.

NOTE 2: SUBSIDIARIES AND JOINTLY CONTROLLED SUBSIDIARIES

1. Fully consolidated subsidiaries

Name of subsidiary	Registration nr	Registered office	Beneficial interest % 2020	Beneficial interest % 2019	Minority interest % 2020	Minority interest % 2019
Marine Engineering & Contracting						
CFE *(1)(2)*	**0400.464.795**	**Belgium**	**62.10%**	**60.91%**	**37.90%**	**39.09%**
DEME *(1)(2)*	**0400.473.705**	**Belgium**	**62.10%**	**60.91%**	**37.90%**	**39.09%**
Rent-A-Port *(2)*	**0885.565.854**	**Belgium**	**81.05%**	**80.46%**	**18.95%**	**19.54%**
International Port Engineering and Management (IPEM)	0441.086.318	Belgium	81.05%	80.46%	18.95%	19.54%
Infra Asia Consultancy and Project Management	0891.321.320	Belgium	81.05%	80.46%	18.95%	19.54%
Rent-A-Port Green Energy	0648.717.687	Belgium	54.04%	53.64%	45.96%	46.36%
IPEM Holdings		Cyprus	81.05%	80.46%	18.95%	19.54%
Port Management Development		Cyprus	81.05%	80.46%	18.95%	19.54%
Infra Asia Consultancy		Hong Kong	81.05%	80.46%	18.95%	19.54%
OK SPM FTZ Enterprise		Nigeria	81.05%	80.46%	18.95%	19.54%
Infra Asia Investments (subgroup Rent-A-Port) *(3)*						
IPEM Reclamation		Cyprus	49.78%	48.29%	50.22%	51.71%
Rent-A-Port Reclamation		Hong Kong	49.78%	48.29%	50.22%	51.71%
Infra Asia Investment Green Utilities		Hong Kong	49.78%	48.29%	50.22%	51.71%
Infra Asia Investment HK		Hong Kong	49.78%	48.29%	50.22%	51.71%
Warehousing Workshop Worldwide		Hong Kong	44.80%	43.46%	55.20%	56.54%
Deep C Blue (Hong Kong)		Hong Kong	49.78%	48.29%	50.22%	51.71%
IPEM Vietnam		Hong Kong	49.78%	48.29%	50.22%	51.71%
Dinh Vu Industrial Zone jsc		Vietnam	40.72%	39.71%	59.28%	60.29%
Hong Duc Industrial Zone jsc		Vietnam	50.40%	48.93%	49.60%	51.07%
Hai Phong Industrial Park jsc		Vietnam	50.09%	48.61%	49.91%	51.39%
DC Russia (ex-Tien Phong Industrial Zone jsc) *(4)*		Vietnam		48.93%		51.07%
Deep C Blue Hai Phong Company		Vietnam	49.78%	48.29%	50.22%	51.71%
DC Red Hai Phong (ex-Hai Phong Warehousing WW)		Vietnam	44.80%	43.46%	55.20%	56.54%
Deep C Management		Vietnam	49.78%	48.29%	50.22%	51.71%
Green Offshore *(2)*	**0832.273.757**	**Belgium**	**81.05%**	**80.46%**	**18.95%**	**19.54%**
Private Banking						
Bank J.Van Breda & C°	**0404.055.577**	**Belgium**	**78.75%**	**78.75%**	**21.25%**	**21.25%**
Beherman Vehicle Supply	0473.162.535	Belgium	63.00%	63.00%	37.00%	37.00%
Van Breda Immo Consult	0726.963.530	Belgium	78.75%	78.75%	21.25%	21.25%
FinAx *(5)*	**0718.694.279**	**Belgium**	**100.00%**	**100.00%**		
Real Estate & Senior Care						
Extensa Group	**0425.459.618**	**Belgium**	**100.00%**	**100.00%**		
Extensa	0466.333.240	Belgium	100.00%	100.00%		
Extensa Development	0446.953.135	Belgium	100.00%	100.00%		
Extensa Invest I *(6)*	0753.977.139	Belgium	100.00%			
Extensa Romania	J40.24053.2007	Romania	100.00%	100.00%		
Gare Maritime	0696.803.359	Belgium	100.00%	100.00%		
Grossfeld Developments *(7)*	2012.2448.267	Luxembourg	100.00%	100.00%		

(1) The annual report of CFE, a listed company, contains the list of subsidiaries. DEME is a wholly-owned subsidiary of CFE.
(2) The purchase of 301,163 CFE shares (+1.19%) on the stock market led to a higher beneficial interest of AvH in DEME (62.10%), Rent-A-Port (81.05%) and Green Offshore (81.05%) as well.
(3) Rent-A-Port increased its controlling interest in Infra Asia Investments by 1.4%.
(4) Following the sale of 50% of the shares, DC Russia, a company developing land sites in Vietnam, is included under the item 'Jointly controlled subsidiaries'.
(5) AvH has, through its 100% subsidiary FinAx, a direct 78.75% stake in Delen Private Bank and Bank J.Van Breda & C°.
(6) Extensa Invest I is an SREIF (Specialised Real Estate Investment Fund) (FIIS/GVBF - Fonds d'Investissement Immobilier Spécialisé / Gespecialiseerd VastgoedBeleggingsFonds) that was established in August 2020.
(7) Under the shareholder agreement, Extensa has a beneficial interest of only 50% in the results of this company.

Name of subsidiary	Registration nr	Registered office	Beneficial interest % 2020	Beneficial interest % 2019	Minority interest % 2020	Minority interest % 2019
Real Estate & Senior Care (continued)						
Implant	0434.171.208	Belgium	100.00%	100.00%		
RFD	0405.767.232	Belgium	100.00%	100.00%		
RFD CEE Venture Capital	801.966.607	The Netherlands	100.00%	100.00%		
Project T&T	0476.392.437	Belgium	100.00%	100.00%		
T&T Public Warehouse	0863.093.924	Belgium	100.00%	100.00%		
T&T Parking	0863.091.251	Belgium	100.00%	100.00%		
T&T Property Management *(1)*	0628.634.927	Belgium	100.00%			
T&T Tréfonds	0807.286.854	Belgium	100.00%	100.00%		
T&T Services	0628.634.927	Belgium	100.00%	100.00%		
T&T Douanehotel	0406.211.155	Belgium	100.00%	100.00%		
T&T Food Experience	0473.705.438	Belgium	100.00%	100.00%		
Beekbaarimmo	19.992.223.718	Luxembourg	100.00%	100.00%		
Vilvolease	0456.964.525	Belgium	100.00%	100.00%		
Leasinvest Real Estate *(2)*	**0436.323.915**	**Belgium**	**30.01%**	**30.01%**	**69.99%**	**69.99%**
Leasinvest Real Estate Management *(2)*	**0466.164.776**	**Belgium**	**100.00%**	**100.00%**		
Anima (formerly Anima Care)	**0469.969.453**	**Belgium**	**92.50%**	**92.50%**	**7.50%**	**7.50%**
Anima Care Vlaanderen	0698.940.725	Belgium	92.50%	92.50%	7.50%	7.50%
Gilman	0870.238.171	Belgium	92.50%	92.50%	7.50%	7.50%
Engagement	0462.433.147	Belgium	92.50%	92.50%	7.50%	7.50%
Le Gui	0455.218.624	Belgium	92.50%	92.50%	7.50%	7.50%
Anima Care Wallonië	0428.283.308	Belgium	92.50%	92.50%	7.50%	7.50%
Huize Philemon & Baucis	0462.432.652	Belgium	92.50%	92.50%	7.50%	7.50%
Anima Cura	0480.262.143	Belgium	92.50%	92.50%	7.50%	7.50%
Glamar	0430.378.904	Belgium	92.50%	92.50%	7.50%	7.50%
Zorgcentrum Lucia	0818.244.092	Belgium	92.50%	92.50%	7.50%	7.50%
Résidence Parc des Princes	0431.555.572	Belgium	92.50%	92.50%	7.50%	7.50%
Résidence St. James	0428.096.434	Belgium	92.50%	92.50%	7.50%	7.50%
Château d'Awans	0427.620.342	Belgium	92.50%	92.50%	7.50%	7.50%
Home Scheut	0458.643.516	Belgium	92.50%	92.50%	7.50%	7.50%
Le Birmingham	0428.227.284	Belgium	92.50%	92.50%	7.50%	7.50%
Zandsteen	0664.573.823	Belgium	92.50%	92.50%	7.50%	7.50%
Les Résidences de l'Eden	0455.832.197	Belgium	92.50%	92.50%	7.50%	7.50%
Résidence Arcade	0835.637.281	Belgium	92.50%	92.50%	7.50%	7.50%
La Roseraie	0466.582.668	Belgium	92.50%	92.50%	7.50%	7.50%
Patrium	0675.568.178	Belgium	92.50%	92.50%	7.50%	7.50%
Elenchus Invest	0478.953.930	Belgium	92.50%	92.50%	7.50%	7.50%
Résidence Edelweiss	0439.605.582	Belgium	92.50%	92.50%	7.50%	7.50%
Résidence Neerveld	0427.883.628	Belgium	92.50%	92.50%	7.50%	7.50%
Villa 34	0432.423.822	Belgium	92.50%	92.50%	7.50%	7.50%
Le Rossignol	0432.049.381	Belgium	92.50%	92.50%	7.50%	7.50%
Immo Markant	0537.654.073	Belgium	92.50%	92.50%	7.50%	7.50%
Les 3 Arbres *(3)*	0435.646.893	Belgium	92.50%		7.50%	

(1) T&T Property Management was set up for the management of the Tour&Taxis site in Brussels.

(2) The management of Leasinvest Real Estate Comm.VA is taken care of by Leasinvest Real Estate Management NV, its statutory manager and a wholly owned subsidiary of Ackermans & van Haaren. The board of directors of Leasinvest Real Estate Management cannot, in line with article 12 of the bylaws, take a decision regarding the strategy of the public regulated real estate company Leasinvest Real Estate without the approval of the majority of the directors appointed on the nomination of Ackermans & van Haaren or its affiliated companies. See the annual report of LRE for an overview of the participations held by the listed company Leasinvest Real Estate.

(3) In the second half of 2020, Anima (formerly Anima Care) acquired the residential care centre 'Les 3 Arbres' in Mellet (Hainaut province).

Name of subsidiary	Registration nr	Registered office	Beneficial interest % 2020	Beneficial interest % 2019	Minority interest % 2020	Minority interest % 2019
Energy & Resources						
AvH Resources India	**U74300DL2001 PTC111685**	**India**	**100.00%**	**100.00%**		
AvH & Growth Capital						
AvH Growth Capital (ex-Sofinim)	**0434.330.168**	**Belgium**	**100.00%**	**100.00%**		
Sofinim Luxemburg	2003.2218.661	Luxembourg	100.00%	100.00%		
Agidens International	**0468.070.629**	**Belgium**	**86.25%**	**86.25%**	**13.75%**	**13.75%**
Agidens Life Sciences	0411.592.279	Belgium	86.25%	86.25%	13.75%	13.75%
Agidens Infra Automation	0630.982.030	Belgium	86.25%	86.25%	13.75%	13.75%
Agidens Proces Automation	0465.624.744	Belgium	86.25%	86.25%	13.75%	13.75%
Agidens Proces Automation BV	005469272B01	The Netherlands	86.25%	86.25%	13.75%	13.75%
Agidens Life Sciences BV	850983411B01	The Netherlands	86.25%	86.25%	13.75%	13.75%
Agidens Infra Automation BV	856220024B01	The Netherlands	86.25%	86.25%	13.75%	13.75%
Agidens Inc	32.067.705.379	USA	86.25%	86.25%	13.75%	13.75%
Agidens SAS	10.813.818.424	France	86.25%	86.25%	13.75%	13.75%
Agidens GmbH	76301	Germany	86.25%	86.25%	13.75%	13.75%
Agidens AG	539301	Switzerland	86.25%	86.25%	13.75%	13.75%
Argus Technologies	0844.260.284	Belgium	86.25%	86.25%	13.75%	13.75%
Baarbeek Immo	651.662.133	Belgium	86.25%	86.25%	13.75%	13.75%
Biolectric Group	**0422.609.402**	**Belgium**	**60.00%**	**60.00%**	**40.00%**	**40.00%**
Biolectric	0879.126.440	Belgium	60.00%	60.00%	40.00%	40.00%
Biolectric Ltd		UK	60.00%	60.00%	40.00%	40.00%
Subholdings AvH						
Anfima	0426.265.213	Belgium	100.00%	100.00%		
Brinvest	0431.697.411	Belgium	100.00%	99.99%		0.01%
Profimolux	1992.2213.650	Luxembourg	100.00%	100.00%		

2. Jointly controlled subsidiaries accounted for using the equity method – 2020

(€ 1,000) Name of subsidiary	Registration nr	Registered office	Beneficial interest % 2020	Minority interest % 2020	Total assets	Total liabilities	Turnover	Net result
Marine Engineering & Contracting								
Rent-A-Port								
Infra Asia Investments (subgroup Rent-A-Port)								
Euro Jetty (Hong Kong)		Hong Kong	24.89%	25.11%	13,082	9	421	-71
Deep C Green Energy (Hong Kong)		Hong Kong	24.89%	25.11%	7,256	197	421	-126
Deep C Green Energy (Vietnam)		Vietnam	24.89%	25.11%	5,643	5,136	12,771	-362
Euro Jetty (Vietnam) Company		Vietnam	24.89%	25.11%	4,865	2,678	7,072	1,873
DC Russia (ex-Tien Phong Industrial Zone jsc) *(1)*		Vietnam	24.89%	25.11%	19,969	2,105	0	-426
Bac Tien Phong Industrial Zone *(1)*		Vietnam	24.89%	25.11%	35,639	1,183	0	-941
Rent-A-Port Utilities	0846.410.221	Belgium	40.53%	9.47%	1,616	1,941	3	-42
Infra Asia Investment Fund	0648.714.620	Belgium	40.53%	9.47%	32,047	31,912	14	16
ESTOR-LUX *(2)*	0749.614.317	Belgium	24.32%	5.68%	4,650	2,911	0	-102
S Channel Management Limited (in liquidation)		Cyprus	40.53%	9.47%	0	0	0	3
Private Banking								
Delen Private Bank *(3)*	**0453.076.211**	**Belgium**	**78.75%**		**2,053,679**	**1,113,402**	**412,422**	**131,387**
Real Estate & Senior Care								
Extensa Group								
CBS Development	0831.191.317	Belgium	50.00%		4,448	6,997	30	7
CBS-Invest	0879.569.868	Belgium	50.00%		8,288	2,043	355	-305
Grossfeld PAP SICAV-RAIF	2005.2205.809	Luxembourg	50.00%		109,058	110,634	890	40,384
Grossfeld Immobilière	2001.2234.458	Luxembourg	50.00%		56,358	57,381	179	717
NEIF 3 Kockelscheuer *(4)*	2019.2481.814	Luxembourg	45.00%		30,748	19,467	0	-18
Darwin I *(4)*	2020.2460.950	Luxembourg	50.00%		33,338	13,015	0	-15
Darwin II *(4)*	2020.2460.985	Luxembourg	50.00%		21,720	16,681	0	-16
Banca II *(4)*	2020.2460.969	Luxembourg	50.00%		63,022	37,854	0	-16
Les Jardins de Oisquercq	0899.580.572	Belgium	50.00%		3,393	5,232	0	-399
Top Development *(5)*	35 899 140	Slovakia						
Energy & Resources								
SIPEF (USD 1.000) *(6)*	**0404.491.285**	**Belgium**	**34.68%**		**946,641**	**307,953**	**274,027**	**14,122**
Verdant Bioscience (USD 1.000) *(7)*		**Singapore**	**42.00%**		**33,451**	**19,747**	**1,319**	**-2,645**
AvH & Growth Capital								
Amsteldijk Beheer	**33.080.456**	**The Netherlands**	**50.00%**		**3,325**	**1,271**	**666**	**188**
Manuchar (USD 1.000)	**0407.045.751**	**Belgium**	**30.00%**		**586,079**	**473,011**	**1,497,853**	**23,620**
Turbo's Hoet Groep	**0881.774.936**	**Belgium**	**50.00%**		**334,822**	**216,459**	**447,935**	**7,178**
Telemond *(8)*	**0893.552.617**	**Belgium**	**50.00%**		**78,134**	**23,684**	**84,050**	**6,074**
Subholdings AvH								
GIB	**0404.869.783**	**Belgium**	**50.00%**		**91**	**52,813**	**0**	**-310**

(1) Following the sale of 50% of the shares in DC Russia (previously fully consolidated) and Bac Tien Phong Industrial Zone (previously Assets held for sale), these two companies, which develop land sites in Vietnam, are included under 'Jointly controlled subsidiaries'.

(2) By establishing the company ESTOR-LUX, Rent-A-Port Green Energy, S.R.I.W. Environnement, SOCOFE and SOPAER joined forces to set up a large-scale battery park. The project should be fully operational in 2021.

(3) FinAx holds a 78.75% stake in Delen Private Bank NV. The shareholder agreements between AvH and the Jacques Delen family, which holds a 21.25% stake through Promofi NV, include, among other things, agreements concerning representation on the board of directors and decision-making at the level of the board of directors and the shareholders' meeting. The special majority requirements specified for certain key decisions lead to joint control.

(4) Extensa has contributed four office buildings under construction on the Cloche d'Or site in Luxembourg in separate subsidiaries, directly held by Grossfeld PAP SICAV-RAIF.

(5) In 2020, Extensa sold its 50% interest in Top Development (Trnava, Slovakia) to the local partners.

(6) The shareholders' agreement between the Baron Bracht family and AvH results in joint control of SIPEF. In 2020, AvH increased its shareholding percentage in SIPEF from 32.33% at year-end 2019 to 34.68% at year-end 2020.

(7) At the end of May, AvH and SIPEF signed an agreement with Sime Darby Plantation Berhad (Malaysia) to acquire the latter's 52% interest in Verdant Bioscience Pte Ltd (VBS), which is based in Singapore. AvH acquired a 42% stake in VBS.

(8) In 2020, the companies Telemond Holding and Telehold were merged.

3. Jointly controlled subsidiaries accounted for using the equity method – 2019

(€ 1,000) Name of subsidiary	Registration nr	Registered office	Beneficial interest % 2019	Minority interest % 2019	Total assets	Total liabilities	Turnover	Net result
Marine Engineering & Contracting								
Rent-A-Port								
Infra Asia Investments (subgroup Rent-A-Port)								
Euro Jetty (Hong Kong)		Hong Kong	24.22%	25.78%	14,275	41	0	-99
Deep C Green Energy (Hong Kong)		Hong Kong	24.22%	25.78%	15,888	213	0	-212
Deep C Green Energy (Vietnam)		Vietnam	24.22%	25.78%	3,712	4,042	9,294	-513
Euro Jetty (Vietnam) Company		Vietnam	24.22%	25.78%	3,791	1,324	4,837	1,631
Rent-A-Port Utilities	0846.410.221	Belgium	40.23%	9.77%	1,712	1,949	0	5
Infra Asia Investment Fund	0648.714.620	Belgium	40.23%	9.77%	32,176	32,057	8	18
S Channel Management Limited		Cyprus	40.23%	9.77%	0	3	0	87
Private Banking								
Delen Private Bank	**0453.076.211**	**Belgium**	**78.75%**		**2,427,506**	**1,617,881**	**388,642**	**118,609**
Real Estate & Senior Care								
Extensa Group								
CBS Development	0831.191.317	Belgium	50.00%		7,223	9,779	0	-2,306
CBS-Invest	0879.569.868	Belgium	50.00%		9,941	3,392	0	-485
Grossfeld PAP SICAF-RAIF	2005.2205.809	Luxembourg	50.00%		215,384	201,103	246	16,377
Grossfeld Immobilière	2001.2234.458	Luxembourg	50.00%		11,104	12,762	613	46
Les Jardins de Oisquercq	0899.580.572	Belgium	50.00%		3,251	4,805	0	-355
Top Development	35 899 140	Slovakia	50.00%		7,041	326	486	2,447
Energy & Resources								
SIPEF (USD 1.000)	**0404.491.285**	**Belgium**	**32.33%**		**943,125**	**314,439**	**248,311**	**-8,004**
AvH & Growth Capital								
Amsteldijk Beheer	**33.080.456**	**The Netherlands**	**50.00%**		**3,315**	**1,250**	**760**	**259**
Manuchar (USD 1.000)	**0407.045.751**	**Belgium**	**30.00%**		**638,584**	**539,202**	**1,518,033**	**28,484**
Turbo's Hoet Groep	**0881.774.936**	**Belgium**	**50.00%**		**356,006**	**239,540**	**602,016**	**9,951**
Telemond Consortium		**Belgium**	**50.00%**		**79,155**	**23,420**	**98,575**	**8,194**
Subholdings AvH								
GIB	**0404.869.783**	**Belgium**	**50.00%**		**131**	**52,543**	**0**	**-195**

NOTE 3: ASSOCIATED PARTICIPATING INTERESTS

1. Associated participating interests accounted for using the equity method - 2020

(€ 1,000) Name of associated participating interest	Registration nr	Registered office	Beneficial interest % 2020	Minority interest % 2020	Total assets	Total liabilities	Turnover	Net result
Marine Engineering & Contracting								
Green Offshore *(1)(2)*								
Rentel	0700.246.364	Belgium	10.13%	2.37%	1,007,559	943,473	152,870	59,923
SeaMade	0543.401.324	Belgium	7.09%	1.66%	1,378,017	1,367,578	49,488	44,529
Otary RS	0833.507.538	Belgium	10.13%	2.37%	83,747	2,839	11,208	33,933
Otary BIS	0842.251.889	Belgium	10.13%	2.37%	53,869	157	0	-12
Private Banking								
Bank J.Van Breda & C°								
Informatica J.Van Breda & C°	0427.908.174	Belgium	31.50%	8.50%	5,253	4,036	11,504	5
Energy & Resources								
Sagar Cements (INR million) *(3)*	**L26942AP19 81PLC002887**	**India**	**21.85%**		**23,032**	**22,916**	**12,572**	**1,374**
AvH & Growth Capital								
Axe Investments	**419,822,730**	**Belgium**	**48.34%**		**14,520**	**113**	**568**	**-434**
Financière EMG	**801.720.343**	**France**	**22.51%**		**390,090**	**433,425**	**240,850**	**-44,690**
Mediahuis *(4)*	**439.849.666**	**Belgium**	**13.51%**		**1,122,745**	**744,220**	**990,527**	**58,592**
OM Partners *(5)* (31-12-2019)	**428.328.442**	**Belgium**	**20.01%**		**89,073**	**37,722**	**85,673**	**14,192**
Agidens International								
Keersluis Limmel Maintenance BV (MTC)	62.058.630	The Netherlands	43.12%		852	852	504	0
SAS van Vreeswijk (MTC van Beatrix)	65.067.096	The Netherlands	17.25%		946	592	4,197	354

(1) The purchase of 301,163 CFE shares (+1.19%) on the stock market led to AvH's higher beneficial interest in DEME, Rent-A-Port and Green Offshore and their affiliates.

(2) The stakes in the offshore wind farms Rentel and SeaMade (and the intermediate holdings Otary RS and Otary BIS) are held through Green Offshore, which is a 50/50 investment vehicle of AvH and CFE. AvH has a (transitive) participation of 10.13% in Rentel and 7.09% in SeaMade. When DEME's interests in Rentel and SeaMade are also taken into account, the (beneficial) interests of AvH amount to 21.9% and 15.3% respectively.

(3) AvH's right to one representative on the Board of Directors of Sagar Cements and a right of veto on changes to aspects including articles of association and purchasing and sales of activities, explain why it is included in the consolidation scope of AvH. Following an extraordinary general meeting of Sagar Cements, 3,100,000 warrants that are convertible into shares were issued in January 2019. AvH India Resources has subscribed to 1,550,000 convertible warrants, and 775,000 of these have already been converted in 2019. In July 2020, the final tranche of the preferential allocation of convertible warrants was exercised. As a result, its interest increased to 21.85%.

(4) AvH has at the end of 2020 a 49.9% stake in Mediacore, the controlling shareholder (53,5%) in Mediahuis Partners. Mediahuis Partners has a controlling share of 50.57% in Mediahuis. The participation percentage of AvH in Mediahuis is therefore 13.51%.

(5) AvH acquired in the final weeks of 2020 a 20% participation in OM Partners ("OMP"), a leading Belgian firm in the field of supply chain software. Since the participation in OM Partners was acquired shortly before the year-end 2020, it will only begin to contribute to the consolidated results of AvH in 2021.

2. Associated participating interests not accounted for using the equity method - 2020

(€ 1,000) Name of associated participating interest	Registration nr	Registered office	Beneficial interest % 2020	Reason for exclusion	Total assets	Total liabilities	Turnover	Net result
AvH & Growth Capital								
Bio Cap Invest (31-12-2019)	0719 433 261	Belgium	40.00%	*(1)*	843	0	0	-7
Nivelinvest (31-12-2019)	0430.636.943	Belgium	25.00%	*(1)*	64,492	53,337	551	2,860
Pribinvest (31-12-2019)	0107957	Luxembourg	78.75%	*(1)*	4,371	980	0	-46
Transpalux	0582.011.409	France	45.02%	*(2)*	19,878	13,949	26,402	562

(1) Investment of negligible significance (valued at cost).

(2) Unable to present audited figures on time.

Referring to the organisation chart (page 75), the participations in Biotalys (13%), Indigo Diabetes (9%), Medikabazaar (10%), MRM Health (17%) and OncoDNA (10%), in view of the beneficial interest, are not consolidated but instead recognised under 'Non current financial assets' (see Note 12). The same applies to the interests in HealthQuad I Fund (36%) and HealthQuad II Fund (22%) because of their typical fund structure.

3. Associated participating interests accounted for using the equity method - 2019

(€ 1,000) Name of associated participating interest	Registration nr	Registered office	Beneficial interest % 2019	Minority interest % 2019	Total assets	Total liabilities	Turnover	Net result
Marine Engineering & Contracting								
Green Offshore								
Rentel	0700.246.364	Belgium	10.06%	2.44%	1,048,753	965,360	140,326	38,982
SeaMade	0543.401.324	Belgium	7.04%	1.71%	699,826	710,535	0	-48
Otary RS	0833.507.538	Belgium	10.06%	2.44%	81,750	2,355	9,921	12,485
Otary BIS	0842.251.889	Belgium	10.06%	2.44%	53,876	152	0	0
Private Banking								
Bank J.Van Breda & C°								
Informatica J.Van Breda & C°	0427.908.174	Belgium	31.50%	8.50%	4,662	3,445	11,683	5
Energy & Resources								
Sagar Cements (INR million)	**L26942AP19 81PLC002887**	**India**	**19.86%**		**18,711**	**9,231**	**12,374**	**442**
AvH & Growth Capital								
Axe Investments	**419,822,730**	**Belgium**	**48.34%**		14,950	110	630	-68
Financière EMG	**801.720.343**	**France**	**22.51%**		358,289	354,545	337,541	-9,636
Mediahuis	**439.849.666**	**Belgium**	**13.51%**		1,101,907	777,339	857,942	14,723
Agidens International								
Keersluis Limmel Maintenance BV (MTC)	62.058.630	The Netherlands	43.12%		320	320	343	0
SAS van Vreeswijk (MTC van Beatrix)	65.067.096	The Netherlands	17.25%		608	608	1,029	0

4. Associated participating interests not accounted for using the equity method - 2019

(€ 1,000) Name of associated participating interest	Registration nr	Registered office	Beneficial interest % 2019	Reason for exclusion	Total assets	Total liabilities	Turnover	Net result
AvH & Growth Capital								
Nivelinvest (31-12-2018)	0430.636.943	Belgium	25.00%	*(1)*	61,565	53,271	861	583
Pribinvest (31-12-2018)	0107957	Luxembourg	78.75%	*(1)*	4,409	972	0	-146
Transpalux	0582.011.409	France	45.02%	*(2)*	18,729	13,343	33,390	1,048

(1) Investment of negligible significance (valued at cost).
(2) Unable to present audited figures on time.

NOTE 4: BUSINESS COMBINATIONS AND DISPOSALS

1. Business combinations

On October 30, 2020, DEME Offshore Holding NV, a subsidiary of DEME, acquired 100% of the shares of the company SPT Offshore Holding BV. This company in turn holds 100% of the shares of the following companies: SPT Equipment BV, SPT Offshore BV, SPT Offshore UK Ltd, SPT Offshore SDN Bhd, Seatec Holding BV and Seatec Subsea Systems BV.

All these companies are fully consolidated.

The evaluation of all the identifiable assets and liabilities obtained by this acquisition took place on June 30, 2020. The market value of the identified assets and liabilities is shown below:

(€ 1,000)	SPT Offshore
Goodwill and intangible assets	19,252
Tangible assets	5,361
Inventory	0
Cash and cash equivaltents	1,878
Other assets	3,968
Total assets	**30,459**
Equity (group share)	22,136
Minority interests	0
Current and non-current financial debts	1,038
Other liabilities	7,285
Total equity and liabilities	**30,459**
Total assets	30,459
Total liabilities	-8,323
Minority interests	0
Net assets (100%)	**22,136**
Purchase price	**22,136**

The following methods were used to determine the market value of the identifiable assets and liabilities acquired:

- intangible assets: the market value was estimated by DEME on a best effort basis and relate to the special environmentally friendly suction pile technology which can be used to secure both fixed and floating structures to the seabed. These intangible assets are amortised over 10 years.
- other assets and liabilities: the market value is based on the value at which those assets or liabilities can be transferred to third parties.

The purchase price consists of an amount of 18.2 million euros, payable on the closing date of the transaction, and of an earn-out obligation that was estimated at 3.9 million euros, depending on results achieved in 2020 and 2021. Given the size of the net assets acquired, there is no goodwill to be allocated.

The SPT Offshore companies contributed 12.8 million euros to DEME's turnover in 2020.

In the second half of 2020, Anima acquired the residential care centre 'Les 3 Arbres' in Mellet (Hainaut province).

2. Business disposals

There were no major business disposals in 2020.

NOTE 5: ASSETS AND LIABILITIES HELD FOR SALE

The 'Assets held for sale' amounted to 40.7 million euros at year-end 2019 and included DEME's 12.5% stake in the German offshore wind farm Merkur, Rent-A-Port's stake in a project company which is developing (part of) the land in Vietnam, and a property of Anima that is no longer in use. The disposal of those assets in 2020 reduced the balance of 'Assets held for sale' to 1.9 million euros.

We refer to Note 6. Segment information for more details on those transactions.

NOTE 6: SEGMENT INFORMATION

Segment 1

Marine Engineering & Contracting:

DEME (full consolidation 62.10%), CFE (full consolidation 62.10%), Rent-A-Port (full consolidation 81.05%) and Green Offshore (full consolidation 81.05%).

The purchase of 301,163 CFE shares (+1.19%) on the stock market in 2020 led to a higher beneficial interest of AvH in DEME (62.10%), Rent-A-Port (81.05%) and Green Offshore (81.05%) as well.

Segment 2

Private Banking:

Delen Private Bank (equity method 78.75%), Bank J.Van Breda & C° (full consolidation 78.75%) and FinAx (full consolidation 100%).

Segment 3

Real Estate & Senior Care:

Extensa (full consolidation 100%), Leasinvest Real Estate (full consolidation 30%), Leasinvest Real Estate Management (full consolidation 100%) and Anima (full consolidation 92.5%, formerly Anima Care).

Segment 4

Energy & Resources:

SIPEF (equity method 34.68%), Verdant Bioscience Pte (equity method 42%), AvH India Resources (full consolidation 100%) and Sagar Cements (equity method 21.85%).

AvH's stake in SIPEF increased from 32.33% to 34.68% in H1 2020.

At the end of May, AvH and SIPEF signed an agreement with Sime Darby Plantation Berhad (Malaysia) to acquire the latter's 52% interest in Verdant Bioscience Pte Ltd (VBS), which is based in Singapore. AvH acquired a 42% stake in VBS, representing an investment of 7 million USD. Verdant Bioscience started contributing to the consolidated results of the AvH group in the second half of 2020.

Following an extraordinary general meeting of Sagar Cements, 3,100,000 warrants that are convertible into shares were issued in January 2019. AvH India Resources had subscribed to 1,550,000 convertible warrants, and 775,000 of these had already been converted in 2019. In July 2020, the final tranche of these convertible warrants was exercised. As a result, its interest increased to 21.85%.

AvH India Resources holds no other participations than in Sagar Cements.

Segment 5

AvH & Growth Capital:

- AvH, AvH Growth Capital (ex-Sofinim) & subholdings (full consolidation 100%)
- Participations fully consolidated: Agidens (86.2%) and Biolectric Group (60%)
- Participations accounted for using the equity method: Amsteldijk Beheer (50%), Axe Investments (48.3%), Financière EMG (22.5%), Manuchar (30.0%), Mediahuis Partners (26.7%), Mediahuis (13.5%), MediaCore (49.9%), OM Partners (20.0%), Telemond (50%), Turbo's Hoet Groep (50%), and GIB (50%)
- Non-consolidated participations: Biotalys (13.3%), HealthQuad Fund I (36.3%), HealthQuad Fund II (22.1%), Indigo Diabetes (9.1%), Medikabazaar (9.6%), MRM Health (17.2%), OncoDNA (10.1%) and Transpalux (45%).

In the "Growth Capital" segment, AvH acquired in the final weeks of 2020 a 20% participation in OM Partners ("OMP"), a leading Belgian firm in the field of supply chain software. Since the participation in OM Partners was acquired shortly before the year-end 2020, it will only begin to contribute to the consolidated results of AvH in 2021.

Additionally, the group invested in a number of (non-consolidated) young and promising companies, a.o. Indigo Diabetes, MRM Health, Biotalys and Onco DNA in Belgium, along with additional investments in India in a.o. the new HealthQuad II fund, of which AvH is an anchor investor, and through HealthQuad II indirectly in Medikabazaar.

NOTE 6: SEGMENT INFORMATION – INCOME STATEMENT 2020

(€ 1,000)	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5		
	Marine Engineering - Contracting	Private Banking	Real Estate & Senior Care	Energy & Resources	AvH & Growth Capital	Eliminations between segments	**Total 2020**
Revenue	**3,413,486**	**184,440**	**207,424**	**9**	**106,945**	**-2,056**	**3,910,250**
Rendering of services	0	0	95,819	0	1,966	-1,906	95,880
Real estate revenue	131,105	0	95,363	0	0		226,468
Interest income - banking activities	0	102,803	0	0	0		102,803
Fees and commissions - banking activities	0	77,857	0	0	0		77,857
Revenue from construction contracts	3,163,831	0	0	0	100,277		3,264,108
Other operating revenue	118,550	3,780	16,242	9	4,702	-150	143,134
Operating expenses (-)	**-3,394,235**	**-119,974**	**-142,824**	**-96**	**-118,756**	**2,839**	**-3,773,047**
Raw materials, consumables, services and subcontracted work (-)	-2,391,094	-25,452	-50,848	-96	-67,358	2,839	-2,532,009
Interest expenses Bank J.Van Breda & C° (-)	0	-22,710	0	0	0		-22,710
Employee expenses (-)	-652,373	-47,396	-71,731	0	-45,089		-816,589
Depreciation (-)	-326,888	-7,054	-11,511	0	-5,319		-350,772
Impairment losses (-)	-1,397	-5,488	-2,613	0	-94		-9,592
Other operating expenses (-)	-21,597	-10,884	-6,684	0	-631	0	-39,797
Provisions	-887	-990	563	0	-264		-1,579
Profit (loss) on assets/liabilities designated at fair value through profit and loss	**0**	**0**	**-2,116**	**0**	**-1,689**	**0**	**-3,805**
Financial assets - Fair value through P/L (FVPL)	0	0	-33,513	0	-1,689		-35,201
Investment property	0	0	31,396	0	0		31,396
Profit (loss) on disposal of assets	**83,941**	**-18**	**3,170**	**0**	**3,573**	**0**	**90,666**
Realised gain (loss) on intangible and tangible assets	12,023	0	143	0	5		12,172
Realised gain (loss) on investment property	0	0	2,211	0	0		2,211
Realised gain (loss) on financial fixed assets	71,918	0	816	0	3,103		75,837
Realised gain (loss) on other assets	0	-18	0	0	464		446
Profit (loss) from operating activities	**103,192**	**64,448**	**65,654**	**-87**	**-9,927**	**783**	**224,063**
Financial result	**-41,646**	**-8**	**-33,580**	**-35**	**2,333**	**-783**	**-73,718**
Interest income	7,712	0	5,183	0	1,926	-1,084	13,737
Interest expenses (-)	-24,109	-7	-15,956	0	-588	1,084	-39,576
(Un)realised foreign currency results	-16,485	0	-90	-34	-89		-16,698
Other financial income (expenses)	-8,765	0	-22,716	-1	1,083	-783	-31,182
Derivative financial instruments designated at fair value through profit and loss	**0**	**136**	**-5,378**	**0**	**0**		**-5,242**
Share of profit (loss) from equity accounted investments	**37,229**	**103,469**	**20,165**	**7,045**	**11,345**		**179,253**
Other non-operating income	**0**	**0**	**0**	**0**	**0**		**0**
Other non-operating expenses (-)	**0**	**0**	**0**	**0**	**0**		**0**
Profit (loss) before tax	**98,775**	**168,045**	**46,861**	**6,923**	**3,752**	**0**	**324,356**
Income taxes	**-24,051**	**-17,270**	**-4,104**	**0**	**-1,317**	**0**	**-46,742**
Deferred taxes	35,462	1,461	7,527	0	243		44,693
Current taxes	-59,512	-18,731	-11,632	0	-1,560		-91,435
Profit (loss) after tax from continuing operations	**74,724**	**150,775**	**42,757**	**6,923**	**2,434**	**0**	**277,614**
Profit (loss) after tax from discontinued operations	**0**	**0**	**0**	**0**	**0**		**0**
Profit (loss) of the period	**74,724**	**150,775**	**42,757**	**6,923**	**2,434**	**0**	**277,614**
Minority interests	28,033	9,461	10,094	107	128		47,823
Share of the group	46,691	141,315	32,662	6,817	2,306		229,791

COMMENTS ON THE SEGMENT INFORMATION INCOME STATEMENT 2020

There was only a minor change in the composition of AvH's consolidation scope in the course of 2020 (see note 6 of this report). The comparison of the income statement with that of last year is therefore not significantly distorted by changes in the consolidation scope.

In 2020, AvH realised **revenues** of 3,910.3 million euros, which is 360.1 million euros (-8.4%) less than last year. In 2020, a year marked by the coronavirus pandemic, Bank J.Van Breda & C° nevertheless realised a substantial increase (+5.5%) in its interest income and commissions, and the revenue in the "Growth Capital" segment increased as well. However, this is insufficient to make up for the turnover decrease in "Marine Engineering & Contracting" and in "Real Estate & Senior Care".

The **revenue from construction contracts** decreased at both DEME and CFE. The decrease of 426.3 million euros at DEME (-16.3%) is situated both in the dredging segment and at DEME Offshore. As was also the case for CFE's construction activities (-50.9 million euros, a 5.4% decrease), the coronavirus pandemic led to the temporary cessation of, or delays in projects in progress or, to a loss of productivity. Rent-A-Port, on the other hand, was able to realise considerably more land handovers in Vietnam than last year, generating a turnover increase of 39.9 million euros.

CFE, as well, realised a marked increase in its **real estate revenue** in 2020, which amounted to 131.1 million euros (+72.0 million euros), which is primarily attributable to the delivery of a number of real estate projects in Poland.

The **other operating revenue** comprises, in the "Marine Engineering & Contracting" segment, 10.0 million euros compensation received by DEME for late delivery of the cutter suction dredger 'Spartacus' and 10.2 million euros proceeds from an arbitration award relating to a past project. At CFE, the other operating revenue amounted to 55.2 million euros and includes rental income, rebilling and other payments received.

Despite the impact of the COVID-19 pandemic, which weighs on the occupancy rate of Anima's residential care centres, its revenue increased to 95.8 million euros (+7.4%) thanks to a further expansion of the network to 2,539 beds (+186 units), spread over 23 residences in Belgium. The real estate revenue in "Real Estate & Senior Care", however, decreased by 64.3 million euros. Lower rental income at Leasinvest Real Estate accounted for 3.7 million of this decrease, the rest is explained by lower revenue reported by Extensa from the operation and sale of real estate.

In comparison with the 360.1 million euros lower revenue, the **operating expenses** decreased by 201.8 million euros (-5.1%). This decrease is most marked in raw materials and consumables used, services and subcontracted work. Employee expenses and Depreciation across the whole group even increased slightly compared to last year.

In the "Private Banking" segment, the operating expenses at Bank J.Van Breda & C° increased by 2.0 million euros, which was entirely attributable to the increase in impairment losses by 4.1 million euros to 5.5 million euros in 2020. Without these impairment losses, the bank's operating expenses would actually have decreased, which illustrates its tight grip on costs. The cost-income ratio of Bank J.Van Breda & C° over the full year 2020 stands at 56.3%, compared to 61.3% in 2019.

The capacity expansion at Anima referred to above led to an increase in staff numbers and therefore also to higher **employee expenses**.

The lower level of activity at DEME and CFE logically also meant lower operating expenses, primarily in terms of **raw materials and consumables, services and subcontracted work**.

The total **depreciation** cost increased further to 350.8 million euros (+2.3%). At DEME, the depreciation cost increased by just 4.3 million euros to 300.2 million euros, despite 15.6 million euros accelerated depreciation of certain specific vessels and the addition to the fleet of the new hopper dredgers 'Meuse River' and 'Thames River' and the barges 'Bengel' and 'Deugniet' in the course of 2020.

Impairment losses included 5.5 million euros worth of impairment losses reported by Bank J.Van Breda, of which 1.0 million euros relating to specific loans, and 4.5 million euros as a general provision for expected future credit losses, in accordance with IFRS 9. Leasinvest Real Estate recognised 2.0 million euros worth of impairment losses on outstanding receivables. DEME and Anima recognised impairment losses of 5.0 million euros and 0.6 million euros respectively on consolidation goodwill.

Assets/liabilities designated at fair value made a consolidated negative contribution of 3.8 million euros in 2020, compared to a positive contribution of 23.5 million euros in 2019. This is primarily accounted for by Leasinvest Real Estate. The valuation of its 10.7% stake in Retail Estates based on the share price at year-end 2020 of 59.1 euros left Leasinvest Real Estate with a loss of 33.5 million euros. On the other hand, Leasinvest Real Estate recognised 29.3 million euros worth of positive unrealised portfolio results, which arise to a large extent from the contribution in kind of its Luxembourg activities into separate subsidiaries that are subject to the standard Luxembourg corporate income tax. The balance of the positive trend in the fair value of investment property is attributable to Extensa's Tour & Taxis site.

In 2020, AvH again realised a substantial amount of **capital gains** with 90.7 million euros, even if this is considerably less than in the record year 2019, in which notably the 105.7 million euros capital gain on the disposal of Residalya played an important part. The capital gains in 2020 essentially comprise the disposal by DEME of its 12.5% interest in the German offshore wind farm Merkur (63.9 million euros) and 11.2 million euros on the disposal of old vessels and equipment, such as a small hopper dredger (Orwell) and a cutter suction dredger (Dijle). The other gains on disposal of financial fixed assets include 6.3 million euros realised by CFE on the sale of real estate developments held in partnership with other parties and 3.0 million euros on the sale by AvH at the beginning of 2020 of its 50% stake in the Indian Oriental Quarries & Mines to the co-shareholder.

The **net interest expenses** over 2020 increased by 11.2 million euros to 25.8 million euros. This increase is entirely situated in the "Marine Engineering & Contracting" segment. Given the only limited increase in interest expenses, the increase is primarily explained by decreased interest income which is essentially the result of the repayment of financing provided to offshore wind projects. DEME decreased its net debt position in 2020 by 219.4 million euros to 489.0 million euros at year-end 2020. Accordingly, DEME closed 2020 with a very solid liquidity position.

Compared with 2019, the depreciation of most currencies against the euro resulted in **exchange losses** of 16.7 million euros, as against 3.0 million euros exchange gains in 2019.

The significant increase in **other finance costs** to 31.2 million euros is virtually entirely explained by the loss of 20.3 million euros that Leasinvest Real Estate incurred on the termination of part of its interest hedges. This should lead, ceteris paribus, to a decrease in the finance cost of Leasinvest Real Estate in the coming years. The **fair value adjustment** of the hedging instruments that Leasinvest Real Estate has retained were subject to an unrealised loss of 5.4 million euros in 2020.

As was already the case in previous years, the **share of profit (loss) from equity-accounted investments** makes a substantial contribution to AvH's group profit. This item comprises the (net) profit contribution of AvH for its share in a.o. Delen Private Bank, SIPEF, Sagar Cements and most of the Growth Capital participations, as well as the contributions of certain participations held by fully consolidated entities. Delen Private Bank made a record contribution of 103.5 million euros to the group result (+10.1 million euros compared to 2019).

The contributions from equity-accounted investments in "Marine Engineering & Contracting" are a.o. realised by participations of DEME and Green Offshore in entities that develop and operate offshore wind farms, such as Rentel, SeaMade and C-Power. Additionally, both DEME and CFE have a number of jointly controlled participations or participations in which they only hold a minority interest. The contribution in the "Real Estate & Senior Care" segment derives primarily from the developments on the Cloche d'Or site in Luxembourg, in which Extensa holds a 50% stake.

The **income taxes** amounted to 46.7 million euros for the full year 2020. In this respect, it should be pointed out that the profit contribution from the equity-accounted investments is a net contribution: it represents the share of the AvH group (179.3 million euros) in the profit after tax of the entities in question. If the 46.7 million euros tax expense is charged to the profit before tax, adjusted for the contribution from equity-accounted investments, the tax rate amounts to 32.2%.

NOTE 6: SEGMENT INFORMATION – ASSETS 2020

(€ 1,000)	Segment 1 Marine Engineering - Contracting	Segment 2 Private Banking	Segment 3 Real Estate & Senior Care	Segment 4 Energy & Resources	Segment 5 AvH & Growth Capital	Eliminations between segments	Total 2020
I. Non-current assets	3,278,940	5,311,972	1,794,612	242,598	344,631	-19,883	10,952,870
Intangible assets	115,359	1,092	31,199	0	112		147,762
Goodwill	172,127	134,247	7,836	0	11,727		325,937
Tangible assets	2,530,484	51,725	211,848	0	31,495		2,825,552
Land and buildings	154,867	43,863	195,081	0	21,604		415,415
Plant, machinery and equipment	1,826,029	2,001	4,888	0	2,505		1,835,423
Furniture and vehicles	39,529	3,564	4,367	0	6,064		53,525
Other tangible assets	263	690	3,274	0	509		4,736
Assets under construction	509,797	1,607	4,238	0	812		516,454
Investment property	0	0	1,414,057	0	0		1,414,057
Participations accounted for using the equity method	221,680	740,957	31,447	242,598	219,388		1,456,070
Non-current financial assets	108,731	1,631	90,440	0	79,493	-19,883	260,413
Financial assets : shares - Fair value through P/L (FVPL)	6,682	0	79,863	0	44,845		131,391
Receivables and warranties	102,049	1,631	10,577	0	34,648	-19,883	129,022
Non-current hedging instruments	3,222	23	33	0	0		3,279
Deferred tax assets	127,335	2,935	7,752	0	2,417		140,439
Banks - receivables from credit institutions and clients after one year	0	4,379,362	0	0	0		4,379,362
Banks - loans and receivables to clients	0	4,327,706	0	0	0		4,327,706
Banks - changes in fair value of the hedged credit portfolio	0	51,656	0	0	0		51,656
II. Current assets	2,061,320	2,771,230	311,528	400	134,031	-4,509	5,274,000
Inventories	268,621	0	112,589	0	1,241		382,451
Amounts due from customers under construction contracts	309,201	0	82,266	0	8,567		400,034
Investments	3	495,167	0	0	51,152		546,322
Financial assets : shares - Fair value through P/L (FVPL)	3	0	0	0	51,152		51,155
Financial assets : bonds - Fair value through OCI (FVOCI)	0	474,991	0	0	0		474,991
Financial assets : shares - Fair value through OCI (FVOCI)	0	173	0	0	0		173
Financial assets - at amortised cost	0	20,003	0	0	0		20,003
Current hedging instruments	7,831	568	0	0	0		8,399
Amounts receivable within one year	631,881	4,243	74,575	31	58,744	-4,306	765,168
Trade debtors	566,962	44	24,589	0	26,369	-1,156	616,808
Other receivables	64,919	4,199	49,987	31	32,376	-3,150	148,361
Current tax receivables	31,082	7	2,846	0	619		34,554
Banks - receivables from credit institutions and clients within one year	0	2,242,735	0	0	0		2,242,735
Banks - loans and advances to banks	0	163,712	0	0	0		163,712
Banks - loans and receivables to clients	0	1,086,948	0	0	0		1,086,948
Banks - changes in fair value of the hedged credit portfolio	0	269	0	0	0		269
Banks - cash balances with central banks	0	991,806	0	0	0		991,806
Cash and cash equivalents	778,444	17,670	34,372	370	11,552		842,408
Deferred charges and accrued income	34,258	10,839	4,880	0	2,156	-203	51,930
III. Assets held for sale	1,675	0	199	0	0		1,874
Total assets	5,341,935	8,083,202	2,106,339	242,998	478,662	-24,392	16,228,744

(€ 1,000) Segment information - pro forma turnover	Segment 1 Marine Engineering - Contracting	Segment 2 Private Banking	Segment 3 Real Estate & Senior Care	Segment 4 Energy & Resources	Segment 5 AvH & Growth Capital	Eliminations between segments	Total 2020
Turnover EU member states	2,229,480	437,017	191,183	32,446	504,246	-1,906	3,392,467
Other European countries	602,209	66,774		758	63,458		733,199
Rest of the world	463,247			80,959	374,922		919,128
Total	3,294,936	503,792	191,183	114,163	942,627	-1,906	5,044,794

The pro forma turnover comprises the turnover of all participations held by the AvH group, and therefore deviates from the turnover as reported in the legal IFRS consolidation drawn up on the basis of the consolidation scope reported in Note 2 and 3. In this pro forma presentation, all (exclusive) control interests are incorporated in full and the other interests proportionally.

NOTE 6: SEGMENT INFORMATION – EQUITY AND LIABILITIES 2020

(€ 1,000)	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5		
	Marine Engineering - Contracting	Private Banking	Real Estate & Senior Care	Energy & Resources	AvH & Growth Capital	Eliminations between segments	Total 2020
I. Total equity	1,853,790	1,482,597	810,871	242,991	391,919		4,782,169
Shareholders' equity - group share	1,127,078	1,352,094	454,284	242,991	385,592		3,562,038
Issued capital	0	0	0	0	113,907		113,907
Share capital	0	0	0	0	2,295		2,295
Share premium	0	0	0	0	111,612		111,612
Consolidated reserves	1,211,989	1,347,724	460,848	250,265	321,447		3,592,273
Revaluation reserves	-84,911	4,371	-6,564	-7,274	-18,393		-112,772
Financial assets : bonds - Fair value through OCI (FVOCI)	0	6,614	0	0	0		6,614
Financial assets : shares - Fair value through OCI (FVOCI)	0	45	0	0	0		45
Hedging reserves	-38,881	0	-6,804	-391	-4		-46,080
Actuarial gains (losses) defined benefit pension plans	-25,948	-2,289	0	-1,305	2,306		-27,236
Translation differences	-20,082	1	240	-5,578	-20,696		-46,115
Treasury shares (-)	0	0	0	0	-31,370		-31,370
Minority interests	726,712	130,503	356,588	0	6,328		1,220,131
II. Non-current liabilities	1,263,655	1,190,170	969,928	0	10,914	-19,883	3,414,785
Provisions	31,179	11,997	2,209	0	790		46,175
Pension liabilities	76,686	6,017	32	0	516		83,250
Deferred tax liabilities	97,417	0	60,877	0	1,483		159,777
Financial debts	1,015,773	3,226	862,584	0	7,785	-19,883	1,869,486
Bank loans	758,435	0	632,460	0	4,713		1,395,608
Bonds	58,151	0	183,783	0	0		241,934
Subordinated loans	44,677	0	0	0	4		44,680
Lease debts	87,449	3,226	44,350	0	3,068		138,093
Other financial debts	67,062	0	1,992	0	0	-19,883	49,170
Non-current hedging instruments	10,095	53,015	34,213	0	0		97,324
Other amounts payable	32,506	9,854	10,012	0	341		52,713
Banks - debts to credit institutions, clients & securities	0	1,106,061	0	0	0		1,106,061
Banks - deposits from credit institutions	0	298,417	0	0	0		298,417
Banks - deposits from clients	0	767,701	0	0	0		767,701
Banks - debt certificates including bonds	0	39,943	0	0	0		39,943
III. Current liabilities	2,224,491	5,410,434	325,540	7	75,828	-4,509	8,031,790
Provisions	31,602	44	6,217	0	220		38,083
Pension liabilities	0	342	0	0	0		342
Financial debts	424,300	5,218	221,234	0	42,262	-3,150	689,864
Bank loans	213,566	0	96,955	0	9,250		319,771
Bonds	0	0	0	0	0		0
Subordinated loans	20,967	0	0	0	7		20,974
Lease debts	27,556	2,068	2,308	0	2,007		33,939
Other financial debts	162,211	3,150	121,971	0	30,998	-3,150	315,181
Current hedging instruments	7,750	1,164	0	0	0		8,914
Amounts due to customers under construction contracts	301,202	0	0	0	7,990		309,192
Other amounts payable within one year	1,341,450	19,464	71,010	4	23,250	-1,156	1,454,021
Trade payables	1,032,361	29	48,702	3	12,887	-1,156	1,092,826
Advances received	60,582	0	61	0	0		60,643
Amounts payable regarding remuneration and social security	177,090	10,201	10,098	0	9,642		207,031
Other amounts payable	71,418	9,234	12,148	0	720		93,521
Current tax payables	82,456	1,099	9,952	3	1,385		94,895
Banks - debts to credit institutions, clients & securities	0	5,378,292	0	0	0		5,378,292
Banks - deposits from credit institutions	0	28,875	0	0	0		28,875
Banks - deposits from clients	0	5,139,401	0	0	0		5,139,401
Banks - debt certificates including bonds	0	210,016	0	0	0		210,016
Accrued charges and deferred income	35,731	4,811	17,126	0	722	-203	58,187
IV. Liabilities held for sale	0	0	0	0	0		0
Total equity and liabilities	5,341,935	8,083,202	2,106,339	242,998	478,662	-24,392	16,228,744

COMMENTS ON THE SEGMENT INFORMATION BALANCE SHEET 2020

The consolidated **balance sheet total** of AvH increased further in 2020, amounting to 16,228.7 million euros at December 31, 2020, which is 927.2 million euros higher (+6%) than at year-end 2019. The "Real Estate & Senior Care" (+60.4 million euros) and "Private Banking" (+932.8 million euros) segments account for most of this increase.

As was already mentioned in earlier reports, the full consolidation of the 78.75% participation in Bank J.Van Breda & C° has a considerable impact on both the size and the composition of the total balance sheet. Due to its specific banking activity, Bank J.Van Breda & C° has a significantly larger balance sheet total than the other companies of the group: the full consolidation of Bank J.Van Breda & C° alone already accounts for 7,211 million euros (44%) of the balance sheet total of the AvH group. Moreover, as a financial institution, Bank J.Van Breda & C° has a distinct balance sheet structure that is adapted to and structured according to its activities. Although Bank J.Van Breda & C° is one of the best capitalised financial institutions in Belgium, it clearly has different balance sheet ratios than the other participations of the AvH group. The balance sheet captions of Bank J.Van Breda & C° are grouped under separate items for an easier understanding of the consolidated balance sheet.

Even in the coronavirus year 2020, Bank J.Van Breda & C° continued to provide loans to its clientele of self-employed entrepreneurs and liberal professionals. The total loan portfolio even increased by 182.0 million euros (+3.5%) to 5,414.7 million euros at year-end 2020. These loans to clients are more than fully financed by deposits which Bank J.Van Breda & C° received from its clients and which in the short and longer term together represent an amount of 5,907.1 million euros.

Including the participation in the TLTRO III, an ECB instrument that encourages banks to provide loans to businesses and consumers, the increase in liquidities is even greater. On the assets side of the balance sheet, this is reflected in an increase of the cash balances with central banks to 991.8 million euros (+537.1 million euros) and in an increase of the bank's investment portfolio to 495.2 million euros (+74.4 million euros).

The **intangible assets** increased in 2020 by 20.9 million euros to 147.8 million euros. This increase is primarily the result of the acquisition by DEME of the Dutch firm SPT Offshore, with part of the value being attributed to the special environmentally friendly suction pile technology which can be used to secure both fixed and floating structures to the seabed. DEME and Anima recognised limited impairment losses on **goodwill** of 5 million euros and 0.6 million euros respectively, and which decreased the goodwill to 325.9 million euros.

The total **tangible assets** amounted to 2,825.6 million euros at December 31, 2020, a slight decrease by 83.6 million euros relative to year-end 2019. DEME continued its investment programme in 2020 for the renewal and expansion of its fleet. In this respect, it should be noted that the delivery of two important vessels, namely the cutter suction dredger 'Spartacus' and the installation vessel 'Orion', experienced considerable delays at the shipyards. As a result, they could not be delivered in 2020. DEME's new investments during 2020 amounted on balance to less than the recognised depreciation. Anima was able to expand its network of residential care centres in 2020, thereby increasing its capacity by 186 beds. In the second half of 2020, it acquired the residential care centre 'Les 3 Arbres' in Mellet (Hainaut province). Earlier in 2020, the brand-new residential care centre 'Nuance' opened in Forest, for which a long lease was concluded with Care Property Invest. Construction work on a new residential care centre on the Brussels Tour & Taxis site was in full progress in 2020, while in Braine L'Alleud work began on a new-build residence.

The increase in the **participations accounted for using the equity method** to 1,456.1 million euros is explained by the results realised in jointly controlled participations or in participations in which no controlling interest is held. This is the case with Delen Private Bank, the offshore wind farms Rentel, SeaMade and C-Power, SIPEF, Sagar Cements. In the "Growth Capital" segment of AvH's portfolio there are also several participations that are accounted for using the equity method. At year-end 2020, the new 20% participation in OM Partners is also included under this heading.

The decrease in **Non-current financial assets (shares - fair value through P&L)** in the "Real Estate & Senior Care" segment is caused by the decrease in the market value (stock market price) of the Retail Estates shares owned by Leasinvest Real Estate. The increase at "AvH & Growth Capital" is primarily explained by additional investments in a.o. Indigo Diabetes, MRM Health, Biotalys and the Indian HealthQuad funds I and II.

The decreased turnover over 2020 in the "Marine Engineering & Contracting" segment is reflected in the total outstanding **amounts receivable and amounts due from customers under construction contracts**. A clear increase of amounts due under construction contracts can be seen in the "Real Estate & Senior Care" segment and is the result of Extensa's development activity on its sites in Brussels (Gare Maritime and new residential zone on Tour & Taxis) and Luxembourg. No major changes in these items are to be reported in the other segments.

The **cash and cash equivalents** decreased by 45.6 million euros in 2020, although they still amount to a comfortable 842.4 million euros. The decrease is primarily reported in the "AvH & Growth Capital" segment as a result of the investments made during 2020 and the payment of a dividend by AvH in 2020 in a year in which AvH received considerably less dividends from its participations (due to Covid-19 and the prohibition of dividend payments by banks imposed by the ECB/NBB). DEME's net financial debt decreased in 2020, while the cash and cash equivalents at year-end 2020 increased relative to the previous year.

The evolution of the **equity** is explained in the 'Statement of changes in consolidated equity'.

Long-term **provisions** remain on balance virtually unchanged (46.2 million euros). This figure is composed of provisions that were constituted by the participations, of provisions for certain participations of which the equity method value has become negative, as well as a contingent liability provision of 15 million euros for risks identified by AvH in 2013 upon the acquisition of control over CFE. In the course of 2020 the provision has been reduced by one million euros following the extinction of the underlying risk.

The long-term **financial debts** amounted to 1,869.5 million euros and the short-term debts came to 689.9 million euros at year-end 2020. This means a limited increase of 27.4 million euros in 2020. This debt position should be seen in conjunction with the substantial cash and cash equivalents that are held by the group (842.4 million euros at year-end 2020).

At year-end 2020, the following participations had outstanding bond debts maturing after one year: BPI (CFE Group): 29.8 million euros, Rent-A-Port 28.4 million euros, Extensa 84.2 million euros, and Leasinvest Real Estate 99.6 million euros. The subordinated loans of 65.6 million euros in the "Marine Engineering & Contracting" segment were contracted by DEME for specific financing of new vessels. The other short-term financial debts include the issues of commercial paper, which at year-end totalled 305 million euros (DEME: 125 million euros, CFE: 27 million euros, Leasinvest Real Estate: 122 million euros, and AvH: 31 million euros).

NOTE 6: SEGMENT INFORMATION – CASH FLOW STATEMENT 2020

(€ 1,000)	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5		
	Marine Engineering Contracting	Private Banking	Real Estate & Senior Care	Energy & Resources	AvH & Growth Capital	Eliminations between segments	Total 2020
I. Cash and cash equivalents - opening balance	**644,971**	**18,270**	**41,008**	**220**	**183,517**	**0**	**887,985**
Profit (loss) from operating activities	103,192	64,448	65,654	-87	-9,927	783	224,063
Reclassification 'Profit (loss) on disposal of assets' to cash flow from divestments	-83,941	18	-3,170	0	-3,573		-90,666
Dividends from participations accounted for using the equity method	33,692	0	972	293	3,085		38,042
Other non-operating income (expenses)	0	0	0	0	0		0
Income taxes (paid)	-38,518	-18,731	-11,632	0	-1,560		-70,441
Non-cash adjustments							
Depreciation	326,888	7,054	11,511	0	5,319		350,772
Impairment losses	1,397	5,548	2,613	0	94		9,652
Share based payment	0	-3,600	8	0	1,026		-2,566
Profit (loss) on assets/liabilities designated at fair value through profit and loss	0	0	2,116	0	1,689		3,805
(Decrease) increase of provisions	1,641	438	-201	0	264		2,142
Other non-cash expenses (income)	2,073	1,736	-253	0	155		3,711
Cash flow	**346,422**	**56,911**	**67,618**	**207**	**-3,427**	**783**	**468,514**
Decrease (increase) of working capital	**122,575**	**16,868**	**-8,648**	**-26**	**-16,118**	**3,918**	**118,570**
Decrease (increase) of inventories and construction contracts	82,174	0	-17,793	0	3,619		68,001
Decrease (increase) of amounts receivable	99,472	-145	13,836	-20	-19,383	3,918	97,678
Decrease (increase) of receivables from credit institutions and clients (banks)	0	-746,754	0	0	0		-746,754
Increase (decrease) of liabilities (other than financial debts)	-79,757	-3,343	-2,156	-6	-654		-85,915
Increase (decrease) of debts to credit institutions, clients & securities (banks)	0	769,629	0	0	0		769,629
Decrease (increase) other	20,686	-2,519	-2,536	0	300		15,931
Cash flow from operating activities	**468,997**	**73,779**	**58,970**	**181**	**-19,545**	**4,701**	**587,084**
Investments	**-374,310**	**-247,496**	**-61,699**	**-22,203**	**-78,957**	**4,088**	**-780,577**
Acquisition of intangible and tangible assets	-215,955	-3,810	-12,906	0	-3,928		-236,598
Acquisition of investment property	0	0	-46,388	0	0		-46,388
Acquisition of financial fixed assets (business combinations included)	-144,739	0	-2,786	-22,203	-70,749		-240,476
Cash acquired through business combinations	1,878	0	396	0	0		2,274
New amounts receivable	-15,494	-309	-15	0	-4,118	4,088	-15,849
Acquisition of investments	0	-243,377	0	0	-162		-243,539
Divestments	**162,625**	**171,964**	**39,007**	**0**	**12,015**	**-315**	**385,295**
Disposal of intangible and tangible assets	20,664	0	399	0	7		21,071
Disposal of investment property	0	0	35,404	0	0		35,404
Disposal of financial fixed assets (business disposals included)	131,727	0	3,197	0	6,433		141,357
Cash disposed of through business disposals	0	0	0	0	0		0
Reimbursements of amounts receivable	10,234	0	7	0	315	-315	10,240
Disposal of investments	0	171,964	0	0	5,259		177,223
Cash flow from investing activities	**-211,685**	**-75,532**	**-22,692**	**-22,203**	**-66,942**	**3,773**	**-395,282**
Financial operations							
Dividends	124	880	5,946	0	889		7,838
Interest received	7,712	0	3,099	0	1,926	-1,084	11,654
Interest paid	-23,791	-62	-15,956	0	-588	1,084	-39,313
Other financial income (costs)	-25,399	0	-28,753	-35	106	-783	-54,864
Decrease (increase) of treasury shares	0	0	0	0	-1,635		-1,635
(Decrease) increase of financial debts	-72,452	444	41,130	0	15,054	-7,691	-23,515
(Investments) and divestments in controlling interests	801	0	0	0	-18,631		-17,830
Distribution of profits	0	0	0	0	-76,813		-76,813
Dividends paid intra group	-4,150	0	-12,343	0	16,493		0
Dividends paid to minority interests	0	-108	-36,126	0	0		-36,234
Cash flow from financial activities	**-117,155**	**1,153**	**-43,004**	**-35**	**-63,198**	**-8,474**	**-230,712**
II. Net increase (decrease) in cash and cash equivalents	**140,157**	**-599**	**-6,726**	**-22,057**	**-149,685**	**0**	**-38,910**
Transfer between segments	0	0	0	22,271	-22,271		0
Impact of exchange rate changes on cash and cash equivalents	-6,684	0	90	-65	-9		-6,667
III. Cash and cash equivalents - ending balance	**778,444**	**17,670**	**34,372**	**370**	**11,552**	**0**	**842,408**

COMMENTS ON THE SEGMENT INFORMATION CASH FLOW STATEMENT 2020

The **cash flow** of AvH (consolidated) amounted to 468.5 million euros, which is 157.6 million euros less than in 2019 (-25.2%).

The decrease in **profit from operating activities** was proportionally even greater, as it decreased by 216.9 million euros (-49%) to 224.1 million euros in 2020. The decrease was noticeable in all segments of AvH, except in "Private Banking", which reported a record result in 2020. The fact that the cash flow ultimately decreased to a lesser extent than the profit from operating activities is virtually entirely due to the greater share of non-cash items in the operating result of 2020.

At 90.7 million euros, the **profit on disposal of assets**, which in this cash flow statement is reclassified to cash flow from investing activities, was lower than in 2019. In 2020, this consisted essentially of the capital gains that DEME realised on its exit from the German offshore wind farm Merkur (63.9 million euros) and on the disposal of tangible assets (incl. a number of small vessels) worth 11.2 million euros. CFE realised 6.3 million euros worth of capital gains on the disposal of certain participations (real estate development companies) as well as a small amount on the realisation of various other fixed assets. In the real estate segment, Leasinvest Real Estate realised a capital gain of 2.2 million euros on the sale of the National Archives (Rijksarchief) building in Bruges, a property situated in Luxembourg (Route D'Esch), and a unit on Brixton Business Park in Zaventem. In the "AvH & Growth Capital" segment, the reclassification primarily concerned the capital gain realised on the sale of the 50% stake in the Indian company Oriental Quarries & Mines to the co-shareholder.

In 2020, AvH received substantially less **dividends from participations accounted for using the equity method** compared to last year. This is for the most part explained by the instructions from the ECB and the NBB to the banks in the European Union not to pay any dividends to their shareholders in 2020. In 2019, AvH had still received a dividend of 44.5 million euros from Delen Private Bank. In "Marine Engineering & Contracting", CFE received 9.9 million euros worth of dividends from several real estate development companies, while both DEME and Green Offshore received a dividend from Rentel (together 19.8 million euros).

Under the non-cash adjustments, **depreciation** remains the most important item. At 350.8 million euros, the total depreciation cost in 2020 was slightly higher than the previous year. The increase is for the most part reported by DEME on account of the addition of some new vessels to the fleet and the accelerated depreciation of certain less strategic units. The depreciation cost also increased at Anima as four newly built residential care centres opened in the last months of 2019 and at the beginning of 2020.

Impairment losses are also taken out of the cash flow, since they are not realisations of assets but merely adjustments in the accounts to the value of the assets. Compared to last year, the impairment losses were limited to 9.7 million euros. The largest item is 1.0 million euros impairment losses which Bank J.Van Breda & C° recognised in respect of specific loan losses, supplemented with a general provision of 4.5 million euros for expected credit losses. Leasinvest Real Estate recognised total losses of 2.0 million euros on trade receivables, primarily in connection with Covid-19. DEME and Anima recognised impairment losses on consolidation goodwill of 5.0 million euros and 0.6 million euros respectively after disappointing results on specific entities.

The adjustment for **profits/losses on assets/liabilities designated at fair value (IFRS 9)** amounted to 3.8 million euros (loss) for 2020. Except for remeasurement losses of 1.7 million euros on cash investments and financial fixed assets of AvH, the figure is almost entirely accounted for by the "Real Estate & Senior Care" segment, where substantial remeasurement gains (incl. 29.3 million euros remeasurement gains on investment property of Leasinvest and a remeasurement gain of 6.2 million euros on Extensa's Gare Maritime building on the Tour & Taxis site in Brussels) are amply offset by impairments on the Retail Estate shares (33.5 million euros) in the portfolio of Leasinvest Real Estate and on other investment property of Extensa. Since these are exclusively unrealised fair value adjustments, they are reversed in this cash flow statement.
In 2020, the operating result included only a small amount of **provisions** accrued for (2.1 million euros) and **other non-cash expenses** (3.7 million euros).

In 2020, the **working capital** decreased by 118.6 million euros, as opposed to an increase of 41.4 million euros the previous year. This substantial decrease in working capital was mainly situated in the "Marine Engineering & Contracting" segment, and is in line with the lower turnover and level of activity reported by both DEME and CFE Contracting as a result of the coronavirus pandemic. In the other segments, the changes in working capital requirement were fairly limited. Thanks to these lower demands of working capital on the group's cash resources in 2020, the total **cash flow from operating activities** was virtually unchanged, and even slightly higher in 2020 (587.1 million euros) than last year (584.7 million euros).

In response to the outbreak of the coronavirus pandemic, a number of group companies reconsidered the timing of their **investments**. Additionally, DEME was confronted in 2020 with considerable delays at the shipyards in the construction of two important vessels, the mega-cutter 'Spartacus' and the large installation vessel 'Orion'. Expectations are that the 'Spartacus' will be delivered in H1 2021 and the 'Orion' probably only towards the end of 2021 or beginning of 2022. Consequently, part of the investments that were planned in 2020 were deferred to a later period. The group invested a total of 236.6 million euros in **intangible and tangible assets**, the bulk of which traditionally in the "Marine Engineering & Contracting" segment.

The 46.4 million euros invested in **investment property** in 2020 include 17.6 million euros of additional investments by Extensa on the Tour & Taxis site in Brussels, for the most part in the Gare Maritime and the Parking Maritime. Leasinvest Real Estate spent 28.8 million euros on additional investments in its real estate portfolio.

During the past year 2020, the group invested as much as 240,5 million euros in total in **financial fixed assets**. In the second half of 2020, DEME acquired control over the Dutch company SPT Offshore for 18.2 million euros, while CFE acquired two real estate project companies for 57.6 million euros. Also in "Marine Engineering & Contracting", DEME invested 30.3 million euros in the new joint venture CDWE in Taiwan, which will be engaged on various Taiwanese offshore wind projects and is currently building an installation vessel there, while CFE invested 14.7 million euros in various real estate development companies, and Rent-A-Port subscribed for 14.9 million euros to capital increases of companies which, in partnership, develop port sites in Vietnam. AvH invested an additional 22.3 million euros in total in the "Energy & Resources" segment. The shareholding percentage in SIPEF was increased by 2.35% to 34.68% by purchasing SIPEF shares on the stock market. AvH also acquired a direct participation of 42% in Verdant BioScience and acquired additional shares of Sagar Cements through the conversion of warrants.

In the "Growth Capital" segment, AvH acquired in the final weeks of 2020 a 20% participation in OM Partners, a leading Belgian firm in the field of supply chain software. Additionally, the group invested a total of 14.5 million euros in a number of young and promising companies, a.o. Indigo Diabetes, MRM Health, Biotalys and Onco DNA in Belgium, along with additional investments in India in a.o. the new HealthQuad II fund, of which AvH is an anchor investor, and through HealthQuad II indirectly in Medikabazaar.

The acquisition of 243.4 million euros worth of investments by Bank J.Van Breda & C° during the course of 2020 should be seen in conjunction with a disposal of investments of 172.0 million euros, resulting from transactions as part of the bank's ALM policy.

Despite difficult market conditions during much of 2020, 385.3 million euros was **divested** (213.3 million euros without the investments of Bank J.Van Breda & C°), compared to 625.5 million euros the previous year. The main **disposals of financial fixed assets** in 2020 were the sale by DEME of its 12.5% interest in the German offshore wind farm Merkur for 89.8 million euros, the sale by CFE of stakes in various real estate developments, and the sale by Rent-A-Port of part of its stake in two site development companies in Vietnam. The **disposals of investment property** concern the above-mentioned sales by Leasinvest Real Estate of the National Archives building in Bruges, a property in Luxembourg (Route d'Esch) and a unit on Brixton Business Park. In 2020, AvH sold its 50% stake in Oriental Quarries & Mines.

In the **cash flow from financial activities**, the dividend that Leasinvest Real Estate received from Retail Estates represents the largest component of **dividends**.

The limited increase of (net) **interest paid** is explained by the drawing of extra financing, as well as the loss of certain interest income. The increase of **other financial costs** is partly explained by higher negative exchange differences, as well as by the termination by Leasinvest Real Estate of certain interest rate hedges, resulting in a loss of 20.3 million euros.
Transactions in **treasury shares** in 2020 generated a negative cash flow of 1.6 million euros.

AvH increased its **controlling interest** in CFE to 62.1% through purchases of CFE shares on the stock market for the amount of 18.6 million euros.

Dividends paid to minority interests related to dividends paid to the minority shareholders of Leasinvest Real Estate (21.8 million euros) and to the co-shareholder of Extensa (14.3 million euros) in its developments on the Cloche d'Or site in Luxembourg.

Evolution of the financial debts (cash & non-cash)

(€ 1,000)	
Financial debts at 31-12-2019	**2,531,904**
Changes in Cashflow statement	-23,515
Other adjustments	
- Changes in consolidation scope - acquisitions	9,195
- Changes in consolidation scope - divestments	6,629
- IFRS 16 Leases	37,000
- Impact of exchange rates	-1,862
- Others	0
Financial debts at 31-12-2020	**2,559,350**

Evolution of the cash position of the AvH group 2016 – 2020 [(1)]

€ Millions	2020	2019	2018	2017	2016
Treasury shares	39.6	40.8	34.7	35.5	29.0
Other investments					
- Portfolio shares	51.2	55.7	37.2	40.0	39.0
- Term deposits	0.0	155.9	23.9	1.3	26.2
Cash	8.1	27.0	31.2	49.7	5.3
Financial debts (commercial paper)	-31.0	-12.0	-24.0	-46.2	-31.2
Net cash position	**68.0**	**267.4**	**102.9**	**80.2**	**68.3**

(1) Includes treasury shares, the cash and financial debts to credit institutions and to financial markets of the consolidated subholdings recorded in the segment 'AvH & Growth Capital' and the cash of GIB (50%) and FinAx/Finaxis. To the extent that the treasury shares are held in portfolio to cover outstanding option obligations, the value of the treasury shares is matched to those obligations.

NOTE 6: SEGMENT INFORMATION – INCOME STATEMENT 2019

(€ 1,000)	Segment 1 Marine Engineering - Contracting	Segment 2 Private Banking	Segment 3 Real Estate & Senior Care	Segment 4 Energy & Resources	Segment 5 AvH & Growth Capital	Eliminations between segments	Total 2019
Revenue	**3,731,484**	**172,944**	**264,448**	**33**	**103,520**	**-2,032**	**4,270,398**
Rendering of services	0	0	89,221	0	1,931	-1,883	89,270
Real estate revenue	59,065	0	159,712	0	0		218,778
Interest income - banking activities	0	101,513	0	0	0		101,513
Fees and commissions - banking activities	0	69,723	0	0	0		69,723
Revenue from construction contracts	3,596,586	0	0	0	98,705		3,695,290
Other operating revenue	75,834	1,708	15,514	33	2,884	-149	95,824
Operating expenses (-)	**-3,577,267**	**-117,942**	**-164,630**	**-166**	**-117,641**	**2,808**	**-3,974,839**
Raw materials, consumables, services and subcontracted work (-)	-2,590,300	-27,261	-78,820	-166	-71,088	2,808	-2,764,828
Interest expenses Bank J.Van Breda & C° (-)	0	-24,597	0	0	0		-24,597
Employee expenses (-)	-655,795	-45,512	-66,811	0	-41,820		-809,938
Depreciation (-)	-320,853	-7,708	-9,587	0	-4,802		-342,950
Impairment losses (-)	-25,629	-1,365	-145	0	-86		-27,225
Other operating expenses (-)	-19,662	-9,785	-9,848	0	-524	0	-39,818
Provisions	34,971	-1,714	580	0	679		34,516
Profit (loss) on assets/liabilities designated at fair value through profit and loss	**0**	**0**	**15,491**	**0**	**8,040**	**0**	**23,531**
Financial assets - Fair value through P/L (FVPL)	0	0	10,143	0	8,040		18,182
Investment property	0	0	5,348	0	0		5,348
Profit (loss) on disposal of assets	**7,400**	**738**	**49**	**0**	**113,711**	**0**	**121,899**
Realised gain (loss) on intangible and tangible assets	6,135	294	-45	0	-5		6,379
Realised gain (loss) on investment property	0	0	-308	0	0		-308
Realised gain (loss) on financial fixed assets	729	0	403	0	112,083		113,216
Realised gain (loss) on other assets	536	444	0	0	1,633		2,613
Profit (loss) from operating activities	**161,618**	**55,740**	**115,358**	**-133**	**107,630**	**776**	**440,989**
Financial result	**-11,059**	**461**	**-10,051**	**2**	**2,037**	**-776**	**-19,386**
Interest income	15,495	12	4,896	0	1,666	-1,361	20,708
Interest expenses (-)	-22,098	0	-13,974	0	-622	1,361	-35,333
(Un)realised foreign currency results	3,066	0	-120	3	21		2,969
Other financial income (expenses)	-7,521	449	-853	-1	972	-776	-7,730
Derivative financial instruments designated at fair value through profit and loss	**0**	**-781**	**-4,589**	**0**	**0**		**-5,370**
Share of profit (loss) from equity accounted investments	**36,551**	**93,406**	**8,824**	**-1,272**	**17,444**		**154,952**
Other non-operating income	**2,042**	**2,400**	**0**	**0**	**0**		**4,442**
Other non-operating expenses (-)	**0**	**0**	**0**	**0**	**0**		**0**
Profit (loss) before tax	**189,152**	**151,226**	**109,541**	**-1,404**	**127,111**	**0**	**575,627**
Income taxes	**-40,109**	**-15,465**	**-6,010**	**0**	**-171**	**0**	**-61,756**
Deferred taxes	10,735	65	1,649	0	88		12,537
Current taxes	-50,844	-15,530	-7,659	0	-259		-74,292
Profit (loss) after tax from continuing operations	**149,043**	**135,761**	**103,531**	**-1,404**	**126,940**	**0**	**513,871**
Profit (loss) after tax from discontinued operations	**0**	**0**	**0**	**0**	**0**		**0**
Profit (loss) of the period	**149,043**	**135,761**	**103,531**	**-1,404**	**126,940**	**0**	**513,871**
Minority interests	57,128	8,422	53,340	110	-29		118,971
Share of the group	91,915	127,339	50,192	-1,514	126,969		394,900

NOTE 6: SEGMENT INFORMATION – CASH FLOW STATEMENT 2019

(€ 1,000)	Segment 1 Marine Engineering Contracting	Segment 2 Private Banking	Segment 3 Real Estate & Senior Care	Segment 4 Energy & Resources	Segment 5 AvH & Growth Capital	Eliminations between segments	Total 2019
I. Cash and cash equivalents - opening balance	**390,746**	**9,355**	**62,785**	**409**	**50,293**	**0**	**513,588**
Profit (loss) from operating activities	161,618	55,740	115,358	-133	107,630	776	440,989
Reclassification 'Profit (loss) on disposal of assets' to cash flow from divestments	-7,400	-738	-49	0	-113,711		-121,899
Dividends from participations accounted for using the equity method	12,018	44,525	600	111	4,938		62,192
Other non-operating income (expenses)	2,042	2,400	0	0	0		4,442
Income taxes (paid)	-45,826	-15,530	-7,659	0	-259		-69,274
Non-cash adjustments							
Depreciation	320,853	7,708	9,587	0	4,802		342,950
Impairment losses	26,827	1,522	193	0	86		28,628
Share based payment	0	-1,398	80	0	1,174		-144
Profit (loss) on assets/liabilities designated at fair value through profit and loss	0	0	-15,491	0	-8,040		-23,531
(Decrease) increase of provisions	-36,636	1,000	492	0	-679		-35,823
Other non-cash expenses (income)	-2,146	-1,205	0	0	926		-2,425
Cash flow	**431,348**	**94,024**	**103,112**	**-22**	**-3,133**	**776**	**626,104**
Decrease (increase) of working capital	**14,384**	**-40,305**	**-10,836**	**0**	**-1,994**	**-2,610**	**-41,361**
Decrease (increase) of inventories and construction contracts	-103,272	0	-13,973	0	-6,339		-123,584
Decrease (increase) of amounts receivable	215,782	-13,772	14,420	-8	-2,775	-2,610	211,038
Decrease (increase) of receivables from credit institutions and clients (banks)	0	-530,741	0	0	0		-530,741
Increase (decrease) of liabilities (other than financial debts)	-94,578	1,720	-9,629	8	6,540		-95,940
Increase (decrease) of debts to credit institutions, clients & securities (banks)	0	507,257	0	0	0		507,257
Decrease (increase) other	-3,549	-4,769	-1,653	0	579		-9,392
Cash flow from operating activities	445,732	53,719	92,276	-23	-5,128	-1,834	584,743
Investments	-467,162	-263,330	-268,447	-12,207	-30,206	458	-1,040,894
Acquisition of intangible and tangible assets	-460,505	-8,324	-32,342	0	-1,984		-503,154
Acquisition of investment property	0	0	-212,713	0	0		-212,713
Acquisition of financial fixed assets (business combinations included)	-27,910	0	-18,028	-12,207	-17,904		-76,049
Cash acquired through business combinations	36,652	0	867	0	692		38,212
New amounts receivable	-15,400	-296	-6,232	0	-846	458	-22,315
Acquisition of investments	0	-254,710	0	0	-10,165		-264,875
Divestments	**112,441**	**294,344**	**44,660**	**0**	**181,806**	**-7,727**	**625,524**
Disposal of intangible and tangible assets	13,889	362	188	0	17		14,456
Disposal of investment property	0	0	42,350	0	0		42,350
Disposal of financial fixed assets (business disposals included)	1,663	0	28,605	0	172,429		202,698
Cash disposed of through business disposals	0	0	-26,483	0	0		-26,483
Reimbursements of amounts receivable	96,889	0	0	0	7,727	-7,727	96,889
Disposal of investments	0	293,982	0	0	1,633		295,615
Cash flow from investing activities	**-354,721**	**31,014**	**-223,788**	**-12,207**	**151,600**	**-7,269**	**-415,370**
Financial operations							
Dividends	0	450	5,068	0	1,029		6,547
Interest received	15,495	12	2,896	0	1,666	-1,361	18,708
Interest paid	-30,236	0	-14,252	0	-622	1,361	-43,749
Other financial income (costs)	-4,169	-1	-6,041	2	-109	-776	-11,095
Decrease (increase) of treasury shares	0	0	0	0	-6,108		-6,108
(Decrease) increase of financial debts	226,175	-2,890	163,901	0	-7,661	9,878	389,404
(Investments) and divestments in controlling interests	6,811	0	0	0	-14,289		-7,478
Distribution of profits	0	0	0	0	-76,741		-76,741
Dividends paid intra group	-36,916	-68,000	-7,949	0	112,865		0
Dividends paid to minority interests	-26,692	-5,481	-33,787	0	0		-65,960
Cash flow from financial activities	**150,469**	**-75,910**	**109,835**	**2**	**10,030**	**9,102**	**203,529**
II. Net increase (decrease) in cash and cash equivalents	**241,479**	**8,824**	**-21,676**	**-12,228**	**156,503**	**0**	**372,902**
Transfer between segments	11,250	0	0	12,030	-23,280		0
Impact of exchange rate changes on cash and cash equivalents	1,495	91	-101	9	2		1,496
III. Cash and cash equivalents - ending balance	**644,971**	**18,270**	**41,008**	**220**	**183,517**	**0**	**887,985**

NOTE 6: SEGMENT INFORMATION – ASSETS 2019

(€ 1,000)	Segment 1 Marine Engineering - Contracting	Segment 2 Private Banking	Segment 3 Real Estate & Senior Care	Segment 4 Energy & Resources	Segment 5 AvH & Growth Capital	Eliminations between segments	Total 2019
I. Non-current assets	3,263,140	5,003,045	1,728,076	234,027	260,684	-10,267	10,478,704
Intangible assets	94,871	1,680	30,120	0	231		126,902
Goodwill	177,127	134,247	8,449	0	11,727		331,550
Tangible assets	2,633,912	52,061	192,993	0	30,201		2,909,167
Land and buildings	156,881	44,385	179,713	0	22,053		403,032
Plant, machinery and equipment	1,892,734	2,003	3,535	0	1,189		1,899,461
Furniture and vehicles	39,821	3,458	4,000	0	6,179		53,457
Other tangible assets	308	1,038	3,335	0	563		5,245
Assets under construction	544,168	1,177	2,409	0	217		547,971
Investment property	0	0	1,336,093	0	0		1,336,093
Participations accounted for using the equity method	151,821	638,067	12,495	234,027	166,067		1,202,477
Non-current financial assets	104,960	1,323	141,493	0	50,067	-10,267	287,576
Financial assets : shares - Fair value through P/L (FVPL)	5,563	0	113,376	0	35,479		154,418
Receivables and warranties	99,397	1,323	28,117	0	14,588	-10,267	133,158
Non-current hedging instruments	0	381	832	0	0		1,213
Deferred tax assets	100,449	2,564	5,600	0	2,391		111,004
Banks - receivables from credit institutions and clients after one year	0	4,172,722	0	0	0		4,172,722
Banks - loans and receivables to clients	0	4,134,167	0	0	0		4,134,167
Banks - changes in fair value of the hedged credit portfolio	0	38,555	0	0	0		38,555
II. Current assets	2,014,225	2,147,323	317,423	231	309,835	-6,918	4,782,119
Inventories	271,046	0	151,330	0	1,053		423,429
Amounts due from customers under construction contracts	285,892	0	31,032	0	11,517		328,441
Investments	3	420,796	0	0	55,713		476,513
Financial assets : shares - Fair value through P/L (FVPL)	3	0	0	0	55,713		55,717
Financial assets : bonds - Fair value through OCI (FVOCI)	0	420,628	0	0	0		420,628
Financial assets : shares - Fair value through OCI (FVOCI)	0	168	0	0	0		168
Financial assets - at amortised cost	0	0	0	0	0		0
Current hedging instruments	751	160	0	0	0		911
Amounts receivable within one year	767,060	4,105	89,521	11	54,660	-6,220	909,138
Trade debtors	692,658	100	29,293	0	23,772	-1,145	744,679
Other receivables	74,402	4,005	60,227	11	30,888	-5,075	164,458
Current tax receivables	23,307	0	1,458	0	1,163		25,927
Banks - receivables from credit institutions and clients within one year	0	1,694,553	0	0	0		1,694,553
Banks - loans and advances to banks	0	141,306	0	0	0		141,306
Banks - loans and receivables to clients	0	1,098,483	0	0	0		1,098,483
Banks - changes in fair value of the hedged credit portfolio	0	44	0	0	0		44
Banks - cash balances with central banks	0	454,720	0	0	0		454,720
Cash and cash equivalents	644,971	18,270	41,008	220	183,517		887,985
Deferred charges and accrued income	21,196	9,439	3,074	0	2,211	-698	35,221
III. Assets held for sale	40,280	0	444	0	0		40,724
Total assets	5,317,645	7,150,368	2,045,942	234,258	570,519	-17,185	15,301,547

(€ 1,000) Segment information - pro forma turnover	Segment 1 Marine Engineering - Contracting	Segment 2 Private Banking	Segment 3 Real Estate & Senior Care	Segment 4 Energy & Resources	Segment 5 AvH & Growth Capital	Eliminations between segments	Total 2019
Turnover EU member states	2,810,702	554,955	248,934	27,867	583,640	-1,883	4,224,214
Other European countries	103,813	278		2,083	76,203		182,376
Rest of the world	741,136			73,033	386,014		1,200,182
Total	3,655,651	555,233	248,934	102,983	1,045,856	-1,883	5,606,773

The pro forma turnover comprises the turnover of all participations held by the AvH group, and therefore deviates from the turnover as reported in the legal IFRS consolidation drawn up on the basis of the consolidation scope reported in Note 2 and 3. In this pro forma presentation, all (exclusive) control interests are incorporated in full and the other interests proportionally.

NOTE 6: SEGMENT INFORMATION – EQUITY AND LIABILITIES 2019

(€ 1,000)	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5		
	Marine Engineering - Contracting	Private Banking	Real Estate & Senior Care	Energy & Resources	AvH & Growth Capital	Eliminations between segments	Total 2019
I. Total equity	1,815,178	1,331,613	798,452	234,245	502,346		4,681,834
Shareholders' equity - group share	1,086,037	1,211,241	428,478	234,245	496,109		3,456,109
Issued capital	0	0	0	0	113,907		113,907
Share capital	0	0	0	0	2,295		2,295
Share premium	0	0	0	0	111,612		111,612
Consolidated reserves	1,148,384	1,206,906	440,443	221,350	422,238		3,439,322
Revaluation reserves	-62,348	4,335	-11,965	12,895	-7,388		-64,472
Financial assets : bonds - Fair value through OCI (FVOCI)	0	3,469	0	0	0		3,469
Financial assets : shares - Fair value through OCI (FVOCI)	0	41	0	0	0		41
Hedging reserves	-31,693	-9	-12,225	40	-1		-43,889
Actuarial gains (losses) defined benefit pension plans	-22,592	-1,294	0	-951	1,818		-23,019
Translation differences	-8,063	2,129	260	13,806	-9,205		-1,074
Treasury shares (-)	0	0	0	0	-32,648		-32,648
Minority interests	729,141	120,372	369,974	0	6,238		1,225,725
II. Non-current liabilities	1,430,129	850,224	816,504	0	13,505	-10,267	3,100,095
Provisions	31,765	10,640	2,485	0	651		45,541
Pension liabilities	70,269	5,539	40	0	142		75,990
Deferred tax liabilities	105,253	0	57,818	0	1,623		164,694
Financial debts	1,202,741	3,231	699,871	0	10,767	-10,267	1,906,344
Bank loans	937,911	0	520,465	0	7,701		1,466,076
Bonds	60,049	0	144,103	0	0		204,152
Subordinated loans	37,414	0	0	0	7		37,422
Lease debts	114,131	3,231	31,563	0	3,060		151,984
Other financial debts	53,236	0	3,741	0	0	-10,267	46,710
Non-current hedging instruments	9,251	40,427	47,196	0	0		96,874
Other amounts payable	10,850	11,163	9,095	0	322		31,429
Banks - debts to credit institutions, clients & securities	0	779,224	0	0	0		779,224
Banks - deposits from credit institutions	0	0	0	0	0		0
Banks - deposits from clients	0	739,301	0	0	0		739,301
Banks - debt certificates including bonds	0	39,923	0	0	0		39,923
III. Current liabilities	2,072,339	4,968,531	430,986	13	54,668	-6,918	7,519,619
Provisions	30,564	22	7,020	0	95		37,701
Pension liabilities	0	331	0	0	0		331
Financial debts	278,743	2,449	327,785	0	21,658	-5,075	625,560
Bank loans	199,258	0	72,899	0	7,051		279,208
Bonds	0	0	49,969	0	0		49,969
Subordinated loans	13,208	0	0	0	7		13,216
Lease debts	36,471	2,449	2,006	0	1,781		42,707
Other financial debts	29,805	0	202,911	0	12,819	-5,075	240,460
Current hedging instruments	9,356	1,207	0	0	0		10,563
Amounts due to customers under construction contracts	291,097	0	0	0	4,752		295,849
Other amounts payable within one year	1,334,563	21,679	71,078	10	26,688	-1,145	1,452,872
Trade payables	1,074,708	46	52,635	10	13,920	-1,145	1,140,174
Advances received	39,565	0	10	0	851		40,426
Amounts payable regarding remuneration and social security	170,407	8,432	8,105	0	11,023		197,967
Other amounts payable	49,883	13,201	10,328	0	894		74,306
Current tax payables	49,922	1,253	7,320	4	943		59,441
Banks - debts to credit institutions, clients & securities	0	4,936,693	0	0	0		4,936,693
Banks - deposits from credit institutions	0	27,825	0	0	0		27,825
Banks - deposits from clients	0	4,667,248	0	0	0		4,667,248
Banks - debt certificates including bonds	0	241,620	0	0	0		241,620
Accrued charges and deferred income	78,093	4,897	17,784	0	532	-698	100,608
IV. Liabilities held for sale	0	0	0	0	0		0
Total equity and liabilities	5,317,645	7,150,368	2,045,942	234,258	570,519	-17,185	15,301,547

NOTE 7: INTANGIBLE ASSETS

(€ 1,000)	Development costs	Concessions, patents & licences	Goodwill	Software	Other intangible assets	Advance payments	Total
Movements in intangible assets - financial year 2019							
Intangible assets, opening balance	**709**	**62,293**	**22,911**	**4,393**	**86,067**	**430**	**176,802**
Gross amount	4,546	85,852	22,911	32,220	94,627	430	240,586
Accumulated depreciation (-)	-3,836	-23,560	0	-27,827	-8,561	0	-63,784
Accumulated impairments (-)	0	0	0	0	0	0	0
Investments	381	1,594	1,284	2,222	291	42	5,812
Additions through business combinations	0	1	3,427	35	4,469	0	7,932
Disposals (-)	0	0	0	0	0	0	0
Disposals through business disposals (-)	0	-58,426	0	-1,496	-7	-20	-59,949
Depreciations (-)	-771	-590	0	-1,926	-364	0	-3,650
Impairments (-)	0	0	0	0	0	0	0
Foreign currency exchange increase (decrease)	0	-6	0	2	92	0	88
Transfer from (to) other items	0	-134	0	248	0	-248	-134
Other increase (decrease)	0	0	0	0	0	0	0
Intangible assets, ending balance	**319**	**4,732**	**27,621**	**3,479**	**90,547**	**204**	**126,902**
Gross amount	4,920	28,710	27,621	31,527	100,406	204	193,388
Accumulated depreciation (-)	-4,601	-23,978	0	-28,048	-9,859	0	-66,486
Accumulated impairments (-)	0	0	0	0	0	0	0
Movements in intangible assets - financial year 2020							
Intangible assets, opening balance	**319**	**4,732**	**27,621**	**3,479**	**90,547**	**204**	**126,902**
Gross amount	4,920	28,710	27,621	31,527	100,406	204	193,388
Accumulated depreciation (-)	-4,601	-23,978	0	-28,048	-9,859	0	-66,486
Accumulated impairments (-)	0	0	0	0	0	0	0
Investments	385	3,166	0	1,008	69	127	4,756
Additions through business combinations	0	19,252	1,065	0	0	0	20,317
Disposals (-)	0	-188	0	-2	0	0	-191
Disposals through business disposals (-)	0	0	0	0	-11	0	-11
Depreciations (-)	-663	-1,746	0	-1,581	-401	0	-4,390
Impairments (-)	0	0	0	0	0	0	0
Foreign currency exchange increase (decrease)	0	-1	0	-49	-362	0	-412
Transfer from (to) other items	0	779	0	4	8	0	790
Other increase (decrease)	0	0	0	0	0	0	0
Intangible assets, ending balance	**41**	**25,994**	**28,686**	**2,859**	**89,851**	**331**	**147,762**
Gross amount	5,112	50,712	28,686	32,378	99,184	331	216,403
Accumulated depreciation (-)	-5,071	-24,718	0	-29,519	-9,333	0	-68,641
Accumulated impairments (-)	0	0	0	0	0	0	0

The intangible assets increased in 2020 by 20.9 million euros to 147.8 million euros. This increase is primarily the result of the acquisition by DEME of the Dutch firm SPT Offshore, with part of the value being attributed to the special environmentally friendly suction pile technology which can be used to secure both fixed and floating structures to the seabed. In the second half of 2020, Anima acquired the residential care centre 'Les 3 Arbres' in Mellet (Hainaut province). We refer to Note 4 Business Combinations and Disposals for more details.

The intangible assets consist of 15.2 million euros of trade names and 69.3 million euros of databases which were reported in the consolidated balance sheet at year-end 2013 following the acquisition of control over DEME. These intangible assets are not amortised (indefinite life) and are included in the annual impairment test that AvH performs on the goodwill following the acquisition of control over DEME (at the end of 2013, see Note 8. Goodwill).

The other intangible assets arise from the acquisitions of Anima and of software developments at Bank J.Van Breda & C°.

NOTE 8: GOODWILL

(1,000)	2020	2019
Movements in goodwill		
Goodwill, opening balance	**331,550**	**339,738**
Gross amount - fully consolidated participations	349,660	361,635
Accumulated impairment losses - fully consolidated participations (-)	-18,110	-21,897
Additions through business combinations	14	13,083
Disposals through business disposals (-)	0	-21,270
Impairments through profit and loss (-)	-5,536	0
Other increase (decrease)	-92	0
Goodwill, ending balance	**325,937**	**331,550**
Gross amount - fully consolidated participations	349,582	349,590
Accumulated impairment losses - fully consolidated participations (-)	-23,646	-18,110

The goodwill on the acquisitions of SPT Offshore (by DEME) and Les 3 Arbres (by Anima) was almost entirely allocated to the intangible assets. We refer to Note 4. Business combinations.

The goodwill decreased by 5.6 million euros. This decrease is explained by limited impairment losses on consolidation goodwill recognised by DEME and Anima of 5.0 million euros and 0.6 million euros respectively following disappointing results of certain affiliates.

On balance, the goodwill is mainly attributable to FinAx, DEME (following the acquisition of control at year-end 2013), Biolectric Group and to the subsidiaries held by DEME, CFE and Anima. It should be pointed out that this does not include the goodwill (clients) of 230.3 million euros in the consolidated balance sheet of Delen Private Bank, as Delen Private Bank is recognized according to the equity method. This goodwill mainly results from the acquisition of Capital & Finance in 2007, JM Finn in 2011, and to a limited extent Oyens & Van Eeghen (end of 2015) and Nobel (end of 2019).

AvH subjects the goodwill on its balance sheet to an impairment test in case of impairment indications and at least annually. This means the goodwill that is reported as such in the consolidated balance sheet under the item 'Goodwill', as well as the goodwill that is contained in the item 'Participations accounted for using the equity method'. Each group company of AvH is treated as a distinct cash generating unit (CGU). As part of the impairment test, a fair value is determined for each CGU on the basis of publicly available market valuations (broker reports, market price of listed companies or recent transactions). If after this first step on the basis of a fair value approach it turns out that additional justification is required, a value in use will also be determined from the perspective of AvH based on a discounted cash flow (DCF) model or market multiples. If, after this second step, still no adequate justification can be given for the goodwill in the balance sheet, an 'impairment' will be recognized.

Based on the impairment tests performed, DEME and Anima recognised impairment losses of 5.0 million euros and 0.6 million euros respectively on consolidation goodwill following disappointing results of certain affiliates.

NOTE 9: TANGIBLE ASSETS

(€ 1,000)	Land and buildings	Plant, machinery and equipment	Furniture and vehicles	Other tangible assets	Assets under construction & advance payments	Total 2019
I. Movements in tangible assets - financial year 2019						
Tangible assets, opening balance	**348,592**	**1,865,980**	**29,372**	**4,518**	**462,635**	**2,711,097**
Gross amount	481,405	3,934,812	125,865	15,258	462,635	5,019,975
Accumulated depreciation (-)	-129,313	-2,068,832	-95,759	-10,740	0	-2,304,644
Accumulated impairments (-)	-3,499	0	-734	0	0	-4,234
Impact IFRS changes	97,534	5,311	28,603	0	0	131,448
Investments	50,665	182,096	27,965	2,195	244,647	507,568
Additions through business combinations	5,375	13,940	70	134	3,338	22,856
Disposals (-)	-4,788	-13,382	-731	-112	6,174	-12,839
Disposals through business disposals (-)	-83,292	-1,752	-10,267	0	-11,308	-106,618
Depreciations (-)	-29,622	-286,495	-21,538	-1,650	0	-339,305
Impairments (-)	0	0	-6	0	0	-6
Foreign currency exchange increase (decrease)	117	-331	-200	35	79	-301
Transfer from (to) other items	19,378	134,092	187	-2,334	-157,594	-6,271
Other increase (decrease)	-927	0	4	2,459	0	1,537
Tangible assets, ending balance	**403,032**	**1,899,461**	**53,457**	**5,245**	**547,971**	**2,909,167**
Gross amount	548,677	4,126,733	140,622	15,994	547,971	5,379,997
Accumulated depreciation (-)	-145,252	-2,227,272	-86,424	-10,749	0	-2,469,698
Accumulated impairments (-)	-393	0	-741	0	0	-1,133
II. Other information						
Leases						
Net carrying amount of tangible assets under lease	115,376	51,807	36,288			203,471
Tangible assets acquired under lease	17,487	8,037	20,878			46,402

(€ 1,000)	Land and buildings	Plant, machinery and equipment	Furniture and vehicles	Other tangible assets	Assets under construction & advance payments	Total 2020
I. Movements in tangible assets - financial year 2020						
Tangible assets, opening balance	**403,032**	**1,899,461**	**53,457**	**5,245**	**547,971**	**2,909,167**
Gross amount	548,677	4,126,733	140,622	15,994	547,971	5,379,997
Accumulated depreciation (-)	-145,252	-2,227,272	-86,424	-10,749	0	-2,469,698
Accumulated impairments (-)	-393	0	-741	0	0	-1,133
Impact IFRS changes	0	0	0	0	0	0
Investments	42,742	99,315	23,931	489	108,134	274,611
Additions through business combinations	4,341	4,039	457	0	1,071	9,908
Disposals (-)	-5,198	-1,685	-2,447	-18	-4,935	-14,282
Disposals through business disposals (-)	0	-119	0	0	-128	-247
Depreciations (-)	-33,095	-288,320	-23,939	-1,027	0	-346,382
Impairments (-)	-24	0	0	0	0	-24
Foreign currency exchange increase (decrease)	-1,467	-4,052	-209	-1	-327	-6,057
Transfer from (to) other items	5,084	126,784	2,275	49	-135,334	-1,141
Other increase (decrease)	0	0	0	0	0	0
Tangible assets, ending balance	**415,415**	**1,835,423**	**53,525**	**4,736**	**516,454**	**2,825,552**
Gross amount	592,112	4,221,775	151,275	14,993	516,454	5,496,608
Accumulated depreciation (-)	-176,280	-2,386,353	-97,010	-10,257	0	-2,669,899
Accumulated impairments (-)	-417	0	-741	0	0	-1,157
II. Other information						
Leases						
Net carrying amount of tangible assets under lease	121,572	7,922	36,364			165,858
Tangible assets acquired under lease	26,599	4,817	17,655			49,070

The total tangible assets amounted to 2,825.6 million euros at December 31, 2020, a slight decrease by 83.6 million euros relative to year-end 2019.

DEME continued its investment programme in 2020 for the renewal and expansion of its fleet. In this respect, it should be noted that the delivery of two important vessels, namely the cutter suction dredger 'Spartacus' and the installation vessel 'Orion', experienced considerable delays at the shipyards. As a result, they could not be delivered in 2020. DEME's new investments during 2020 amounted on balance to less than the recognised depreciation.

Of the ten vessels ordered in 2015, 2016 and 2018 with a total value of more than 1 billion euros, the vessels Minerva, the Scheldt River, the Gulliver (in partnership), Apollo, the Living Stone and the Bonny River were delivered in 2017, 2018 and 2019. In 2020, the trailing suction hopper dredgers 'Thames River' and 'Meuse River', and the barges 'Bengel' and 'Deugniet' joined the fleet. At December 31, 2020, the remaining committed amount of 129 million euros assets under construction will be invested in the upcoming years, mainly related to the Orion and the Spartacus.

Anima was able to expand its network of residential care centres in 2020, thereby increasing its capacity by 186 beds. In the second half of 2020, it acquired the residential care centre 'Les 3 Arbres' in Mellet (Hainaut province). Earlier in 2020, the brand-new residential care centre 'Nuance' opened in Forest, for which a long lease was concluded with Care Property Invest. Construction work on a new residential care centre on the Brussels Tour & Taxis site was in full progress in 2020, while in Braine l'Alleud work began on a new-build residence.

NOTE 10: INVESTMENT PROPERTY AT FAIR VALUE

(€ 1,000)	Leased buildings	Development projects	Assets held for sale	Total
I. Movement in investment property at fair value - financial year 2019				
Investment property, opening balance	**1,037,089**	**100,442**	**19,753**	**1,157,285**
Gross amount	1,037,089	100,442	19,753	1,157,285
Investments	108,445	107,822	282	216,550
Additions through business combinations	0	0	0	0
Disposals (-)	0	0	-42,847	-42,847
Disposals through business disposals (-)	0	0	-3,276	-3,276
Gains (losses) from fair value adjustments	5,875	1,881	-2,407	5,348
Transfer from (to) other items	-28,920	2,827	28,920	2,827
Other increase (decrease)	2,213	-1,582	18	650
Investment property, ending balance	**1,124,702**	**211,391**	**444**	**1,336,537**
Gross amount	1,124,702	211,391	444	1,336,537
I. Movement in investment property at fair value - financial year 2020				
Investment property, opening balance	**1,124,702**	**211,391**	**444**	**1,336,537**
Gross amount	1,124,702	211,391	444	1,336,537
Investments	27,394	18,995	0	46,388
Additions through business combinations	0	0	0	0
Disposals (-)	-16,118	0	-244	-16,363
Disposals through business disposals (-)	0	0	0	0
Gains (losses) from fair value adjustments	32,168	-772	0	31,396
Transfer from (to) other items	190,160	-184,859	0	5,300
Other increase (decrease)	11,017	-20	0	10,997
Investment property, ending balance	**1,369,323**	**44,734**	**199**	**1,414,256**
Gross amount	1,369,323	44,734	199	1,414,256

(€ 1,000)	2020	2019
Breakdown of real estate revenue in the income statement		
Sale of land parcels	1,464	326
Rental income	68,742	73,530
Other real estate revenue (a.o. real estate promotion revenues)	156,263	144,922
	226,468	**218,778**
Key figures - buildings in portfolio LRE (excluding development projects)		
Rental yield (%)	5.63%	5.84%
Occupancy rate (%)	91.62%	90.46%
Average duration of the leases till first break (# years)	3.85	4.28

With a real estate portfolio of 1,141.2 million euros, Leasinvest Real Estate is responsible for 81% of this balance sheet item. The remaining balance comes from Extensa (272.9 million euros of investment property mainly on the Tour & Taxis site in Brussels) and one building held for sale from the senior care segment.

The 46.4 million euros invested in investment property in 2020 include 17.6 million euros of additional investments by Extensa on the Tour & Taxis site in Brussels, for the most part in the Gare Maritime and the Parking Maritime. Leasinvest Real Estate spent 28.8 million euros on additional investments in its real estate portfolio.
The disposals of investment property concern the sales by Leasinvest Real Estate of the National Archives building in Bruges, a property in Luxembourg (Route d'Esch) and a unit on Brixton Business Park.

Leasinvest Real Estate recognised 29.3 million euros worth of positive unrealised portfolio results, which arise to a large extent from the contribution in kind of its Luxembourg activities into separate subsidiaries that are subject to the standard Luxembourg corporate income tax. The balance of the positive trend in the fair value of investment property is attributable to Extensa's Tour & Taxis site.

Valuation of investment properties – Leasinvest Real Estate

Leasinvest Real Estate uses the following methods to define the fair value according to IFRS 13:

- **Net present value of estimated rental income**

The fair value is the result of the yield applied on the estimated rental value (capitalisation method or market approach) corrected by the net present value of the difference between the current rent and the estimated rental value at the valuation date, and this, for the period till the next break possibility of the current rental contracts.

- **Discounted cash flow method**

The DCF method consists in defining the present value of the future cash flows. The future rental income is estimated on the basis of the existing contractual rents and the real estate market outlook for each building in the following periods. Moreover, the future maintenance costs are also estimated and taken into account. The actualisation rate applied takes into account the risk premium for the object defined by the market. The obtained value is also compared to the market on the basis of the definition of the residual land value.

- **Residual valuation**

Buildings to renovate or in the course of renovation, or planned projects are valued based on the value after renovation, under deduction of the amount for the remainder of the work to be carried out, including costs, interests, vacancy and risk premium.

Assets and liabilities valued at fair value after their initial booking can be presented in three levels (1-3), that each correspond to a different input level to observe the fair value:

- **Level 1** inputs are quoted prices in active markets for identical assets or liabilities.
- **Level 2** inputs are inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. deducted from prices).
- **Level 3** inputs are unobservable inputs for the asset or liability based on valuations techniques comprising data for the asset or liability.

The investment properties of Leasinvest Real Estate fall under level 3. The valuations at the end of 2020 were carried out by external parties: Cushman & Wakefield, Stadim (Belux) and Oerag (Austria). The table below provides an overview of the valuation techniques applied per asset class.

Asset class	Fair value 2020 (€ 1,000)	Fair value 2019 (€ 1,000)	Valuation technique	Important input data	31/12/2020 Min-Max (weighted average)	31/12/2019 Min-Max (weighted average)
Retail Grand Duchy of Luxembourg & Belgium	348,800	350,718	Actualization of estimated rental income	a) Estimated rental value spread b) Average weighted estimated rental value c) Capitalization rate spread d) Weighted average cap. rate e) Remaining duration f) Number m²	a) [9.34 €/m² - 18.04 € /m²] b) [12.53 € /m²] c) [5.29% - 7.84%] d) [6.70%] e) 3.65 years f) 153 245 m²	a) [9.34 €/m² - 18.46 € /m²] b) [12.74 € /m²] c) [5.58% - 7.35%] d) [6.66%] e) 3.60 years f) 153 245 m²
Retail Austria	181,050	179,661	DCF (discounted cash flow)	a) Average weighted estimated rental value b) Capitalization rate spread c) Capitalization rate calculation terminal value after 10y d) Remaining duration f) Number m²	a) [11.84 €/m²] b) [4.97% - 5.90%] c) [5.44%] d) 5.07 years e) 69 533 m²	a) [11.45 €/m²] b) [4.97% - 5.59%] c) [5.35%] d) 5.60 years e) 69 533 m²
Offices Grand Duchy of Luxembourg	280,120	264,430	Actualization of estimated rental income	a) Estimated rental value spread b) Average weighted estimated rental value c) Capitalization rate spread d) Weighted average cap. rate e) Remaining duration f) Number m²	a) [12.49 €/m² - 49.81 € /m²] b) [25.60 €/m²] c) [3.75% - 6.25%] d) [5.36%] e) 2.96 years f) 41 306 m²	a) [7.53 €/m² - 49.33 € /m²] b) [22.89 €/m²] c) [4.95% - 7.50%] d) [6.19%] e) 3.20 years f) 48 059 m²
Offices Belgium	259,230	253,688	Actualization of estimated rental income	a) Estimated rental value spread b) Average weighted estimated rental value c) Capitalization rate spread d) Weighted average cap. rate e) Remaining duration f) Number m²	a) [8.33 €/m² - 27.52 €/m²] b) [13.02 €/m²] c) [3.75% - 8.75%] d) [5.46%] e) 5.58 years f) 87 590 m²	a) [8.27 €/m² - 27.09 €/m²] b) [13.30 €/m²] c) [4.10% - 7.70%] d) [5.72%] e) 6.74 years f) 93 564 m²
Logistics	71,990	61,752	DCF (discounted cash flow or net present value of cash-flows at discount rate)	a) Estimated rental value spread b) Average weighted estimated rental value c) Average discount rate d) Economic life e) Remaining duration f) Number m²	a) [4.76 €/m² - 8.14 € /m²] b) [6.46 € /m²] c) 5.61% d) 30 years e) 2.35 years f) 32 748 m²	a) [4.88 €/m² - 7.70 € /m²] b) [6.17 € /m²] c) 7.25% d) 30 years e) 2.58 years f) 36 402 m²
Total	**1,141,190**	**1,110,249**				

Valuation of investments properties - Extensa

The rented buildings of Extensa (Gare Maritime, Maison de la Poste, Public Warehouse and underground car park) are valued in a similar way at fair value, based on the actualisation of the estimated rental income and the discounted cash-flow method (level 3).

(€ 1,000)	Country	2020	2019
Investment property Extensa			
Events (Maison de la Poste, Public Warehouse, solar panels)	Belgium	29,870	33,950
Parkings Tour & Taxis	Belgium	47,154	21,625
Offices (Gare Maritime)	Belgium	186,990	
Developments (Hôtel des Douanes, Gare Maritime, Parking Maritime)	Belgium	7,929	186,949
Semi-industrial & other investment property	Belgium	924	1,040
Total		**272,867**	**243,564**

NOTE 11: PARTICIPATIONS ACCOUNTED FOR USING THE EQUITY METHOD

(€ 1,000)	2020	2019
Participations accounted for using the equity method		
Marine Engineering & Contracting	221,680	151,821
Private Banking	740,957	638,067
Real Estate & Senior Care	31,447	12,495
Energy & Resources	242,598	234,027
AvH & Growth Capital	219,388	166,067
Total	**1,456,070**	**1,202,477**

(€ 1,000)	Equity value	Goodwill allocated	Total 2020	Total 2019
Movements in participations accounted for using the equity method				
Participations accounted for using the equity method: opening balance	**1,136,001**	**66,475**	**1,202,477**	**1,184,765**
Additions	102,003	45,921	147,924	22,840
Additions through business combinations	0	0	0	0
Disposals (-)	-4,953	0	-4,953	-29,848
Disposals through business disposals (-)	0	0	0	0
Share of profit (loss) from equity accounted investments	179,253	0	179,253	154,952
Impairments through profit and loss	0	0	0	0
Foreign currency exchange increase (decrease)	-43,066	0	-43,066	9,145
Impact of dividends distributed by the participations (-)	-38,040	0	-38,040	-62,192
Transfers (to) from other items	21,585	0	21,585	-35,813
Other increase (decrease)	-5,105	-4,006	-9,111	-41,372
Participations accounted for using the equity method: ending balance	**1,347,679**	**108,390**	**1,456,070**	**1,202,477**

General evolution

The increase in the participations accounted for using the equity method to 1,456.1 million euros is explained by the results realised in jointly controlled participations or in participations in which no controlling interest is held. This is the case with Delen Private Bank, the offshore wind farms Rentel, SeaMade and C-Power, SIPEF, Sagar Cements. In the "Growth Capital" segment of AvH's portfolio there are also several participations that are accounted for using the equity method. At year-end 2020, the new 20% participation in OM Partners is also included under this heading.

During the past year 2020, the group invested as much as 147,9 million euros:

- In "Marine Engineering & Contracting", DEME invested 30.3 million euros in the new joint venture CDWE in Taiwan, which will be engaged on various Taiwanese offshore wind projects and is currently building an installation vessel there, while CFE invested 14.7 million euros in various real estate development companies, and Rent-A-Port subscribed for 14.9 million euros to capital increases of companies which, in partnership, develop port sites in Vietnam.
- AvH invested an additional 22.3 million euros in total in the "Energy & Resources" segment. The shareholding percentage in SIPEF was increased by 2.35% to 34.68% by purchasing SIPEF shares on the stock market. AvH also acquired a direct participation of 42% in Verdant BioScience and acquired additional shares of Sagar Cements through the conversion of warrants.
- In the "Growth Capital" segment, AvH acquired in the final weeks of 2020 a 20% participation in OM Partners ("OMP"), a leading Belgian firm in the field of supply chain software. Since the participation in OM Partners was acquired shortly before the year-end 2020, it will only begin to contribute to the consolidated results of AvH in 2021. The goodwill analysis will be completed in the first half of 2021.

The sale of the 12.5% interest in the German offshore wind farm Merkur by DEME, the partial disposal by Rent-A-Port of a company developing land in Vietnam, and the sale of the 50% participation in the Indian company Oriental Quarries & Mines by AvH are not included in this overview, since those participations were already shown as 'Assets held for sale' at year-end 2019. We refer to Note 5. Assets and liabilities held for sale.

The disposals relate to a.o. the sale by Extensa of its remaining real estate interest in Slovakia to its local partners, and the sale by CFE of a number of property developments that were held in partnership with other parties.

As was already the case in previous years, the share of profit (loss) from equity-accounted investments makes a substantial contribution to AvH's group profit. This item comprises the (net) profit contribution of AvH for its share in a.o. Delen Private Bank, SIPEF, Sagar Cements and most of the Growth Capital participations, as well as the contributions of certain participations held by fully consolidated entities. Delen Private Bank made a record contribution of 103.5 million euros to the group result (+10.1 million euros compared to 2019).

The contributions from equity-accounted investments in "Marine Engineering & Contracting" are a.o. realised by participations of DEME and Green Offshore in entities that develop and operate offshore wind farms, such as Rentel, SeaMade and C-Power. Additionally, both DEME and CFE have a number of jointly controlled participations or participations in which they only hold a minority interest. The contribution in the "Real Estate & Senior Care" segment derives primarily from the developments on the Cloche d'Or site in Luxembourg, in which Extensa holds a 50% stake.

In 2020, AvH received substantially less dividends from participations accounted for using the equity method compared to last year. This is for the most part explained by the instructions from the ECB and the NBB to the banks in the European Union not to pay any dividends to their shareholders in 2020. In 2019, AvH had still received a dividend of 44.5 million euros from Delen Private Bank. In "Marine Engineering & Contracting", CFE received 9.9 million euros worth of dividends from several real estate development companies, while both DEME and Green Offshore received a dividend from Rentel (together 19.8 million euros).

The ‘Transfer from (to) other items’ is primarily explained by changes in the consolidation scope at Rent-A-Port.

The 'Other increase (decrease)' item reflects movements in the equity of the participations, with the negative fair value evolution in 2020 of the cash flow hedges at the participations of DEME and Green Offshore in the Rentel and SeaMade offshore wind farms, having the greatest impact. Other movements in the equity of the participations include a.o. the eliminations of results on sales of treasury shares, the impact of the buy-out of minority interests, and the impact of the measurement of the purchase obligation resting on certain shares.

Directly held participations accounted for using the equity method

AvH applies the equity method to the jointly controlled subsidiaries Delen Private Bank (78.75%), SIPEF (34.7%), Verdant Bioscience (42%), Amsteldijk Beheer (50%), Manuchar (30.0%), Turbo’s Hoet Groep (50%), Telemond (50%) and GIB (50%). This balance sheet item also comprises the associated interests in Sagar Cements (21.9%), Axe Investments (48.3%), Financière EMG (22.5%), Mediahuis (13.5%) and OM Partners (20%). For a more detailed description of the changes in the scope, see Note 6. Segment information.

Some of the group companies mentioned above are listed on the stock market. If the interests in SIPEF and Sagar Cements were to be valued at the market price at year-end 2020, those companies would represent stock market values of 158.5 million euros and 37.5 million euros respectively. If the stock market value at the end of the year was lower than the consolidated equity method value, other elements were considered in the assessment as to whether an impairment was necessary. This was not the case at the end of 2020.

Indirectly held participations accounted for using the equity method

The full consolidation of CFE, DEME, Rent-A-Port and Green Offshore gives rise to the recognition of their jointly controlled subsidiaries and associated participating interests for a total amount of 221.7 million euros, the main interests being those of DEME in C-Power (6.5%), of DEME/Green Offshore in Rentel (18.9% and 12.5% respectively) and in SeaMade (13.2% and 8.75% respectively), of DEME in CDWE Taiwan, Deeprock and GEM/EMW, as well as the real estate and PPP projects set up by CFE together with partners and port-related partnerships at Rent-A-Port.

NOTE 12: FINANCIAL ASSETS

1. Financial assets and liabilities per category

(€ 1,000)	Fair value		Book value	
	2020	2019	2020	2019
Financial assets				
Financial assets : shares - Fair value through P/L (FVPL)	182,546	210,135	182,546	210,135
Financial assets : bonds - Fair value through OCI (FVOCI)	474,991	420,628	474,991	420,628
Financial assets : shares - Fair value through OCI (FVOCI)	173	168	173	168
Financial assets - at amortised cost	20,003	0	20,003	0
Receivables and cash				
Financial fixed assets - receivables and warranties	129,022	133,158	129,022	133,158
Other receivables	148,361	164,458	148,361	164,458
Trade debtors	616,808	744,679	616,808	744,679
Cash and cash equivalents	842,408	887,985	842,408	887,985
Banks - receivables from credit institutions & clients	7,057,378	6,239,291	6,622,097	5,867,275
Hedging instruments	11,678	2,124	11,678	2,124

(€ 1,000)	Fair value		Book value	
	2020	2019	2020	2019
Financial liabilities				
Financial liabilities valued at amortised cost				
Financial debts				
Bank loans	1,722,838	1,771,425	1,715,379	1,745,284
Bonds	244,769	255,305	241,934	254,120
Surbordinated loans	66,714	51,445	65,655	50,637
Lease debts	172,129	196,643	172,031	194,692
Other financial debts	364,351	287,170	364,351	287,170
Other debts				
Trade payables	1,092,826	1,140,174	1,092,826	1,140,174
Advances received	60,643	40,426	60,643	40,426
Amounts payable regarding remuneration and social security	207,031	197,967	207,031	197,967
Other amounts payable	93,521	74,306	93,521	74,306
Banks - debts to credit institutions, clients & securities	6,517,445	5,751,076	6,484,353	5,715,917
Hedging instruments	106,237	107,437	106,237	107,437

(€ 1,000)	2020			2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Financial assets : shares - Fair value through P/L (FVPL)	136,814		45,732	176,724		33,411
Financial assets : bonds - Fair value through OCI (FVOCI)	474,991			420,628		
Financial assets : shares - Fair value through OCI (FVOCI)			173			168
Financial assets - at amortised cost		20,003				
Receivables and cash						
Banks - receivables from credit institutions & clients		1,155,432	5,901,946		596,086	5,643,205
Hedging instruments		11,678			2,124	
Financial liabilities						
Financial debts						
Bank loans		1,722,838			1,771,425	
Bonds	114,005	130,764	0	74,542	180,763	0
Surbordinated loans		66,714			51,445	
Lease debts		172,129			196,643	
Banks - debts to credit institutions, clients & securities		6,517,445			5,751,076	
Hedging instruments		106,237			107,437	

The fair values must be classified in three levels according to the valuation hierarchy of IFRS 13, depending on the type of input used for the valuation of financial instruments. The specific effect of this for Bank J.Van Breda & C° is:

- Parameters for **level 1 instruments** are unadjusted quoted prices in active markets for identical assets and liabilities. No valuation technique (model) is used. In level 1, we find all financial assets (valued at fair value, with incorporation of value changes in the unrealised results) with a public listing in an active market.
- Parameters for **level 2 instruments** are prices quoted for similar assets and liabilities in active markets, or data based on or supported by observable market data. A valuation technique (model) is used, based on observable parameters such as:
  - the actual value of the future cashflows (discounted cashflow model)
  - the comparison with the current or recent fair value from another similar instrument
  - the determination of prices by third parties, provided that the price is in line with alternative observable parameters.

We find the following financial assets and liabilities in level 2:

- Cash and assets with central banks: because these assets have a very short term, the fair value is equated with the book value.
- Receivables from credit institutions and financial liabilities valued at amortised cost: the fair value of the above financial instruments is determined as the current value of future cash flows based on the applicable swap interest rate and the assumptions below:
  - Commercial margins are taken into account when repricing;
  - No account is taken of a percentage of credit losses.
- Derivatives held for trading purposes and for hedging purposes: the fair value of these instruments is also determined as the current value of future cash flows based on the applicable swap interest rate.

- Parameters for **level 3 instruments** are non-observable data for determining the fair value of an asset or liability. In this case, use is made of a valuation technique (model) with (partly) non-observable parameters.

We find the following financial assets in level 3:

- Some financial assets (valued at fair value with value changes included in the unrealised results) for which no public listing is available.
- Loans and advances to customers, valued at amortised cost: the fair value thereof is determined as the current value of future cash flows based on the applicable swap interest rate and the assumptions below:
  - Commercial margins are taken into account when repricing;
  - A percentage of early repayments and cap options is taken into account;
  - No account is taken of a percentage of credit losses.

The fair value of the securities in the **other investment portfolio** of the Group is determined on the basis of the listing on the public market (level 1). The same applies to the **public bonds** issued by Extensa and BPI. The **private** bonds issued by Leasinvest Real Estate and Rent-A-Port are reported under level 2.

The previous table gives no fair value information for financial assets and liabilities that are not measured at fair value, such as receivables and warranties, other receivables and payables, trade receivables and trade payables, advance payments, amounts payable regarding remuneration and social security, and cash and cash equivalents, since their carrying amount is a reasonable approximation of their fair value.

2. Credit risk

Both **CFE** and **DEME** have set up procedures to limit the risk of their trade receivables. A large part of the consolidated turnover is realized through public or semi-public sector customers. The level of counterparty risk is limited by the large number of customers. To limit the credit risk, both participations constantly monitor their outstanding trade receivables and adjust their positions if necessary. For the purposes of major foreign contracts, for instance, DEME regularly uses the services of the Credendo Group insofar as the country concerned qualifies for this service and the risk can be covered by credit insurance. For large-scale contracts, DEME is dependent on the ability of customers to obtain financing and can, if necessary, help to organize project financing. Although the credit risk cannot be ruled out altogether, it is still limited. Moreover, as a worldwide player, DEME is exposed to political risks and negative developments that may manifest themselves at the macroeconomic level. The operational activities of CFE in Africa were virtually discontinued since 2019 and its exposure has been impaired.

The credit risk of **Rent-A-Port**, primarily active in Vietnam, is limited by advances received on the sale of acquired rights over developed sites (industrial zones) and by the monthly invoicing and the wide spread of customers when providing utilities, maintenance and management services in those industrial zones.

For the credit risk regarding the lease portfolio of **Bank J.Van Breda & C°** we refer to the credit risk policy as described in note 13.

Leasinvest Real Estate aims at a good spread both in terms of the number of tenants and the sectors in which these tenants are active in order to limit the risk of bad debts and bankruptcies by tenants. Furthermore, the solvency of the tenants is screened on a regular basis by an external rating agency, and long-term lease agreements are sought to ensure a recurrent rental income flow and increase the duration of the lease agreements.

Extensa Group is mainly active in the development of real estate projects. Prior to the signing of a new project, an extensive analysis of the related technical, legal and financial risks is made.

Anima has a limited credit risk. Most residents pay by direct debit. Rents are billed in advance and debtors are closely monitored. Government grants are an important source of income.

Agidens manages its debtor risk in accordance with the relevant policy, procedures and checks that have been set out by the group. Outstanding receivables are periodically monitored, and large-scale projects are generally covered by bank or other similar guarantees. The same applies to **Biolectric**.

In the **AvH & Growth Capital** segment the group invests for the long term in a limited number of companies with international growth potential. The diversified character of these investments contributes to a balanced spread of the economic and financial risks. Furthermore, AvH usually finances these investments with shareholders' equity.

(€ 1,000)	Segment 1	Segment 2	Segment 3	Segment 4	Segment 5			
	Marine Engineering & Contracting	Private Banking	Real Estate & Senior Care	Energy & Resources	AvH & Growth Capital	Eliminations between segments	Total 2019	
Financial fixed assets - receivables and warranties	99,397	1,323	28,117	0	14,588	-10,267	**133,158**	
Other receivables	74,402	4,005	60,227	11	30,888	-5,075	**164,458**	
Trade debtors	692,658	100	29,293	0	23,772	-1,145	**744,679**	
Total (net - accumulated impairments included)	**866,457**	**5,428**	**117,638**	**11**	**69,248**	**-16,487**	**1,042,296**	
%	**83%**	**1%**	**11%**	**0%**	**7%**	**-2%**	**100%**	
not expired	620,027	5,428	115,059	11	63,327	-16,487	**787,366**	76%
expired < 30 d	35,638	0	2,381	0	5,421	0	**43,440**	4%
expired < 60 d	40,179	0	93	0	327	0	**40,599**	4%
expired < 120 d	31,356	0	92	0	157	0	**31,605**	3%
expired > 120 d	139,257	0	14	0	15	0	**139,286**	13%
Total (net - accumulated impairments included)	**866,457**	**5,428**	**117,638**	**11**	**69,248**	**-16,487**	**1,042,296**	100%
%	**83%**	**1%**	**11%**	**0%**	**7%**	**-2%**	**100%**	
Accumulated impairments								
Financial fixed assets - receivables and warranties (impairments)	-6,215	0	0	0	0	0	-6,215	
Other receivables (impairments)	0	0	-39	0	-8,711	0	-8,750	
Trade debtors (impairments)	-70,887	0	-1,461	0	-73	0	-72,421	
	-77,101	**0**	**-1,500**	**0**	**-8,784**	**0**	**-87,385**	

(€ 1,000)	Segment 1 Marine Engineering & Contracting	Segment 2 Private Banking	Segment 3 Real Estate & Senior Care	Segment 4 Energy & Resources	Segment 5 AvH & Growth Capital	Eliminations between segments	Total 2020	
Financial fixed assets - receivables and warranties	102,049	1,631	10,577	0	34,648	-19,883	**129,022**	
Other receivables	64,919	4,199	49,987	31	32,376	-3,150	**148,361**	
Trade debtors	566,962	44	24,589	0	26,369	-1,156	**616,808**	
Total (net - accumulated impairments included)	**733,930**	**5,874**	**85,153**	**31**	**93,392**	**-24,189**	**894,190**	
%	**82%**	**1%**	**10%**	**0%**	**10%**	**-3%**	**100%**	
not expired	580,124	5,874	77,478	31	88,690	-24,189	**728,008**	81%
expired < 30 d	20,721	0	5,084	0	2,846	0	**28,651**	3%
expired < 60 d	43,122	0	346	0	1,538	0	**45,006**	5%
expired < 120 d	17,982	0	525	0	113	0	**18,620**	2%
expired > 120 d	71,981	0	1,719	0	205	0	**73,905**	8%
Total (net - accumulated impairments included)	**733,930**	**5,874**	**85,153**	**31**	**93,392**	**-24,189**	**894,190**	100%
%	**82%**	**1%**	**10%**	**0%**	**10%**	**-3%**	**100%**	
Accumulated impairments								
Financial fixed assets - receivables and warranties (impairments)	-7,479	0	0	0	0	0	-7,479	
Other receivables (impairments)	0	0	-41	0	-8,711	0	-8,752	
Trade debtors (impairments)	-67,046	0	-1,053	0	-110	0	-68,209	
	-74,525	**0**	**-1,094**	**0**	**-8,821**	**0**	**-84,439**	

Marine Engineering & Contracting

- Financial fixed assets: receivables and warranties: loans granted to participating interests include a.o. financing granted by DEME and Green Offshore to their respective participating interests active in the development/operation of the Rentel and SeaMade wind farms, and by CFE to real estate project companies.
- Trade receivables in this segment account for 92% of total trade receivables.

Overdue receivables in contracting mainly relate to settlements and additional charges, but which still have to be included in the budgets or are to be covered by an overall agreement. CFE and DEME have a number of negotiations and/or procedures pending. Expected losses on construction contracts are adequately provided for through impairments on construction contracts, recorded in the balance sheet item 'Construction contracts' (Note 14).

CFE values its financial fixed assets in conformity with the expected credit loss model. As such, the discounted effect of estimated losses, in case a debtor would default on its obligations, is reflected in its book value.

The substantial amount in accumulated impairments is partly explained by the full impairment of the receivables from the Chadian government in accordance with IFRS 9. This accounting treatment does not affect CFE's continued efforts to collect the outstanding receivables. Negotiations with the Chadian government on this matter are still ongoing.

The turnover of Rent-A-Port, primarily active in Vietnam, derives from (i) the sale of acquired rights over developed sites (industrial zones), (ii) the provision of utilities (electricity and water) and (iii) of maintenance and management services in those industrial zones:

- The compensation for the sale of acquired rights over developed sites, usually varying from 40 to 50 years, is largely paid in advance (80% to 100%) by the customers of the Rent-A-Port group. Once the land is delivered to the customer, the risks and rewards of the land use rights are transferred.
- The charges for the provision of utilities, maintenance and management services are invoiced on a monthly basis, and given the wide spread of customers, the credit risk is fairly limited here.

Private Banking

The financial market regulators, such as the EBA, ECB, ESMA, etc., have issued guidelines on the application of the concept of expected credit losses in accordance with the IFRS 9 accounting standard ("Financial Instruments") in the 2020 figures. The main exposure is obviously situated in the "Private Banking" segment. It is worth noting in this respect that, thanks to their conservative and consistent credit policy, both Delen Private Bank and Bank J.Van Breda & C° suffered a relatively limited impact. Delen Private Bank did not need to set aside any provisions for loan losses on the (limited) credit portfolio. Bank J.Van Breda & C° made a provision of 1.0 million euros over the full year for specific credit losses. Nevertheless, an additional provision of 4.5 million euros was made to cover expected future but not yet identified credit losses in accordance with IFRS 9. We refer to Note 13 for more details regarding the credit risk of Bank J.Van Breda & C°.

Real Estate & Senior Care

- The other receivables relate to the advances that Extensa grants to its real estate project companies.
- Referring to the above description of the credit risk management, under normal circumstances the impairments on trade receivables are limited at both Leasinvest Real Estate and Extensa. Rent reductions that are granted exceptionally in times of economic crisis, such as the COVID-19 pandemic and the related lockdown, are accounted for as a reduction of income in accordance with IFRS 9 ("impairment loss").
- Most residents pay by direct debit at Anima, which justifies not setting up a simplified expected credit loss model.

AvH & Growth Capital and Intercompany eliminations

- the full consolidation of Agidens and Biolectric Group
- financing provided by AvH & subholdings to, among others, Green Offshore in the context of the development of the Rentel and SeaMade wind farms has been eliminated in the consolidation.

3. Exchange rate risk

Given the international character of its business operations and the execution of contracts in foreign currency, **DEME** is exposed to currency risks. DEME's transactional foreign currency risk arises from commercial flows denominated in currencies other than the euro. However, 67% of DEME's revenues (2019: 66%) related to transactions expressed in euros and, as such, represented the largest portion of DEME's revenues realised. Other currencies in which contracts were entered into are: US dollar, Singapore dollar, Indian rupee, Danish krone, Taiwanese dollar, Polish zloty, British pound and Russian ruble. DEME's expenses are also predominantly in euro, except for contracts that are carried out in non-euro countries. The residual foreign currency risk is assessed on a case-by-case basis and, if necessary, DEME uses forward-exchange contracts to hedge its residual foreign currency risk on projected net commercial flows denominated in currencies other than the euro.

In the case of **CFE**, most operations take place within the eurozone; nevertheless, exposure to foreign currency fluctuations is limited as much as possible.

Rent-A-Port primarily operates in Southeast Asia and is essentially exposed to an exchange rate risk relating to the US dollar and the Vietnamese dong. Since the subsidiaries of Rent-A-Port mainly effect purchases and sales in local currencies, the group's exposure to exchange rate fluctuations in commercial transactions is limited in a natural way. The translation of the functional currency (USD) into euros upon consolidation embodies an exchange rate risk.

The exchange rate risk at **Extensa Group** was reduced as a result of the further scaling down of activities in Turkey and Romania.

Leasinvest Real Estate operates in Belgium, Luxembourg and Austria, and is therefore not subject to exchange risks.

The exchange rate risk of **Bank J.Van Breda & C°** is limited, as the bank only operates in Belgium and the nature of its clients is such that it does not hold any significant own currency position.

Agidens, with its worldwide operations, has a (limited) exchange rate exposure to the US dollar and Swiss franc, and hedges its currency risk by using the same currency as much as possible for the income and expenses in question (natural hedging). If necessary, a currency swap is concluded with approved and reputable counterparties. **Biolectric** has a limited GBP exposure through its branch in the United Kingdom.

The strategy of **AvH** to look towards emerging markets resulted in investments in Indian rupees (Sagar Cements, the Healthquad I and II Funds and Medikabazaar). This risk is not hedged as it concerns long term investments.

The remaining fully consolidated participations are not subject to significant exchange rate risks since they mainly operate in the eurozone.

Various non-fully consolidated participations such as Delen Private Bank, SIPEF and Verdant Bioscience, as well as Manuchar, Telemond Group, Turbo's Hoet Groep and others, operate to a significant extent outside the eurozone. The exchange rate risk in each of these cases is followed up and controlled at the level of the participation itself.

The exchange rate risk at **Delen Private Bank** is limited to the foreign currency subsidiaries (JM Finn and to a lesser extent Delen Suisse). The net exposure to the British Pound is currently limited as the impact of any exchange rate fluctuation on the JM Finn equity is neutralized by an opposite impact on the liquidity obligation on the remaining 7% minority stake in JM Finn. At **SIPEF** the majority of the costs are incurred abroad (in Indonesia and Papua New Guinea), whereas sales are realised in USD. This is a structural risk that is not hedged by the company and is therefore considered as a general business risk. Transactional risks are generally limited by short payment terms, and translation differences are limited by making the functional currency and reporting currency the same as much as possible. **Manuchar** is exposed to exchange rate risk between the USD and local currencies of the countries in which the distribution activities take place. To hedge these risks, the positions are monitored and, if necessary, macro hedges are set up. At **Telemond Group**, production takes place in Poland while the sales are realised in the eurozone. The exchange rate risk that is run by this is not hedged and is considered as a general business risk. **Turbo's Hoet Groep**, finally has developed a significant level of activity in Eastern Europe, more specifically in Bulgaria, Romania, Russia and Belarus. Turbo's Hoet Groep realizes its turnover in those markets on the basis of local currency. Although Turbo's Hoet Groep tries to pass on the impact of any depreciations in those local currencies to the final customer, market conditions do not always allow it.

Some of the main exchange rates that have been used to convert the balance sheets and results of the foreign entities into euro:

1 euro = x foreign currency	Closing rate	Average rate
Australian Dollar	1.59	1.65
British Pound	0.89	0.88
CFA Franc	655.96	655.96
Egyptian Pound	19.26	18.06
Indian Rupee	89.29	84.75
Nigerian Naira	484.55	435.36

	Closing rate	Average rate
Polish Zloty	4.56	4.44
Russian Ruble	91.46	82.72
Singapore Dollar	1.62	1.57
Taiwan Dollar	34.49	33.59
Tunesian Dinar	3.29	3.20
US Dollar	1.23	1.14
Vietnamese Dong	28,264	26,517

4. Financial assets: at fair value through OCI or through P/L

(€ 1,000)	Financial fixed assets - FVPL	*Investments - FVOCI*	*Investments - FVPL*	*Investments - at amortised cost*	Investments - Total
Financial assets : at fair value through OCI or through P/L - financial year 2019					
Financial assets: opening balance at fair value	**113,526**	***457,129***	***37,291***	***0***	**494,420**
Financial assets - carrying amount (including accumulated fair value adjustments through P/L - FVPL)	113,526	*453,374*	*37,291*	*0*	490,665
Financial assets - adjustment to fair value		*2,805*			2,805
Financial assets - accrued interest		*950*			950
Additions	54,929	*254,710*	*10,165*	*0*	264,875
Additions through business combinations	0	*0*	*0*	*0*	0
Actuarial return		*-981*			-981
Disposals (-)	-28,590	*-293,982*	*0*	*0*	-293,982
Disposals through business disposals (-)	-7	*0*	*-112*	*0*	-112
Increase (decrease) through changes in fair value (FVPL)	9,809		*8,373*		8,373
Increase (decrease) through changes in fair value (FVOCI)		*3,502*			3,502
Impairment losses recognized in the income statement (-)		*0*			0
Foreign currency exchange increase (decrease)	0	*406*	*0*	*0*	406
Transfer from (to) other items	4,750	*0*	*0*	*0*	0
Other increase (decrease)	0	*12*	*0*	*0*	12
Financial assets: ending balance at fair value	**154,418**	***420,796***	***55,717***	***0***	**476,513**
Financial assets - carrying amount (including accumulated fair value adjustments through P/L - FVPL)	154,418	*413,977*	*55,717*	*0*	469,694
Financial assets - adjustment to fair value (FVOCI)		*5,857*			5,857
Financial assets - accrued interest		*962*			962

(€ 1,000)	Financial fixed assets - FVPL	*Investments - FVOCI*	*Investments - FVPL*	*Investments - at amortised cost*	Investments - Total
Financial assets : at fair value through OCI or through P/L - financial year 2020					
Financial assets: opening balance at fair value	**154,418**	***420,796***	***55,717***	***0***	**476,513**
Financial assets - carrying amount (including accumulated fair value adjustments through P/L - FVPL)	154,418	*413,977*	*55,717*	*0*	469,694
Financial assets - adjustment to fair value		*5,857*			5,857
Financial assets - accrued interest		*962*			962
Additions	15,720	*130,799*	*162*	*112,578*	243,539
Additions through business combinations	14	*0*	*0*	*0*	0
Actuarial return		*-1,185*		*-75*	-1,260
Disposals (-)	-3,330	*-79,464*	*-4,795*	*-92,500*	-176,759
Disposals through business disposals (-)	0	*0*	*0*	*0*	0
Increase (decrease) through changes in fair value (FVPL)	-35,272		*70*		70
Increase (decrease) through changes in fair value (FVOCI)		*5,390*			5,390
Impairment losses recognized in the income statement (-)		*0*			0
Foreign currency exchange increase (decrease)	-159	*-1,103*	*0*	*0*	-1,103
Transfer from (to) other items	0	*0*	*0*	*0*	0
Other increase (decrease)	0	*-69*	*0*	*0*	-69
Financial assets: ending balance at fair value	**131,391**	***475,164***	***51,155***	***20,003***	**546,322**
Financial assets - carrying amount (including accumulated fair value adjustments through P/L - FVPL)	131,391	*463,025*	*51,155*	*20,003*	534,183
Financial assets - adjustment to fair value (FVOCI)		*11,246*			11,246
Financial assets - accrued interest		*893*			893

Negative fair value changes were recognised on market-listed assets and charged to profit and loss in 2020, after application of the fair value approach (level 1 in the fair value hierarchy).

Financial fixed assets: with a stake of 10.7%, Leasinvest Real Estate is the largest shareholder of its sector peer Retail Estates. This participation is not consolidated, but the fair value changes (based on the share price of Retail Estates) are reported through the profit and loss account of Leasinvest Real Estate. In the first half of 2020, the negative trend of the Retail Estates share price led to an (unrealised) loss of 33.5 million euros in the financial statements of Leasinvest Real Estate, and through AvH's 30% stake this had an impact of -10.0 million euros on AvH's group result.

On AvH's investment portfolio and certain other financial fixed assets, which showed a fair value of 57.0 million euros at year-end 2020, a total impairment loss of 1.7 million euros was recognised to bring it into line with the fair value at 31/12/2020. Those value fluctuations were far greater throughout the year.

The additions in 'Financial fixed assets' relate to "AvH & Growth Capital" in a.o. Indigo Diabetes, MRM Health, Biotalys and the Indian HealthQuad funds I and II.

The acquisition of 243.4 million euros worth of **investments** by Bank J.Van Breda & C° during the course of 2020 should be seen in conjunction with a disposal of investments of 172.0 million euros, resulting from transactions as part of the bank's ALM policy.

The investments consist of (€ 1,000):	Number of shares	Fair value
Investment portfolio Bank J.Van Breda & C°		495,167
Funds managed by Delen Private Bank		38,099
Ageas	278,284	12,128
Other		928
		546,322

The additions and disposals are largely attributable to Bank J.Van Breda & C°, and relate to transactions realized as part of its Asset & Liability management (ALM).

The breakdown per segment of the fair value of the investments is as follows (€ 1,000):	Fair value
Private Banking (Bank J.Van Breda & C°)	495,167
AvH & Growth Capital	51,152
Real Estate & Senior Care	0
Marine Engineering & Contracting	3
Energy & Resources	0
	546,322

Credit risk of the investment portfolio Bank J.Van Breda & C°

The risk profile of the investment portfolio has for years now deliberately been kept very low. The consolidated investment portfolio at year-end 2020 contains 94% government bonds (including government-guaranteed bonds) with a minimum A1 rating (Moody's rating), 5% corporate bonds (including commercial paper) and less than 1% shares and private equity.

The investment framework that is submitted annually for the approval of the board of directors of Bank J.Van Breda & C° determines which investments can be made and the limits that apply. The following table shows the composition of the consolidated investment portfolio by rating and maturity.

Composition of the investment portfolio 31/12/2020	Rating		Remaining duration
Government bonds Aaa	38%	2021	13%
Government bonds Aa1	20%	2022	19%
Government bonds Aa2	20%	2023	20%
Government bonds Aa3	12%	2024	12%
Government bonds A1	4%	2025	4%
Corporate bonds and commercial paper & other	6%	>2026	30%
		indefinite	2%

NOTE 13: BANKS – RECEIVABLE FROM CREDIT INSTITUTIONS AND CLIENTS

(€ 1,000)	Fair value		Book value	
	2020	2019	2020	2019
Loans and receivables to clients	5,850,021	5,604,606	5,414,654	5,232,649
Changes in fair value of the hedged credit portfolio	51,925	38,599	51,925	38,599
Loans and advances to banks	163,626	141,366	163,712	141,306
Cash balances with central banks	991,806	454,720	991,806	454,720
	7,057,378	**6,239,291**	**6,622,097**	**5,867,274**

(€ 1,000)	2020	2019
Loans and receivables to clients		
Finance lease	249,017	236,968
Investment credits and financing	2,534,509	2,438,351
Mortgage loans	2,260,140	2,136,819
Operating appropriations	380,415	411,548
Other	23,357	39,018
Subtotal - Gross loans and advances	**5,447,439**	**5,262,704**
Provisions Expected Credit Losses/write-offs	-32,785	-30,055
Loans and receivables to clients	**5,414,654**	**5,232,649**

The full consolidation of Bank J.Van Breda & C° results in the inclusion of the specific banking receivables and debts in the balance sheet of AvH. These items have been grouped in order to keep the balance sheet as transparent as possible.

The loans and advances to clients comprise the following:

- loans granted to family entrepreneurs and the liberal professions at Bank J.Van Breda & C° and to individual or self-employed clients at the division Bank de Kremer. The many entrepreneurs and practitioners of liberal professions who have become clients in previous years entrust an ever increasing share of their banking business to the bank;
- car financing provided by Van Breda Car Finance, a division of the bank.

The strong commercial performance of the bank explains the significant increase of loans and advances to clients.

Credit risk

The credit portfolio of Bank J.Van Breda & C° is very widely spread throughout the local economic fabric of family businesses and liberal professions. The division Bank de Kremer focuses on individuals. The bank applies concentration limits per sector and maximum credit amounts per client. The credit portfolio of the Van Breda Car Finance division consists of car loans and car finance leases, and is very widely spread. Constant fine-tuning of the acceptance criteria and proactive debtor monitoring also give this portfolio a low risk profile.

The credit portfolio is divided into risk categories, each of which is monitored in its own specific way. The board of directors of Bank J.Van Breda C° periodically receives a report on credit facilities in the highest risk category.

Debts which become doubtful are transferred to the Litigation department. There are specific criteria for mandatory transfer when specific events arise with clients, borrowers or guarantors. For credit facilities in the highest risk category and for debts that become doubtful, it will be determined whether impairments are required.

COVID-19

At the beginning of 2020, the world was confronted with the outbreak and spread of the coronavirus. Not only did this lead to an unexpected health crisis, it also has a significant impact on the global and Belgian economy, everyone's private life and the professional activities of the clients. The first priority was to protect, inform and support the colleagues and clients. Bank J.Van Breda & C° invests in long-term relations with clients and staff, and this pays off in times of crisis. The Bank responded proactively to requests for payment extensions on professional and mortgage loans. Those requests were handled quickly and efficiently, allowing entrepreneurs and liberal professionals to focus on managing the crisis and restarting their activities.

The Federal Government, the National Bank of Belgium and the Belgian financial sector concluded agreements to give temporary support to businesses, the self-employed and households. These are the two pillars:

- The financial sector has undertaken to grant repayment deferment to viable non-financial companies, SMEs, self-employed and non-profit organisations, as well as mortgage borrowers with payment difficulties due to the coronavirus crisis.
- The government has implemented two guarantee schemes for new loans and credit lines (except refinancing loans) that are granted by banks.

Bank J.Van Breda & C° granted 31.9 million euros worth of **repayment deferment** in 2020. Since the nominal amount of the loans for which repayment deferment has been requested is 441 million euros, the repayment deferment represents 7% of the total outstanding amount. At 31/12/2020, normal repayment had been resumed (no more deferment) of 368 million euros of the loans for which payment deferment was granted (441 million euros); this represents a payment pick-up rate of 83%. The loans for which deferment of principal repayment was granted stayed on the balance sheet longer, which had a positive impact on the interest result. Loans worth 49.3 million euros were granted with state guarantee, of which 5.4 million euros was already fully repaid at 31/12/2020. The outstanding balance at 31/12/2020 amounted to 39 million euros.

The coronavirus crisis will very likely have a major impact on the credit losses of the banking sector in the next few years. Although so far these losses have been fairly limited for the Bank due to the high quality of the client base and the government measures (temporary unemployment, repayment deferment), these unfavourable prospects have been taken into account in the Bank's ECL calculations in line with the IFRS 9 rules to make provisions for **expected credit losses**.

The valuation rules (Note 1) offer an explanation of the methodology which the Bank uses under normal circumstances to determine the **expected credit losses (stage 1 and stage 2)** and the **impairments (stage 3)** for the whole credit portfolio. The current ECL methodology proved to provide sufficient possibilities to adequately account for all uncertainties and specifications associated with the COVID-19 crisis. By using macroeconomic scenarios and providing for the increased risk in extra stage 2 contracts, the expected credit losses are represented as accurately as possible. The first estimate was made in the second quarter of 2020, and was subsequently fine-tuned in the fourth quarter of 2020 as a result of the further coronavirus measures.

The expected credit losses recognised in 2020 (stage 1, 2 & 3) amounted to 5.5 million euros (compared to 1.4 million euros in 2019), with extra provisions being partly neutralised by the effect of the annual review of the ECL model and a few major reversals.

The Bank used the following methodology for the staging of the performing loans from stage 1 to stage 2 in order to establish an increase of the initial risk (significant increase in credit risk of SICR):

1. First, the usual indicators are assessed at contract level. These concern number of days past due, a deterioration of the internal rating, or a contract in forbearance.
2. Then a collective staging is performed, in accordance with the macroeconomic projections used in order to also account for the forward-looking information in the staging process.
3. Certain additional sectors are regarded as extra high risk, for which extra collective staging is applied. These are the sectors that are hardest hit by the continuing coronavirus measures, such as catering, events, travel and wholesale and retail.

Loans for which principal repayment deferment was granted are not automatically treated as forbearance loans. These loans follow the same staging logic as above, and will therefore by virtue of this payment deferment not automatically end up in stage 2. Each individual case is closely monitored, and where the credit experts detect an increased risk, those loans will as yet qualify for forbearance. In this way, the individually assessed loans with repayment deferment can still end up in stage 2.

Internal rating per category – loans and advances to clients

Loans and advances to clients - internal rating per category	Stage 1		Stage 2		Stage 3	2020
(€ 1,000)	Individual	Collective	Individual	Collective		
Performing						
Low risk	1,977,006	0	22,509	124,363	0	2,123,878
Medium risk	2,021,171	0	288,376	183,689	0	2,493,236
High risk	323,910	0	341,639	55,844	0	721,393
Overdue	30,566	0	16,234	6,988	0	53,788
Non-performing						
Submitted to write off	0	0	0	0	55,143	55,143
Total	**4,352,654**	**0**	**668,757**	**370,884**	**55,143**	**5,447,439**

Loans and advances to clients - internal rating per category	Stage 1		Stage 2		Stage 3	2019
(€ 1,000)	Individual	Collective	Individual	Collective		
Performing						
Low risk	1,895,345	0	26,126	35,271	0	1,956,742
Medium risk	2,148,778	0	322,879	35,124	0	2,506,781
High risk	350,193	0	321,731	3,885	0	675,809
Overdue	41,480	0	22,978	739	0	65,197
Non-performing						
Submitted to write off	0	0	0	0	58,176	58,176
Total	**4,435,796**	**0**	**693,713**	**75,019**	**58,176**	**5,262,705**

Loans and advances to clients - evolution in 2020	Stage 1		Stage 2		Stage 3	2020
(€ 1,000)	Individual	Collective	Individual	Collective		
31/12/2019	**4,435,796**	**0**	**693,713**	**75,019**	**58,176**	**5,262,705**
Impact from collective staging	-262,470	262,470	-44,563	44,563	0	0
Recognition	1,286,293	0	141,199	29,802	5,575	1,462,869
Derecognition	-761,839	0	-131,446	-2,458	-11,251	-906,994
Repayments	-285,879	0	-38,628	-38,505	-6,627	-369,640
Transfers to stage 1	150,869	0	-150,832	0	-38	0
Transfers to stage 2	-203,494	-262,470	204,165	262,470	-672	0
Transfers to stage 3	-6,541	0	-4,323	0	10,864	0
Methodology modifications	-81	0	-529	-7	-210	-827
Write offs	0	0	0	0	-674	-674
31/12/2020	**4,352,654**	**0**	**668,757**	**370,884**	**55,143**	**5,447,439**

Accumulated impairments	Stage 1		Stage 2		Stage 3	2020
(€ 1,000)	Individual	Collective	Individual	Collective		
31/12/2019	**-2,813**	**0**	**-1,968**	**-137**	**-25,137**	**-30,055**
Impact from collective staging	172	-172	176	-176	0	0
Recognition	-3,560	-92	-1,276	-34	-1,807	-6,769
Derecognition	1,593	57	894	87	2,179	4,810
Repayments	1,231	22	250	19	0	1,522
Transfers to Stage 1	-1,726	-19	1,679	19	47	0
Transfers to Stage 2	178	194	-195	-194	17	0
Transfers to Stage 3	26	0	133	0	-159	0
Impact on ECL by Stage Transfer	1,565	15	-2,167	-793	-3,329	-4,708
Other adjustments to credit risk	-1,556	-5	-1,413	-105	1,825	-1,254
Methodology modifications	-2	0	-24	0	29	3
Model modifications	344	0	710	0	0	1,054
Write-offs	0	0	0	0	2,612	2,612
31/12/2020	**-4,547**	**0**	**-3,202**	**-1,314**	**-23,721**	**-32,784**

NOTE 14: INVENTORIES AND CONSTRUCTION CONTRACTS

(€ 1,000)	2020	2019
I. Inventories, net amount	**382,451**	**423,429**
Gross carrying amount	**384,221**	**424,966**
Raw materials and consumables	88,369	74,347
Goods in progress	50,466	47,085
Finished products	6,399	29,457
Goods purchased for sale	1,320	1,115
Immovable property acquired or constructed for resale	237,666	272,808
Prepayments	0	154
Depreciation and impairments (-)	**-1,771**	**-1,537**
Impairment on inventory through income statement during the financial year	298	-19
Impairment on inventory reversed in the income statement during the financial year	-64	-119
II. Construction contracts		
Amounts due from (to) customers under construction contracts, net	**90,842**	**32,593**
Amounts due from customers under construction contracts	400,034	328,441
Amounts due to customers under construction contracts	-309,192	-295,849
Construction contracts on closing date		
Amount of contract costs incurred and recognized profits less losses	6,774,948	7,091,883
Amount of contract revenue	-6,684,106	-7,059,290
Prepayments received (CFE-DEME)	**-65,034**	**-18,663**

CFE's real estate development projects, Extensa's landholdings, and the port-related developments in Vietnam by Rent-A-Port are the main components within '**Inventories**'.

In 2020, Rent-A-Port accelerated the development of the DEEP C Industrial Zones in Haiphong (Vietnam) and sold 89 hectares. CFE delivered a number of real estate projects in Poland in 2020. The development by Extensa of the residential zone on Tour & Taxis led to a reclassification of the related land position from inventories to 'Construction contracts'.

The **construction & project contracts** of CFE, DEME and Agidens are valued according to the 'Percentage of Completion'-method, whereby results are recognized in accordance with the progress of the work. Expected losses are immediately recognized as an expense through in the income statement.

The execution of projects always entails a certain operational risk, but also means that certain estimates of profitability need to be made at the end of such a project. This risk is inherent to the activity, as well as the risk of disagreements with customers over divergent costs or changes in execution and the collection of these receivables. DEME is involved, both as claimant and as defendant, in discussions with customers about the financial consequences of deviations in the execution of contracting projects. In a small number of cases they may result in lawsuits. In so far as the consequences of such lawsuits can be reliably estimated, provisions are made for this in the accounts.

The current construction contracts of CFE-DEME will generate a turnover of 3.715 million euros in the next years, of wich 2.384 million euros is estimated in 2021.

Extensa's real estate development projects (primarily Tour&Taxis) are also contained in this balance sheet item, as the results of the pre-sold entities that are still under construction are also recognized according to the 'Percentage of Completion' method.

The progress of the work is defined based on the expenditures versus the estimated cost price of the entire project.

NOTE 15: MINORITIES

(€ 1,000)	Minority %		Minority share in the AvH balance sheet		Minority share in the profit for the period	
	2020	2019	2020	2019	2020	2019
I. Marine Engineering & Contracting						
CFE - DEME (1)	37.90%	39.09%	684,344	683,826	23,229	54,264
Rent-A-Port (Infra Asia Investments) (1)	18.95%	19.54%	46,015	48,871	2,583	1,878
II. Private Banking						
Bank J.Van Breda & C° (2)	21.25%	21.25%	130,503	120,372	9,461	8,422
III. Real Estate & Senior Care						
Leasinvest Real Estate	69.99%	69.99%	341,015	344,770	5,378	34,927
IV. AvH & Growth Capital						
Agidens	13.75%	13.75%	2,418	2,276	179	22
Other (3)			15,836	25,610	6,994	19,459
Total			**1,220,131**	**1,225,725**	**47,823**	**118,971**

(1) The acquisition of 301,163 CFE shares (+1.19%) on the stock market explains the slight decrease of the minority interest in CFE, DEME, Rent-A-Port and Green Offshore. Furthermore, Rent-A-Port increased its controlling interest in Infra Asia Investments by 1.4%.

(2) In 2018 the shareholder structure of Delen Private Bank and Bank J.Van Breda & C° was simplified. AvH now holds, via the 100%-affiliate FinAx, a direct stake of 78.75% in Delen Private Bank, equity accounted directly.

(3) The successful residential project development at Cloche d'Or Luxembourg (Extensa 50%) explains the balance of the minority interest share in the profit, which was largely paid out in 2019 and 2020.

Summarized income statement – 2020

(€ 1,000)	CFE	Bank J. Van Breda & C°	Rent-A-Port	Leasinvest Real Estate	Agidens
Revenue	3,221,958	162,681	72,706	61,572	91,688
Profit (loss) from operating activities	87,253	65,642	14,248	77,697	2,963
Finance result	-34,348		-6,893	-69,534	-559
Profit (loss) before tax	85,145	65,643	7,272	8,163	2,266
Profit (loss) of the period	64,823	48,373	3,544	7,683	1,299
At the level of the individual company	**64,823**	**48,373**	**3,544**	**7,683**	**1,299**
- Minority interests	803	78	2,369		
- Share of the group	64,020	48,295	1,174	7,683	1,299
At the level of AvH (1)	**59,637**	**47,493**	**3,544**	**8,694**	**1,299**
- Minority interests	23,229	9,461	2,583	5,378	179
- Share of the group	36,408	38,032	961	3,317	1,120

(1) Including a limited number of consolidation adjustments

Summarized income statement – 2019

(€ 1,000)	CFE	Bank J. Van Breda & C°	Rent-A-Port	Leasinvest Real Estate	Agidens
Revenue	3,624,722	149,565	32,828	65,280	92,875
Profit (loss) from operating activities	143,615	56,533	6,220	53,130	2,307
Finance result	-7,722		-3,557	-2,725	-542
Profit (loss) before tax	169,985	58,935	5,466	50,405	1,766
Profit (loss) of the period	131,366	43,470	3,942	49,900	1,326
At the level of the individual company	**131,366**	**43,470**	**3,942**	**49,900**	**1,326**
- Minority interests	-2,058	108	1,770		
- Share of the group	133,424	43,362	2,172	49,900	1,326
At the level of AvH (1)	**141,686**	**42,570**	**2,327**	**50,666**	**158**
- Minority interests	54,264	8,422	1,878	34,927	22
- Share of the group	87,422	34,148	450	15,738	136

(1) Including a limited number of consolidation adjustments

Summarized statement of comprehensive income – 2020

(€ 1,000)	CFE	Bank J. Van Breda & C°	Rent-A-Port	Leasinvest Real Estate	Agidens
At the level of the individual company	**39,877**	**51,791**	**-1,186**	**25,749**	**1,035**
Profit (loss) of the period	64,823	48,373	3,544	7,683	1,299
- Minority interests	803	78	2,369	0	0
- Share of the group	64,020	48,295	1,174	7,683	1,299
Other comprehensive income	-24,946	3,418	-4,729	18,066	-264
- Minority interests	264				
- Share of the group	-25,210	3,418	-4,729	18,066	-264
At the level of AvH	**34,691**	**50,767**	**-1,186**	**26,760**	**1,035**
Profit (loss) of the period	59,637	47,493	3,544	8,694	1,299
- Minority interests	23,229	9,461	2,583	5,378	179
- Share of the group	36,408	38,032	961	3,317	1,120
Other comprehensive income	-24,946	3,274	-4,729	18,066	-264
- Minority interests	-9,569	696	-884	12,645	-36
- Share of the group	-15,377	2,578	-3,846	5,421	-227

Summarized statement of comprehensive income – 2019

(€ 1,000)	CFE	Bank J. Van Breda & C°	Rent-A-Port	Leasinvest Real Estate	Agidens
At the level of the individual company	**86,974**	**47,538**	**2,911**	**43,258**	**991**
Profit (loss) of the period	131,366	43,470	3,942	49,900	1,326
- Minority interests	-2,058	108	1,770	0	0
- Share of the group	133,424	43,362	2,172	49,900	1,326
Other comprehensive income	-44,392	4,068	-1,031	-6,642	-335
- Minority interests	-199				
- Share of the group	-44,193	4,068	-1,031	-6,642	-335
At the level of AvH	**97,294**	**43,787**	**1,296**	**44,024**	**-177**
Profit (loss) of the period	141,686	42,570	2,327	50,666	158
- Minority interests	54,264	8,422	1,878	34,927	22
- Share of the group	87,422	34,148	450	15,738	136
Other comprehensive income	-44,392	1,217	-1,031	-6,642	-335
- Minority interests	-21,453	259	-115	-4,649	-46
- Share of the group	-22,939	959	-916	-1,993	-289

Summarized balance sheet – 2020

(€ 1,000)	CFE	Bank J. Van Breda & C°	Rent-A-Port	Leasinvest Real Estate	Agidens
Non-current assets	3,235,546	4,436,259	86,090	1,223,098	21,517
Current assets	1,901,937	2,775,111	162,189	17,449	35,729
Non-current liabilities	1,177,743	1,180,316	68,028	519,135	8,426
Current liabilities	2,154,792	5,410,680	75,719	234,202	31,237
Equity	1,804,948	620,374	104,532	487,211	17,583
- Group Share	1,787,113	620,249	60,154	487,211	17,583
- Minority interests	17,835	125	44,378	0	
Dividend distributed to minority interests	0	0	0	-21,778	0

Summarized balance sheet – 2019

(€ 1,000)	CFE	Bank J. Van Breda & C°	Rent-A-Port	Leasinvest Real Estate	Agidens
Non-current assets	3,251,168	4,230,268	52,741	1,226,032	21,835
Current assets	1,861,464	2,150,628	185,877	21,980	35,752
Non-current liabilities	1,347,128	839,061	72,073	492,019	8,429
Current liabilities	2,005,194	4,968,337	55,791	263,417	32,610
Equity	1,760,310	573,498	110,754	492,577	16,548
- Group Share	1,748,703	573,343	64,401	492,577	16,548
- Minority interests	11,607	155	46,353	0	
Dividend distributed to minority interests	-23,839	-5,481	-2,853	-18,543	0

NOTE 16: LEASE

1. Lessor

Bank J.Van Breda & C° is active in the sector of car finance and finance leasing of cars via its division Van Breda Car Finance.

We refer to Note 13 for more information.

2. Lessee

(€ 1,000)	2020	2019
Assets		
Tangible assets	**165,858**	**203,471**
Land and buildings	121,572	115,376
Plant, machinery and equipment	7,922	51,807
Furniture and vehicles	36,364	36,288
Investment property	**4,207**	**4,231**
Total - Assets	**170,065**	**207,702**
Liabilities		
Equity - group share	**-1,967**	**13,010**
Financial debts	**172,031**	**194,692**
Non-current lease debts	138,093	151,984
Current lease debts	33,939	42,707
Total - Liabilities	**170,065**	**207,702**

As a result of the application of IFRS 16 Leases, the group recognized on December 31, 2020 a right-of-use asset of 170.1 million euros and a lease obligation of 172.0 million euros, of which 68% is attributable to CFE/DEME and 25% to Anima.

At year-end 2020, DEME made an accelerated repayment of the lease on the vessel 'Victor Horta'. In 2020, Anima opened the brand-new residential care centre 'Nuance' in Forest, for which a long lease was concluded with Care Property Invest.

CFE has used discount rates which were set at 3.5% for buildings, 3.0% for equipment and 2.0% for leasing cars. DEME applied a range of discount rates for the short term leases of (0.95% - 1.7%) and for the long term leases (2.16% - 3.15%). The discount rate used for the buildings of Anima fluctuates between 0.60% and 2%.

We refer to :

- Acquisitions of right-of-use assets during 2020 amounted to 49.1 million euros (Note 9 Tangible assets).
- Cashflow statement (Note 6. Segment information).

(€ 1,000)	2020	2019
Income statement		
Reversal of rental charges	36,273	32,474
Depreciation	-34,887	-31,220
Interest expenses	-2,902	-2,406

The depreciation cost primarily relates to land and buildings. The expenses related to short-term lease contracts and low value lease contracts are considered immaterial. There are no expenses incurred which relate to variable lease payments. Income derived from sub-leasing right-of-use assets is considered immaterial.

NOTE 17: PROVISIONS

(€ 1,000)	Warranty provisions	Legal proceeding provisions	Environmental provisions	Provisions for restructuring	Provisions for contractual obligations	Other provisions	Total
Provisions - financial year 2019							
Provisions, opening balance	**17,570**	**6,917**	**0**	**1,601**	**8,927**	**95,792**	**130,807**
Additional provisions	2,715	1,331	0	1,264	95	2,208	7,612
Increase of existing provisions	4	0	0	0	200	1,466	1,670
Increase through business combinations	0	0	0	0	0	54	54
Amounts of provisions used (-)	-2,976	-576	0	-5,951	-200	-19,194	-28,898
Reversal of unused amounts of provisions (-)	-831	-33	0	0	0	-13,031	-13,895
Decrease through business disposals (-)	0	-252	0	0	-28	-25	-305
Foreign currency exchange increase (decrease)	26	61	0	0	0	34	121
Transfer from (to) other items	-129	0	0	5,477	0	-19,030	-13,682
Other increase (decrease)	0	0	0	0	0	-243	-243
Provisions, ending balance	**16,380**	**7,447**	**0**	**2,390**	**8,994**	**48,031**	**83,242**

(€ 1,000)	Warranty provisions	Legal proceeding provisions	Environmental provisions	Provisions for restructuring	Provisions for contractual obligations	Other provisions	Total
Provisions - financial year 2020							
Provisions, opening balance	**16,380**	**7,447**	**0**	**2,390**	**8,994**	**48,031**	**83,242**
Additional provisions	1,757	1,279	0	1,542	0	2,704	7,282
Increase of existing provisions	389	0	0	0	472	1,741	2,602
Increase through business combinations	0	0	0	0	0	0	0
Amounts of provisions used (-)	-1,992	-337	0	-591	-1,197	-3,040	-7,157
Reversal of unused amounts of provisions (-)	0	-87	0	0	0	-1,020	-1,107
Decrease through business disposals (-)	0	0	0	-571	0	86	-485
Foreign currency exchange increase (decrease)	-113	-13	0	-42	0	-218	-387
Transfer from (to) other items	569	-430	0	581	0	-427	293
Other increase (decrease)	0	0	0	0	0	-26	-26
Provisions, ending balance	**16,990**	**7,859**	**0**	**3,309**	**8,269**	**47,830**	**84,257**

The acquisition of control over CFE at year-end 2013 gave rise to the recognition of a contingent liability for risks of 60.3 million euros in connection with CFE's construction and real estate development activities. In the course of 2014-2019, 44.3 million euros (group share 26.8 million euros) was reversed because the risks in question at CFE were either no longer present or were included in CFE's own financial statements. This amount was further reduced in 2020 by 1.0 million euros (group share 0.6 million euros).

The other evolutions are largely attributable to variations within CFE's accounts.

The 'Other provisions' furthermore consist of provisions for negative equity method consolidation values to the amount of 10.8 million euros.

Several group companies of AvH (such as DEME, CFE, Agidens...) are actively involved in the execution of projects. This always entails a certain operational risk, but also means that certain estimates of profitability need to be made at the end of such a project. This risk is inherent to the activity, as well as the risk of disagreements with customers over divergent costs or changes in execution and the collection of these receivables. DEME is involved, both as claimant and as defendant, in discussions with customers about the financial consequences of deviations in the execution of contracting projects. In a small number of cases they may result in lawsuits. In so far as the consequences of such lawsuits can be reliably estimated, provisions are made for this in the accounts.

As publicly known, the Public Prosecutor's office conducts an investigation since 2016 into alleged irregularities in the award of a contract to Mordraga, a subsidiary of DEME, for the execution of dredging works in the port of Sabetta (Russia) in 2014 and 2015.The contract in question was awarded to Mordraga by a private general contractor in the context of a private tender. The Public Prosecutor summoned certain companies and staff members of the DEME group at the end of December 2020 to appear before the Council Chamber. DEME, Dredging International and one staff member requested the competent investigative judge to take extensive additional investigative actions since they believe that important elements à décharge require further analysis. The session before the Council Chamber has in the meantime been postponed sine die. It should be emphasised that the Council Chamber does not pronounce any judgment on the merits of the case, but merely rules on the question whether or not there are sufficient incriminating elements to having a case judged on its merits by the competent court. In light of the foregoing, DEME cannot for the time being make a reliable assessment of the financial impact of the pending investigation. DEME remains confident about the further development of the procedure.

NOTE 18: FINANCIAL DEBTS

(€ 1,000)	< 1 year	1 year < 5 years	> 5 years	Total 2020	< 1 year	1 year < 5 years	> 5 years	Total 2019
				Remaining term				Remaining term
I. Financial debts								
Bank loans	319,771	1,039,365	356,243	**1,715,379**	279,208	1,025,469	440,607	**1,745,284**
Bonds	0	142,363	99,571	**241,934**	49,969	104,676	99,475	**254,120**
Subordinated loans	20,974	43,050	1,630	**65,655**	13,216	37,422	0	**50,637**
Lease debts	33,939	68,640	69,453	**172,031**	42,707	93,774	58,211	**194,692**
Other financial debts	315,181	46,955	2,215	**364,351**	240,460	44,495	2,215	**287,170**
Total	**689,864**	**1,340,373**	**529,113**	**2,559,350**	**625,560**	**1,305,836**	**600,507**	**2,531,904**

The financial debts, except for a limited debt at AvH level, are attributable to the fully consolidated participations. Those participations are, taking into account their own creditworthiness, responsible for obtaining market terms from lenders. The participation should also assess on a case-by-case basis whether debt instruments, subject to variable interest rates and/or foreign currency fluctuations, require hedging so as to retain an acceptable residual risk.

The long-term financial debts amounted to 1,869.5 million euros and the short-term debts came to 689.9 million euros at year-end 2020. This means a limited increase of 27.4 million euros in 2020. This debt position should be seen in conjunction with the substantial cash and cash equivalents that are held by the group (842.4 million euros at year-end 2020).

At year-end 2020, the following participations had outstanding bond debts maturing after one year: BPI (CFE Group): 29.8 million euros, Rent-A-Port 28.4 million euros, Extensa 84.2 million euros, and Leasinvest Real Estate 99.6 million euros. The subordinated loans of 65.6 million euros in the "Marine Engineering & Contracting" segment were contracted by DEME for specific financing of new vessels. The other short-term financial debts include the issues of commercial paper, which at year-end totalled 305 million euros (DEME: 125 million euros, CFE: 27 million euros, Leasinvest Real Estate: 122 million euros, and AvH: 31 million euros).

Liquidity risk

The financial debts, after intercompany elimination, relate to the following segments:

(€ 1,000)	ST	LT
Marine Engineering & Contracting	424,300	1,015,773
Private Banking (IFRS 16 leases)	5,218	3,226
Real Estate & Senior Care	221,234	862,584
Energy & Resources	0	0
AvH & Growth Capital	42,262	7,785
Intercompany	-3,150	-19,883
Total	**689,864**	**1,869,486**

Against the short-term financial debts of 689.9 million euros, there are cash and cash equivalents worth 842.4 million euros.

DEME's liquidity risk is limited by spreading the financing over several banks and by preference over the long term. DEME has major credit and guarantee lines with a whole string of international banks. Certain ratios (covenants) were agreed in the loan agreements with the relevant banks which DEME must observe. This was the case at year end 2019. In addition, it has a commercial paper programme to cover short-term financial needs. DEME predominantly invests in equipment with a long life which is written off over several years. For that reason, DEME seeks to schedule a substantial part of its debts over a long term.

CFE finances its construction and real estate development activities with bank loans, commercial paper and the bond of 30 million euros (maturing at the end of 2022) issued in 2017 by BPI, CFE's real estate development entity.

Both DEME and CFE had a substantial cash position (cash and cash equivalents) at year-end 2020.

The **Rent-A-Port** group is financed primarily by equity, a bond and bank and shareholder loans. Infra Asia Investment Fund, a 50%-participation accounted for using the equity method, issued in 2016 a (non-recourse) bond worth 29.2 million euros + 1.8 million USD to finance the activities in Vietnam. The bond has a seven-year maturity. Most bank and shareholder loans were taken out in the long term at fixed interest rates.

Leasinvest Real Estate and **Extensa Group** have the necessary long term credit facilities and backup lines for their commercial paper with their banks to cover the existing and future investment needs. The financing risk is covered by these credit facilities and backup lines. The liquidity risk is limited by spreading the financing over several financial counterparties and by tapping various sources of funding, as well as by diversifying the maturity dates of the credit facilities. On 20/11/2019, Leasinvest Real Estate successfully closed a private placement of bonds with seven-year maturity for an amount of 100 million euros. The bonds pay a fixed annual coupon of 1.95% and were placed with institutional investors in Belgium, France and Luxembourg. The 2013 private bond of 20 million euros matured end of 2020, and an additional bank credit line was concluded for the same amount. The average duration of financing at Leasinvest Real Estate was 3.4 years at year-end 2020 (compared to 3.9 years at year-end 2019).

Extensa refinanced a bond of 30 million euros that matured in 2020 with a new bond of 40 million euros with a 4-year maturity. The bank debts increased in connection with the Tour & Taxis construction projects (Gare Maritime and Parking Gare Maritime).

The expansion of **Anima** by the acquisition of existing residences and the construction of new retirement homes is financed by the company's own cash resources, external financing and, where appropriate, a capital increase. The cash drain in the start-up phase is taken into account in the financing of the projects. Anima owns a large part of its real estate, which it can sell in function of its financing needs.

The financial debts reported by the AvH & Growth Capital segment are attributable to the debt of **Agidens**, **Biolectric Group** and **AvH & subholdings**. The debts of Agidens relate to the financing of the main building, the leases of cars and a straight loan regarding working capital management. The financial debts of Biolectric relate to its headquarters, its working capital and the biogas installations that remain in ownership of Biolectric so to operate them and to sell the electricity produced to farmers.

The short term financial debts of AvH & subholdings, mainly correspond to the commercial paper issued by AvH. AvH disposes of confirmed credit lines (280 million euros), spread over different banks, which largely exceed the existing commercial paper liabilities.

Several fully consolidated companies have agreed on certain ratios (covenants) in their credit agreements and these were respected end on December, 31 2020, with the exception of Biolectric, which is engaged in a constructive dialogue with its principal banker to bring the structure of its financing better into line with the evolution of its business model.

(€ 1,000)	2020	2019
II. Amounts payable (or the portion thereof), which are guaranteed by real guarantees given or irrevocably promised on the assets of the enterprises included in the consolidation		
Bank loans	321,955	228,310
Bonds	28,358	30,360
Lease debts	0	46
Other financial debts	0	0
Total	**350,313**	**258,716**

NOTE 19: BANKS – DEBTS TO CREDIT INSTITUTIONS, CLIENTS AND SECURITIES

(€ 1,000)	Fair value		Book value	
	2020	2019	2020	2019
Debts to credit institutions and central banks	**325,163**	**27,857**	**327,292**	**27,825**
Debts to clients	**5,929,064**	**5,427,375**	**5,907,102**	**5,406,549**
- of which subordinated	*10,676*	*37,578*	*9,870*	*35,827*
Securities including bonds	**263,218**	**295,844**	**249,959**	**281,543**
- of which subordinated	*53,209*	*54,338*	*40,196*	*40,176*
	6,517,445	**5,751,076**	**6,484,353**	**5,715,917**

(€ 1,000)	2020	2019
Debts to credit institutions and central banks		
Current accounts / overnight deposits	12,211	10,469
Deposits with agreed maturity	16,518	17,329
ECB TLTRO III	298,417	0
Accrued interests	146	27
Total	**327,292**	**27,825**
Debts to clients		
Current accounts / overnight deposits	3,589,527	3,015,409
Deposits with agreed maturity	1,243,990	1,321,850
Special deposits	59,255	49,665
Regulated deposits	1,004,459	983,799
Subordinated certificats	9,870	35,827
Total	**5,907,102**	**5,406,549**
Securities including bonds		
Debt certificates	209,763	241,367
Subordinated bonds	40,196	40,176
Total	**249,959**	**281,543**
Total debts to credit institutions, clients and securities	**6,484,353**	**5,715,917**

The full consolidation of Bank J.Van Breda & C° results in the recording of specific bank receivables and debts in the balance sheet of AvH. These items were grouped for maximum transparency of the balance sheet.

Liquidity risk Bank J.Van Breda & C°

Liquidity risk is the risk that the bank has insufficient funds available, or is unable to release funds quickly enough and at a reasonable cost to meet its short-term commitments. The commercial banking activities are the main source of liquidity risk. A bank's sources of funding traditionally have a shorter maturity than the financed assets, resulting in a maturity mismatch. The liquidity management of Bank J.Van Breda & C° constantly monitors this mismatch and works out a financing strategy to confine it within the guidelines that are set out in a liquidity control framework. In this area, too, the bank pursues a deliberately low risk profile. Bank J.Van Breda & C° maintains a solid and high-quality liquidity buffer to absorb fluctuations in the treasury position. This buffer stands at 1,281 million euros and consists primarily of cash, placed at the ECB, and a highly liquid portfolio of bonds.

The bank's financing mix is very stable, with the deposits of the core clients as the main source of funding. The core clients use the bank for their investments and everyday banking transactions. The bank also closely watches the loan-to-deposit ratio and applies strict limits to this ratio between client credit portfolio and client deposits, which at year-end 2020 stood at 91%. Dependence on external institutional financing is kept to a minimum and in 2020 accounted for only 3.9% of total assets.

A subordinated bond was placed within the bank's EMTN programme in November 2018. An amount of 40 million euros was raised, with the aim of diversifying prudential equity. In 2020 Bank J.Van Breda & C° participated in the "Targeted Longer-Term Refinancing Operations"-program (TLTRO-III), an ECB instrument that encourages banks to provide loans to businesses and consumers, for an amount of 300 million euros.

Two liquidity ratios were introduced in the Basel regulations and the CRR/CRD IV directive:

- The LCR (Liquidity Coverage Ratio) is a criterion for the liquidity position under an acute stress scenario over 30 days. It requires financial institutions to hold sufficient high-quality liquid assets. The regulator imposes a limit of at least 100%.
- The NSFR (Net Stable Funding Ratio) contrasts the available amount of stable funding with the required amount of stable funding over a one-year period. The Basel III-guidelines impose a limit of at least 100% as from 2018. The European implementation is scheduled for June 2021.

At year-end 2020, those ratios stood at 171% and 140% respectively. Both ratios are well above the lower limit of 100% that is imposed by the regulatory authority.

The bank's liquidity risk is monitored constantly by means of proactive treasury management, within the lines defined by the Asset & Liability Management and the investment framework. For its liquidity management, the bank uses, among other things, liquidity gap reports, ratio analysis and short- and long-term volume prognoses.

In the following table the assets and liabilities are grouped by maturity period and internal assumptions for deposits without maturity date were taken into account.

(€ 1,000)	< 1 month	1-3 months	3-12 months	1-5 years	5-10 years	> 10 years	Indefinite
31/12/2020							
Assets	1,447,000	246,000	756,000	2,610,000	1,458,000	559,000	37,000
Liabilities	-908,000	-802,000	-1,940,000	-1,800,000	-834,000	-202,000	-67,000
Derivatives	-1,000	-2,000	-7,000	-30,000	-13,000	-1,000	0
Liquidity Gap	**538,000**	**-558,000**	**-1,191,000**	**780,000**	**611,000**	**356,000**	**-30,000**
31/12/2019							
Assets	960,000	215,000	738,000	2,457,000	1,332,000	569,000	42,000
Liabilities	-175,000	-268,000	-2,119,000	-3,136,000	-51,000	0	-51,000
Derivatives	-1,000	-2,000	-7,000	-24,000	-7,000	0	0
Liquidity Gap	**784,000**	**-55,000**	**-1,388,000**	**-703,000**	**1,274,000**	**569,000**	**-9,000**

NOTE 20: FINANCIAL INSTRUMENTS

Interest rate risk Bank J. Van Breda & C°

Interest rate risk can be defined as the extent to which the results or value of a financial transaction are affected by a change in market interest rates. Applied to a financial institution, interest rate risk is the extent to which the (interest) earnings and/or fair value of this institution is liable to be adversely affected by a change in market interest rates.

The bank opts to keep the interest rate risk at a relatively low level:

- The bank uses hedging instruments to correct the mismatch. This is done with a combination of interest rate swaps (which convert variable interest rate commitments into fixed rate commitments) and options (which provide protection against a rise in interest rates above given levels).
- Equity value sensitivity is the exposure of the company's economic value to unfavourable interest rate fluctuations. Earnings sensitivity is the exposure of the bank's (interest) earnings to those same unfavourable interest rate fluctuations. Its intensity can be seen in the duration gap. By this is meant the difference in duration of all assets and duration of all liabilities (mismatch), the duration being the weighted average of the maturities of a set of fixed-interest securities.

Equity value sensitivity and earnings sensitivity are monitored by means of scenario analyses that take account of changing market conditions, enabling the impact of stress scenarios to be analysed. This equity value and earnings sensitivity is measured using the Basis Point Value (BPV) methodology which shows the value change of the portfolio being analyzed when confronted with an increase in interest rates over the entire curve.

Impact of an immediate increase of the yield curve with 100 base points (1%) on:	2020	2019
The interest result (earnings sensitivity)	6,436	552
The faire value of the equity (equity value sensitivity) (= BPV)	-26,156	-13,751

For the interest gap analysis both balance sheet and off balance sheet products are grouped together per period of maturity. In this way the mismatch structure becomes visible.

(€ 1,000)	≤ 1 month	1-3 months	3-12 months	1-5 years	5-10 years	> 10 years	Indefinite
31/12/2020							
Assets	1,541,000	466,000	1,049,000	2,718,000	992,000	301,000	43,000
Liabilities	-907,000	-803,000	-1,935,000	-1,843,000	-804,000	-211,000	-41,000
Derivatives	260,000	530,000	-30,000	-330,000	-335,000	-95,000	0
Interest Gap	**894,000**	**193,000**	**-916,000**	**545,000**	**-147,000**	**-5,000**	**2,000**
31/12/2019							
Assets	1,063,000	434,000	1,031,000	2,598,000	820,000	314,000	48,000
Liabilities	-166,000	-267,000	-3,730,000	-1,567,000	-10,000	0	-44,000
Derivatives	280,000	530,000	0	-260,000	-405,000	-145,000	0
Interest Gap	**1,177,000**	**697,000**	**-2,699,000**	**771,000**	**405,000**	**169,000**	**4,000**

Interest rate risk other fully consolidated participations

The interest rate risk within the **CFE** group is managed according to the type of activity. The Contracting activities are characterized by an excess of cash which partially compensates the property commitments. Cash management is mainly centralized through the cash pooling. **DEME** faces substantial financing levels for the acquisition of dredging vessels. DEME uses interest rate swaps to achieve the best possible balance between financing costs and the volatility of the financial results.

The **Rent-A-Port** group is financed primarily by equity, a bond, and bank and shareholder loans with fixed interest rates, which means that the interest rate risk is fairly limited. Infra Asia Investment Fund, a 50%-participation accounted for using the equity method, issued in 2016 a (non-recourse) bond worth 29.2 million euros + 1.8 million USD to finance the activities in Vietnam. The bond has a seven-year maturity and has a fixed interest rate. A cross-currency swap, which qualifies as a cash flow hedging instrument, was concluded to cover the exchange risk (USD) on both the capital and interest flows.

The hedging policy of **Leasinvest Real Estate** is to ringfence the interest rate risks for approximately 75% of the financial debt for a period of 4-5 years and approximately 50% for the following 5 years. As Leasinvest Real Estate's debt financing at year end 2020 is still mainly based on a variable interest rate, there is a risk of an increase in financial costs if interest rates escalate. This interest rate risk is covered by financial instruments such as interest rate swaps. In the course of December 2020, a notional amount of 115 million euros of efficient derivatives was repaid, with a negative value of 20.3 million euros. All these derivatives had a strike rate of more than 2% and an average maturity of more than 5 years, which will significantly and sustainably reduce the future funding cost to levels below 2%. As a result, the hedge ratio drops from 82% to 70%. The duration amounted to 4.58 years at the end of 2020 (2019: 5.54 years).

Extensa actively uses external borrowings to finance its real estate development projects in Belgium and Luxembourg. A project's external financing is usually in the form of a bank loan. In 2017, Extensa issued a bond of 75 million euros maturing in 2020 and 2022 at fixed interest rate. Extensa refinanced a bond of 30 million euros that matured in 2020 with a new bond of 40 million euros with a 4-year maturity. Extensa closely monitors the short-term floating rate borrowings and medium term fixed interest rates. No external interest rate hedging transactions are outstanding at year end.

Anima covers its interest rate risk by borrowing against a fixed interest rate to the maximum extent. At the end of 2020, the outstanding balance in loans with a variable interest rate represented 6% of the total financial debt.

The financial debts of the **AvH & Growth Capital** segment consist of the commercial paper issued by AvH (31.0 million euros) and the debt entered into by Agidens and Biolectric for the lease of the head office and the funding of working capital. No interest hedging contracts were outstanding at the 2020 year end.

Sensitivity analysis for the interest rate risk
If Euribor rises by 50 base points this will mean an interest charge increase of 6.5 million euros (CFE-DEME), 0.8 million euros (Extensa), 0.3 million euros (Leasinvest Real Estate), 0.1 million euros (Anima), 0.1 million euros (Agidens), 0.1 million euros (Biolectric) and 0.1 million euros (AvH & subholdings). However, this does not take into account the impact we would observe on the assets.

(€ 1,000)	Notional amount 2020	Book value 2020	Notional amount 2019	Book value 2019
I. Interest rate hedges				
Assets				
Fair value hedges - Bank J.Van Breda & C°	5,000	591	15,000	381
Cash flow hedges	25,696	1,790	0	0
Hedging instruments that do not meet the requirements of cash flow hedging	130,000	33	180,000	832
Accrued interest		0		2
Total		**2,414**		**1,215**
Liabilities				
Fair value hedges - Bank J.Van Breda & C°	805,000	-54,179	820,000	-40,469
Cash flow hedges	1,151,581	-38,033	1,431,161	-52,944
Hedging instruments that do not meet the requirements of cash flow hedging	310,000	-10,633	280,000	-6,454
Accrued interest		0		-855
Total		**-102,845**		**-100,722**
II. Currency hedges				
Assets	253,969	8,175	117,519	675
Liabilities	373,589	-1,605	226,742	-4,014
		6,570		**-3,339**
III. Commodity risks				
Assets		1,088		234
Liabilities		-1,787		-2,702
		-699		**-2,468**
Reconciliation with consolidated balance sheet		**Asset side**		**Asset side**
Non-current hedging instruments		3,279		1,213
Current hedging instruments		8,399		911
		11,678		**2,124**
		Liability side		**Liability side**
Non-current hedging instruments		-97,324		-96,874
Current hedging instruments		-8,914		-10,563
		-106,237		**-107,437**

The **interest rate risk** of Bank J.Van Breda & C° and the other fully consolidated participations is discussed in Note 20 Financial instruments.

We refer to Note 12 for a description of the **currency risk**. The financial instruments to hedge this risk are used primarily by the fully consolidated participations DEME and Bank J.Van Breda & C°. The currency positions which Bank J.Van Breda & C° holds through forward exchange transactions arise from the activities of its clients. The bank hedges outstanding positions on an interbank basis so that no material exchange rate risk can arise.

The table below gives an overview of the relevant financial instruments used at DEME:

(€ 1,000)	Notional value						
	USD US Dollar	SGD Singapore Dollar	PLN Polish Zloty	TWD Taiwan Dollar	EGP Egyptian Pound	Other	Total
Term purchases	18,786	86,626	10,900	126,984	0	10,672	**253,968**
Term sales	91,081	0	49,754	186,794	30,770	15,190	**373,589**

(€ 1,000)	Fair value						
	USD US Dollar	SGD Singapore Dollar	PLN Polish Zloty	TWD Taiwan Dollar	EGP Egyptian Pound	Other	Total
Term purchases	-157	560	16	0	0	-20	**399**
Term sales	2,661	0	1,417	999	-426	1,519	**6,170**

Commodity risks are also linked to DEME, which hedges against oil price fluctuations by entering into forward contracts.

NOTE 21: TAXES

1. Recognized deferred tax assets and liabilities

(€ 1,000)	Assets 2020	Liabilities 2020	Net 2020	Assets 2019	Liabilities 2019	Net 2019
Intangible assets	23	26,068	-26,046	15	26,282	-26,267
Tangible assets	28,365	75,305	-46,940	16,409	71,855	-55,446
Investment property	0	25,790	-25,790	0	18,550	-18,550
Investments	-2,798	0	-2,798	-1,445	0	-1,445
Employee benefits	16,129	1,076	15,052	14,776	973	13,803
Provisions	6,336	22,602	-16,266	4,523	18,501	-13,978
Financial derivative instruments	3,801	364	3,436	3,185	12	3,174
Working capital items	50,829	68,311	-17,482	30,390	84,440	-54,049
Tax losses and tax credits / deduction for investment	96,147	-1,349	97,497	97,904	-1,164	99,068
Set-off	-58,392	-58,392	0	-54,753	-54,753	0
Total	**140,439**	**159,777**	**-19,338**	**111,004**	**164,694**	**-53,689**

Deferred taxes are mainly due to the revaluation of assets and liabilities as a result of business combinations. The item 'Set-off' reflects the set-off between deferred tax assets and liabilities per entity at DEME.

2. Unrecognized deferred tax assets

(€ 1,000)	2020	2019
Unrecognized receivables following tax losses	85,631	94,285
Other unrecognized deferred tax assets (1)	0	0
Total	**85,631**	**94,285**

(1) The other unrecognized deferred tax assets principally concern amounts whose recuperation is restricted in time and dependent upon the extent to which taxable results can be achieved within this period. Claims which stem from the reclamation of unapplied taxable fixed income surplus are not mentioned in this overview.

3. Current and deferred tax expenses (income)

(€ 1,000)	2020	2019
Current income tax expense, net		
Current period tax expense	-101,777	-74,660
Adjustments to current tax of prior periods	10,342	367
Total	**-91,435**	**-74,292**
Deferred taxes, net		
Origination and reversal of temporary differences	44,769	12,900
Additions (use) of tax losses	265	-467
Other deferred taxes	-341	104
Total	**44,693**	**12,537**
Total current and deferred tax (expenses) income	**-46,742**	**-61,756**

4. Reconciliation of statutory tax to effective tax

(€ 1,000)	2020	2019
Profit (loss) before taxes	324,356	575,627
Profit (loss) of participations accounted for using the equity method (-)	-179,253	-154,952
Profit (loss) before taxes, excluding result from participations accounted for using the equity method	145,103	420,674
Statutory tax rate (%)	25.00%	29.58%
Tax expense using the statutory tax rate	**-36,276**	**-124,435**
Tax effect of rates in other jurisdictions	-8,250	1,035
Tax effect of tax-exempt revenues	33,085	80,839
Tax effect of non-deductible expenses	-9,158	-10,856
Tax effect of tax losses	-23,999	-20,579
Tax effect from (under) or over provisions in prior periods	-6,733	783
Other increase (decrease)	4,587	11,459
Tax expense using the effective tax rate	**-46,742**	**-61,756**
Profit (loss) before taxes	324,356	575,627
Profit (loss) of participations accounted for using the equity method (-)	-179,253	-154,952
Profit (loss) before taxes, excluding result from participations accounted for using the equity method	145,103	420,674
Effective tax rate (%)	**32.21%**	**14.68%**

The income taxes amounted to 46.7 million euros for the full year 2020. In this respect, it should be pointed out that the profit contribution from the equity-accounted investments is a net contribution: it represents the share of the AvH group (179.3 million euros) in the profit after tax of the entities in question. If the 46.7 million euros tax expense is charged to the profit before tax, adjusted for the contribution from equity-accounted investments, the tax rate amounts to 32.2%. In 2019 a substantial part of the result derived from realized capital gains (such as 105.7 million euros on the sale of Residalya) that are exempt from tax.

NOTE 22: SHARE BASED PAYMENT

1. Equity settled stock option plan AvH as of 31 December 2020

Grant date	Number options accepted	Number options exercised	Number options expired	Balance	Exercise price (€)	Exercise period
2007	45,000	-45,000		0	62.12	01/01/2011 - 08/01/2015 + 5Y
2008	46,500	-40,500	-2,000	4,000	66.05	01/01/2012 - 02/01/2016 + 5Y
2009	49,500	-47,500	-2,000	0	37.02	01/01/2013 - 05/01/2017
2010	49,000	-47,000	-2,000	0	52.05	01/01/2014 - 04/01/2018
2011	49,000	-46,500	-2,500	0	60.81	01/01/2015 - 04/01/2019
2012	47,000	-47,000		0	56.11	01/01/2016 - 03/01/2020
2013	49,500	-45,500		4,000	61.71	01/01/2017 - 03/01/2021
2014	49,500	-5,000		44,500	82.32	01/01/2018 - 02/01/2022
2015	50,500	0		50,500	100.23	01/01/2019 - 05/01/2023
2016	40,500	0		40,500	130.95	01/01/2020 - 03/01/2024
2017	46,000	0		46,000	128.30	01/01/2021 - 12/01/2025
2018	46,000	0	-500	45,500	148.64	01/01/2022 - 11/01/2026
2019	46,000	0		46,000	132.52	01/01/2023 - 14/01/2027
2020	23,750	0		23,750	141.09	01/01/2024 - 03/01/2028
	637,750	**-324,000**	**-9,000**	**304,750**		

AvH's stock option plan, which was approved in March 1999, is intended to provide long-term motivation for executive directors, members of the executive committee and management whose activities are essential to the success of the group. The options give them the right to acquire a corresponding number of shares in Ackermans & van Haaren.

The remuneration committee is responsible for monitoring this plan and selecting the beneficiaries. The options are provided free of charge and their exercise period is 8 years. Within the limits of the Economic Recovery law of 27 March 2009, the company took advantage of the possibility to extend by at most 5 years and at no additional cost the exercise period of the options it had offered between 2 November 2002 and 31 August 2008.

The total value of the outstanding options of 2008-2020 (measured at the fair value when granted) amounts to 6.7 million euros and is calculated by an external party according to an adjusted Black & Scholes model of which the main components are:

Year of grant	Share price (€)	Dividend yield	Volatility	Interest rate	Estimated expected lifetime	Black & Scholes Value (€)
2007	66.90	1.35%	22.05%	4.04%	5.75	21.74
2008	65.85	1.75%	20.24%	4.34%	5.90	17.78
2009	37.02	2.66%	42.84%	3.39%	6.50	15.47
2010	52.23	2.66%	34.34%	3.28%	7.29	16.53
2011	63.80	2.26%	23.42%	2.82%	7.22	15.77
2012	58.99	3.26%	31.65%	2.14%	7.40	15.13
2013	63.62	3.26%	25.00%	1.27%	7.84	11.26
2014	83.69	2.27%	21.00%	1.78%	7.79	15.35
2015	101.35	2.19%	19.00%	0.47%	7.79	13.76
2016	131.95	1.28%	23.00%	0.59%	7.79	27.72
2017	129.40	1.40%	23.00%	0.34%	7.79	25.70
2018	149.20	1.30%	20.00%	0.68%	7.79	27.32
2019	135.50	1.43%	20.40%	0.52%	7.90	24.92
2020	141.80	1.77%	21.00%	-0.01%	7.90	22.43

In 2020, 23,750 new stock options were granted with an exercise price of 141.09 euros per share and 62,000 options were exercised. The fair value when granted was fixed at 0.5 million euros and is recorded in the profit and loss account over the vesting period of 4 years. To hedge those (and future) obligations AvH had a total of 343,750 shares in portfolio at the end of 2020.

2. Cash settled stock option plans at consolidated subsidiaries of AvH

The beneficiaries of the option plans of Delen Private Bank, Bank J.Van Breda & C°, Anima, Agidens and Turbo's Hoet Groep have a put option on the respective parent companies FinAx/Promofi, AvH and AvH Growth Capital (these companies have call options and a pre-emption right to prevent the shares from being transferred to third parties).

These option plans concern shares which are not listed on a stock exchange and whose value is determined in the option plan. The valuation of the option price is (depending on the option plan) based on the growth of the equity, a multiple on the growth of the consolidated profit or a market valuation of the company.

These option plans are accounted for in accordance with IFRS 2, and as such a liability is recorded in the balance sheet. The liabilities are reviewed as a result of an exercise, a regranting or modification of the parameters. These in- or decreases of the liability result respectively in a loss or profit in the income statement.

Treasury shares as part of the stock option plan	2020	2019
Opening balance	**363,000**	**334,000**
Acquisition of treasury shares	42,750	65,500
Disposal of treasury shares	-62,000	-36,500
Ending balance	**343,750**	**363,000**

The total liability of the option plans of the fully consolidated subsidiaries as of 31 December 2020 amounts to 12.4 million euros, included in the other non current liabilities.

3. Treasury shares

In the course of 2020, AvH has purchased 42,750 treasury shares in order to hedge options for the benefit of staff. Over the same period, beneficiaries of the share option plan exercised options on 62,000 AvH shares. On December 31, 2020, 304,750 options were outstanding on AvH shares. In order to hedge these (and future) obligations, AvH owned 343,750 treasury shares on the that date.

In addition, 102,607 AvH shares were purchased and 101,668 shares were sold in 2020 in the context of the contract that AvH entered into with Kepler Cheuvreux in order to support the liquidity of the AvH share. These transactions are initiated entirely autonomously by Kepler Cheuvreux, but as they take place on behalf of AvH, the net purchase of 939 AvH shares has an impact on AvH's equity. On December 31, 2020, the number of treasury shares in the portfolio in the context of this liquidity agreement amounts to 6,467.

Treasury shares as part of the liquidity contract	2020	2019
Opening balance	**5,528**	**9,415**
Acquisition of treasury shares	102,607	89,238
Disposal of treasury shares	-101,668	-93,125
Ending balance	**6,467**	**5,528**

NOTE 23: RIGHTS AND COMMITMENTS NOT REFLECTED IN THE BALANCE SHEET

1. Rights and commitments not reflected in the balance sheet, excluding CFE-DEME

(€ 1,000)	2020	2019
Amount of personal guarantees, given or irrevocably promised by the enterprises included in the consolidation, as security for debts or commitments	297,699	265,435
Amount of real guarantees, given or irrevocably promised by the enterprises included in the consolidation on their own assets, as security for debts and commitments of enterprises included in the consolidation	609,745	439,619
Goods and values, not disclosed in the balance sheet, held by third parties in their own name but at risk to and for the benefit of the enterprise	0	0
Commitments to acquire fixed assets	105,352	100,719
Commitments to dispose of fixed assets	255,134	140,906
Rights and commitments not reflected in the balance sheet of banks (Bank J.Van Breda & C°)		
- Loan commitments	428,410	425,990
- Financial guarantees	62,943	60,344
- Repo transactions + collateral	303,426	19,863

The personal guarantees in 2020 are represented by 86.3 million euros in guarantees for Extensa real estate projects and 4.2 million euros in guarantees for Agidens projects. The balance of 207.2 million euros mainly concerns guarantees entered into by AvH & subholdings relating to the sale of participations.

The real guarantees concern 197.6 million euros in guarantees put up by Extensa regarding the financing of its activities in land and real estate development and 65.1 million euros in the scope of Rent-A-Port development projects. In addition, there are 335.5 million euros in guarantees from Anima Care for real estate financing, 4.7 million euros from Agidens and 4.4 million euros from Biolectric (regarding the financing of their respective headquarter). Green Offshore allocated collateral of 2.4 million euros for the financing of the SeaMade wind farm.

The commitments to acquire fixed assets concern options as part of stock option plans or options as part of shareholders' agreements (105.3 million euros in total).

The commitments to dispose of fixed assets are for call options (including conditional options) on the assets of AvH & Growth Capital for the amount of 255.1 million euros.

The off-balance-sheet commitments of Bank J.Van Breda & C° consist primarily of the unused part of loans/credit lines granted. Bank guarantees, security loans and documentary credits have also been granted to clients. These off-balance-sheet commitments are also taken into account in the assessment of the credit risk. No higher drawdowns on the credit lines have been reported during the coronavirus crisis; the amount of unused credit lines remained stable.

Bank J.Van Breda & C° has also given certain real guarantees on its own behalf: a number of bonds from the investment portfolio have been pledged in the context of the TLTRO borrowings from the ECB and for the use of the Bancontact Payconiq payment system.

2. Rights and commitments not reflected in the balance sheet CFE-DEME

(€ 1,000)	2020	2019
Commitments		
Performance guarantees and performance bonds (1)	1,388,480	1,181,738
Bid bonds (2)	18,144	15,702
Repayment of advance payments (3)	0	840
Retentions (4)	19,724	19,415
Deferred payments to subcontractors and suppliers (5)	37,561	39,005
Other commitments given - including 55,833 thousand euros of corporate guarantees at DEME	102,199	92,070
Amount of real guarantees, given or irrevocably promised by the enterprises included in the consolidation on their own assets, as security for debts and commitments of enterprises included in the consolidation (6)	18,808	28,116
Total	**1,584,916**	**1,376,886**
Rights		
Performance guarantees and performance bonds	435,733	603,641
Other commitments received	4,361	3,321
Total	**440,094**	**606,962**

(1) Guarantees given in relation to the performance of works contracts. If the construction entity fails to perform, the bank (or insurance company) undertakes to compensate the customer to the extent of the guarantee.
(2) Guarantees provided as part of tenders.
(3) Guarantees provided by a bank to a customer guaranteeing the repayment of advance payments in relation to contracts (mainly at DEME).
(4) Security provided by a bank to a client to replace the use of retention money.
(5) Guarantee covering the settlement of a liability to a supplier or subcontractor.
(6) Collateral security worth 18.8 million euros at DEME as part of the financing for the fleet.

NOTE 24: EMPLOYMENT

1. Average number of persons employed

	2020	2019
Employees	7,053	6,711
Workers	4,264	4,378

2. Personnel charges

(€ 1,000)	2020	2019
Remuneration and social charges	-792,566	-789,706
Pension expenses (defined contribution and defined benefit plans)	-22,291	-16,871
Share based payment	-1,732	-3,361
Total	**-816,589**	**-809,938**

The limited changes in consolidation scope explain the rather stable workforce in terms of headcount. At the headquarters of Ackermans & van Haaren 36 persons are employed. A pro forma headcount of 22,331 is cited in the section '2020 at a glance' (page 9). This pro forma figure comprises the staff of all participations held by the AvH group, and therefore deviates from the average headcount reported above which is based on the IFRS consolidation, which was drawn up on the basis of the consolidation scope reported in Note 2 and 3. In this pro forma presentation, all (exclusive) control interests are incorporated in full and the other interests proportionally.

NOTE 25: RAW MATERIALS, CONSUMABLES, SERVICES AND SUBCONTRACTED WORK

(€ 1,000)	2020	2019
Raw materials and consumables used	-1,983,486	-2,263,227
Changes in inventories of finished goods, raw materials & consumables	-25,327	59,431
General and administrative expenses, including subcontracted work	-523,196	-561,031
Total	**-2,532,009**	**-2,764,828**

These costs vary according to the turnover, but also depend on a number of other factors, including and more specifically in the case of DEME/CFE, the nature of the work performed (execution only, EPC, …) and its contractual structure (subcontractors, sole contractor or joint ventures, …).

NOTE 26: PENSION LIABILITIES

(€ 1,000)	2020	2019
Defined benefit pension plans	-77,355	-69,876
Other pension obligations (early retirement)	-6,237	-6,445
Total pension obligations	**-83,592**	**-76,321**
Total pension assets	**4,306**	**3,892**

1. Defined benefit pensioen plans

(€ 1,000)	2020	2019
1. Amounts as recorded in the balance sheet		
Net funded defined benefit plan (obligation) asset	-73,049	-65,984
Present value of wholly or partially funded obligations (-)	*-368,346*	*-351,378*
Fair value of plan assets	*295,297*	*285,395*
Defined benefit plan (obligation) asset, total	**-73,049**	**-65,984**
Liabilities (-)	-77,355	-69,876
Assets	4,306	3,892
Movements in plan assets (obligations) as recorded in the balance sheet		
Net defined benefit plan asset (obligation) recorded in the balance sheet, opening balance	-65,984	-52,659
Increase (decrease) from business combinations/disposals	0	0
Net defined benefit cost recorded in the income statement	-20,182	-14,878
Net defined benefit cost recorded in 'Other Comprehensive Income'	-6,969	-16,139
Contributions from employer / employee	19,947	17,696
Other increase (decrease)	139	-3
Net defined benefit plan asset (obligation) recorded in the balance sheet, ending balance	-73,049	-65,984
2a. Net cost recorded in the income statement	**-20,182**	**-14,878**
Current service cost	-20,063	-14,548
Interest cost	-2,416	-4,473
Interest income on plan assets (-)	2,036	3,777
Past service cost	261	366
2b. Net cost recorded in 'Other Comprehensive Income'	**-6,969**	**-16,139**
Actuarial gains/(losses) recognised in 'Other Comprehensive Income'	-13,476	-51,044
Return on plan assets, excluding interest income (-)	5,877	34,906
Exchange differences	17	4
Other	614	-5

(€ 1,000)	2020	2019
3a. Movements in defined benefit plan obligations		
Defined benefit plan obligations recorded in the balance sheet, opening balance	-351,378	-277,659
Increase as a result of business combinations	0	0
Decrease as a result of business disposals	0	0
Current service cost	-20,063	-14,547
Interest cost	-2,416	-4,473
Contributions from employee	-1,213	-935
Benefit payments (-)	17,254	13,426
Remeasurement (gains)/losses (net)	-13,476	-51,290
of which: actuarial (gains)/losses on DBO arising from changes in demographic assumptions	*-176*	*127*
of which: actuarial (gains)/losses on DBO arising from changes in financial assumptions	*-8,647*	*-45,393*
of which: actuarial (gains)/losses on DBO arising from experience	*-4,653*	*-6,024*
Past service cost	364	366
Exchange differences	17	0
Other increase (decrease)	2,565	-16,265
Defined benefit plan obligations recorded in the balance sheet, ending balance	-368,346	-351,378
3b. Movements in plan assets		
Fair value of the plan assets, opening balance	285,395	225,000
Increase as a result of business combinations	0	0
Decrease through business disposals	0	0
Return on plan assets excluding interest income	5,877	34,959
Interest income on plan assets	2,036	3,777
Contributions from employer / employee	21,161	18,694
Benefit payments (-)	-17,254	-13,490
Exchange differences	0	0
Other increase (decrease)	-1,917	16,456
Fair value of the plan assets, ending balance	295,297	285,395
4. Principal actuarial assumptions		
Discount rate used	0.5%	0.7%
Expected rate of salary increase	3.2%	2.9%
Inflation	1.7%	1.7%
Mortality tables	MR/FR	MR/FR
5. Other information		
Term (in years)	14.00	14.65
Average actual return on plan assets	2.79%	16.32%
Expected contribution in next financial year	18,894	16,503
6. Sensitivity analysis		
Discount rate		
25 base point increase	-3.6%	-3.3%
25 base point decrease	3.8%	3.4%
Expected rate of salary increase		
25 base point increase	1.9%	2.3%
25 base point decrease	-1.8%	-1.9%

AvH took out ‘defined benefit’ as well as ‘defined contribution’ pension plans. These plans are underwritten by insurers in class 21 (life insurance policies with guaranteed interest rate).

Belgian law requires that employers guarantee a minimum yield of 3.25% on their own contributions to defined contribution plans; this applies to all payments made up to 31/12/2015 and until retirement age. On January 1, 2016, the Act of December 18, 2015 came into effect. The WAP (Law on Supplementary Pensions) yield guaranteed by the employer is a ‘variable’ interest rate, linked to the yield on the bond market which will be defined each year as of January 1 on the basis of a formula specified in the Law on Supplementary Pensions. For 2017, 2018, 2019 and 2020, the guaranteed yield was 1.75%.

The guarantee which the employer offers under the Law on Supplementary Pensions is a secondary guarantee: the employer only has to make up the difference if the yield guaranteed by the insurer on plan assets is lower than the legally guaranteed yield.

For that reason, a yearly actuarial calculation for the material defined contribution plans is carried out, in accordance with IAS 19R. For the non-material defined contribution plans, it will be annually verified whether the accumulated (mathematical) reserves are in line with the legally guaranteed minimum reserves. The accumulated reserves were more than sufficient at the end of 2020.

In accordance with IAS 19R, an actuarial calculation is carried out according to the Projected Unit Credit method for the defined benefit plans. The plan assets are measured at the discounted value of the reserves, taking into account the interest rates guaranteed by the insurers. Actuarial gains and losses are reported as other comprehensive income in the equity (see the item ‘Actuarial gains and losses on defined benefit pension plans’ in the statement of changes in consolidated equity).

NOTE 27: RELATED PARTIES

1. Related parties, excluding CFE – DEME

(€ 1,000)	Financial year 2020				Financial year 2019			
	Subsidiaries	Associated participations	Other related parties	TOTAL 2020	Subsidiaries	Associated participations	Other related parties	TOTAL 2019
I. Assets with related parties - balance sheet								
Financial fixed assets	**0**	**14,264**	**0**	**14,264**	**0**	**14,430**	**0**	**14,430**
Receivables and warranties: gross amount	0	14,264	0	14,264	0	14,430	0	14,430
Receivables and warranties: impairments	0	0	0	0	0	0	0	0
Amounts receivable	**50,602**	**1,230**	**0**	**51,832**	**63,266**	**1,232**	**0**	**64,498**
Trade debtors	938	523	0	1,462	0	0	0	0
Other receivables: gross amount	56,394	2,687	0	59,081	69,996	3,213	0	73,209
Other receivables: impairments	-6,730	-1,981	0	-8,711	-6,730	-1,981	0	-8,711
Banks - receivables from credit institutions & clients	**7,334**	**1**	**0**	**7,335**	**2,801**	**1,072**	**0**	**3,873**
Deferred charges & accrued income	**5,406**	**121**	**0**	**5,527**	**4,154**	**799**	**0**	**4,953**
Total	**63,342**	**15,616**	**0**	**78,958**	**70,221**	**17,533**	**0**	**87,754**
II. Liabilities with related parties - balance sheet								
Financial debts	**32,308**	**0**	**0**	**32,308**	**0**	**0**	**0**	**0**
Subordinated loans	0	0	0	0	0	0	0	0
Other financial debts	32,308	0	0	32,308	0	0	0	0
Other debts	**1,899**	**150**	**0**	**2,049**	**578**	**0**	**0**	**578**
Trade payables	1,253	0	0	1,253	578	0	0	578
Other amounts payable	646	150	0	796	0	0	0	0
Banks - debts to credit institutions, clients & securities	**149,496**	**733**	**0**	**150,229**	**148,548**	**728**	**0**	**149,276**
Accrued charges and deferred income	**2,486**	**0**	**0**	**2,486**	**1**	**404**	**0**	**405**
Total	**186,189**	**883**	**0**	**187,072**	**149,127**	**1,132**	**0**	**150,259**
III. Transactions with related parties - income statement								
Revenue	**45,808**	**710**	**3**	**46,521**	**37,780**	**380**	**3**	**38,163**
Rendering of services	2,130	45	3	2,178	9	36	3	48
Real estate revenue	131	0	0	131	350	0	0	350
Interest income of banking activities	1	19	0	20	0	0	0	0
Commissions receivable of banking activities	43,546	1	0	43,547	37,421	24	0	37,445
Revenue from construction contracts	0	191	0	191	0	286	0	286
Other operating revenue	0	454	0	454	0	34	0	34
Operating expenses (-)	**-172**	**-3,176**	**0**	**-3,348**	**-69**	**-4,438**	**0**	**-4,507**
Raw materials, consum., services & subcontracted work (-)	-172	-3,176	0	-3,348	-69	-4,438	0	-4,507
Interest expenses Bank J.Van Breda & C° (-)	0	0	0	0	0	0	0	0
Impairment losses (-)	0	0	0	0	0	0	0	0
Financial result	**693**	**1,295**	**0**	**1,989**	**3,106**	**2,314**	**0**	**5,420**
Interest income	3,321	1,295	0	4,616	3,106	2,314	0	5,420
Interest expenses	-2,628	0	0	-2,628	0	0	0	0

The loans that AvH (and subholdings) have granted to participations that are not fully consolidated are included in the above table. The interest rate charged for these intra-group loans is at arm's length. The same applies for financing loans that Extensa, Rent-A-Port and Green Offshore grant to their equity-method participations (or receive from them, as is the case at Rent-A-Port).

Through the full consolidation of Bank J.Van Breda & C° and the inclusion of Delen Private Bank using the equity method, the commercial paper of Bank J.Van Breda & C° held by Delen Private Bank (144.4 million euros) and the time deposits (5.1 million euros) are reported as a debt of Bank J.Van Breda & C° to a related party.

2. Transactions with related parties – CFE - DEME

- Ackermans & van Haaren (AvH) owns 15,720,684 shares of CFE and as a result is the primary shareholder of CFE with 62.10% of the total number of shares.
- Under the service contracts which DEME and CFE concluded with AvH (in 2001 and 2015 respectively), amounts were paid of 1.2 million euros and 0.7 million euros respectively.
- Transactions with related parties concerned mainly transactions with companies in which CFE and DEME have a joint control or a significative influence. These transactions are concluded at arm's length.

(€ 1,000)	2020	2019
Assets with related parties CFE-DEME	**133,838**	**194,553**
Non current financial assets	86,576	92,177
Trade and other receivables	39,342	95,353
Other current assets	7,920	7,023
Liabilities with related parties CFE-DEME	**38,584**	**46,829**
Other non current liabilities	9,269	1,303
Trade and other liabilities	29,315	45,526

(€ 1,000)	2020	2019
Revenues and expenses with related parties CFE-DEME	**320,669**	**453,690**
Revenue and revenue from auxiliary activities	337,302	478,432
Purchases and other operating expenses	-22,041	-35,407
Net financial income/(expense)	5,408	10,665

3. Remuneration

(€ 1,000)	2020	2019
Remuneration of the directors		
Tantièmes at the expense of AvH	598	588
Remuneration of the members of the executive committee		
Fixed remuneration	2,932	2,909
Variable remuneration	1,879	3,945
Share based payment	336	543
Group and hospitalisation insurance	484	473
Benefits in kind (company car)	35	36

4. Fees auditor EY Bedrijfsrevisoren

(€ 1,000)	AvH	Subsidiaries (1)	Total 2020	AvH	Subsidiaries (1)	Total 2019
The statutory mandate	63	1,058	1,121	63	1,056	1,119
Special missions			0			0
- Other control missions	0	59	59	0	53	53
- Tax advice	6	330	335	5	471	476
- Other missions than statutory	0	27	27	0	179	179
Total	**68**	**1,474**	**1,542**	**68**	**1,759**	**1,827**

(1) Including jointly controlled subsidiaries accounted for using the equity method.

NOTE 28: EARNINGS PER SHARE

1. Continued and discontinued operations

(€ 1,000)	2020	2019
Net consolidated result, group share (€ 1,000)	229,791	394,900
Weighted average number of shares (1)	33,137,532	33,140,933
Earnings per share (€)	**6.93**	**11.92**
Net consolidated result, group share (€ 1,000)	229,791	394,900
Weighted average number of shares (1)	33,137,532	33,140,933
Impact stock options	43,023	79,304
Adjusted weighted average number of shares	33,180,554	33,220,236
Diluted earnings per share (€)	**6.93**	**11.89**

2. Continued activities

(€ 1,000)	2020	2019
Net consolidated result from continuing operations, group share (€ 1,000)	229,791	394,900
Weighted average number of shares (1)	33,137,532	33,140,933
Earnings per share (€)	**6.93**	**11.92**
Net consolidated result from continuing operations, group share (€ 1,000)	229,791	394,900
Weighted average number of shares (1)	33,137,532	33,140,933
Impact stock options	43,023	79,304
Adjusted weighted average number of shares	33,180,554	33,220,236
Diluted earnings per share (€)	**6.93**	**11.89**

(1) Based on number of shares issued, adjusted for treasury shares in portfolio

NOTE 29: PROPOSED AND DISTRIBUTED DIVIDENDS

In light of the COVID-19 uncertainty, and bearing in mind the recommendation addressed by the European Central Bank on March 27, 2020 to all banks in the eurozone not to pay out any dividends before October 1, 2020, AvH withdrew the initially formulated dividend proposal of 2.50 euros per share. In the fourth quarter of 2020, an interim dividend of 2.32 euros per share was distributed.

A dividend of EUR 2.35 per share will be proposed for approval to the ordinary general meeting of shareholders which will take place on 25 May 2021.

1. Determined and paid out during the year

(€ 1,000)	2020	2019
Dividend on ordinary shares distributed in:		
- Interim dividend 2020: 2.32 euros per share (2019: dividend relating financial year 2018 of 2.32 euros per share)	-76,813	-76,741

2. Proposed for approval by the general meeting of May 25, 2021

(€ 1,000)	
Dividend on ordinary shares:	
- Final dividend 2020: 2.35 euros per share (1)	-78,718

(1) Maximum amount of dividend, based upon the total number of shares, without taking into account the treasury shares.

3. Dividend per share (€)

	2020	2019 (1)
Gross	2.3500	2.3200
Net (witholding tax 30%)	1.6450	1.6240

(1) This is the interim dividend that was paid out in November 2020 as a compensation for the regular dividend over financial year 2019 which, in light of the corona pandemic, which was set to nil.

NOTE 30: MAJOR EVENTS AFTER BALANCE SHEET DATE

- In January, DEME and Van Laere signed a contract for the Right Bank project of the Oosterweel link.
- At the beginning of March, SIPEF announced that it had signed an agreement in principle for the sale of PT Melania, which is active in rubber.

NOTE 31: REVISED PRESENTATION OF THE BALANCE SHEET AND THE INCOME STATEMENT

Certain reclassifications were implemented in the presentation of the balance sheet and the income statement in order to:

- bring the presentation and terminology of the iems more into line with the XBRL taxonomy in the context of the ESEF reporting that AvH will implement in the publication of the annual report 2021 (in 2022).
- further alignment of the presentation with the Primary Financial Statements of Bank J.Van Breda & C° (by a further grouping of the typical banking balance sheet items) and the Contracting division (CFE-DEME), by implementing certain reclassifications. The phasing out of the leasing portfolios at Leasinvest Real Estate (sale of National Archives building in Bruges at the end of 2020) and Extensa makes it possible to integrate the leasing portfolio of Van Breda Car Finance in the banking items, in accordance with the balance sheet presentation of Bank J.Van Breda & C°.

These adjustments have no impact on the balance sheet total or the net profit.

Below you will find the revised presentation of the balance sheet and income statement as at December 31, 2019, as well as the opening balance as at January 1, 2019. Since the adjustment was carried out during 2020, the group did not prepare a similar reconciliation of the balance sheet and income statement as at December 31, 2020.

Revised presentation of the consolidated balance sheet per 31-12-2019 - Assets

(€ 1,000)	31-12-2019	Grouping of banking activities (1)	Grouping of financial fixed assets (2)	Align group presentation - IFRS 15 (3)	31-12-2019 Revised
I. Non-current assets	**10,478,704**	**0**	**0**	**0**	**10,478,704**
Intangible assets	**126,902**	**0**	**0**	**0**	**126,902**
Goodwill	**331,550**	**0**	**0**	**0**	**331,550**
Tangible assets	**2,909,167**	**0**	**0**	**0**	**2,909,167**
Investment property	**1,336,093**	**0**	**0**	**0**	**1,336,093**
Participations accounted for using the equity method	**1,202,477**	**0**	**0**	**0**	**1,202,477**
Non-current financial assets	**254,824**	**0**	**32,753**	**0**	**287,576**
Financial assets : shares - Fair value through P/L (FVPL)	154,418	0	0	0	154,418
Receivables and warranties	100,406	0	32,753	0	133,158
Non-current hedging instruments	**1,213**	**0**	**0**	**0**	**1,213**
Amounts receivable after one year	**194,739**	**-161,986**	**-32,753**	**0**	**0**
Trade receivables	0	0	0	0	0
Finance lease receivables	183,386	-183,386	0	0	0
Other receivables	11,353	21,400	-32,753	0	0
Deferred tax assets	**111,004**	**0**	**0**	**0**	**111,004**
Banks - receivables from credit institutions and clients after one year	**4,010,736**	**161,986**	**0**	**0**	**4,172,722**
Banks - loans and receivables to clients	4,010,736	123,431	0	0	4,134,167
Banks - changes in fair value of the hedged credit portfolio	0	38,555	0	0	38,555
II. Current assets	**4,782,119**	**0**	**0**	**0**	**4,782,119**
Inventories	**458,096**	**0**	**0**	**-34,667**	**423,429**
Amounts due from customers under construction contracts	**99,893**	**0**	**0**	**228,548**	**328,441**
Investments	**476,513**	**0**	**0**	**0**	**476,513**
Current hedging instruments	**911**	**0**	**0**	**0**	**911**
Amounts receivable within one year	**1,201,722**	**-98,704**	**0**	**-193,881**	**909,138**
Trade debtors	938,560	0	0	-193,881	744,679
Finance lease receivables	70,706	-70,706	0	0	0
Other receivables	192,456	-27,998	0	0	164,458
Current tax receivables	**25,927**	**0**	**0**	**0**	**25,927**
Banks - receivables from credit institutions and clients within one year	**1,595,849**	**98,704**	**0**	**0**	**1,694,553**
Banks - loans and advances to banks	141,306	0	0	0	141,306
Banks - loans and receivables to clients	999,823	98,660	0	0	1,098,483
Banks - changes in fair value of the hedged credit portfolio	0	44	0	0	44
Banks - cash balances with central banks	454,720	0	0	0	454,720
Cash and cash equivalents	**887,985**	**0**	**0**	**0**	**887,985**
Deferred charges and accrued income	**35,221**	**0**	**0**	**0**	**35,221**
III. Assets held for sale	**40,724**	**0**	**0**	**0**	**40,724**
Total assets	**15,301,547**	**0**	**0**	**0**	**15,301,547**

(1) The phasing out of the leasing portfolios at Leasinvest Real Estate (sale of National Archives building in Bruges at the end of 2020) and Extensa makes it possible to integrate the leasing portfolio of Van Breda Car Finance in the banking items, in accordance with the balance sheet presentation of Bank J.Van Breda & C°.

(2) The financial assets were brought together to improve the readability of the balance sheet.

(3) The above reclassification is the outcome of an alignment exercise that took place in the AvH group in 2020. The purpose of that exercise was to arrive at a uniform working method, whereby all the companies of the group now adopt the same methodology in the presentation of contract assets and contract liabilities in accordance with the guidelines of IFRS 15 'Revenues from customers'. These adjustments have no impact on the equity, balance sheet total or income statement.

Revised presentation of the consolidated balance sheet per 31-12-2019 - Liabilities

(€ 1,000)	31-12-2019	Grouping of banking activities (1)	Align group presentation - IFRS 15 (3)	31-12-2019 Revised
I. Total equity	**4,681,834**	**0**	**0**	**4,681,834**
Equity - group share	**3,456,109**	**0**	**0**	**3,456,109**
Issued capital	**113,907**	**0**	**0**	**113,907**
Consolidated reserves	**3,439,322**	**0**	**0**	**3,439,322**
Revaluation reserves	**-64,472**	**0**	**0**	**-64,472**
Treasury shares (-)	**-32,648**	**0**	**0**	**-32,648**
Minority interests	**1,225,725**	**0**	**0**	**1,225,725**
II. Non-current liabilities	**3,100,095**	**0**	**0**	**3,100,095**
Provisions	**45,541**	**0**	**0**	**45,541**
Pension liabilities	**75,990**	**0**	**0**	**75,990**
Deferred tax liabilities	**164,694**	**0**	**0**	**164,694**
Financial debts	**1,906,344**	**0**	**0**	**1,906,344**
Non-current hedging instruments	**96,874**	**0**	**0**	**96,874**
Other amounts payable after one year	**31,429**	**0**	**0**	**31,429**
Banks - non-current debts to credit institutions, clients & securities	**779,224**	**0**	**0**	**779,224**
Banks - deposits from credit institutions	0	0	0	0
Banks - deposits from clients	729,872	9,429	0	739,301
Banks - debt certificates including bonds	0	39,923	0	39,923
Banks - subordinated liabilities	49,352	-49,352	0	0
III. Current liabilities	**7,519,619**	**0**	**0**	**7,519,619**
Provisions	**37,701**	**0**	**0**	**37,701**
Pension liabilities	**331**	**0**	**0**	**331**
Financial debts	**625,560**	**0**	**0**	**625,560**
Current hedging instruments	**10,563**	**0**	**0**	**10,563**
Amounts due to customers under construction contracts	**169,751**	**0**	**126,098**	**295,849**
Other amounts payable within one year	**1,569,197**	**9,773**	**-126,098**	**1,452,872**
Trade payables	1,305,836	0	-165,662	1,140,174
Advances received on construction contracts	861	0	39,565	40,426
Amounts payable regarding remuneration and social security	197,967	0	0	197,967
Other amounts payable	64,533	9,773	0	74,306
Current tax payables	**59,441**	**0**	**0**	**59,441**
Banks - current debts to credit institutions, clients & securities	**4,946,466**	**-9,773**	**0**	**4,936,693**
Banks - deposits from credit institutions	27,825	0	0	27,825
Banks - deposits from clients	4,650,623	16,625	0	4,667,248
Banks - debt certificates including bonds	241,367	253	0	241,620
Banks - subordinated liabilities	26,651	-26,651	0	0
Accrued charges and deferred income	**100,608**	**0**	**0**	**100,608**
IV. Liabilities held for sale	**0**	**0**	**0**	**0**
Total equity and liabilities	**15,301,547**	**0**	**0**	**15,301,547**

Revised presentation of the consolidated income statement per 31-12-2019

(€ 1,000)	31-12-2019	Grouping of banking activities (1)	Align group presentation IFRS 15 (3)	31-12-2019 Revised
Revenue	**4,270,398**	**0**	**0**	**4,270,398**
Rendering of services	89,270	0	0	89,270
Lease revenue	10,866	-10,866	0	0
Real estate revenue	217,181	1,596	0	218,778
Interest income - banking activities	92,243	9,270	0	101,513
Fees and commissions - banking activities	69,131	592	0	69,723
Revenue from construction contracts	3,695,290	0	0	3,695,290
Other operating revenue	96,416	-592	0	95,824
Other operating income	**6,609**	**0**	**-6,609**	**0**
Operating expenses (-)	**-3,974,839**	**0**	**0**	**-3,974,839**
Raw materials, consumables, services and subcontracted work	-2,263,227	9,784	-511,385	-2,764,828
Changes in inventories of finished goods, raw materials & consumables (-)	59,431	0	-59,431	0
Interest expenses Bank J.Van Breda & C° (-)	-24,597	0	0	-24,597
Employee expenses (-)	-809,938	0	0	-809,938
Depreciation (-)	-342,950	0	0	-342,950
Impairment losses (-)	-27,225	0	0	-27,225
Other operating expenses (-)	-600,850	-9,784	570,815	-39,818
Provisions	34,516	0	0	34,516
Profit (loss) on assets/liabilities designated at fair value through profit and loss	**23,531**	**0**	**0**	**23,531**
Profit (loss) on disposal of assets	**121,899**	**0**	**0**	**121,899**
Profit (loss) from operating activities	**447,598**	**0**	**-6,609**	**440,989**
Financial result	**0**	**0**	**-19,386**	**-19,386**
Interest income	0	0	20,708	20,708
Interest expenses (-)	0	0	-35,333	-35,333
(Un)realised foreign currency results	0	0	2,969	2,969
Other financial income (expenses)	0	0	-7,730	-7,730
Finance income	**45,586**	**0**	**-45,586**	**0**
Interest income	20,708	0	-20,708	0
Other finance income	24,878	0	-24,878	0
Finance costs (-)	**-71,582**	**0**	**71,582**	**0**
Interest expenses (-)	-35,333	0	35,333	0
Other finance costs (-)	-36,248	0	36,248	0
Derivative financial instruments designated at fair value through profit and loss	**-5,370**	**0**	**0**	**-5,370**
Share of profit (loss) from equity accounted investments	**154,952**	**0**	**0**	**154,952**
Other non-operating income	**4,442**	**0**	**0**	**4,442**
Other non-operating expenses (-)	**0**	**0**	**0**	**0**
Profit (loss) before tax	**575,627**	**0**	**0**	**575,627**
Income taxes	**-61,756**	**0**	**0**	**-61,756**
Profit (loss) of the period	**513,871**	**0**	**0**	**513,871**
Minority interests	118,971	0	0	118,971
Share of the group	394,900	0	0	394,900

Revised presentation of the consolidated opening balance per 01-01-2019 - Assets

(€ 1,000)	01-01-2019	Grouping of banking activities (1)	Grouping of financial fixed assets (2)	Align group presentation - IFRS 15 (3)	01-01-2019 Revised
I. Non-current assets	**9,900,270**	**0**	**0**	**0**	**9,900,270**
Intangible assets	**176,802**	**0**	**0**	**0**	**176,802**
Goodwill	**339,738**	**0**	**0**	**0**	**339,738**
Tangible assets	**2,837,887**	**0**	**0**	**0**	**2,837,887**
Investment property	**1,142,190**	**0**	**0**	**0**	**1,142,190**
Participations accounted for using the equity method	**1,184,765**	**0**	**0**	**0**	**1,184,765**
Non-current financial assets	**296,467**	**0**	**28,620**	**0**	**325,086**
Financial assets : shares - Fair value through P/L (FVPL)	113,526	0	0	0	113,526
Receivables and warranties	182,941	0	28,620	0	211,561
Non-current hedging instruments	**2,000**	**0**	**0**	**0**	**2,000**
Amounts receivable after one year	**185,495**	**-156,875**	**-28,620**	**0**	**0**
Trade receivables	**0**	**0**	**0**	**0**	0
Finance lease receivables	**178,971**	**-178,971**	**0**	**0**	0
Other receivables	**6,524**	**22,096**	**-28,620**	**0**	0
Deferred tax assets	**108,297**	**0**	**0**	**0**	**108,297**
Banks - receivables from credit institutions and clients after one year	**3,626,628**	**156,875**	**0**	**0**	**3,783,503**
Banks - loans and receivables to clients	**3,626,628**	**144,997**	**0**	**0**	3,771,625
Banks - changes in fair value of the hedged credit portfolio	**0**	**11,878**	**0**	**0**	11,878
II. Current assets	**4,371,576**	**0**	**0**	**0**	**4,371,576**
Inventories	**332,385**	**0**	**0**	**-52,562**	**279,823**
Amounts due from customers under construction contracts	**85,755**	**0**	**0**	**353,001**	**438,756**
Investments	**494,420**	**0**	**0**	**0**	**494,420**
Current hedging instruments	**451**	**0**	**0**	**0**	**451**
Amounts receivable within one year	**1,449,334**	**-89,095**	**0**	**-300,439**	**1,059,800**
Trade debtors	1,138,482	0	0	-300,439	838,043
Finance lease receivables	64,367	-64,367	0	0	0
Other receivables	246,485	-24,728	0	0	221,757
Current tax receivables	**29,516**	**0**	**0**	**0**	**29,516**
Banks - receivables from credit institutions and clients within one year	**1,424,040**	**89,095**	**0**	**0**	**1,513,135**
Banks - loans and advances to banks	127,693	0	0	0	127,693
Banks - loans and receivables to clients	936,664	88,888	0	0	1,025,552
Banks - changes in fair value of the hedged credit portfolio	0	207	0	0	207
Banks - cash balances with central banks	359,683	0	0	0	359,683
Cash and cash equivalents	**513,588**	**0**	**0**	**0**	**513,588**
Deferred charges and accrued income	**42,088**	**0**	**0**	**0**	**42,088**
III. Assets held for sale	**25,067**	**0**	**0**	**0**	**25,067**
Total assets	**14,296,913**	**0**	**0**	**0**	**14,296,913**

Revised presentation of the consolidated opening balance per 01-01-2019 – Liabilities

(€ 1,000)	01-01-2019	Grouping of banking activities (1)	Align group presentation - IFRS 15 (3)	01-01-2019 Revised
I. Total equity	**4,357,996**	**0**	**0**	**4,357,996**
Equity - group share	**3,176,447**	**0**	**0**	**3,176,447**
Issued capital	**113,907**	**0**	**0**	**113,907**
Consolidated reserves	**3,124,841**	**0**	**0**	**3,124,841**
Revaluation reserves	**-34,190**	**0**	**0**	**-34,190**
Treasury shares (-)	**-28,111**	**0**	**0**	**-28,111**
Minority interests	**1,181,549**	**0**	**0**	**1,181,549**
II. Non-current liabilities	**2,541,836**	**0**	**0**	**2,541,836**
Provisions	**80,048**	**0**	**0**	**80,048**
Pension liabilities	**62,904**	**0**	**0**	**62,904**
Deferred tax liabilities	**191,983**	**0**	**0**	**191,983**
Financial debts	**1,446,826**	**0**	**0**	**1,446,826**
Non-current hedging instruments	**59,203**	**0**	**0**	**59,203**
Other amounts payable after one year	**32,543**	**0**	**0**	**32,543**
Banks - non-current debts to credit institutions, clients & securities	**668,329**	**0**	**0**	**668,329**
Banks - deposits from credit institutions	0	0	0	0
Banks - deposits from clients	594,294	34,132	0	628,426
Banks - debt certificates including bonds	0	39,903	0	39,903
Banks - subordinated liabilities	74,035	-74,035	0	0
III. Current liabilities	**7,397,028**	**0**	**0**	**7,397,028**
Provisions	**50,760**	**0**	**0**	**50,760**
Pension liabilities	**358**	**0**	**0**	**358**
Financial debts	**697,746**	**0**	**0**	**697,746**
Current hedging instruments	**12,569**	**0**	**0**	**12,569**
Amounts due to customers under construction contracts	**224,540**	**0**	**148,004**	**372,544**
Other amounts payable within one year	**1,734,272**	**10,874**	**-148,004**	**1,597,141**
Trade payables	1,487,232	0	-243,136	1,244,096
Advances received on construction contracts	1,270	0	95,132	96,402
Amounts payable regarding remuneration and social security	189,210	0	0	189,210
Other amounts payable	56,559	10,874	0	67,433
Current tax payables	**56,212**	**0**	**0**	**56,212**
Banks - current debts to credit institutions, clients & securities	**4,551,832**	**-10,874**	**0**	**4,540,958**
Banks - deposits from credit institutions	27,634	0	0	27,634
Banks - deposits from clients	4,232,779	5,084	0	4,237,863
Banks - debt certificates including bonds	275,208	253	0	275,461
Banks - subordinated liabilities	16,211	-16,211	0	0
Accrued charges and deferred income	**68,739**	**0**	**0**	**68,739**
IV. Liabilities held for sale	**54**	**0**	**0**	**54**
Total equity and liabilities	**14,296,913**	**0**	**0**	**14,296,913**

STATUTORY AUDITOR'S REPORT

Independent auditor's report to the general meeting of Ackermans & van Haaren NV for the year ended December 31, 2020.

As required by law and the Company's articles of association, we report to you as statutory auditor of Ackermans & van Haaren NV (the "Company") and its subsidiaries (together the "Group"). This report includes our opinion on the consolidated statement of the financial position as at 31 December 2020, the consolidated statement of the realized and unrealized results, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended 31 December 2020 and the disclosures (all elements together the "Consolidated Financial Statements") and includes as well our report on other legal and regulatory requirements. These two reports are considered as one report and are inseparable.

We have been appointed as statutory auditor by the shareholders' meeting of 27 May 2019, 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 2021. We performed the audit of the Consolidated Financial Statements of the Group during 20 consecutive years.

Report on the audit of the Consolidated Financial Statements 2020

Unqualified opinion

We have audited the Consolidated Financial Statements of Ackermans & van Haaren NV, that comprise of the consolidated statement of the financial position as at 31 December 2020, the consolidated statement of the realized and unrealized results, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended 31 December 2020 and the disclosures, which show a consolidated balance sheet total of € 16,228,744,(000) and of which the consolidated income statement shows a profit for the year (attributable to the owners of the Company) of € 229,791,(000).

In our opinion, the Consolidated Financial Statements give a true and fair view of the consolidated net equity and financial position as at 31 December 2020, and of its consolidated results for the year then ended, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union ("IFRS") and with applicable legal and regulatory requirements in Belgium.

Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the "Our responsibilities for the audit of the consolidated financial statements" section of our report.

We have complied with all ethical requirements that are relevant to our audit of the Consolidated Financial Statements in Belgium, including those with respect of independence.
We have obtained from the Board of Directors and the officials of the Company the explanations and information necessary for the performance of our audit and we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current reporting period.
These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole and in forming our opinion thereon, and consequently we do not provide a separate opinion on these matters.

1. Revenue recognition and contract accounting (Marine Engineering & Contracting)

Companies concerned: CFE and DEME

Description of the key audit matter
For the majority of its contracts, the Group recognizes revenue and profit on the stage of completion based on the proportion of contract costs incurred for the work performed to the balance sheet date, relative to the estimated total costs of the contract at completion. The recognition of revenue and profit therefore relies on estimates in relation to the forecast total costs on each contract. Cost contingencies may also be included in these estimates to take account of specific uncertain risks, or disputed claims against the Group, arising within each contract. The revenue on contracts may also include variations and claims, which are recognized on a contract-by-contract basis when the additional contract revenue can be measured reliably.
This often involves a high degree of judgment due to the complexity of projects, uncertainty about costs to complete and uncertainty about the outcome of discussions with clients on variation orders and claims. Therefor there is a high degree of risk and associated management judgement in estimating the amount of revenue and associated profit (recognized based on percentage of completion) or loss (recognized in full) by the Group up to the balance sheet date and changes to these estimates could give rise to material variances.
Contract accounting for the Group also involves a significant accounting analysis when it comes to bundling or unbundling of contract. The (un)bundling of one or multiple contracts can significantly impact the revenues and results recognized in the accounting period.

Summary of audit procedures performed

- Project review: using a variety of quantitative and qualitative criteria, a sample of contracts has been selected to challenge the most significant and complex contract estimates. An understanding of the current condition and history of the projects was obtained and the judgements inherent to these projects were challenged with senior executive and financial management. Additionally, differences with prior project estimates were analyzed and assessed consistent with the developments during the year.
- Determination of the proper calculation of the percentage of completion and the related revenue and margin recognized for a selection of projects, obtaining an understanding of the procedures relating to accounting for costs to complete the project and considering the design and implementation of the related controls and processes.
- Historical comparisons: evaluating the financial performance of contracts against budget and historical trends.
- Site visits: completing site visits for certain higher risk or larger value contracts, observation of the stage of completion of individual projects and identifying areas of complexity through discussion with site personnel.
- Benchmarking assumptions: challenging the Group's judgement in respect of forecasted contract out-turn, contingencies, settlements, and the recoverability of contract balances by means of agreement to third party certifications or confirmations and with reference to our own assessments and to historical outcomes.
- Customer correspondence scrutiny: analyzing correspondence with customers around variations and claims and considering whether this information is consistent with the estimates made by the Group.
- Inspecting selected contracts for key clauses: identifying relevant contractual mechanisms impacting the (un)bundling of contracts, and others such as delay penalties, bonuses or success fees and assessing whether these key clauses have been appropriately reflected in the amounts recognized in the financial statements.

Reference to information or notes in the Consolidated Financial statements

The methodology applied in recognizing revenue and contract accounting is set out in note 1 (Valuation rules) and note 14 (Inventories and construction contracts) to the Consolidated Financial Statements.

2. Uncertain tax positions (Marine Engineering & Contracting)

Company concerned: DEME

Description of the key audit matter

DEME operates in a range of countries subject to different tax regimes. The taxation of the operations can be subject to judgements and might result in disputes with local tax authorities. If management considers it probable that such disputes will lead to an outflow of resources, accruals have been recorded accordingly. Therefore, there is a high degree of risk and associated management judgement related to estimating the amount of accruals for uncertain tax positions to be recognized by the Group up to the balance sheet date and changes to these estimates could give rise to material variances.

Summary of audit procedures performed

- In order to audit the adequacy of the recorded tax accrual, the audit procedures included an analysis of the estimated probability of the tax risk, of management's estimate of the potential outflows and a review of the supporting documentation.
- Involvement of experts: involving tax specialists to review the assumptions supporting the estimates and to challenge the appropriateness of these assumptions in view of local tax regulations.
- Obtaining understanding of the procedures relating to accounting for (deferred) taxes and considered design and implementation of the related controls and processes.
- Assessing the appropriateness of the disclosures relating to (deferred) taxes in the group's Consolidated Financial Statements.

Reference to information or notes in the Consolidated Financial statements

Refer to note 1 (Valuation rules) and note 21 (Taxes).

3. Revenue recognition and valuation of inventories and construction contracts (Marine Engineering & Contracting, Real Estate & Senior Care)

Companies concerned: CFE and Extensa

Description of the key audit matter

The valuation of the land positions and the incurred constructions costs for residential property developments are based on the historical cost or lower net realizable value. The assessment of the net realizable values involves assumptions relating to future market developments, decisions of governmental bodies, discount rates and future changes in costs and selling prices. These estimates involve various terms and are sensitive to scenarios and assumptions used and involve as such significant management judgement. Risk exists that potential impairments of inventories are not appropriately accounted for.

Revenues and results are recognized to the extent that components (housing units) have been sold and based on the percentage of completion of the development. The recognition of revenue and profit therefore relies on estimates in relation to the forecasted total costs on each project.

This often involves a high degree of judgement due to the complexity of projects and uncertainty about costs to complete. Therefore, there is a high degree of risk associated with estimating the amount of revenue and associated profit to be recognized by the Group up to the balance sheet date and changes to these estimates could give rise to material variances.

Summary of audit procedures performed

- A sample of project developments have been tested by verifying the costs incurred to date, relating to land and work in progress as well as recalculating the percentage of completion at the balance sheet date. A selection of these schemes have been reviewed with a sample of costs agreed to third party surveyors' certificates, total sales values agreed to contracts, and the accuracy of the recognition formula has been verified.
- Assessment of the calculations of net realizable values and challenging the reasonableness and consistency of the assumptions and model used by management.
- Evaluating the financial performance of specific projects against budget and historical trends, specifically in view of assessing the reasonableness of the costs to complete.

Reference to information or notes in the Consolidated Financial statements

Refer to note 1 (Valuation rules) and note 14 (inventories and construction contracts)

4. Specific allowances for loans and advances to customers (Private banking)

Company concerned: Bank J.Van Breda & C°

Description of the key audit matter

The net portfolio of loans and advances to customers amounted to € 5,415 million as at 31 December 2020. Loans and advances to customers are measured at amortized cost, net of the allowance for loan losses (€ 32.8 million).

Certain aspects of the accounting for allowance for loan losses require significant judgement by management, such as the identification of loans and advances to customers that are deteriorating, the assessment of objective evidence for impairment, the value of collateral and the estimation of the recoverable amount. The use of different modeling techniques and assumptions can lead to considerably different estimates of impairments for credit losses.

In addition, the COVID-19 pandemic created additional uncertainties with regard to the estimation of the recoverable value of collateral and with regard to the late identification of doubtful loans and advances to customers partly as a result of the current support measures.

Due to the significance of loans and advances to customers and the related estimation uncertainty, the valuation of loans and advances to customers is considered as a key audit matter.

Summary of audit procedures performed

The following audit procedures were performed, amongst others:

- Assessing the design and evaluation of the operating effectiveness of controls around the valuation and accuracy of loans and advances and collateral data, the determination of risk ratings and the process for identifying arrears and the management thereof.
- Performing risk assessment aimed at identifying higher risk deteriorating, the assessment of objective evidence for portfolios, including an assessment of management's own portfolio stress tests and risk mitigation actions to identify areas of focus.
- Credit file reviews on a sample basis to test the recoverability of loans and advances to customers; extra attention is paid to the potential impact of COVID-19. By doing so, challenging the probability of realization, and valuation of collateral and other possible sources of repayment.
- Evaluation of the most important input variables and assumptions for the models used for the determination of impairment of loans and advances to customers calculated on a collective basis and testing of the arithmetic accuracy of the models.
- Comparing Management's key assumptions against the understanding of the relevant industries and business environments.
- Assessing whether disclosures appropriately reflected the exposure to credit risk, including controls over identification and disclosure of forborne loans, collateral valuation and sensitivity of key assumptions.

Reference to information or notes in the Consolidated Financial statements

Refer to note 1 (Valuation rules) and note 13 (Banks – receivables from credit institutions and clients)

5. Valuation of the investment properties (Real Estate & Senior Care)

Companies concerned: LRE en Extensa

Description of the key audit matter

As per 31 December 2020 the Group presents Investment property for a total amount of € 1,414 million on its balance sheet.

In accordance with the accounting policies and IAS 40 standard "Investment property", investment property is valued at fair value, and the changes in the fair value of investment property are recognized in the income statement. The fair value of investment properties belongs to the level 3 of the fair value hierarchy defined within the IFRS 13 standard "Fair Value Measurement". Some parameters used for valuation purposes are based on unobservable data (discount rate, future occupancy rate, …). For these reasons, we consider the valuation of the investment properties as a key audit matter.

Summary of audit procedures performed

The group uses external appraisers to make an estimate of the fair value of the investment properties of the Group, with the support of internal real estate valuation specialists, the valuation reports were evaluated. More precisely:

- assessment of the objectivity, the independence and the competence of the external appraisers,
- testing of the integrity of source data (contractual rentals, maturities of the rental contracts, …) used in their calculations,
- review of the models, assumptions and parameters used in their reports (the most important ones being discount rates, future occupancy rates, …) as well as the impact of COVID-19 on these assumptions and parameters.

Assessment of the appropriateness of the information on the fair value of the investment properties disclosed in note 1 (Valuation rules) and note 10 (Investment property at fair value) of the Consolidated Financial Statements.

6. Valuation of financial instruments (multiple segments)

Description of the key audit matter

Different companies within the group use interest rate swaps (IRS) to hedge its interest rate risk on its variable rate debts. The measurement of the derivatives at fair value is an important source of volatility of the result and/or the shareholders' equity. As a matter of fact, in accordance with IFRS 9 "Financial Instruments: Recognition and Measurement", these derivatives are valued at fair value (considered to belong to the level 2 of the fair value hierarchy defined by IFRS 13 "Fair Value Measurement"). The changes in fair value are recognized in the income statements except for those IRS for which the Company applies hedge accounting ("cash-flow hedging"), which allows to record most of the changes in fair value in the caption of the shareholders' equity ("Reserve for the balance of changes in fair value of authorized hedging instruments qualifying for hedge accounting as defined under IFRS"). The audit risk appears on the one hand in the valuation of these derivatives and on the other hand in the application of hedge accounting. For these reasons, this is considered as a key audit matter.

Summary of audit procedures performed

- Comparing the fair values of the derivatives with the values communicated by the counterparties and the credit risk adjustments calculated by an external specialist.
- Assessment of the most important assumptions and the calculations performed by this external specialist.
- Reviewing the effectiveness tests performed by the external specialist involved by the Group with regard to the correct application of hedge accounting
- Comparing the volume of derivatives subject to hedge accounting with the volume of the variable rate debts projected on the future accounting years in order to identify any potential over hedging which could potentially jeopardize the application of hedge accounting.
- Assessment of the appropriateness of the information on the financial instruments disclosed in note 20 (Financial instruments) to the Consolidated Financial Statements.

7. Goodwill

Description of the key audit matter

As per 31 December 2020 the Group presents goodwill for a total amount of € 326 million on its balance sheet.

The impairment analysis is yearly performed by management based on different factors such as (i) stock exchange share prices, (ii) equity values, (iii) discounted cash flow analysis ("DCF analysis") of the underlying participations based on forecasts approved by the board of directors of the companies en (iv) sales prices based on ongoing negotiations. This requires assessment and valuation of the assumptions used by management, such as the underlying recoverable value of the participation. The determination of the future cash flows (including the effects of COVID-19) of the cash generating units ("CGU") and of the used discount rate is complex and subjective. Changes in these assumptions can result in material deviations in the value-in-use calculations, which influences the potential impairment loss to be recorded on goodwill.

Summary of audit procedures performed

- Review of management's process to identify the impairment indicators.
- Assessing management's method to determine the recoverable value of each of the investments, along with the related goodwill to ensure this follows the IFRS guidelines.
- Assessing the appropriateness of the assumptions used by management to determine the recoverable value (with the help of internal specialists) as well as the impact of COVID-19 on these assumptions.
- Comparison of the operational cash flows with historical figures and trends.
- Assessing the reasonableness of future cash flows used in the valuation exercise on goodwill based on the historical results, the business plan available and the evaluation of the historical accuracy of the assumptions used by management.
- Checking whether the future cash flows were based on a business plan approved by the board of directors.
- Performing of mathematical accuracy checks of the valuation model.
- Assessment of the sensitivity analysis performed by management.

- Assessment of the appropriateness of the information on the financial instruments disclosed in note 1 (Valuation rules – principles of consolidation) and note 8 (Goodwill) to the Consolidated Financial Statements.

8. Risks of the companies accounted for under the equity method

Description of the key audit matter
A large number of companies are accounted for using the equity method in the Consolidated Financial Statements of the Group. Per 31 December 2020 this amounts to € 1,456 million in the balance sheet and they contribute for € 179 million in the consolidated result of the year. The information on participations accounted for using the equity method is included in note 11 to the Consolidated Financial Statements.
The risks exists that key audit matters are related to those companies which are significant to the Consolidated Financial Statements of the Group.
Delen Private Bank has acquired clientele, as a result of several acquisitions, which are included under intangible fixed assets, the majority of the purchased clientele is considered as intangible assets with an indefinite useful life. The statistical data from the past show that only a limited part of the purchased clientele has a definite useful life. With each acquisition of clientele, on the basis of the statistics, it is determined how much of the purchased clientele is to be considered as an intangible fixed asset with a certain useful life, which is amortized pro rata over this useful life. The remainder is not amortized. Management conducts an annual impairment analysis on the basis of its own developed model for both clientele with a definite and indefinite useful life, whereby the purchased clientele is subdivided per group office.
The valuation of the purchased clientele is complex and requires estimates from the management. The valuation of the clientele is based on the assets entrusted by the clientele (Assets under management, hereinafter "AuMs") that represents the purchased clientele on which a factor is applied.
A change in these parameters or the use of erroneous data would have a material impact on the valuation of the purchased clientele.
For these reasons, the valuation of the activated, acquired clientele is a key audit matter of our audit.

Summary of the procedures performed
With regard to the valuation of the activated, acquired clientele, the following audit procedures were carried out:
- Assessment of the division of the existing clientele within the group per office and discussion of any changes in relation to previous periods.
- Assessment of the parameters used (such as AuMs and factors), the methodology and the model used in accordance with IAS 36.
- Analysis of the breakdown of purchased customers per office.
- Verification of the factors used in the model with market data and reconciliation of the AuMs with the accounting inventories and of the applied market value with the market data.
- Sensitivity analysis on the most important assumptions, which is mainly the cost-income ratio.
- Recalculation of the recorded depreciation on the clientele with a certain useful life.
- Assessment of the adequacy and completeness of note 11 (companies accounted for using the equity method) of the Consolidated Financial Statements.

With respect to the key audit matters in the balance sheets of the companies accounted for using the equity method, the following audit procedures were performed, amongst others:
- Communication of clear audit instructions to the component auditors indicating the possible key audit matters, specific audit risks, audit procedures to be performed according to the materiality levels determined.
- Detailed review of the reported deliverables by the component auditors.
- Critical evaluation of the used audit approach in accordance with the international auditing standards.
- Discussion on the key audit matters with the component auditor and assessment of the reported clarifications.
- Assessment of the adequacy and completeness of note 11 (companies accounted for using the equity method) of the Consolidated Financial Statements.

Responsibilities of the Board of Directors for the preparation of the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of the Consolidated Financial Statements that give a true and fair view in accordance with IFRS and with applicable legal and regulatory requirements in Belgium and for such internal controls relevant to the preparation of the Consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.
As part of the preparation of the Consolidated Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, and provide, if applicable, information on matters impacting going concern. The Board of Directors should prepare the financial statements using the going concern basis of accounting, unless the Board of Directors either intends to liquidate the Company or to cease business operations, or has no realistic alternative but to do so.

Our responsibilities for the audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements are free from material misstatement, whether due to fraud or error, and to express an opinion on these Consolidated Financial Statements based on our audit. Reasonable assurance is a high level of assurance, but not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

In performing our audit, we comply with the legal, regulatory and normative framework that applies to the audit of the Consolidated Financial Statements in Belgium. However, a statutory audit does not provide assurance about the future viability of the Company and the Group, nor about the efficiency or effectiveness with which the board of directors has taken or will undertake the Company's and the Group’s business operations. Our responsibilities with regards to the going concern assumption used by the board of directors are described below.

As part of an audit, in accordance with ISAs, we exercise professional judgment and we maintain professional skepticism throughout the audit. We also perform the following tasks:
- Identification and assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, the planning and execution of audit procedures to respond to these risks and obtain audit evidence which is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material misstatements resulting from fraud is higher than when such misstatements result from errors, since fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtaining insight in the system of internal controls that are relevant for the audit and with the objective to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- Evaluating the selected and applied accounting policies, and evaluating the reasonability of the accounting estimates and related disclosures made by the Board of Directors as well as the underlying information given by the Board of Directors;
- Conclude on the appropriateness of Board of Director’s use of the going-concern basis of accounting, and based on the audit evidence obtained, whether or not a material uncertainty exists related to event 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 or Group to cease to continue as a going-concern;
- Evaluating the overall presentation, structure and content of the Consolidated Financial Statements, and evaluating whether the Consolidated Financial Statements reflect a true and fair view of the underlying transactions and events.

We communicate with the Audit Committee within the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the audits of the subsidiaries. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities.
We provide the Audit Committee within the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee within the Board of Directors, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our report, unless the law or regulations prohibit this.

Report on other legal and regulatory requirements

Responsibilities of the Board of Directors
The Board of Directors is responsible for the preparation and the content of the Board of Directors' report on the Consolidated Financial Statements, the non-financial information attached to the Board of Directors' report, and other information included in the annual report.

Responsibilities of the auditor
In the context of our mandate and in accordance with the additional standard to the ISAs applicable in Belgium, it is our responsibility to verify, in all material respects, the Board of Directors' report on the Consolidated Financial Statements, the non-financial information attached to the Board of Directors' report, and other information included in the annual report, as well as to report on these matters.

Aspects relating to Board of Director's report and other information included in the annual report
In our opinion, after carrying out specific procedures on the Board of Directors' report, the Board of Directors' report is consistent with the Consolidated Financial Statements and has been prepared in accordance with article 3:32 of the Code of companies and associations. (former article 119 of the Belgian Company code).

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:
- 2020 at a glance - page 8;
- Activity report - page 76;
- Key figures 2020 – appendix

contain any material inconsistencies or contains information that is inaccurate or otherwise misleading. In light of the work performed, there are no material inconsistencies to be reported.
The non–financial information required by article 3:32, § 2, of the Code of companies and associations has been included in the Board of Directors' report on the Consolidated Financial Statements. The Company has prepared this non-financial information based on "Sustainable Development Goals (SDG's)". However, we do not comment on whether this non-financial information has been prepared, in all material respects, in accordance with "Sustainable Development Goals (SDG's)". We do not express any form of reasonable assurance regarding the individual elements included in this non-financial information.

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.

Other communications
- This report is consistent with our supplementary declaration to the Audit Committee as specified in article 11 of the regulation (EU) nr. 537/2014.

Diegem, March 26, 2021

EY Bedrijfsrevisoren BV
Statutory auditor
Represented by

Patrick Rottiers	Wim Van Gasse
Partner*	Partner*

** Acting on behalf of a BV/SRL*

Notes

STATUTORY ANNUAL ACCOUNTS

In accordance with article 3:17 CCA, the statutory annual accounts of Ackermans & van Haaren, are presented in short form. In accordance with article 3:10 and 3:12 CCA, the full annual accounts, the annual report of the board of directors and the report of the statutory auditor are filed with the National Bank of Belgium.

The statutory auditor has given an unqualified opinion regarding the statutory accounts.

The annual accounts, the annual report of the board of directors and the report of the statutory auditor are available at the registered office of the company upon simple request.
The statutory annual accounts are prepared in accordance with the Belgian General Accounting Principles.

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Phone: +32 3 231 87 70 - E-mail: info@avh.be

BALANCE SHEET - ASSETS

(€ 1,000)	Note	2020	2019	2018
Fixed assets		**1,916,677**	**1,907,604**	**1,926,399**
I. Formation expenses				
II. Intangible assets		**0**	**0**	**0**
III. Tangible assets	(1)	**9,331**	**9,606**	**9,800**
A. Land and buildings		6,024	6,230	6,438
C. Furniture and vehicles		1,450	1,418	1,307
D. Leasing and other similar rights		2	3	0
E. Other tangible assets		1,856	1,955	2,054
F. Assets under construction and advanced payments				
IV. Financial assets		**1,907,346**	**1,897,998**	**1,916,599**
A. Affiliated enterprises	(2)	1,638,098	1,650,993	1,684,656
1. Participating interests		1,618,215	1,640,726	1,667,248
2. Amounts receivable		19,883	10,267	17,409
B. Other enterprises linked by participating interests	(3)	252,080	229,209	217,955
1. Participating interests		252,080	229,209	217,955
2. Amounts receivable		0	0	0
C. Other financial assets		17,168	17,797	13,988
1. Shares		17,160	17,789	13,980
2. Amounts receivable and cash guarantees		8	8	8
Current assets		**122,669**	**245,786**	**83,553**
V. Amounts receivable after more than one year		**10,000**	**0**	**745**
A. Trade receivables				
B. Other amounts receivable	(4)	10,000		745
VI. Stocks and contracts in progress				
A. Stocks				
1. Raw materials and consumables				
2. Work in progress				
3. Finished goods				
4. Goods purchased for sale				
5. Immovable property acquired or constructed for resale				
6. Advance payments				
B. Contracts in progress				
VII. Amounts receivable within one year		**54,585**	**10,808**	**23,819**
A. Trade receivables		1,199	1,239	1,206
B. Other amounts receivable	(5)	53,386	9,569	22,613
VIII. Investments	(6)	**51,592**	**210,526**	**48,773**
A. Treasury shares		38,504	39,777	35,100
B. Other investments and deposits		13,088	170,749	13,673
IX. Cash at bank and in hand		**5,216**	**23,329**	**8,153**
X. Deferred charges and accrued income		**1,276**	**1,123**	**2,063**
Total assets		**2,039,346**	**2,153,390**	**2,009,952**

BALANCE SHEET - LIABILITIES

(€ 1,000)	Note	2020	2019	2018
Equity	(7)	**1,919,737**	**2,065,800**	**1,853,043**
I. Capital		**2,295**	**2,295**	**2,295**
A. Issued capital		2,295	2,295	2,295
B. Uncalled capital (-)				
II. Share premium account		**111,612**	**111,612**	**111,612**
III. Revaluation surplus				
IV. Reserves		**115,258**	**109,754**	**100,775**
A. Legal reserve		248	248	248
B. Reserves not available for distribution		38,539	39,817	35,280
1. Own shares		38,504	39,783	35,246
2. Other		35	35	35
C. Untaxed reserves				
D. Reserves available for distribution		76,471	69,689	65,246
V. Profit carried forward		**1,690,572**	**1,842,138**	**1,638,361**
Loss carried forward (-)				
VI. Investment grants				
Provisions and deferred taxation		**0**	**0**	**0**
VII. A. Provisions for liabilities and charges		**0**	**0**	**0**
1. Pensions and similar obligations		0	0	0
2. Taxation				
3. Major repairs and maintenance				
4. Other liabilities and charges				
B. Deferred taxation				
Creditors		**119,608**	**87,590**	**156,908**
VIII. Amounts payable after more than one year		**1**	**2**	**0**
A. Financial debts		1	2	0
B. Trade debts				
C. Advances received on contracts in progress				
D. Other amounts payable				0
IX. Amounts payable within one year		**119,443**	**87,117**	**156,741**
A. Current portion of amounts payable after more than one year		1	1	0
B. Financial debts	(8)	36,758	30,107	23,999
1. Credit institutions				
2. Other loans		36,758	30,107	23,999
C. Trade debts		225	609	175
1. Suppliers		225	609	175
E. Taxes, remuneration and social security		2,357	4,340	2,766
1. Taxes		127	84	123
2. Remuneration and social security		2,230	4,256	2,643
F. Other amounts payable	(9)	80,102	52,060	129,801
X. Accrued charges and deferred income		**164**	**471**	**168**
Total liabilities		**2,039,346**	**2,153,390**	**2,009,952**

INCOME STATEMENT

(€ 1,000)	Note	2020	2019	2018
Charges				
A. Interests and other debt charges		176	284	1,372
B. Other financial charges		1,041	939	848
C. Services and other goods		8,826	10,965	8,196
D. Remuneration, social security costs and pensions		2,279	2,036	1,779
E. Other operating charges		213	204	197
F. Depreciation of and other amounts written off on formation expenses, intangible and tangible assets		651	603	564
G. Amounts written off	(10)	4,540	6	75,287
1. Financial assets		1,571	0	74,625
2. Current assets		2,969	6	662
H. Provisions for liabilities and charges		0	0	0
I. Loss on disposal of	(10)	7,183	11,587	2,044
1. Intangible and tangible assets		0	2	10
2. Financial assets		4,097	9,888	914
3. Current assets		3,086	1,697	1,119
J. Extraordinary charges		0	0	0
K. Income taxes		147	65	9
L. Profit for the period		10,321	213,548	62,580
M. Transfer to the untaxed reserves				
N. Profit for the period available for appropriation		10,321	213,548	62,580
Appropriation account				
A. Profit to be appropriated		1,852,459	1,851,909	1,717,428
1. Profit for the period available for appropriation		10,321	213,548	62,580
2. Profit brought forward		1,842,138	1,638,361	1,654,848
Total		**1,852,459**	**1,851,909**	**1,717,428**

INCOME STATEMENT

(€ 1,000)	Note	2020	2019	2018
Income				
A, Income from financial assets		23,572	108,235	122,059
1. Dividends	(11)	22,116	106,460	120,362
2. Interests		544	787	72
3. Tantièmes		912	988	974
B. Income from current assets		1,878	2,369	1,484
C. Other financial income		0	1	0
D. Income from services rendered		1,995	1,960	1,209
E. Other operating income		377	330	318
F. Write back to depreciation of and to other amounts written off intangible and tangible assets				
G. Write back to amounts written off	(10)	7,009	16,359	3,357
1. Financial assets		7,003	12,188	3,357
2. Current assets		6	4,171	0
H. Write back to provisions for liabilities and charges		0	0	0
I. Gain on disposal of	(12)	196	109,349	24,450
1. Tangible and intangible assets		5	11	20
2. Financial assets		18	109,212	24,252
3, Current assets		172	126	177
J, Extraordinary income		348	1,633	0
K. Regularisation of income taxes and write back to tax provisions				
L. Loss for the period		0	0	0
M. Transfer from untaxed reserves				
N. Loss for the period available for appropriation		0	0	0
Appropriation account				
C. Transfers to capital and reserves		5,504	8,980	615
3. To other reserves		5,504	8,980	615
D. Result to be carried forward		1,690,572	1,842,138	1,638,361
1. Profit to be carried forward		1,690,572	1,842,138	1,638,361
F. Distribution of profit		156,383	791	78,452
1. Dividends		155,530	0	77,713
2. Tantièmes		605	598	588
3. Profit premium for employees		248	193	151
Total		**1,852,459**	**1,851,909**	**1,717,428**

Balance sheet

Assets

1. Tangible assets: the composition of this item has remained largely unchanged in relation to previous years, and mainly comprises the buildings and furnishing of the real estate located in Antwerp at Begijnenvest 113 and at Schermersstraat 44, where Ackermans & van Haaren has its registered office. The building at Schermersstraat 42, which is leased to the subsidiary Leasinvest Real Estate, is reported under 'Other tangible assets'.

2. Financial fixed assets - Affiliated enterprises:
   The decrease by 12.9 million euros relative to 2019 is mainly due to dividends received from 2 particular participations, which have been treated as a reduction in book value so to realign AvH's book value with the stake that AvH has in the equity of those respective participations.

   In 2020, the interest in CFE was increased (+1.19%) through a purchase of 301,163 shares on the stock exchange, and a capital increase at AvH India Resources took place.

   Following an extraordinary general meeting of Sagar Cements, 3,100,000 warrants that are convertible into shares were issued in January 2019. AvH India Resources subscribed to 1,550,000 convertible warrants, of which it had already converted 775,000 in 2019. In July 2020, the final tranche of these convertible warrants was exercised. Its interest thereby increased to 21.85%.

   A new loan was granted to Rent-A-Port, and a loan to Green Offshore was reclassified from 'Amounts receivable within one year' to 'Amounts receivable from affiliated enterprises'.

3. Financial fixed assets - Other enterprises linked by participating interests: In 2020, 11.1 million euros was invested in increasing the participation in SIPEF to 34.68%. Investments were also made in two new participations: 2.0 million euros in MRM Health and 6.1 million euros in Verdant Bioscience PTE LTD and the stake in Biotalys was paid up and slightly increased. At the beginning of 2020, the Indian company Oriental Quarries and Mines Private Limited was sold, realising a net capital gain of 3.0 million euros.

4. In June 2020, a loan was granted to Stichting Continuïteit IHC.

5. The other amounts receivable within one year consist mainly of recoverable taxes and deposits granted to different subholdings

6. The movements in the item 'Investments' are explained by i) the decrease of the position in treasury shares, ii) the withdrawal of 155 million euros of cash from time deposits, and iii) impairment losses on the investment portfolio of AvH.

Liabilities

7. AvH's shareholders' equity decreased by 146.1 million euros compared to year-end 2019. This decrease is the result of the payment on November 16, 2020 of an interim dividend of 2.32 euros gross per share, to a total amount of 76.8 million euros. Moreover, the shareholders will be proposed a dividend of 2.35 euros gross per share, to a total (maximum) amount of 78.7 million euros. These statutory financial statements already take account of this maximum amount by way of payable dividend (see other amounts payable). The final dividend amount will be determined on the basis of the number of shares that are entitled to a dividend, i.e. without the treasury shares that are not entitled to a dividend.

8. On December 31, 2020, AvH only had short-term financial debts in the form of commercial paper to an amount of 31.0 million euros. The balance corresponds to deposits received from subholdings.

9. The other amounts payable as at December 31, 2020 include the dividend payment proposed to the general meeting of shareholders. No dividend was included in the final annual accounts for the year ended December 31, 2019.

Income statement

Charges

10. The impairment losses in 2020 primarily relate to the investment portfolio and financial assets with a view to bringing them into conformity with the market price at December 31, 2020.

    A capital loss of 4.0 million euros was recorded on the sale of Oriental Quarries and Mines Private Limited, which is, however, compensated by a reversal of a previously recognised impairment loss of 7.0 million euros, which gives a net capital gain of 3.0 million euros.

Income

11. AvH received 22.1 million euros in dividends from its direct participations. Compared to last year, no dividends were received from a.o. CFE, FinAx and SIPEF in 2020.

12. In 2020, no significant participations were disposed of other than Oriental Quarries & Mines; consequently, this item decreased relative to 2019, when a substantial capital gain was realised on the sale of Residalya.

Notes

GENERAL INFORMATION REGARDING THE COMPANY AND THE CAPITAL

General information regarding the company

Registered office - registration details

Begijnenvest 113, 2000 Antwerp, Belgium
0404.616.494
RPR Antwerp - Department Antwerp
Email adress : info@avh.be
Website : https://www.avh.be

Incorporation date, last amendment bylaws

The company was incorporated on 30 December 1924 by notarial deed, published in full in the Annexes to the Belgian Official Gazette of 15 January 1925 under number 566. The bylaws have been modified several times and for the last time by notarial deed of 9 November 2020, published by excerpt in the Annexes to the Belgian Official Gazette of 25 November 2020, under number 20356891, with a supplementary excerpt published in the Annexes to the Belgian Official Gazette of 16 December 2020, under number 20361786.

Duration of the company

Indefinite

Legal form, applicable law

Limited liability company under Belgian law.

Statutory purpose

The statutory purpose of the company includes the following:

(a) the project study, supervision and management of all kinds of public and private works, mainly in the field of construction in general, as well as the organization and administration of all companies or businesses and assistance to them in all forms;

(b) the contracting of all sea- and land based public or private works in the area of construction and, in particular, all kinds of sea- and river-based works, major irrigation activities and the canalization of waterways, major dewatering and pumping works, dredging, drilling, sounding, wellsinking, drainage, the building of permanent structures, digging, and the general contracting of construction works, as well as the re-floating of boats and ships;

(c) sea- and land-based prospecting for industrial extraction, mainly of crude oil or natural gas, as well as mineral products in general;

(d) the operation, production, processing, distribution, purchase, sale and transport of all products derived from industrial extraction;

(e) the acquisition, operation, development and transfer of land, real estate and any property entitlement;

(f) the acquisition, the operation and the realization, in any form whatever, of intellectual property rights, licenses and concessions;

(g) the acquisition of a participation, by way of subscription, contribution, merger, cooperation, financial intervention or in any other way, in any company, enterprise, operation or association in Belgium or abroad, already existing or still to be incorporated;

(h) the management, development and realization of these participations;

(i) involvement, directly or indirectly, in the management, control or dissolution of any company, enterprise, business or association in which it has a participation;

(j) providing assistance to the board of directors or to management or support in all possible management matters of companies, businesses or associations in which it has a participation, and in general, performing all acts constituting entirely or partially, directly or indirectly, holding activities.

The company may carry out all civil, commercial, industrial and financial activities as well as activities relating to real and movable property that are linked, directly or indirectly, to its statutory purpose or that may enhance the realization thereof. The company may provide securities or guarantee in favor of companies, enterprises, businesses or associations in which it has a participation, act as representative or agent, provide advances, credit facilities and mortgages or other securities. The company's activities may be carried out both abroad and in Belgium.

Consultation of documents regarding the company

The statutory and consolidated annual accounts of the company are deposited with the National Bank of Belgium. A coordinated version of the company bylaws can be consulted with the clerk of the Business Court of Antwerp - Division Antwerp. The annual financial report is sent to the registered shareholders and to anyone who so requests. The coordinated version of the company bylaws and the annual financial report are also available on the company's website (www.avh.be).

General information regarding the company's capital

Subscribed capital

The subscribed capital is 2,295,277.90 euros. The capital is fully paid-up and is represented by 33,496,904 shares without nominal value.

Capital increases

The most recent capital increase was decided upon on 11 October 1999, as part of the merger through acquisition of Belcofi NV by Ackermans & van Haaren NV.

Authorized capital

In accordance with the decision of the extraordinary general meeting dated 9 November 2020, the board of directors is authorized to increase the capital in one or more instalments with a maximum (aggregate) amount of 500,000 euros (excluding issuance premium) and this in accordance with the terms and conditions set forth in the special report of the board of directors prepared in accordance with article 7:199 CSA.

The board of directors can use this authorization for a period of five years from 25 November 2020.

The board of directors can also make use of the authorized capital in case of a public takeover bid on securities issued by the company, in accordance with the provisions and within the limits of article 7:202 CSA. The board of directors is allowed to use this authorization in case the notification of a public takeover bid by the Financial Services and Markets Authority to the company is received not later than three years as from 9 November 2020.

The authorizations can be renewed in accordance with legal provisions.

Capital increases decided pursuant to these authorizations will be carried out in accordance with the modalities specified by the board of directors, including among others by contribution in cash or in kind, with or without share premium, by incorporation of, distributable or non-distributable, reserves and share premiums and profits carried forward, with or without the issuance of new shares with or without voting rights, below, above or at par value, in accordance with the mandatory rules prescribed by the CSA.

The board of directors may use this authorization to issue, subordinated or non-subordinated, convertible bonds, subscription rights, bonds with subscription rights or other securities, in accordance with the conditions set out in the CSA.

The board of directors is authorized, when exercising its powers under the authorized capital, to limit or cancel the statutory preferential subscription right of the shareholders in the interest of the company, including in favor of one or more specific persons or of members of the personnel of the company or of its subsidiaries.

Nature of the shares

The fully paid up shares as well as other securities of the company may exist as registered or dematerialized securities. Each holder may, at any time and at his/her/its own expenses, request the conversion of his/her/its paid in securities into another form, within the limits of the law.

The securities are indivisible vis-à-vis the company which can suspend the rights of any share regarding which disputes would arise as to the ownership, usufruct or naked ownership. Co-owners, usufructuaries and bare-owners must be represented by a common authorized representative and notify the company accordingly.

In case of usufruct, the usufructuary shall exercise all the rights attached to the shares, and the bare-owners of the share shall be represented vis-à-vis the company by the usufructuary, except with respect to (the exercise of) the preferential subscription right, which belongs to the bare owner(s).
This rule applies except as otherwise provided in an agreement between the parties or in a will. In that case, the bare owner(s) and the usufructuary(ies) must notify the company in writing of such an arrangement.

LEXICON

ESG TERMINOLOGY

- **BREEAM** (Building Research Establishment Environmental Assessment Method): international sustainability benchmark and standard for the optimal realisation (new construction) or renovation (buildings in use) and exploitation of buildings with a minimal environmental impact, based on scientifically substantiated sustainability metrics and indices encompassing a whole range of environmental issues, such as energy and water use assessment, the impact on health and well-being, pollution, transport, materials, waste, ecology and management processes.
- **Business ethics**: respect for people and society, including compliance with laws and regulations (including anti-corruption laws), internal guidelines (including respect for human rights) and group values (respect, integrity, partnership, teamwork, independence, entrepreneurship, sustainability, long-term vision).
- **Corporate governance**: organisation & processes of the managing bodies that define the strategy and monitor its implementation.
- **Diversity & equal opportunity**: this relates to the involvement of different views and avoiding discrimination, by promoting diversity in various areas, such as gender, religious beliefs or background, and to the implementation of a policy of inclusion.
- **EPC rating**: the energy rating stated on the energy performance certificate. It is a coefficient indicating the primary energy consumption per square metre of floor area (kW/m^2). The lower the EPC rating, the less energy is needed to heat, and the better the energy performance.
- **ESCO**: Energy Services Company.
- **ESG**: Environment, Social & Governance.
- **ESG-proof partnerships:** partners that AvH works together with and that have a vision of ESG that is acceptable to AvH.
- **ESMA**: European Securities and Markets Authority
- **FSMA**: Financial Services and Markets Authority (Belgium).
- **GHG (greenhouse gas)**: those gases are emitted in different concentrations and have a different 'global warming potential'. CO2 is taken as reference here, and is given reference value 1. To express the emission levels of other gases in the same unit, emitted quantities are converted into CO2 equivalents.
- **GHG - scope 1**: all direct GHG emissions from sources that are owned or controlled by the company (e.g. combustion of fuel and natural gas).
- **GHG - scope 2**: GHG emissions from the production of electricity that is purchased by the company. Scope 2 emissions physically occur in the installation where the electricity is generated.
- **GRI** (Global Reporting Initiative): an international organisation that draws up guidelines for sustainability reporting.
- **GWP (Global Warning Potential)**: this is a measure of the extent to which a greenhouse gas is contributing to global warming.
- **Human rights**: the rights as enshrined in the Universal Declaration of Human Rights.
- **Innovation**: innovative approaches in all areas (products, markets, processes, etc.).
- **KPI:** Key Performance Indicator.
- **Material** (in materiality matrix): an aspect that (i) can have a significant positive or negative financial impact on the activities or the shareholders' equity of a company, of which (ii) a stakeholder expects that it is carefully managed with high priority.
- **Net promotor score**: this can be determined by putting one question to the client: How likely are you to recommend us to a friend or colleague? The respondent can reply by assigning a score from 0 to 10. The scores are divided into three groups: Promoters: respondents who gave a score of 9 or 10; Neutrals: respondents who gave a score of 7 or 8; Critics: respondents who gave a score of 0 to 6. The score is calculated as follows: NPS = % promoters - % critics.
- **Responsible investment policy**: investing with a view to a sustainable mix of activities. This means, for example, that investments are examined in terms of how they score on relevant ESG aspects, whether their activities have a positive ESG impact. It may also lead to divestments from companies where the positive aspects of a 'best in class' approach are outweighed by a significant negative ESG impact.
- **Responsible products and services**: products or services that match the needs of customers/users and are produced or provided in a sustainable way.
- **Responsible shareholding**: structured monitoring as a shareholder of ESG aspects in participations (e.g. defining and monitoring an ESG strategy and related processes).
- **Reporting**: relates to financial and non-financial reporting, with emphasis on material aspects.
- **Risk management**: structured handling of risks (by audit & control, procedures, manuals, committees, etc.).
- **SDGs (Sustainable Development Goals)**: Sustainable Development Goals of the United Nations that constitute a call for action to promote prosperity and at the same time protect the planet against climate change. They encompass strategies that support economic growth and address social needs (education, health, social protection and employment, etc.).
- **(% of) Shareholders' equity**: calculation method to indicate what percentage of the assets managed by AvH meet certain standards of the ESG policy. It involves determining what share the assets in question represent in the consolidated shareholders' equity of AvH (group share).
- **Solvency and long-term profitability:** healthy balance sheet structures, with business plans and strategies that make it possible to achieve a fair return in the long term and enable the investments required for that purpose.
- **Stakeholder relations & governance**: (management of) contacts and communication with stakeholders of the company (shareholders, government, employees, suppliers, customers, local communities, etc.).
- **Subsidiarity**: delegation of decisions to the level that is in the best position to judge and act accordingly.
- **Talent management**: taking care of the human capital needed for the proper functioning of the company concerned (recruitment, training, personal development, appraisal, well-being, etc.), where the talents of staff members can emerge and be used in the best possible way.
- **UN PRI (United Nations Principles of Responsible Investment)**: framework of the United Nations that focuses on a responsible investment policy and as shareholder, where ESG factors are taken into account in order to achieve proper returns by managing those risks and opportunities.
- **Value creation**: the average growth (CAGR) of the consolidated shareholders' equity (group share), including dividends, measured over a certain period of time.

FINANCIAL AND LEGAL TERMINOLOGY

- **CCA**: Code of Companies and Associations.
- **Cost-income ratio**: the relative cost efficiency (cost versus income) of the banking activities.
- **Common Equity Tier1 capital ratio (CET1)**: a capital ratio of the buffers held by banks to offset any losses, seen from the regulator's perspective.
- **EBIT**: Earnings before interest and taxes.
- **EBITDA**: EBIT plus depreciation and amortisation on fixed assets.
- **ESEF**: the European Single Electronic Format is an electronic reporting format in which issuers on EU regulated markets shall prepare their annual financial reports.
- **Net financial position**: cash & cash equivalents and short term investments minus short and long term financial debt.
- **Real estate portfolio (BPI)**: the outstanding capital employed equals the sum of the shareholders' equity and the net financial debt of the real estate division.
- **Rental yield based on fair value**: rental yield is only calculated on buildings in operation, excluding the projects and the assets held for sale.
- **Return on equity (ROE)**: the relative profitability of the group, more particularly the amount of net income returned as a percentage of shareholders' equity.
- **SPV (Special Purpose Vehicle)**: a company in which a project or part of a project is contained.
- **TLTRO**: Targeted longer-term refinancing operations, an ECB instrument that encourages banks to provide loans to businesses and consumers.
- **XBRL**: An electronical language, specifically designed for the exchange of financial reporting over internet.

Notes

Notes

• Contact

Questions can be asked by phone on +32 3 231 87 70
or by e-mail dirsec@avh.be to the attention of Jan Suykens or Tom Bamelis.

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Dit jaarverslag is ook verkrijgbaar in het Nederlands.
The Dutch version of this document should be considered as the official version.

• Photos Ackermans & van Haaren

• Concept and design

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FINANCIAL CALENDAR

May 20, 2021	Interim statement Q1 2021
May 25, 2021	General meeting
August 31, 2021	Half-year results 2021
November 23, 2021	Interim statement Q3 2021

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