



GRANBERO HOLDINGS LTD

IFRS CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2021
Approved by Management with the independent Auditor's opinion

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I — GENERAL INFORMATION AND PERFORMANCE

1. BUSINESS ACTIVITIES AND PROFILE

Granbero Holdings Ltd (as the legal Cyprus entity with all its Polish subsidiaries) represents the Polish activities of the Ghelamco Group, a leading European real estate investor mainly active in the offices, residential, leisure, retail and logistics markets.

Ghelamco group maintains a high quality internal control with respect for agreed milestones over all its project development phases: land purchase, planning, coordinating the construction phase and sale or lease. Its projects combine prime and strategic locations with efficient and aesthetically inspiring designs and correct timing.

Ghelamco group's successes are generated by the group's professional and enthusiastic staff that is driven by the vision and passion of its management.

Ghelamco group is one of the largest commercial property developers and investors in Belgium and Poland and has realised a steep growth over the last number of years. The group's market position has been recognized by numerous prestigious awards, collected over several years and granted both to the company and to many of its projects.

In Poland, Ghelamco received two awards at the 2021 European Property Awards competition. Warsaw UNIT won the Office Project category and The Bridge won in the Future Project category.

The Warsaw HUB hotel won several prestigious awards. The hotel interior has been awarded in the competition design et al - The International Hotel Awards, in the Midscale Hotel category in the American HD Awards/Hospitality design competition, Platinum winner in the Muse Design Awards and Gold Award in the A'design Award competition, and Best Hotel Development of the Year in CIJ Awards.

The Warsaw HUB won also the Award of Excellence, category Interior Design in the most prestigious skyscraper contest CTBUH Awards.

Foksal 13/15 won the public award in the Architectal Price of the President of Warsaw. The buildings, which had not been renovated since the war, have undergone thorough revitalisation to become luxury downtown residences, which was very much appreciated by the jury.

Furthermore, the Warsaw UNIT won several CIJ Awards, the prestigious competition of the real estate industry. The Warsaw UNIT has won : Best High-Rise Development of the Year, Best Office Development of the Year, Best Façade / Exterior Design of the Year.

Ghelamco Group's business activities are structured in four major holdings under common control of the ultimate beneficial owners (jointly referred to as **"Ghelamco"** or **"the Consortium"**):

- Ghelamco Group Comm. VA acts as the **"Investment Holding"** and comprises resources invested in real estate projects in Belgium, France, UK and Poland and the intra-group financing vehicles, which may also to a certain extent provide funding to the other holdings – hereafter the **"Ghelamco Group"** or the **"Group"**;
- International Real Estate Services Comm. VA acts as the **"Development Holding"** and represents international entities that provide construction, engineering and development services to the Investment Holding (and to an extent to third parties);
- Deus Comm. VA is the **"Portfolio Holding"** which groups the other activities and real estate investments controlled by the ultimate shareholders;
- Ghelamco European Property Fund NV (**"GEPF"**) is the long-term Investment

Holding and comprises since 2016 the real estate projects that are kept as income generating products for a longer period of time. The fund is not regulated but acts as a separate legal entity within the group.

2. LEGAL STATUS

Granbero Holdings Ltd (the “Company” or “Granbero Holdings”) is the holding company of the Polish activities of Ghelamco Group Comm. VA, which is in turn the holding company of the **Investment Group**.

Granbero Holdings Ltd, together with its subsidiaries (also the “Company”) (Note 5), constitute the reporting entity for the purpose of these financial statements.

Granbero Holdings Ltd is a limited liability company registered under Cypriot law, with its registered office at Arch. Makariou III, 229, Meliza Court, 3105 Limassol, Cyprus.

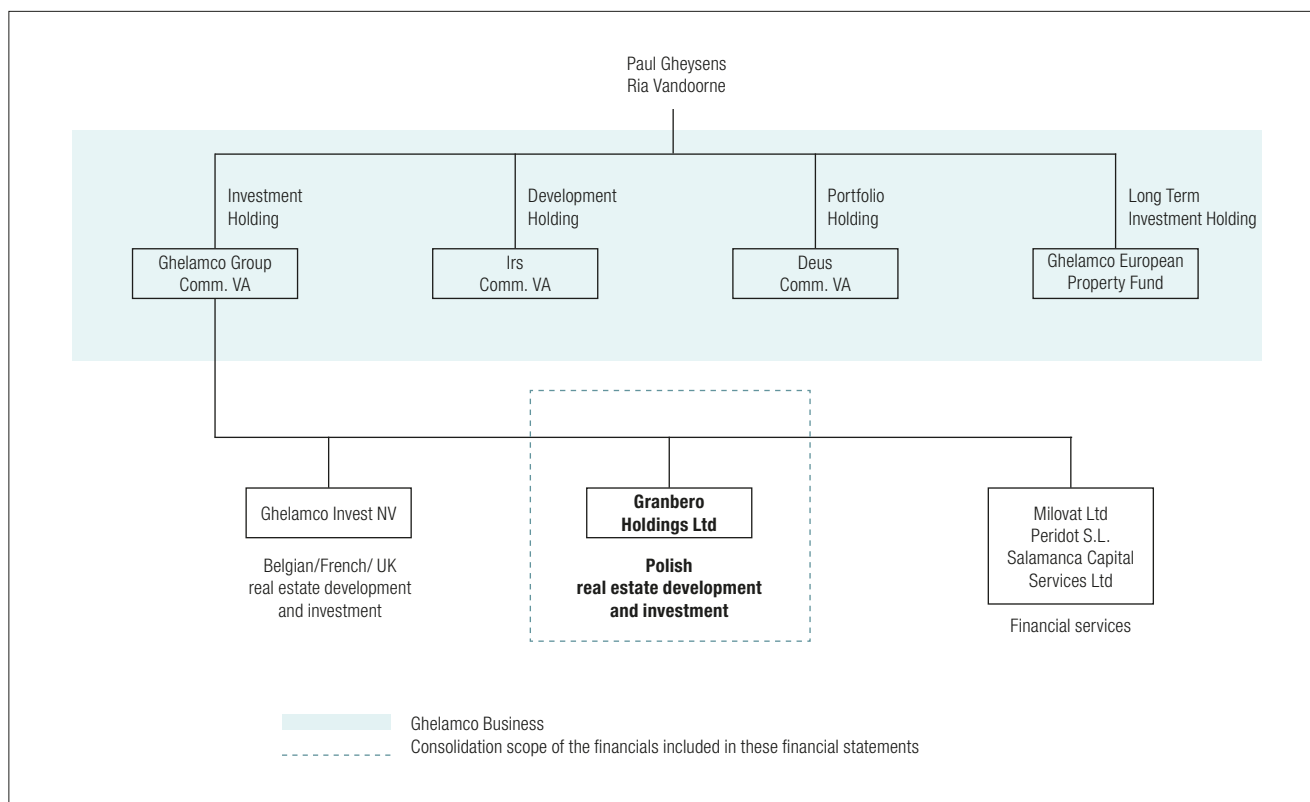
The Company is registered in the Cypriot commercial register under the number HE183542.

3. CONSOLIDATION SCOPE

These consolidated financial statements comprise the resources and activities of Granbero (i.e. of the Company and its direct and indirect legal subsidiaries).

At 31 December 2021 (the reporting date), all the assets and liabilities of the reporting entity (the Company and its direct and indirect legal subsidiaries) are legally linked through the corporate structure as detailed in Note 5 Group Structure.

All assets, liabilities, income and expenses that represented an integral part of the Granbero Holdings activities, are included in the accounts of the legal subsidiaries of the Company at 31 December 2021 and at 31 December 2020.



4. STAFFING LEVEL

Given its nature, there is limited employment in the Company. The construction, engineering and other related services are mainly provided to the Company by the Development Holding's legal subsidiaries. Ghelamco as a whole employed 242 people on 31 December 2021 (vs. 309 on 31 December 2020).

5. BOARD AND MANAGEMENT COMMITTEE

Members of the board and management committee of the Company as of 31 December 2021:

- Mr. Frixos Savvides – Executive director and member of the management committee
- Mr. Stavros Stavrou – Executive director and member of the management committee
- Mr. Christakis Klerides – Executive director
- Ms. Eva Agathangelou – Director

The statutory board of the Polish entities consists of usually 7 board members: the Managing Director Eastern Europe (president of the board) and the local Financial, Commercial, Legal, Technical, Investment and Sustainability Directors.

The Members of the Board actively coordinate and supervise the different Polish teams and support them.

6. BUSINESS ENVIRONMENT AND RESULTS

2021 PERFORMANCE AND RESULTS

The financial year 2021 saw successive cycles of positive and negative developments in the COVID-19 pandemic. At the beginning of 2021, the European authorities maintained strict measures to control the COVID-19 health crisis. Once vaccination started, governments released strict measures, bringing economic life back to the (new) normal. Ghelamco has further focused on the health and safety of its staff, contractors, customers and other stakeholders, while safeguarding the continuity of its business. Considering the mandatory or structural evolution in home working, the Company has during the year 2021 not been confronted with a decreased demand in office space; to the contrary. We anticipate that the pandemic will change the way office spaces will be used and we are convinced that our COVID proof designs and the hybrid offer of traditional office space and co-working solutions, meet the changing needs of users as well as investors. Even if there is still debate on the future of the office, we see consensus arising on the fact that working environments will continue to play an important role in attracting talent, creating strong brands, identity and value by our users. The users will have an increasing need for sustainable, attractive, flexible and adaptable working environments. Therefore, the 2021 activities and results have only slightly been impacted by COVID-19, proving the effectiveness of the applied approach and strategy and the efforts done.

The Company closed its 2021 accounts with an operating profit of 172,907 KEUR. While further paying strong attention to (amongst others technical and environmental) innovation and sustainability, the Company kept the focus on development and commercial activities in its core markets during 2021. The Company has in the current period once more considerably invested in a number of existing projects (mainly the Warsaw UNIT and The Bridge) and succeeded in creating significant added value on its current projects portfolio, despite some uncertainties the markets are currently facing in connection with the COVID-19 crisis. This is reflected in an increased balance sheet total of 2,002,494 KEUR (increase of 268,377 KEUR) and an increased equity of 1,042,553 KEUR (increase of 122,313 KEUR). This resulted in a solvency ratio of 52.1% as at 31 December 2021 (vs 53.1% at 31 December 2020).

Land bank

In Poland, the Company in first instance maintained its existing land bank.

Development and construction

During 2021, the Company further invested in the following projects in Poland:

- The finalisation of the fit-out works for the tenants in the **Warsaw HUB** (approx. 118,600 sqm leasable space spread over 3 towers on a podium, offering a unique combination of office and retail space, with complementary features and amenities). The office, retail spaces, conference centre and hotels in the Warsaw HUB have been awarded with the WELL Health-Safety Rating in 2021.
- The finalisation of the construction works of the **Warsaw UNIT**, approx. 59,000 sqm leasable office space comprising 46 floors and 400 parking spaces, at Rondo Daszynskiego. The occupancy permit was obtained end of March 2021. Currently finishing works and fit-out works for the resp. tenants are being carried out, while tenants move in. Furthermore the Warsaw UNIT is the first project in Poland to be certified WELL v2 Core and Shell; which confirms the highest quality of building design as to health, convenience and employee comfort. The Warsaw UNIT is also the first project on the market, equipped with anti-pandemic solutions to prevent or act

¹ Calculated as follows: equity / total assets

in emergency situations. The commercialization of the project has been successful to date, as currently approx. 97% of the available space has been (pre-)leased.

- Start of the construction works of **The Bridge** in Warsaw on Plac Europejski (comprising an approx. 47,500 sqm new office tower and the refurbishment of an approx. 4,600 sqm existing office building). The commercialization process was started in Q4 2021.
- The finalisation of the construction works of the **Flisac** project (5,700 sqm of residential space and approx. 980 sqm of retail space on the ground floor, including a two-storey underground parking) in the Powisle district in Warsaw. Final inspections have been carried out by the official services resulting in an occupancy permit obtained on 9 June 2021. Delivery and hand-over to the resp. buyers is ongoing. The commercialization of the project has been successful to date, as currently approx. 98.7% of the available space has been (pre-)sold.
- Further construction of phase 1 of the **GROEN** project in Konstancin, which is to offer approx. 7,500 sqm of residential space (48 units). The commercialization process of phase 1 has been successful, with a 100% (pre-)sale rate. Currently also the commercialization of phase 2 (offering another 8,700 sqm of residential space (48 units)) has been kicked off, with a current 27% (pre-)sale rate.
- The continuation of the construction works of the **Kreo** project at Wadowicka Street in Krakow (9-storey office project which is to offer approx. 23,700 sqm of office space and retail functions on the ground floor and 325 parking spaces) and the **Craft** project (approx. 26,000 sqm office space with 240 underground parking lots) at Sciegiennego Street in Katowice. This project is located close to the railway station, in the immediate vicinity of commercial, residential and industrial projects. The commercialization project started in 2021.
- The start of the construction works of a multi-stage residential project **Bliskie Piaseczno**, near Warsaw. The building is to offer approx. 16,000 sqm of residential and commercial space with an underground garage and the completion of the project is scheduled for 2024. Phase 1 comprising approx. 9,500 sqm of residential space was kicked off in 2021.
- The Company received a zoning permission on 6 July 2021 for its new project **Tawarowa**. The zoning permission will allow the Company to construct for approx. 15,000 sqm of office space.
- On 5 October 2021 the Company received a building permit for the construction of an office project of approx. 40,000 sqm located at the European Square in Warsaw (project was previously known as Chopin Tower).

(Pre-)leasing and occupation of projects:

Ghelamco is aware of the challenges and/or difficulties that some of its customers may be facing due to the COVID-19 pandemic and is monitoring the situation closely, on a case-by-case basis. Despite particular circumstances, Ghelamco was able to maintain the lease rates for the delivered and sold Woloska 24 project located in the Warsaw Mokotow District (+/- 23,200 sqm) and for the Plac Vogla retail project (+/- 5,200 sqm) at resp. 97% and 100%.

For the Warsaw HUB, the Company is in advanced negotiations with potential tenants for the few remaining available commercial and office spaces. Currently, lease agreements have signed for approx. 102,758 sqm including option to extent space by tenants above the total of 118,600 sqm available leasable space (i.e. approx. 87% occupancy).

Furthermore, the commercialization process resulted in the signing of lease agreements for already approx. 57,400 sqm in the Warsaw UNIT (taking into account extension options signed) (i.e. approx. 97% occupancy).

Additionally, the Craft project in Katowice of approx. 26,000 sqm of office space is already leased out for 2,300 sqm. The commercialisation process is ongoing.

Divestitures

In april 2021, the Woloska 24 office project in Warsaw's Mokotow District has been disposed and sold to ZFP Investments, a Czech institutional investor. The share deal has been based on an underlying transaction value of 60.5 MEUR. At the moment of sale of the project the related bank loan was reimbursed for an amount of 32.5 MEUR.

Current period's revenues mainly related to residential sales in the Foksal (total (pre-) sales of 77.5%) and the Flisac (total (pre-)sales of 98.7%) projects, in connection with the hand-over of the sold apartments to the resp. buyers, and to rental income which is mainly derived from the Warsaw HUB, Woloska 24 and Plac Vogla Retail.

Subsequent events

Signing of Podium lease with Google :

After year end, on 24 January 2022, Ghelamco GP11 Sp. z o.o. HUB S.K.A. signed a "Podium" lease with Google Poland, for the lease of 10,600 sqm office space.

Sale of Warsaw HUB to Google:

After balance sheet date, the Group sold the office part of its "Warsaw HUB Office and Hotel Complex" to Google for an amount close to 583 million EUR.

Ukrainian-Russian conflict:

In the opinion of the company's management, the armed conflict in Ukraine is not a circumstance that could result in a significant deterioration of the Company's financial situation and adversely affect the assumption that its business will continue in the foreseeable future.

Management will closely monitor and track the impact of the political and economic situation in Ukraine on its Eastern European operations, including its future financial condition and results, and will make efforts to mitigate any potential negative effects on the Company, its personnel and operations, if applicable.

Redemption/Issue of Bonds:

After year-end, on 11 January 2022, following bond tranche have been issued within the Bonds Issue Programme (number X): on 11 January 2022, an amount of 135,000 KPLN (series PW3). These bonds mature on 29 September 2025 and bear an interest of Wibor 6 months + 5.0%.

The Company redeemed in January 2022, a number of bonds series (PG, PK and PL) for a total amount of 103,717 KPLN, through early redemption.

The Company redeemed in February 2022, a number of bonds series (PG, PK and PL) for a total amount of 20,503 KPLN, through early redemption.

The Company redeemed in March 2022, a number of bonds series (PG, PM, PO and PR) for a total amount of 118,132 KPLN, through early redemption.

Risk factors

Due to its activities, the Company is exposed to a variety of financial and operational risks: including interest rate risk, price risk, credit risk and liquidity risk. We refer to section II of the Consolidated Financial Statements for a detailed description of those risk factors. For the specific risk related to a crisis resulting from the COVID-19

pandemic, also further reference is made to section II below.

The Company usually does not use financial instruments to hedge its exposure in connection to those risks.

Outlook

It is the Company's strategy to further diversify its development portfolio by spreading its developments over different real estate segments and/or mixed projects.

For 2022, the Company will continue its sustained growth ambition. In addition, it will closely monitor specific evolutions in its active markets and real estate segments. In this respect, it has already secured some positions for sizable new projects.

In respect of the COVID-19 pandemic the management has taken all necessary concrete and preventive measures to protect the Company's staff and co-operators the best possible. Management has in addition taken various actions and initiatives to ensure the continuity of its business activities.

In respect of the Ukrainian armed conflict, the management will closely monitor and track the impact of the political and economic situation it might have on the Polish operations.

Nevertheless the management is conscious that the pandemic will affect certain on-going and scheduled real estate and/or financial transactions. The risks concerned are mitigated as much as possible in open discussions with the involved counterparties. The management will closely monitor and follow up all evolutions concerned and will act diligently to reduce any negative effect on the Company, its staff and its business.

The Company will also continue to focus on R&D and innovation to monitor and improve the realisation of its qualitative development projects. Doing so, management is confident that the projects will remain attractive to tenants and investors.

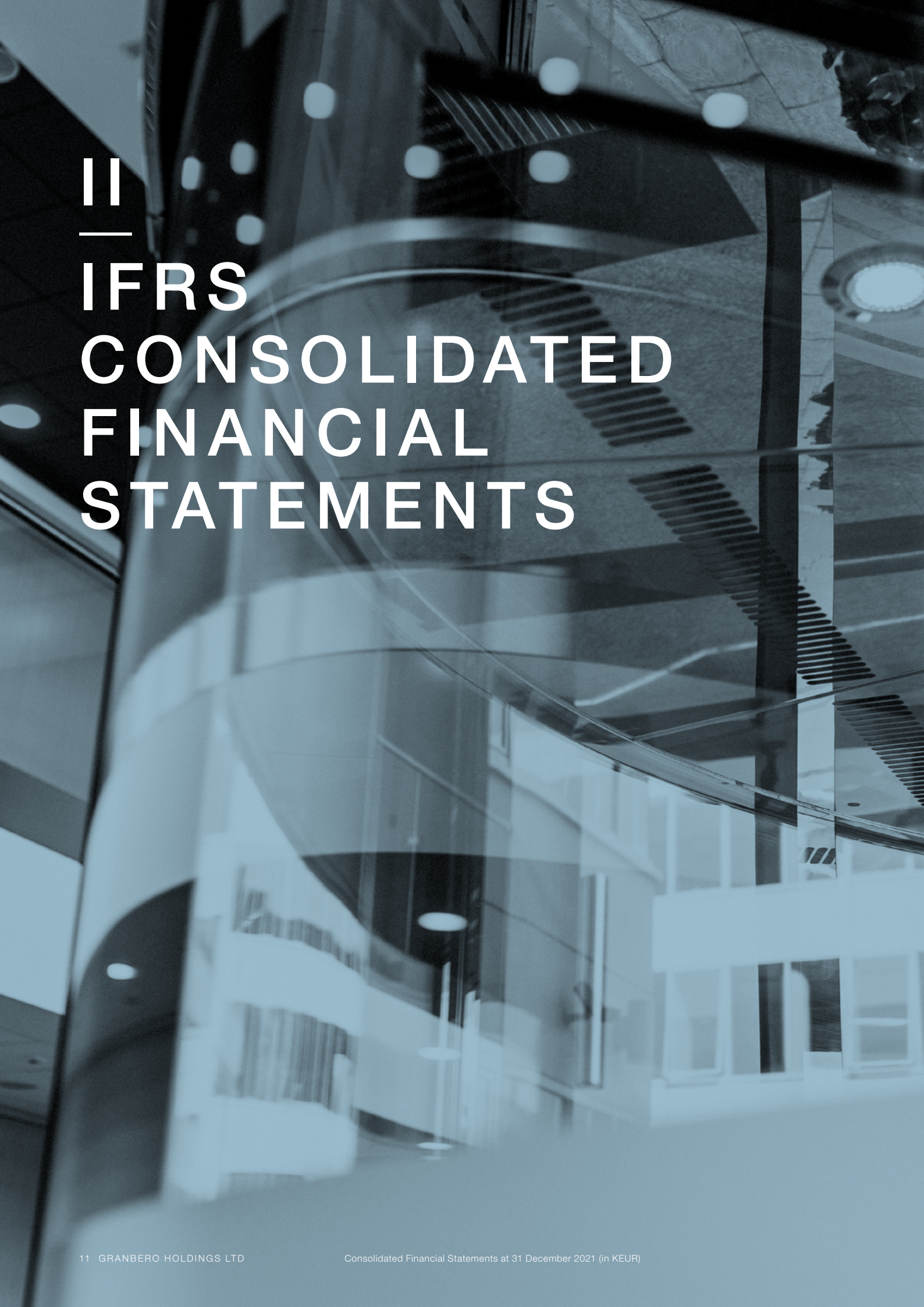
7. NOTICE TO THE READER

This document presents the IFRS Consolidated Financial Statements for the year ended on 31 December 2021, assuming the going concern of the consolidated companies.

As per today, the Company's core business is the development of and investment in commercial and residential properties. The Company's strategy is to keep commercial property in portfolio for rental purposes while residential properties are dedicated for sale.

According to IAS 2, Property Development Inventories have to be measured at the lower of cost and net realizable value. Investment Properties (Under Construction) are carried at fair value.

As such, residential properties are presented as Property Development Inventories. Most of the commercial property is presented as Investment Property. We refer to the notes 6 and 7 in Section II for more details on their presentation.



II — IFRS CONSOLIDATED FINANCIAL STATEMENTS

This document presents the IFRS Consolidated Financial Statements for the year ended on 31 December 2021, assuming the going concern of the consolidated companies and which were approved by the Company's Management on 23 March 2022. The amounts in this document are expressed in thousands of EUR (KEUR), unless stated otherwise.

A. CONSOLIDATED STATEMENT OF FINANCIAL POSITION (IN KEUR)

ASSETS	Note	31/12/2021	31/12/2020
Non-current assets			
Investment Property	6	667,087	1,061,655
Property, plant and equipment		198	227
Receivables and prepayments	9	438,791	365,314
Deferred tax assets	17	3,619	3,500
Other financial assets		198	233
Total non-current assets		1,109,893	1,430,929
Current assets			
Property Development Inventories	7	95,199	78,375
Trade and other receivables	9	183,930	185,451
Current tax assets		5	199
Assets classified as held for sale	6	541,443	0
Cash and cash equivalents	11	72,024	39,163
Total current assets		892,601	303,188
TOTAL ASSETS		2,002,494	1,734,117

Capital and reserves attributable to the Group's equity holders	Note	31/12/2021	31/12/2020
Share capital	12	67	67
Share premiums	12	495,903	495,903
Currency Translation Adjustment	13	13,155	13,849
Retained earnings	13	531,321	408,294
		1,040,446	918,113
Non-controlling interests	12.2	2,107	2,127
TOTAL EQUITY		1,042,553	920,240
Non-current liabilities			
Interest-bearing loans and borrowings	14	404,886	628,446
Deferred tax liabilities	17	93,381	61,680
Other liabilities	18	7,995	7,747
Long-term provisions		0	0
Total non-current liabilities		506,262	697,873
Current liabilities			
Trade and other payables	14	47,208	33,878
Current tax liabilities	19	2,627	1,930
Interest-bearing loans and borrowings	20	403,844	80,196
Short-term provisions		0	0
TOTAL CURRENT LIABILITIES		453,679	116,004
TOTAL LIABILITIES		959,941	813,877
TOTAL EQUITY AND LIABILITIES		2,002,494	1,734,117

B. CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

CONSOLIDATED STATEMENT OF PROFIT OR LOSS	Note	31/12/2021	31/12/2020
Revenue	21	71,576	30,981
Other operating income	22	9,993	7,008
Cost of Property Development Inventories	23	-33,640	-14,407
Employee benefit expense		-1,308	-883
Depreciation amortisation and impairment charges		-48	-43
Gains from revaluation of Investment Property	6	155,749	139,329
Other operating expense	22	-29,411	-18,914
Share of results in equity accounted investees (net of tax)		-4	-11
Operating profit, incl. Share of profit in equity accounted investees, net of tax - result		172,907	143,060
Finance income	24	17,347	13,815
Finance costs	24	-32,947	-34,036
Profit before income tax		157,307	122,839
Income tax expense/income	25	-34,302	-23,042
Profit for the year		123,005	99,797
Attributable to:			
Owners of the Company		123,025	97,950
Non-controlling interests		-20	1,847

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	Note	31/12/2021	31/12/2020
Profit for the year		123,005	99,797
Exchange differences on translating foreign operations	13	-694	10,634
Other		0	-324
Items that are or may be reclassified subsequently to profit or loss		-694	10,310
Total Comprehensive income for the year		122,311	110,107
Attributable to:			
Owners of the Company		122,331	108,260
Non-controlling interests		-20	1,847

C. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	Note	Attributable to the owners of the Company			Non-controlling interests	TOTAL EQUITY
		Share capital + share premium	Cumulative translation reserve	Retained earnings		
Balance at 1 January 2020		495,970	3,215	310,668	11	809,864
Currency Translation Adjustment (CTA)			10,634			10,634
Profit/(loss) for the year				97,950	1,847	99,797
Dividend distribution						0
Change in non-controlling interests					269	269
Change in the consolidation scope				-337		-337
Other				13		13
Balance at 31 December 2020		495,970	13,849	408,294	2,127	920,240
Currency Translation Adjustment (CTA)	13		-694			-694
Profit/(loss) for the year	13			123,025	-20	123,005
Dividend distribution						0
Change in non-controlling interests	12.2					0
Change in the consolidation scope	13					0
Other				2		2
Balance at 31 December 2021		495,970	13,155	531,321	2,107	1,042,553

D. CONSOLIDATED CASH FLOW STATEMENT

CONSOLIDATED CASH FLOW STATEMENT FOR 2021 AND 2020	Note	31/12/2021	31/12/2020
Operating Activities			
Profit / (Loss) before income tax		157,307	122,839
Adjustments for:			
• Change in fair value of investment property	6	-155,749	-139,329
• Depreciation, amortization and impairment charges		48	43
• Result on disposal investment property		387	2,026
• Net interest charge	24	7,322	-3,293
• Movements in working capital:			
- Change in prop. dev. inventories		23,397	-1,467
- Change in trade & other receivables		12,154	-2,621
- Change in trade & other payables		16,967	5,118
• Movement in other non-current liabilities		248	2,227
• Other non-cash items		81	-137
Income tax paid		-1,829	-1,644
Interest paid		-21,800	-8,989
Net cash from operating activities		38,533	-25,227
Investing Activities			
Interest received	24	4,106	2,563
Purchase/disposal of property, plant & equipment		-19	73
Purchase of investment property	6	-77,836	-176,149
Capitalized interest in investment property paid	6	-7,556	-15,400
Proceeds from disposal of investment property / assets held for sale	6	55,656	4,595
Cash in-/outflow on other non-current financial assets		-73,442	-32,768
Net cash flow used in investing activities		-99,091	-217,086
Financing Activities			
Proceeds from borrowings	14	223,425	286,088
Repayment of borrowings	14	-126,895	-77,178
Net cash inflow from / (used in) financing activities		96,530	208,910
Net increase/decrease in cash and cash equivalents		35,972	-33,403
Cash and cash equivalents at 1 January of the year		39,163	64,539
Other effects of exch. Rate changes in non-EUR countries		-3,111	8,027
Cash and cash equivalents at 31 December of the year		72,024	39,163

E. SEGMENT INFORMATION

As the vast majority of the assets (and resulting income) of the Company is geographically located in Poland, and Management has a regional approach in decision making, Management does not receive information disaggregated at a lower level than Granbero Holdings as a whole. Hence no segment information has been included in this financial reporting.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the IFRS consolidated financial statements, are set out below.

1.1. INTRODUCTION

We refer to the section “Business activities and profile” and Note 5 “Group structure” of these consolidated financial statements for more information on the business activities and the structure of the Company and its position within the Ghelamco business.

As per today, the Company’s core business is the investment in commercial and residential properties. The Company’s strategy is to keep commercial property in portfolio for rental purposes while residential properties are dedicated for sale. According to IAS 2, Property Development Inventories have to be measured at the lower of cost and net realizable value. Investment Properties (Under Construction) are carried at fair value.

As such, residential properties are presented as Property Development Inventories. Most of the commercial property is presented as Investment Property. We refer to the Notes 6 and 7 for more details on their presentation.

These financial statements are IFRS consolidated financial statements that include the resources and activities of Granbero Holdings Ltd and its legal subsidiaries that are part of the Ghelamco Investment Group at 31 December 2021.

A list of legal entities included in these IFRS consolidated financial statements and major changes in the organizational structure of the reporting entity are outlined in Notes 4 and 5.

1.2. BASIS OF PREPARATION

These consolidated financial statements include those of the Company and its subsidiaries. The consolidated financial statements were approved for issue by Management on 23 March 2022. The consolidated financial statements have been prepared in accordance with the requirements of International Financial Reporting Standards (“IFRS”) as adopted by the European Union at 31 December 2021. The Company has adopted all new and revised standards and interpretations relevant which became applicable for the financial year starting 1 January 2021.

These financial statements have been prepared under the historical cost convention except for Investment Properties, assets classified as held for sale and derivative financial instruments that have been measured at fair value.

1.3. STANDARDS AND INTERPRETATIONS THAT BECAME APPLICABLE IN 2021

Standards and Interpretations that the Company anticipatively applied in 2020 and 2021:

- None

Standards and Interpretations that became effective in 2021:

- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2
- Amendment to IFRS 16 Leases: COVID-19-Related Rent Concessions beyond 30 June 2021 (applicable for annual periods beginning on or after 1 April 2021)

The first time adoption of the aforementioned standards and interpretations did not have a significant impact on the financial statements as of 31 December 2021.

Standards and Interpretations which became effective in 201 but which are not relevant to the Company:

- None

1.4. STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

Standards and Interpretations issued at the date of these IFRS consolidated financial statements, which were authorized for issue but not yet mandatory and have not been early adopted by the Company:

- Amendments to IAS 16 Property, Plant and Equipment: Proceeds before Intended Use (applicable for annual periods beginning on or after 1 January 2022)
- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts — Cost of Fulfilling a Contract (applicable for annual periods beginning on or after 1 January 2022)
- Amendments to IFRS 3 Business Combinations: Reference to the Conceptual Framework (applicable for annual periods beginning on or after 1 January 2022)
- Annual Improvements to IFRS Standards 2018–2020 (applicable for annual periods beginning on or after 1 January 2022)
- IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts (applicable for annual periods beginning on or after 1 January 2023, endorsed in the EU)
- Amendments to IFRS 4 Insurance Contracts – Extension of the Temporary Exemption from Applying IFRS 9 (applicable for annual periods beginning on or after 1 January 2023, endorsed in the EU)
- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (applicable for annual periods beginning on or after 1 January 2023, but not yet endorsed in the EU)
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies (applicable for annual periods beginning on or after 1 January 2023, endorsed in the EU)
- Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (applicable for annual periods beginning on or after 1 January 2023, but not yet endorsed in the EU)
- Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (applicable for annual periods beginning on or after 1 January 2023, but not yet endorsed in the EU)

At this stage, the Company does not expect the first adoption of these Standards and Interpretations to have a material financial impact on the financial statements at the moment of initial application.

The Company is currently assessing the possible impact, if any, of standards to be applied as from 2022.

1.5. PRINCIPLES OF CONSOLIDATION

1.5.1. CONSOLIDATION SCOPE

The entities included in the consolidation scope are those that are under control of the Company (see Notes 4 and 5). The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. Control is achieved when the Company:

- has power over the investee; and
- is exposed or has rights to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company re-assesses whether or not it controls an investee if fact and circumstances indicate that there are changes to one or more of the three elements of control listed above.

The transactions, balances and unrealized gains and losses between these legal entities are deemed intra-group transactions and are eliminated in full.

The transactions with other entities owned directly or indirectly by the ultimate shareholders of the Ghelamco Consortium are deemed transactions with related parties and are not eliminated, but are presented as balances and transactions with related parties in Note 28.

Investments in joint-ventures are included in the consolidated financial statements in accordance with the equity method. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

1.5.2. ACQUISITION OF SUBSIDIARIES

Although the Company obtained control over several subsidiaries over the past years, these transactions are not considered business combinations as defined under IFRS 3 "Business Combinations". In these transactions, the Company primarily acquired land and therefore these transactions are to be considered as a purchase of selective assets and liabilities and not as a purchase of a "business". The purchase consideration has been allocated to each of the assets and liabilities acquired based on their relative fair values.

During the course of 2021 and 2020, there were no acquisitions of subsidiaries that qualified as an acquisition of a business as defined in IFRS 3 "Business Combinations".

1.5.3. SALE OF SUBSIDIARIES

As was the case in the past, the 2021 and 2020 business of the Company consists of developing commercial and residential real estate projects. Commercial properties are held for rental and/or capital appreciation. Residential properties are held for sale in the ordinary course of business.

General rule:

- sale of commercial projects subsidiaries (in which real estate is developed and valued as IP(UC)) is presented in the Income Statement as a disposal of IP and not as a disposal of a subsidiary;
- sale of residential projects subsidiaries (in which real estate is developed and valued as property development inventories) is presented in the Statement of profit or loss on a gross basis (i.e. revenue from the sale of inventories and cost of sales) and not as a disposal of a subsidiary. Still, a sale of residential projects is generally structured as a sale of assets.

Comments 2021

On 23 April 2021, the Woloska 24 project (23,250 sqm office space located in Warsaw's Mokotow District) was sold to ZFP Investments, a Czech institutional investor. The sale was completed through a share deal based on an underlying value of the property of 60.5 MEUR. The transaction has in the financial statements been presented as a disposal of IP.

In 2021, no residential SPVs were sold, in line with the general approach to sell residential projects through asset deals.

Comments 2020

In 2020, no commercial or residential SPVs have been sold.

1.5.4. INCREASE IN OWNERSHIP INTERESTS IN SUBSIDIARIES

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

1.5.5. FOREIGN CURRENCY TRANSLATION

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency).

Foreign currency transactions

Foreign currency transactions are recognized initially at the exchange rate prevailing at the transactions' date. Subsequently, at closing, monetary assets and liabilities not measured at fair value, denominated in foreign currencies are translated at the balance sheet currency rate. Gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are included in the income statement as a financial result.

Foreign entities

For the purpose of the IFRS consolidated financial statements, the results and financial position of each entity are translated in Euro, which is the functional currency of the Company and the presentation currency for the IFRS consolidated financial statements.

In consolidation, the assets and liabilities of the group companies using a different functional currency than the Euro are translated in Euro using exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are classified in equity, within the "Cumulative translation reserve". Such translation differences are recognized as income or as expenses in the period in which the entity is sold, disposed of or liquidated.

The principal exchange rates versus EUR that have been used are as follows:

	2021		2020	
	Closing rate at 31 December	Average rate for 12 months	Closing rate at 31 December	Average rate for 12 months
Polish Zloty (PLN)	4.5994	4.5670	4.6148	4.4449
United States Dollar (USD)	1.1326	1.1827	1.2271	1.1422

1.6. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are carried at acquisition cost less any accumulated depreciation and less any accumulated impairment loss.

Cost includes the fair value of the consideration given to acquire the asset and any directly attributable cost of bringing the asset to working condition for its intended use (taxes included).

The depreciable amount is allocated on a systematic basis over the useful life of the asset, using the straight-line method on a pro rata temporis basis. The depreciable amount is the acquisition cost.

The applicable useful lives are:

Property, plant and equipment:

- Buildings: 20 to 40 years
- Vehicles: 5 years
- Equipment: 5 to 10 years

1.7. LEASES

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in IFRS 16.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. All right-of-use assets complying with the definition of Investment property will be presented as Investment property and are subsequently recognized at fair value.

The other right-of-use assets will be presented in the most appropriate caption, taking into account the nature of the assets on which the right-of-use has been granted. These

other right-of-use assets are initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. These other right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

1.8. IMPAIRMENT OF ASSETS

At each balance sheet date, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the unit to which the asset belongs.

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

1.9. INVESTMENT PROPERTY

Investment Property is defined as property (land or a building – or part of a building – or both) held by the owner to earn rentals, realize capital appreciation or both, rather than for: (a) use in the production or supply of goods or services or for administrative purposes; or (b) sale in the ordinary course of business.

Investment Property, principally comprising land and commercial buildings ("commercial property"), is held for capital appreciation or for the long-term rental yields and is not occupied by the Company.

Investment Property (Under Construction) is initially measured at cost and subsequently at fair value with any change therein recognized in profit or loss. Fair value is determined by independent, external or property valuers, having appropriate recognized professional qualifications and recent experience in the location and category of the property being valued, or by the management. In the former case, renowned external appraisers carry out an external inspection of the property and they are provided with the necessary supporting documentation (regarding property title over the involved property, copies of (building) permits, architectural plans, renderings, copies of (preliminary

lease contracts), based on which they prepare their resp. valuation reports.

The subsequent reclassification of investment property is based on an actual change in use rather than on changes in an entity's intentions. Where management has the intention to dispose of the property, it continues to be classified as investment property until the time of disposal unless it is classified as held-for-sale.

Gains or losses as a result of changes in the fair value are included in the Income Statement of the year in which they occur. Gains and losses as a result of an Investment Property disposal are considered into the Income Statement of the year in which the disposal occurs (in other operating income or other operating expenses).

The Company distinguishes four different stages for Investment Property:

- A. Land without pre-permit approval;
- B. Land with a pre-permit approval;
- C. Land with a building permit and construction ongoing;
- D. Land with a completed building.

The above stages can again be divided in 2 main categories:

1.9.1. INVESTMENT PROPERTIES UNDER CONSTRUCTION (A), (B), (C)

The fair value of the land is determined based on the following methods:

- 1. Based on comparative method;
- 2. Based on realizable sqm;
- 3. Based on residual method.

Fair value of IP(UC) is determined as follows:

- Projects under (A): fair value of the land plus cost of in process development
- Projects under (B): fair value of the land, to the extent the valuation expert has considered the value of the master plan and/or building permit OR fair value of the land plus cost of in process development, to the extent the valuation expert has not yet considered the value of the master plan and/or building permit
- Projects under (C): fair value of the (permitted) land plus construction part at cost plus capitalized borrowing costs, if the below building permit and lease conditions are not (yet) fulfilled
- Projects under (C): fair value of the (permitted) land plus fair value of the construction part, if the below building permit and lease conditions are fulfilled.

By consequence, fair value adjustments have been recognized as follows:

- Projects under (A): fair value of the land minus the gross land cost (including purchase price of the land, costs on the purchase, capitalized financial costs) ;
- Projects under (B): fair value of the land minus gross land cost;
- Projects under (C): fair value of the land minus gross land cost, plus fair value of the construction part minus cost of the construction part, to the extent the below conditions are met.

In assessing the fair value, the Company considers whether both following conditions have been met:

- Building permit on the property has been obtained and
- Binding lease agreements have been signed for over 40% of the net leasable area of the property.

In case the above mentioned conditions are not fulfilled, the fair value of the IPUC (part not included in land) is deemed to be the cost of the in-process development.

In case the conditions are fulfilled, the fair value of IPUC (both land and construction part) will be determined by an independent appraiser report, based on RICS Valuation Standards.

1.9.2 COMPLETED INVESTMENT PROPERTIES (D)

Investment Properties are considered completed as from the moment the project received its exploitation permit.

Completed Investment Properties are valued by internationally qualified appraisers as of the end of the period, based on market values in accordance with the RICS Valuation Standards or based on managements' valuation assessment.

They are recognized at fair value reflecting the market conditions at the balance sheet date. Market values of the project are calculated based on the Yield method or Discounted Cash Flow method, depending on the type of project, its status and the location.

Fair value of IP is determined as follows

- Projects under (D): fair value of the completed project

By consequence, fair value adjustments have been recognized as follows:

- Projects under (D): fair value of the completed project minus gross land cost, minus cost of the construction part (capitalized interest expenses included)

In the case of a contingent consideration payable for a property acquired, the asset is recognized initially at cost, determined based on the fair value of the total consideration paid or payable. The fair value of the contingent consideration is determined based on management's best estimate and recognized as a financial liability. Subsequent changes in the fair value of the liability are recorded via the income statement (and are not part of the asset value).

As stated above and to the extent applicable, borrowing costs are included in the construction cost. Borrowing expenses are being capitalized until delivery of the project.

1.10. (NON-) CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

A (non-)current asset or disposal group is classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. A discontinued operation is a component of an entity, which the entity has disposed of, or which is classified as held for sale, which represents a separate major line of business or geographical area of operations and which can be distinguished operationally and for financial reporting purposes.

For a sale to be highly probable, the entity should be committed to a plan to sell the asset (or disposal group), to an active program to locate a buyer or to complete a plan

which was already initiated. In addition, the asset (or disposal group) should be actively marketed at a price which is reasonable in relation to its current fair value, and the sale should be expected to be completed within one year from the date of classification.

Assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs necessary to make the sale. Any excess of the carrying amount over the fair value less costs to sell is included as an impairment loss. Depreciation of such assets is discontinued as from their classification as held for sale. Comparative balance sheet information for prior periods is not restated to reflect the new classification in the balance sheet.

1.11. PROPERTY DEVELOPMENT INVENTORY

Land and premises acquired and held for future development as well as in-process development projects (other than Investment Properties) are classified as inventories. Property Development Inventories mainly comprise residential properties.

Inventories are measured at the lower of cost and net realizable value at the balance sheet date.

The cost of in-process development projects comprises architectural design, engineering studies, geodesic studies, raw materials, other production materials, direct labour, and other direct and external borrowing costs directly attributable to the acquisition or construction of the qualifying inventories.

External borrowing costs directly related to the acquisition, construction or production of a qualifying asset are capitalized. A qualifying asset is an asset that takes a substantial period of time to get ready for its intended use or sale. Capitalization commences when expenditures and borrowings are being incurred for the asset, and ceases when all the activities that are necessary to prepare the asset for its intended use are complete or sale in its current condition is possible. The capitalization criteria are usually met as from the date of acquisition of land for building purposes, as activities related to development are usually being undertaken by the Company as from that date.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. A write-down is necessary when the net realizable value at balance sheet date is lower than the carrying value. The Company performs regular reviews of the net realizable value of its Property Development Inventory, based on feasibility studies, recent transaction data and other available information.

The most recent review indicated that the overall net realizable value of the Property Development Inventory of the Company exceeded its carrying amount measured on a historical cost basis (Note 7). For that, no write-downs have been recognized in the 2021 IFRS consolidated financial statements. The same goes for 2020.

Perpetual usufruct and operating lease contracts of land:

The Company holds land in Poland under the right of perpetual usufruct. The right of perpetual usufruct is in substance a long-term land lease that grants the lessee the right to use and administer land owned by the state or local authorities under the terms

and conditions of a contract usually concluded for 99 years. The holder of such right is obliged to pay an annual fee during the term of the perpetual usufruct estimated by the state or local authority.

The perpetual usufructs held by the Company are recognized in accordance with IFRS 16 "Leases". In this respect, further reference is made to note 16.

1.12. TRADE AND OTHER RECEIVABLES

Trade and other receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

The Company recognises loss allowances for Expected Credit Losses ("ECLs") mainly on financial assets measured at amortised cost and contract assets.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

As the Company has opted for the simplified approach, loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

In determining the amount of credit losses the Company has considered both quantitative and qualitative information and prepared an analysis, based on the Company's historical experience and macro-economic information including forward-looking information.

The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flow, discounted at the original effective interest rate. The asset's carrying amount is reduced through the use of an allowance account, and the amount of the loss is recognized in the Income Statement. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written down are credited in the Income Statement.

1.13. FINANCIAL ASSETS

The Company classifies its financial assets in the following categories: measured at amortised cost, Fair Value through Other Comprehensive Income ('FVOCI') and Fair Value Through Profit and Loss ('FVTPL'). The classification is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change of the business model.

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are initially recognized at fair value

and subsequently measured at amortized cost using the effective interest method.

The investments in equity instruments that do not have a quoted market price in an active market are required to be measured at fair value. The Company determines that cost is an appropriate estimate of fair value (this valuation principle applies mainly to the investments in entities under the control of the ultimate beneficial owners of the Company, not included in the consolidation scope of these financial statements).

Derivative financial instruments are measured at fair value with changes recognized in profit or loss.

For an overview of financial assets (and liabilities) by category in accordance with IFRS 9, reference is made to note 15 below.

1.14. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

1.15. SHARE CAPITAL

Ordinary shares are classified as equity under the caption “share capital”. When share capital recognized as equity is (re)purchased, the amount of the consideration paid, including directly attributable costs and taxes, it is recognized as a change in equity.

Dividends are recognized as a liability only in the period in which they are approved by the Company’s shareholders.

1.16. CURRENT AND DEFERRED INCOME TAXES

Income tax on the profit or loss for the year comprises current and deferred income tax.

Income tax is recognized in the income statement, except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax is the expected tax payable on the taxable income for the year and any adjustment to tax payable in respect of previous years. It is calculated using tax rates enacted or substantively enacted at the balance sheet date.

Deferred tax is recognized, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values. Deferred tax is recognized on all temporary differences.

The recognition of deferred tax liabilities on fair value adjustments is based on the assumption that the land and buildings held by the Company will be realized through asset deals. Sales through asset deals mainly apply to the residential projects held by the Company (which are classified as inventory; which is not subject to fair value accounting).

As it is expected that the value of commercial projects will in first instance be realized through use (and not through sale), the recognition of deferred tax liabilities on fair value adjustments is also applied here. Still, the potential capital gain (in the case a commercial project would be sold through a share deal) might be exempted from income tax in some jurisdictions if certain conditions are met. Although the Company is confident that in the case of a share deal these conditions will be complied with, deferred tax liabilities have consistently been recognized, without taking into account those potential tax exemptions.

Currently or substantially enacted tax rates are used to determine deferred income tax. Under this method, the Company is also required to make a provision for deferred income tax on the difference between the fair values of the net assets acquired and their tax base as a result of a business combination, recognized against goodwill.

No deferred taxes are accounted for temporary differences arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and that at the time of the transaction affect neither accounting nor taxable profit, temporary differences relating to the investments in subsidiaries, associates and joint arrangements to the extent that they will probably not reverse in the foreseeable future, and taxable temporary differences arising on the initial recognition of goodwill.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. A deferred tax asset is reduced to the extent that it is no longer probable that the related tax benefit will be realized (Note 17).

1.17. TRADE AND OTHER PAYABLES

Trade and other payables are measured at amortized cost. As the impact of discounting is immaterial, trade and other payables are measured at the nominal value.

1.18. BORROWINGS

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the Income Statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Company has a contractual right (provided all covenants are fulfilled) to defer settlement of the liability for at least 12 months after the balance sheet date.

1.19. REVENUE RECOGNITION AND RESULT ON DISPOSAL

Revenue mainly includes sales of property development inventory and rental income.

Sale of Property Development Inventory

Revenue is recognised as control is passed to the customer, either over time or at a point in time.

Revenue is recognised in the income statement (on the line-item Revenue) based on the transaction price in the contract, which is the amount to which the Company expects to be entitled in exchange for the transfer of the property.

In accordance with IFRS 15, the company assesses on a case-by-case basis:

- Whether the agreement, the contract or the transaction falls within the scope of IFRS 15, including by taking into account the probability of the entity recovering the consideration to which it is entitled;
- Whether, under a contract, the sale of the land, the development and the commercialisation represent distinct performance obligations;
- Whether, for each obligation, the revenue is subject to a gradual transfer of control, particularly for projects which satisfy the third criterion defined by IFRS 15.36 ("Performance creating a specific asset and giving rise to an enforceable right to payment for performance completed to date"), and must be recognised gradually.

In accordance with local laws and legislation, revenue from off-plan apartment sales is deferred (i.e. deferred income) till the recognition at delivery; i.e. revenue recognized at a point in time.

To the extent a contract contains elements of variable or contingent consideration, the Company will estimate the amount of variable consideration to which it will be entitled under the contract. A variable consideration is only included in the transaction price and will only be recognised to the extent it is highly probable that its inclusion will not result in significant revenue reversal in the future, when the underlying uncertainty has been resolved.

The property disposals might be structured as a sale of shares in a legal entity that holds the property. The sales of real estate projects structured as a sale of shares are presented in these financial statements in accordance with the substance and economic reality of the transactions and not merely with their legal form. Thus, the amount of inventories recognized as an expense during the period referred to as “Cost of Property Development Inventories sold” comprises costs directly related to the property development projects sold during the year. The revenue from sales of properties reflects the consideration transferred of the properties sold.

Rental income

Rental income from Investment Properties leased is recognized on a straight-line basis over the lease term. Lease incentives granted are recognized as an integral part of the total rental income (i.e. are spread over the lease term).

The Company did not enter into any financial lease agreements with tenants; all lease contracts qualify as operating leases.

Sale of Investment Property

Other operating income from the sale of investment property is recognized when the buyer obtains control of the property, for an amount to which the Company expects to be entitled in exchange for the transfer of the property.

The property disposals are often structured as a sale of shares in a legal entity that holds the property. The sales of real estate projects structured as a sale of shares are presented in these financial statements in accordance with the substance and economic reality of the transactions and not merely their legal form. The gain realized on a sold investment property is shown on a net basis as result on disposal of Investment property under “Other operating income” in the income statement.

When an Investment property project is disposed, the result on disposal is determined based on the difference between the sales value per date of disposal and the carrying/ fair value per books at year-end of the previous accounting year. When an Investment property project is disposed in the second half of the year, the result on disposal is determined based on the difference between the sales value per date of disposal and the carrying/ fair value per books at 30 June.

2. FINANCIAL RISK MANAGEMENT

2.1. FINANCIAL RISK FACTORS

Due to its activities, the Company is exposed to a variety of financial risks: including interest rate risk, price risk, credit risk and liquidity risk. Financial risks relate to the following financial instruments: trade receivables and other, cash and cash equivalents, trade and other payables and borrowings. The Company may use derivative financial instruments on an ad hoc basis to hedge against the exposures arising from the individual transactions significant to the Company as a whole.

Financial risks are managed by the Group's Chief Financial Officer (CFO) and his team. The CFO identifies, evaluates and mitigates financial risks in accordance with the objectives set by the Chief Executive Officer.

2.1.1. FOREIGN EXCHANGE RISK

The Company operates internationally and enters into transactions in currencies (US Dollar, Polish Zloty) other than the Company's functional currency, being the Euro. The major part of the Company's financial assets and financial liabilities are however denominated in Euro.

The Company concludes main part of financing, engineering, architectural and construction contracts in Euro and in PLN. Leasing of the properties is Euro based and eventual later disposal of assets or shares is usually expressed or negotiated in Euro.

In the above respect, the Company has over the past years issued significant amounts of Polish bearer bonds (with an outstanding amount of 1,333.7 MPLN as of 31 December 2021). The Polish Zloty risk is by consequence mainly related to the mentioned PLN bond issues, some local contracts and the sale of residential projects.

The Company mitigates its currency risk exposure by matching incoming and outgoing flows per currency as much as possible.

As stated, main net foreign currency position which the Company holds at the reporting date relates to the Polish bearer bonds in PLN for a (net) amount of 1,305.8 MPLN. A 10% strengthening/weakening of the EUR against the PLN rate at 31 December 2021 would resp. have increased/decreased the EBT by approx. 28.7 MEUR. This analysis assumes that all other variables (e.g. interest rates) remain constant.

In addition, trade payables in PLN are outstanding for an amount of 134.0 MPLN. A 10% strengthening/weakening of the EUR against the PLN rate at 31 December 2021 would resp. have increased/decreased the equity by approx. 2.9 MEUR. This analysis assumes that all other variables (e.g. interest rates) remain constant.

Despite those closely monitored initiatives and as a consequence of its international activity, foreign exchange risks may still affect the Company's financials and results.

2.1.2. INTEREST RATE RISK

The Company actively uses external and related party borrowings to finance its property development projects. A property project's external financing is usually in the form of a bank loan denominated in Euro or PLN (see Note 14). Since Ghelamco Invest Sp.

z o.o. is issuing bearer bonds (of which 1,333.7 MPLN outstanding per balance sheet date), Polish projects can also be partly financed through the proceeds of these bonds.

Except for some ad-hoc interest hedging in the past, the Company did not enter into significant external interest rate hedging transactions to eliminate exposure arising from the long-term investment loans over the last 5 years. The Company's management closely monitors the short-term floating rate borrowings and medium term fixed interest rates.

The financing structure reflects major project development phases (acquisition of land, development and holding of the properties) as follows and usually structured within the involved project entity:

- Land acquisition loans (usually provided for a term of two years). The interest is payable at market floating rates (from 1 up to 6 months) increased by a margin.
- Construction loans provided until completion of construction and obtaining of the exploitation permit (usually for a term of about two years). The interest is payable at market floating rates (from 1 up to 6 months) increased by a margin. The land acquisition loan is at this stage integrated in the development loan.
- Once the property is completed, leased and meets all ongoing covenants, the development loan can be turned into an investment loan usually provided for a period of five years beginning from the signing of the investment loan agreement and repayable upon sale or refinancing of the property. The banks are usually willing to increase development loans up to an amount that reflects 65% to 75% of the property's market value, once all ongoing covenants are met. The interest is usually a mix of floating and fixed rates. In addition, the capital is reimbursed at a level between 4% and 7% per annum (on average), payable on a quarterly, half-yearly or yearly base together with the accrued interest.
- For the Polish projects: 1,333.7 MPLN proceeds from bond issues with a term of 3.5 to 5 years and bearing an interest of Wibor 6 months + 4.25%-5% or a fixed interest at 5.0%-6.1%; proceeds of which can be used over the resp. project development stages.

The Company actively uses intra-group borrowings provided by the Ghelamco Group Financing Vehicles acting as financial intermediaries (mainly Milovat at 31 December 2021) to finance the property development projects in Poland. These related party (EUR) loans bear interest at market floating interest rates.

For sensitivity analysis, reference is made to disclosure 14 on interest-bearing loans and borrowings.

2.1.3. OPERATIONAL RISK (PRICE RISK IN FIRST INSTANCE)

Price risk

Raw materials, supplies, labour and other costs directly related to the construction projects constitute a major part of the property development assets capitalized in the accounts of the Company's project companies.

Although construction prices may substantially vary during each accounting year, the Company succeeds in reducing its operational risk by either entering into fixed price contracts or into open book contracts with related and unrelated companies.

Property projects are usually realized in cooperation with parties related to the Company (see Note 28.2).

Market research

Before starting an investment, the Company's management teams have performed their market research, comprising the following:

- status of the project's current zoning (and in the forthcoming case timing for necessary rezoning)
- attitude of the local government towards a particular project
- are comparable projects being launched (timing and location)
- type of potential buyers/tenants - reasonable delivery date of the project
- projected sale/lease prices at the date of delivery
- yield expectations at that time
- time frame to achieve 50%-60% leasing level

Permit risk

A detailed advance study of the existing master plan or zoning plans substantially reduces the risks on obtaining building permits. On this issue, it is the Ghelamco Group's policy to closely monitor new construction regulations or esthetical preferences of the city authorities. One should of course differentiate between the type of projects, their location and specific country principles.

Construction risk

Construction risks are monitored by Ghelamco Group in-house engineers. They define the construction cost as from the date of the feasibility study and take full responsibility for material discrepancies. Therefore, fine-tuning of budgets, choice of materials, construction techniques and construction prices is a constant process within Ghelamco Group. This avoids cost overruns and delivery delays.

The Company also maintains full control over the building site coordination of (sub) contractors through its team of site managers.

Engineering risk

The Company has to remain in control for the design, layout and structural or finishing elements of the building. Any change in engineering automatically leads to cost increases or decreases.

Financing risk

The Company relies since years on framework agreements with the majority of its banking partners. The parameters of the framework can vary due to economic circumstances, but the framework remains workable as a whole. Before starting up the construction works (or contracting with subcontractors), the Company expects to have received already a (non-) binding term sheet from its banking relations.

The Company has in addition been able to call upon alternative financing through the issue of bearer bonds (1,333.7 MPLN total outstanding as of 31 December 2021, see infra).

Commercial risk

Certain major projects require (internal) pre-lease levels, depending on different parameters, mostly triggered by the project's (large) scale, changed market circumstances or project type. Smaller projects are started up without pre-leases. This set-up immediately triggers the intense involvement of both the internal commercial departments and the external brokers. So far, the Company's track record shows a significant leasing level (of already 50% or more) before the end of construction works.

Investment market risk

Each developer or investment fund is influenced by the currently applicable yield expectations. Therefore, good project timing is essential. While securing the construction

financing, the Company also negotiates a binding transition from construction loan into investment loan. This allows us to keep the property in portfolio and to wait for attractive offers of investors.

2.1.4 CREDIT RISK

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivable from customers.

The carrying amounts of financial assets and contract assets represent the maximum credit exposure.

Some limited credit risk may arise from credit exposures with respect to rental customers/ tenants (mostly renowned international companies) and outstanding balances with related parties. Outstanding non-current loans receivable, current loans receivable and interests receivable are mainly towards related parties, which are under control of the Ghelamco Consortium and/or the ultimate beneficial owners.

The credit risks on residential buyers are limited by the conditions in the notary deeds.

Trade receivables and contract assets:

The Company's exposure to credit risk is influenced mainly by individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The Company's entities are setting credit limits based on financial information (amongst others external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references) and business knowledge, which are duly approved by management.

The Company limits its exposure to credit risk from trade receivables by establishing a maximum payment period of one to three months for its customers.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The Company considers a financial asset to be default when:

- The debtor is unlikely to pay its credit obligation to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- The financial asset is more than 120 days past due.

Given the nature and specific characteristics of the Company's business, no concentrations of credit risks are to be mentioned. No significant allowances for non-payment were necessary in the current or previous year.

For further analysis, reference is made to note 9.

2.1.5 LIQUIDITY RISK

Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to meet the Company's liquidity needs. Due to the dynamic nature of the underlying business activities, the Company actively uses external and related party funds to ensure that adequate resources are available to finance the Company's capital needs. The Company's liquidity position is monitored by management, based on 12 months rolling forecasts.

The maturity analysis for financial liabilities that shows the remaining contractual maturities is presented in Note 14.

We also refer to note 11 and note 14.1 where the available financing is described.

2.1.6 ECONOMIC RISK

The Company's projects are operated through subsidiaries located and operated in Poland, held through a Cypriot holding structure. As a result, the operation of these projects and the upstreaming of related revenues are subject to certain inherent risks to these countries which may include, but are not limited to unfavourable political, regulatory and tax conditions.

2.1.7 RISK RELATED TO A CRISIS RESULTING FROM THE COVID-19 PANDEMIC

The management of the COVID-19 global pandemic has led and could in the future lead to economic activities being shut down as well as lockdowns imposed by the government. The crisis may accelerate evolutions in the use and need of residential, office and commercial real estate.

The potential impact on Ghelamco's business is assessed as follows:

- The interruption or slow-down of work on construction sites of resp. projects: Ghelamco's management has adopted stringent health and safety measures on its construction sites. The constant monitoring of these measures has to date ensured that the anticipated and contractual delivery dates of the current projects (mainly the Warsaw HUB, Warsaw UNIT, Foksal 13/15 and Flisac) to Ghelamco's tenants or owners (for Flisac and Foksal 13/15) are maintained.
- Lower demand for office spaces and/or changed expectations from tenants regarding working environment: Ghelamco is aware that the crisis may accelerate evolutions in the use and need of real estate. In this respect, it is expected that in the offering of office space, strong attention should be paid to flexibility (combination with teleworking), social distancing, and health (ventilation, air-conditioning with air exhaust, ...). Ghelamco has always focused on R&D and innovation in order to ensure the realization of qualitative projects, to comply with the constant evolution in expectations or needs as to comfort, health, flexibility, safety, ...
Ghelamco has introduced the co-working concept providing great flexibility to clients in terms of needed office space, meeting rooms, duration of lease contract, related services and equipment. Furthermore, significant parts of development projects which are currently under construction or in the pipeline are already pre-let (Warsaw HUB was sold in 2022 with a sale occupancy of approx. 96%, Warsaw UNIT approx. 97%).

Ghelamco's management is confident that high quality real estate remains attractive to tenants and investors.

- Financial difficulties of tenants with affected business, which could have an impact on the Company's income and cash flow: Ghelamco's tenants are mainly reputable and credit-worthy national and international parties. There have been no significant lease terminations nor rent concessions granted to tenants and no important rent arrears were noted to date. Also, Ghelamco's income from tenants is as of 31 December 2021 only representing 38% of revenue.
- Valuation of investment properties and property development inventories:
 - Investment properties: Net positive fair value adjustments have been recognized on the Company's portfolio. The main fair value adjustments have been recognized on the Warsaw HUB (+57,190 KEUR), the Warsaw UNIT (+71,696 KEUR), The Bridge (former Bellona Tower) (+9,632 KEUR), Katowice (+6,570 KEUR), Kreo (+3,872 KEUR), Wola project (former Chopin + Stixx) (+2,653 KEUR) and Unique/Jewish Theatre (+2,048 KEUR), as a result of the current period's development and commercial efforts.
For hotel and hospitality projects only: In accordance with the Valuation Practice Alert of 02/04/2020 published by the Royal Institute of Chartered Surveyors ("RICS"), the independent real estate valuers' reports mention that the valuations have been prepared taking into account a "material valuation uncertainty", as defined by the RICS standards. As a consequence a lower level of certainty, and more prudence is required, with regard to the obtained valuations as would be the case in normal market circumstances. For the Company this statement applies to the valuation of The HUB – hotel part as of 31/12/2021
 - Property development inventories: construction works, the sale of residential units and planned development in relation to property development inventories have not been significantly impacted by COVID-19. Based on management's review, no impairment adjustments have been required to reduce the cost of property development inventories to its net realizable value as of 31 December 2021.
- Permits: The necessary administrative permits have been difficult to obtain during 2021 due to restrictions on the operation of many authorities caused by the COVID-19 pandemic. The risks concerned are mitigated to the extent possible by ongoing open discussions with the involved parties.
- Less easy access to financing and/or increased interest rates required by banks and financial markets, with a potential impact on liquidity: The availability of credit facilities during 2020 and 2021 has significantly decreased, with banks tightening credit-granting criteria in response to highly volatile situation. The risks concerned are mitigated to the extent possible by ongoing open discussions with the involved parties. Still, Ghelamco currently has a sound spread of its financing sources, over different types of facilities: bank loans, bonds and some other mezzanine financing. Short-term bond repayment obligations amounting to 258.8 MPLN are mainly covered through reservations of currently available funds and refinancing through new bond issues in 2022. Short-term bank loans primarily relate to the HUB which will be redeemed upon the anticipated closing of the (partly) sale of the project in March 2022. As of 31 December 2021, the financing needs of Ghelamco in respect of the ongoing projects are sufficiently covered. Given the sound project pipeline, management continues to closely monitor its leverage and solvency ratios in accordance with its lender agreements, exploring the most optimal financing of its

purchase commitments and ongoing development projects as well as timing of realization of projects. As of 31 December 2021, the Company has been in compliance with its loan covenants.

2.2. CAPITAL RISK AND BALANCE SHEET STRUCTURE MANAGEMENT

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern and to support the strategic growth plans of the Company.

The management's focus is to a significant extent set on financial support of its expansion plans. In order to maintain or optimize the balance sheet structure, the Company may decide to issue bonds or similar financial instruments in the international financial markets. Company management closely monitors solvency, liquidity, return on invested capital and profitability levels during the year (at least at half-year and year-end) and at different stages of the life cycle of the projects.

In the same respect, the Ghelamco European Property Fund was put in place end 2016. This enables the Investment Holding to transfer delivered projects which will be kept in portfolio for a longer period; and which for that purpose require different (long-term, 'loan to value', or even mezzanine (re-) financing).

The Company monitors capital/balance sheet structure primarily based on the solvency ratio. This ratio is calculated as total equity divided by the balance sheet total. The solvency ratios at 31 December 2021 and 2020 were as follows:

	2021	2020
Equity	1,042,553	920,240
Total assets	2,002,494	1,734,117
Solvency ratio	52.1%	53.1%

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and assumptions are based on historical experience and various other factors that are considered reasonable under the circumstances, the results of which form the basis of judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects future periods.

In addition to the estimates already explained in the accounting policies, the estimates and assumptions that might significantly affect the valuation of assets and liabilities are outlined below.

Write-down of inventory

The risk of impairment arises from uncertainties typical to the real estate development industry. The net realizable value is supported by feasibility studies based on the expected development scenario or recent sales transactions.

No write-downs to net realizable value have been recognized on inventory items in 2021 and 2020.

Income taxes

The Company operates within a thoroughly regulated environment. Deferred tax is determined based on each legal entity's tax position and is reviewed on each balance sheet date to take account of the impact of changes in the tax laws and the probability of recovery.

Basic Company Income Tax levels (excluding tax exemptions or other incentives):

- Poland: 19% (to 15% if some conditions are met)
- Cyprus: 12.5%

The recognition of deferred tax assets is based on the estimated available future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised. The available future taxable profit is derived from a business plan that includes different ongoing projects. We refer to note 17.

Fair value estimation

The carrying value less impairment write down of trade receivables and payables are assumed to reflect their fair values.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial instruments.

In conformity with IFRS 9 and to the extent applicable, all derivatives are recognized at fair value in the balance sheet.

With respect to the determination of fair value of IP(UC), we refer to section 1.9 above and section 2.1.6.

Granbero Holdings Ltd. Subsidiaries and equity accounted investees included in these IFRS consolidated financial statements are as follows:

4. LIST OF SUBSIDIARIES

Entity description	Country	31/12/2021 % voting rights	31/12/2020 % voting rights	Remarks
GRANBERO HOLDINGS Ltd.				
Apollo Invest Sp. z o.o.	PL	100	100	
Prima Bud Sp. z o.o.	PL	70	70	
Ghelamco Invest Sp. z o.o.	PL	100	100	
Ghelamco GP 1 Sp. z o.o.	PL	100	100	
Ghelamco GP 1 Sp. z o.o. Konstancin SKA	PL	100	100	
Ghelamco GP 1 Sp. z o.o. Port Żerański SKA	PL	100	100	
Ghelamco GP 8 Sp. z o.o. Dahlia SKA	PL	0	100	4.2
Tilia BIS Sp. z o.o. (former Ghelamco GP 1 SP. z o.o. Tilia SKA)	PL	100	100	
Innovation Bud Bis Sp. z o.o. (former Innovation SKA)	PL	100	100	
Sobieski Towers Sp. z o.o. (formerly Ghelamco GP 9 Sp. z o.o. Sobieski Towers Sp.k.)	PL	100	100	
Ollay Sp. z o.o. Market SKA	PL	100	100	
Erato Sp. z o.o. (former Ghelamco GP 1 Sp. z o.o. Erato SKA)	PL	100	100	
Oaken Sp. z o.o. Pattina SKA	PL	100	100	
Ghelamco GP 1 Sp. z o.o. Unique SKA	PL	70	70	
Octon Sp. z o.o. PIB SKA	PL	100	100	
Ghelamco GP 1 Sp. z o.o. Vogla SKA	PL	100	100	
Ghelamco GP 5 Sp. z o.o. (former Fusion Invest Sp. z o.o.)	PL	100	100	
Ghelamco GP 11 Sp. z o.o. the HUB SKA (former Ghelamco GP 5 Sp. z o.o. Sienna Towers SKA)	PL	100	100	
Ghelamco GP 4 Sp. z o.o. SBP SKA	PL	100	100	
Ghelamco GP 5 Sp. z o.o. Foksal SKA	PL	100	100	
Ghelamco GP 3 Sp. z o.o. (former Belle Invest Sp. z o.o.)	PL	100	100	
Ghelamco GP 7 Sp. z o.o. (former Power Invest Sp. z o.o.)	PL	100	100	
Ghelamco GP 7 Sp. z o.o. Postępu SKA	PL	100	100	
Ghelamco GP 2 Sp. z o.o.	PL	100	100	
Ghelamco GP 4 Sp. z o.o. (former Betula Invest Sp. z o.o.)	PL	100	100	
Ghelamco GP 2 Sp. z o.o. M12 SKA	PL	100	100	
Ghelamco GP 6 Sp. z o.o. (former Opportunity Invest Sp. z o.o.)	PL	100	100	
Ghelamco GP 6 Sp. z o.o. HQ SKA	PL	100	100	
Ghelamco GP 9 Sp. z o.o. Isola SKA	PL	100	100	
Ghelamco GP 8 Sp. z o.o.	PL	100	100	
Ghelamco GP 2 Sp. z o.o. Sigma SKA	PL	100	100	
Ghelamco Garden Station Sp. z o.o.	PL	99	99	
Creditero Holdings Ltd.	CY	100	100	
Ghelamco Gdanska PI Sp. z o.o.	PL	100	100	
Ghelamco GP 10 SP. z o.o. (former Chopin Project sp. z o.o.)	PL	100	100	
Ghelamco GP 2 Sp. z o.o. Synergy SKA	PL	100	100	
Ghelamco GP 5 Sp. z o.o. Canna SKA	PL	100	100	
Ghelamco GP 10 Sp. z o.o. Azira SKA	PL	100	100	
Laboka Holdings Ltd	CY	100	100	
Esperola Ltd	CY	100	100	
Woronicza Sp. z o.o.	PL	100	100	
Milovat Ltd	CY	100	100	
P22 Łódź Sp. z o.o. Sp k	PL	50	50	*
Ghelamco GP 1 Sp. z o.o. Azalia SKA	PL	70	70	
Estima Sp. z o.o.	PL	70	70	
Laboka Poland Sp. z o.o.	PL	100	100	
Kemberton Sp. z o.o.	PL	100	100	
Abisal Sp. z o.o.	PL	51	51	

(*) Held in a 50/50 joint venture structure and for that included in the financial statements under the equity method

Real estate acquisitions and disposals (including plots of land) often involve the transfer of a company that holds the property and/or real estate activities.

Most subsidiaries (except for the Holding, sub-holding(s) and Financing Vehicle) are such special purpose real estate entities created to structure real estate transactions (acquisition of land and real estate development activities).

The summary of incorporations, acquisitions and disposals of subsidiaries (and other business units) realized by the Company during the year ended on 31 December 2021 is presented below. The acquisitions and disposals of real estate subsidiaries are treated in accordance with the accounting policy as described in section 1.5.2 and 1.5.3.

4.1. ACQUISITIONS AND INCORPORATIONS OF SUBSIDIARIES

During 2021 no subsidiaries have been bought.

4.2. DISPOSAL OF SUBSIDIARIES

On 23 April 2021, 100% of the shares of Ghelamco GP 8 Sp. z.o.o. Dahlia SKA, have been sold to ZFP Investments, a Czech institutional investor. The share price amounted approx. 4 MEUR. As the carrying (fair) value per end 2020 was nearly equal to the net sales value, current period's result from the disposal is negligible in the Company's 2021 consolidated financial statements.

4.3. MERGERS, DE-MERGERS AND LIQUIDATIONS OF SUBSIDIARIES

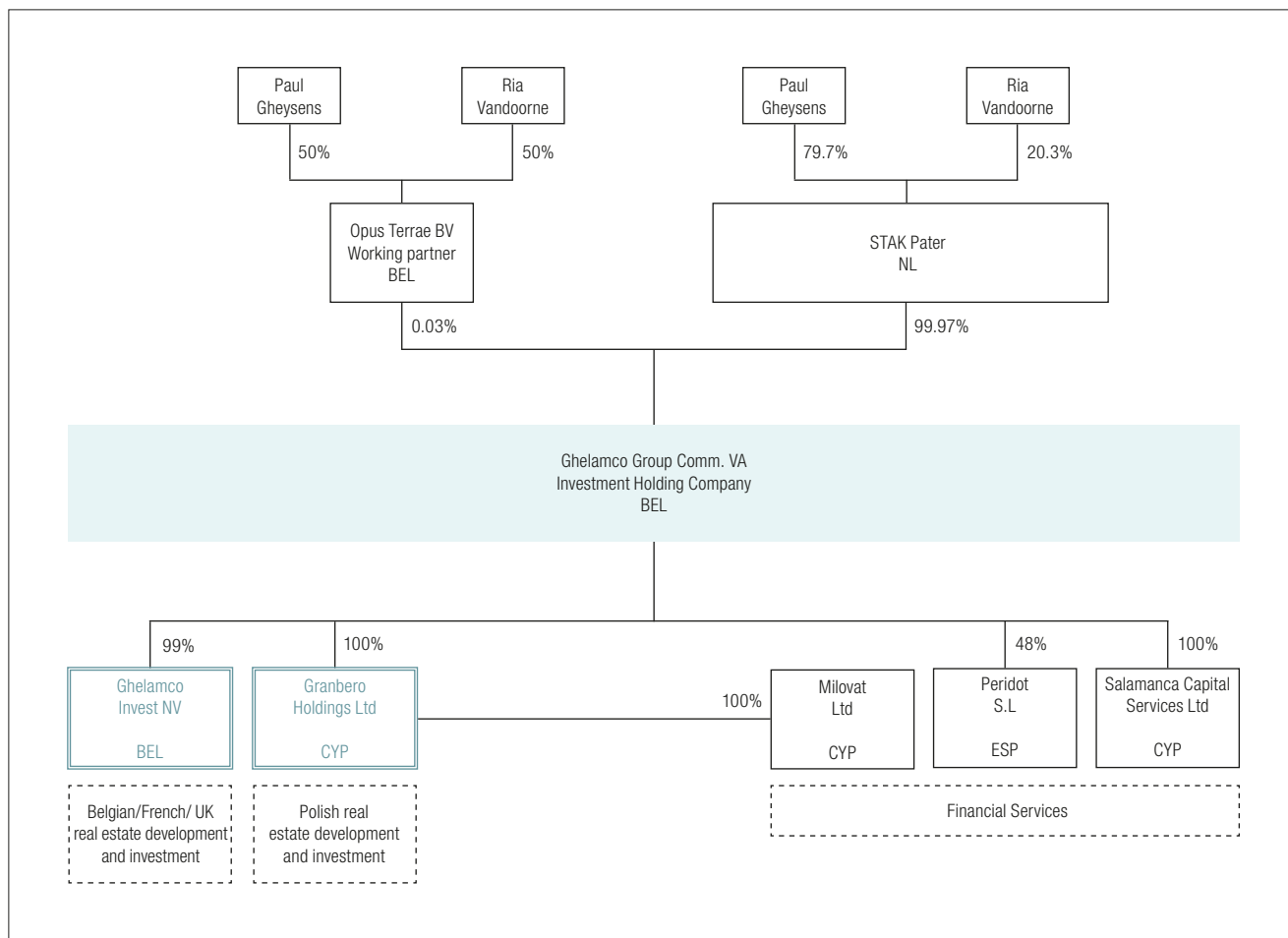
In 2021, there have been no mergers or liquidations of subsidiaries.

4.4. TRANSFER OF SUBSIDIARIES

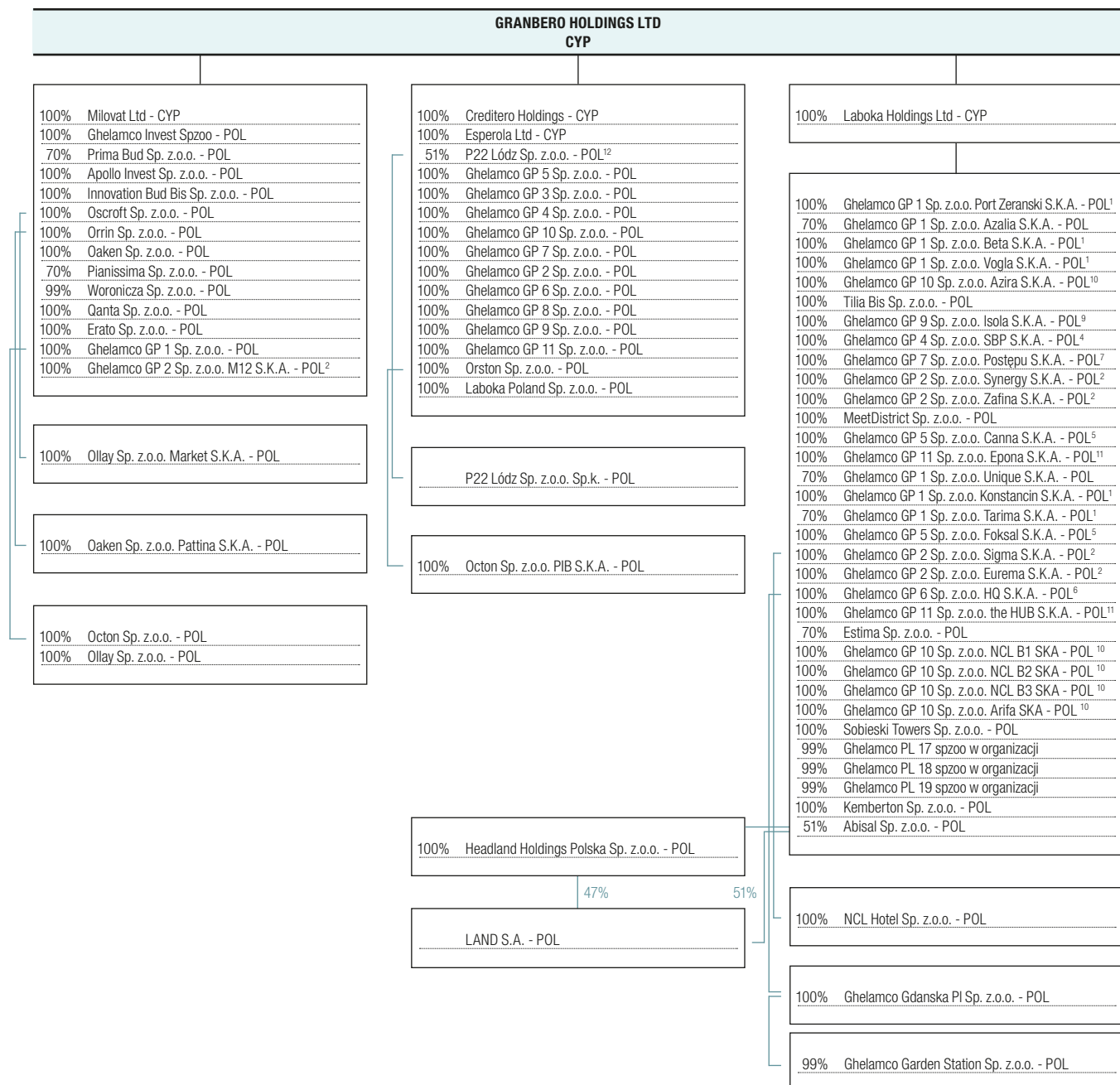
During 2021, no (share) transactions with related parties took place.

5.1. INVESTMENT HOLDING AS PER 31 DECEMBER 2021

5. GROUP STRUCTURE



5.2. POLISH REAL ESTATE DEVELOPMENT AND INVESTMENT AS PER 31 DECEMBER 2021



⁽¹⁾ remaining participation at general partner Ghelamco GP 1 Spzoo, ⁽²⁾ remaining participation at general partner Ghelamco GP 2 Spzoo, ⁽³⁾ remaining participation at general partner Ghelamco GP 3 Spzoo, ⁽⁴⁾ remaining participation at general partner Ghelamco GP 4 Spzoo, ⁽⁵⁾ remaining participation at general partner Ghelamco GP 5 Spzoo, ⁽⁶⁾ remaining participation at general partner Ghelamco GP 6 Spzoo, ⁽⁷⁾ remaining participation at general partner Ghelamco GP 7 Spzoo, ⁽⁸⁾ remaining participation at general partner Ghelamco GP 8 Spzoo, ⁽⁹⁾ remaining participation at general partner Ghelamco GP 9 Spzoo, ⁽¹⁰⁾ remaining participation at general partner Ghelamco GP 10 Spzoo, ⁽¹¹⁾ remaining participation at general partner Ghelamco GP 11 Spzoo, ⁽¹²⁾ remaining participation at Budomal Estate (not a Ghelamco company) ⁽¹⁷⁾ remaining participation at general partner Ghelamco GP 17 Spzoo

6. INVESTMENT PROPERTY

The Company's current strategy is to keep commercial property for rental purposes while residential properties are dedicated for sale.

Plots of land held, for which the management determines that the plot will be used in a project generating rental income, are classified as Investment Properties on 31 December 2021 and 31 December 2020.

Investment Properties are stated at fair value determined either by independent appraisers or by management and are classified in four categories:

- A. Land without pre-permit approval, held for capital appreciation or undetermined use (fair value usually based on comparative method);
- B. Land with pre-permit approval held for development and investment (fair value based on the potential of realising leasable sqm, based on the residual method);
- C. Land + Construction ongoing (fair value based on the residual method);
- D. Completed Projects held for investment (fair value based on income/yield/DCF method).

SPV	Commercial Name	Valuation	Cat	31/12/2021 KEUR	31/12/2020 KEUR
POLAND					
Apollo Invest Sp.z.o.o.	The Warsaw UNIT	JLL	D	284,100	181,094
Postępu SKA	Postępu Business Park	KNF	-	0,00	7,090
HUB SKA	The HUB	KNF	D	67,946	526,798
Sobieski SKA	Sobieski Tower	BNP	B	37,251	35,095
Market SKA	Mszczonow Logistics	Man	A	2,773	2,770
SBP SKA	Synergy Business Park Wrocław	JLL	B	24,112	23,459
Isola SKA	The Bridge and Bellona Building	BNP	D/C	62,033	40,700
Sigma SKA	Wola project (former Chopin + Stixx)	Savills	B/D	51,098	46,510
Vogla SKA	Plac Vogla	Savills	D/A	16,800	15,700
Dahlia SKA	Wolaska 24	KNF	-	0,00	56,080
Synergy SKA	Craft (Katowice)	JLL	C	15,283	3,600
Azira SKA	Nowe Soho (Lodz)	BNP	-	0,00	27,199
Estima SKA	Kreo (Wadowicka Krakow)	BNP	C	18,196	10,272
Prima Bud Spzoo	Lomianki	Man	D/A	4,633	4,523
Abisal Spzoo	Land	Cresa	A	26,000	25,000
Unique SKA	Pl. Grzybowski	KNF	B	38,789	35,788
Right of Use Asset		Man	n/a	18,072	19,977
TOTAL				667,087	1,061,655

Legend: KNF = Knight Frank, JLL = Jones Lang Lasalle, Cresa = Cresa, BNP = BNP Paribas real estate, Savills = Savills, Man = Management valuation

Balance at 31 December 2019	764,229
Acquisition of properties	19,926
Subsequent expenditure	166,053
Transfers	
• Assets classified as held for sale	
• Other transfers	16,435
Adjustment to fair value through P/L	139,329
Disposals	-6,378
Effect of movements in exchange rates	-37,239
other	-700
Balance at 31 December 2020	1,061,655
Acquisition of properties	
Subsequent expenditure	81,534
Transfers	
• Assets classified as held for sale	-541,443
• Other transfers	-36,772
Adjustment to fair value through P/L	155,749
Disposals	-56,080
Effect of movements in exchange rates	2,892
other	-448
Balance at 31 December 2021	667,087

Categories	A	B	C	D	Total
Balance at 1 January 2020	38,875	111,754	518,833	74,090	743,552
Acquisition of properties	19,926				19,926
Subsequent expenditure (*)	1,188	2,124	128,856	-3,354	128,814
Transfers					0
• Assets classified as held for sale					0
• Other transfers		8,092		8,343	16,435
Adjustment to fair value	12,081	25,972	97,674	3,602	139,329
Disposals				-6,378	-6,378
Other					0
Balance at 31 December 2020	72,070	147,972	745,363	76,303	1,041,678
Right of use asset					19,977
					1,061,655
Acquisition of properties					0
Subsequent expenditure (*)	16,977	4,164	34,996	29,746	85,883
Transfers					0
• Assets classified as held for sale				-541,443	-541,443
• Other transfers		-8,599	-28,173		-36,772
Adjustment to fair value	840	5,108	10,493	139,308	155,749
Disposals				-56,080	-56,080
Other					0
Balance at 31 December 2021	89,887	148,615	762,679	-352,166	649,015
Right of use asset					18,072
					667,087

(*) in this detailed overview net of CTAs (and other)

In April 2021, the Woloska 24 project in Warsaw's Mokotow District has been sold to an Czech institutional investor ZFP Investments. The project comprises an office building with a retail function on the ground floor of approx. 23,250 sqm and an underground garage. At closing of the sale the occupation rate of the project was at 97%. The property value in the deal was agreed at 60.5 MEUR. As the carrying (fair) value per end 2020 was nearly equal to the net sales value, current period's result from the disposal is negligible. At the moment of the transaction, bank loans have been reimbursed for an amount of 32.5 MEUR.

In connection with the progress in their resp. development processes, the Postepu

project and the Azira project have been transferred from investment property to property development inventories, as both projects were conceptually reconsidered by management from an office to residential project.

The office part of its “Warsaw HUB Office and Hotel Complex” project has been transferred from Investment Property to Assets classified as held for sale as a PSPA was signed on 3 March 2022 with shortly thereafter the financial closing as per 10 March 2022 with Google.

Main expenditures of the year have been incurred on the the Warsaw UNIT, the Bridge and the Warsaw HUB.

For the right of use balance in connection with the adoption of IFRS 16, reference is made to note 16.

Amounts that have been recognized in the Income Statement include the following:

KEUR	2021	2020
Rental Income	27,302	10,757

The rental income for 2021 relates to the rent from commercial projects (mainly The Warsaw HUB, Warsaw UNIT and Land). The increase compared to last year is mainly connected to the delivery of the leased areas in the Warsaw HUB project in Q4 2020 to its respective tenants and thus having a full year of impact on the rental revenue of the company (17,598 KEUR in current year compared to 4,767 KEUR in prior year).

FAIR VALUE HIERARCHY

The independent valuers provide the fair value of the Company’s investment property portfolio every six months in their resp. valuation reports. The fair value measurement for all of the Investment Property (Under Construction), valued by the independent valuers, is categorized as a level 3 fair value based on the inputs to the valuation technique used.

VALUATION TECHNIQUES

Income approach method:

The valuation model converts the future amounts (e.g. cash flows of income and expenses) to a single current (i.e. discounted) amount, reflecting current market expectations about those future amounts. The yield / capitalisation method and the discounted cash flow (DCF) method are the most commonly used valuation techniques within the income approach category.

Yield method or capitalisation model:

The valuation model determines the value based on the expected net operating income of the property for a stabilised year and a yield which reflects a risk free rate of investment, a market risk and non-market or unsystematic risk factors which are factors associated with the individual asset.

DCF method:

The valuation model considers the present value of net cash flows to be generated from the property, taking into account the expected rental growth rate, voids periods, occupancy rate, lease incentives costs such as rent-free periods and other costs paid by tenants. The expected net cash flows are discounted using risk adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location, tenant credit quality and lease terms.

Residual valuation method:

The residual valuation method is based on the concept that the value of a property with development potential is derived from the value of the delivered property minus the cost of undertaking that development, including a profit for the developer.

In some cases, a single valuation technique will be appropriate, whereas in others multiple valuation techniques could be appropriate.

Main part of Polish IP(UC) relates to office projects (with often retail space on the ground floor), which are valued based on the residual method (for IPUC) and income approach/yield/DCF method (for delivered projects).

SIGNIFICANT ASSUMPTIONS

The average yields (or capitalization rates) used in the expert valuations on 31 December 2021 are as follows:

- 4.00% to 8.00% for Polish projects, depending on the location, specifics and nature of the project (vs. 4.35% to 8.50% last year).

To arrive at the relevant capitalization rates (yields) the valuers have considered the most recent investment transactions in the office and hotel segment in Warsaw as well as the expectations of investors present in the Polish and international markets.

The average rent rates used in the expert valuations are as follows:

- 12.5 EUR/sqm/month to 23.0 EUR/sqm/month for office space (vs. 12.5 EUR to 23.0 EUR last year);
- 8.0 EUR/sqm/month to 55.0 EUR/sqm/month for retail space (vs. 8.30 EUR to 55.0 EUR last year), depending on the location, specifics and nature of the project; and
- 13.00 EUR/sqm/month to 19.0 EUR/sqm/month for hotel space.

The above market rents for the resp. projects are determined by the valuers based on their review of recently signed lease agreements in comparable projects in the same market. For the office projects in Warsaw, it concerns modern office buildings with retail part recently leased to domestic and international tenants on long-term leases. This market rent analysis also takes into account the economic profile of the city, supply and demand of comparable office buildings, existing as well as potential competition, location within the city, unit size and specifications.

Other main assumptions and parameters which are considered are average applicable vacancy rates and (re-letting) void periods and incentives offered by landlords to tenants (like fit-out budgets and rent-free periods). Average rent-free period on the Warsaw office market is currently 1.5 months/year (for 5-year lease agreements).

SENSITIVITY ANALYSIS

On 31 December 2021, the Company has a number of income producing investment property in portfolio which are valued at 435,513 KEUR (The Warsaw HUB hotel part, The Warsaw UNIT, The Bridge, Plac Vogla Retail and Lomianki). An increase/decrease of 100 basis points in the yield, with all other variables held constant, decreases/increases the value by approx. 73,282 KEUR. The impact of the yield sensitivity on the value of the investment property is mainly driven by the delivery of the Warsaw UNIT.

The investment properties (under construction) (category B and C) are valued using a number of assumptions in terms of e.g. construction cost, expected rental values etc. that are interlinked and for which a sensitivity analysis per variable would not make sense.

We also refer to note 1.9 for a description of the valuation process and methodology.

The Property Development Inventories amount to 95,199 KEUR on 31 December 2021 (vs 78,375 KEUR as per 31 December 2020).

7. PROPERTY DEVELOPMENT INVENTORY

	Carrying value (at cost) at 31 December 2021 - KEUR	Carrying value (at cost) at 31 December 2020 - KEUR
POLISH PROJECTS		
GROEN/Konstancin	10,846	6,053
Foksal 13/15	11,220	23,484
Port Zeranski	4,085	3,662
Erato (Danilowiczowska)	1,477	3,472
Pattina Invest - Piasecno	5,454	3,161
P.I.B. Sp. z o.o. (Gora Kalwania)	3,337	3,180
Postepu SKA	11,453	-
Innovation Bud Bis (former Signal)	21	21
Garden Station SP. z o.o.	1,367	1,343
Tillia – Flisac	2,640	21,017
Kemberton	5,203	4,824
Abisal	2,593	2,638
Isola – residential part	1,474	1,467
Azalia	400	162
Azira	26,924	-
ROU - Property Development Inventories	6,627	2,968
Other	78	923
TOTAL POLAND	95,199	78,375

The property development inventories increased by 16,824 KEUR compared to prior year. The main movements were related to:

- the Foksal 13/15 balance (+23,484 KEUR to +11,220 KEUR) in connection with the final delivery of the apartments in the project;
- the Flisac project (+21,017 KEUR to +2,640 KEUR) in connection with the final delivery of some appremments in the project. The delivery of apartments commenced in June 2021;
- the transfer of the Postepu and the Azira projects (38,377 KEUR in total) from Investment Property to Property Development Inventory as both projects were conceptually reconsidered by management from an office to residential project.

The remaining movement is explained by development activities on several ongoing

8. EQUITY ACCOUNTED INVESTEES

other projects. Reference is also made to note 6 and 16 for the updated Right Of Use balance (6,627 KEUR per 31 December 2021) in accordance with IFRS 16. The increase in the ROU balance is a result of the shift of Postepu from Investment Property to Property Development Inventories.

The carrying value of inventories has been supported by feasibility studies based on the expected development scenario or recent sales transactions.

Further reference is also made to section 3.

Equity accounted investees amount to 0.1 KEUR and relate to the (50%) participating interest in P22 Łódź Sp. z o.o., which is connected to a plot for the future development of an office project.

Main balance sheet and income statement captions for the entity are the following:

2021	P22 Łódź	
Current assets	3,260	
of which cash and cash equivalents		16
Non-current assets	0	
Current liabilities	725	
curr. fin. liab. (excl. trade and other payables and provisions)		723
Non-current liabilities	2,736	
non-curr. fin. liab. (excl. trade and other pay. and provisions)		2,736
Revenue	7	
Loss before income tax	-10	
Income tax expense (-) or income (+)	2	
Loss of the year	-8	

2020	P22 Łódź	
Current assets	3,109	
of which cash and cash equivalents		1
Non-current assets	0	
Current liabilities	610	
curr. fin. liab. (excl. trade and other payables and provisions)		606
Non-current liabilities	2,690	
non-curr. fin. liab. (excl. trade and other pay. and provisions)		2,689
Revenue	7	
Loss before income tax	-17	
Income tax expense (-) or income (+)	-4	
Loss of the year	-21	

9. NON-CURRENT RECEIVABLES & PREPAYMENTS AND CURRENT TRADE & OTHER RECEIVABLES

9.1. NON-CURRENT RECEIVABLES & PREPAYMENTS

	Note	31/12/2021	31/12/2020
Non-current			
Receivables from related parties	28.3	420,728	353,083
Trade and other receivables		18,062	12,231
Total non-current receivables and prepayments		438,790	365,314

NON-CURRENT RECEIVABLES FROM RELATED PARTIES

All non-current loans to related parties are granted for a term of 3 to 5 years. Contractual interest rates on non-current receivables to related parties for 2021 were as follows: Euribor/ Libor + margins in the range between 2% and 4%.

Further reference is made to Note 28.3.

Receivables from related parties mainly relate to loans receivable towards Peridot SL (Spain), Salamanca Ltd (Cyprus) and Ghelamco Group Comm. VA, parent company of the Company. These loans have been granted mainly for the financing of other projects under the control of the ultimate beneficial owners.

NON-CURRENT TRADE AND OTHER RECEIVABLES

Non-current trade and other receivables as of 31 December 2021 mainly consist of:

- Capitalised rent free and agency fees at the level of The Hub SKA, in connection with the leasing of the HUB project: 15,722 KEUR;
- Capitalised rent free and agency fees at the level of Apollo Invest Sp. z.o.o., in connection with the leasing of the UNIT project: 4,546 KEUR;
- Other loans receivable: 2,340 KEUR.

The carrying amounts of non-current receivables reflect their fair value determined based on the future cash flows discounted at the prevailing rate for a similar instrument for an issuer with a similar rating.

9.2. CURRENT TRADE & OTHER RECEIVABLES

	Note	31/12/2021	31/12/2020
Current			
Receivables from related parties	28.3	2,511	79
Receivables from third parties		2,570	7,774
Less: allowance doubtful debtors (bad debt provision)		0	0
Net trade receivables		5,081	7,853
Other receivables		3,208	3,912
Related party current accounts	28.3	109,775	116,263
VAT receivable		7,433	8,791
Prepayments		1	833
Interest receivable		58,432	47,799
Total current trade and other receivables		183,930	185,451

CURRENT TRADE AND OTHER RECEIVABLE

The carrying amounts of trade and other receivables reflect their fair values determined based on the future cash flows discounted at the prevailing rate for a similar instrument of an issuer with a similar credit rating.

Trade receivables with related parties (and prepayments, see below) include invoices for construction, engineering and other services as described in Note 28.3.

Outstanding balance on related party current accounts receivable (109,775 KEUR in total) is mainly towards Ghelamco Group (105,474 KEUR), Tallink Investments (2,473 KEUR) and Ghelamco European Property Fund (1,828 KEUR) and relates to short-term deposits of excess funds by the Company.

INTEREST RECEIVABLE

The interest receivable balance mainly includes interests receivable from related parties for an amount of 56,832 KEUR. The evolution compared to last year is attributable to the significant level of outstanding related party receivable balances and the timing of collection of outstanding interest receivables.

VAT RECEIVABLE

The outstanding balance as of 31 December 2021 relates to VAT receivables, mainly on the following projects: the Warsaw UNIT, the Warsaw HUB, The Bridge, Katowice Craft, Wadowicka Krakow and Abisal (Land).

The SPVs involved may either apply to the tax authorities for an immediate cash refund of the VAT receivables or may offset the VAT receivable against any VAT payables.

VAT receivables are the result of VAT paid on the development and construction expenditures.

CREDIT RISK EXPOSURE AND IMPAIRMENT

Trade and other receivables disclosed above are classified as amortised costs items and thus measured at amortized cost. The amounts presented in the balance sheet are, to the extent applicable, after allowances for doubtful receivables.

The Company recognises loss allowances for ECLs on trade and other receivables, in connection with the requirements of IFRS 9.

The maximum exposure to credit risk on the reporting date is the carrying amount of each class of financial assets mentioned above. The Company does not hold any collateral as security over these balances, as a large part of accounts receivable balances are with related parties, controlled by the ultimate beneficial owners of the Ghelamco Group.

As of 31 December 2021 and 2020, trade and other receivables disclosed above do not include significant amounts which are past due at the end of the reporting period and against which the Company has not recognized an allowance for doubtful receivables, as deemed necessary.

Based on the ECL analysis, the Company did not identify material impairment losses on date of initial application or at year-end.

10. DERIVATIVES

There are no outstanding balances related to the market value of derivatives as of 31/12/21 and 31/12/20.

Also refer to section 2.1.1 above.

11. CASH AND CASH EQUIVALENTS

	31/12/2021	31/12/2020
Cash at banks and on hand	72,024	39,163

Cash at bank earns interest at floating rates based on daily bank deposit rates. Short-term deposits may be made for various periods not more than three months, depending on the Company's immediate cash requirements, and earn interest at the respective short-term deposit rates.

Cash is held with reputable banks. For that, the credit risk on cash balances is deemed low.

12. SHARE CAPITAL AND SHARE PREMIUMS

	31/12/2021	31/12/2020
Authorised capital	67	67
Share premiums	495,903	495,903
issued and fully paid	495,970	495,970

Authorised capital consists of 67,335 shares, fully paid.

At 31 December 2021, the Company's direct shareholders are:

- **Ghelamco Group Comm VA** (Belgium) - 100%

12.1. DISTRIBUTION OF DIVIDENDS BY THE COMPANY

In the course of 2021 and 2020, no dividends have been declared or distributed.

12.2. NON-CONTROLLING INTERESTS

	31/12/2021	31/12/2020
Balance at beginning of year	2,127	11
Share of profit for the year	-20	1,847
Acquisitions/disposals	0	269
Balance at end of year	2,107	2,127

The decrease in the Non-Controlling Interests in prior year was mainly related to the acquisition of Abisal.

13. RESERVED AND RETAINED EARNINGS

Reserves and retained earnings on the balance sheet date are as follows:

	Cumulative translation reserve	Retained earnings
At 1 January 2020	3,215	310,668
Cumulative translation differences (CTA)	10,634	
Dividend distribution to the ultimate shareholders		
Change in the consolidation scope		-337
Other		13
Profit for the year		97,950
At 31 December 2020	13,849	408,294
At 1 January 2021	13,849	408,294
Cumulative translation differences (CTA)	-694	
Dividend distribution to the ultimate shareholders		
Change in the consolidation scope		
Other		2
Profit for the year		123,025
At 31 December 2021	13,155	531,321

14. INTEREST-BEARING LOANS AND BORROWINGS

		31/12/2021	31/12/2020
Non-current			
Bank borrowings - floating rate	14.1	144,884	363,122
Other borrowings - bonds	14.2	229,789	225,656
Other borrowings - other	14.3	12,287	18,364
Finance lease liabilities	16	17,927	21,304
		404,887	628,446
Current			
Bank borrowings - floating rate	14.1	319,221	13,805
Other borrowings - bonds	14.2	54,128	28,737
Other borrowings - other	14.3	23,725	36,013
Finance lease liabilities	16	6,770	1,641
		403,844	80,196
TOTAL		808,731	708,642

14.1. BANK BORROWINGS

During the year, the Company obtained new secured bank loans expressed in EUR and PLN and drew on existing credit facilities for a total amount of 121.7 MEUR, all Euribor and Wibor based. On the other hand, reimbursements and refinancings have been done for an amount of 34.5 MEUR, net of prolongation of a number of borrowings; bringing the total outstanding amount of bank borrowings to 464.1 MEUR (compared to 376.9 MEUR at 31/12/2020).

Bank borrowings	
Balance at 1 January 2021	376,927
Repayment of bank borrowings	-34,474
Proceeds from loans and borrowings	121,652
Other	0
Balance at 31 December 2021	464,105

When securing debt finance for its (larger) projects, the Company always negotiates long-term agreements with its banks. Under these agreements, the bank swaps land acquisition loans into development loans (additional approx. 2-4 year term) and swaps development loans into investment loans (usually 5 years term) upon the fulfilment of pre-agreed conditions.

Most banking partners of the Company have accepted the above as a “framework” for past, current and future co-operation.

For the purpose of these financial statements, the Company treated its bank borrowings (or the maturing part of it) as current when the swap date from “acquisition loan into development loan” falls within the next accounting year (see Note 1.18 and 2.1.2.).

At 31 December 2021, the Company has bank loans available to be drawn for a total amount of 63.5 MEUR, which is merely related to the construction and facility agreement of 136 MEUR for the financing of the construction of the UNIT project and the facility agreement of 90 MPLN for a Bridge Facility agreement.

In the course of 2021, the remaining bank loan related to the Woloska 24 mixed office and commercial project has been fully reimbursed (-32.5 MEUR), in connection with current year's sale.

With respect to the outstanding short-term borrowings, it is to be mentioned that, in the course of 2022, part of remaining short-term debt will actually be reimbursed following the contractual terms and part will be prolonged or refinanced (e.g. through a swap to investment loan). In addition and as a result of the sale of the office-part in the Warsaw HUB Office, Retail and Hotel Complex on March 10th 2022, the bank loan was repaid and therefore the outstanding amount was presented as short term debt as per 31 December 2021.

Summary of contractual maturities of bank borrowings, including interest payments.

	31/12/2021				31/12/2020			
	<1 y	between 2 and 5 y	>5y	total	<1 y	between 2 and 5 y	>5y	total
Land acquisition loans	-	-	-	-	-	-	-	-
Construction loans	12,941	148,604	-	161,545	18,925	142,099	219,235	380,259
Investment loans	321,132	-	-	321,132	3,942	31,739	-	35,681
Total	334,073	148,604	0	482,676	22,866	173,839	219,235	415,941
Percentage	69%	31%	0%	100%	5%	42%	53%	100%

BANK BORROWINGS BY CURRENCY

Main part of external bank borrowings are Euro denominated except for some VAT financing (PLN loans).

INTERESTS ON BANK BORROWINGS – INTEREST RATE RISK

Interests on land acquisition and development loans are considered as floating (although the variable component of the interest formula is fixed for a period not superseding one year).

On 31 December 2021, the Company had two outstanding investment loans:

- Vogla SKA: 1,977 KEUR loan granted by Bank BGZ BNP Paribas, bearing an Euribor 1M based (+ 2.75% margin) interest rate. The debt is fully serviced by the rental income of the property Plac Vogla Retail (former Wilanow Retail).
- The HUB SKA: 309,019 KEUR loan granted by Aareal Bank AG, bearing an Euribor 3M based (+2.15% margin) interest rate. The debt is fully serviced by the rental income of the property The HUB.

Depending on the project and the securities required by the bank, following margins on floating rates are applicable in Poland: between 1.25% and 3.90%.

Average margin	Land acquisition loan		Construction loan		Investment loan	
	2021	2020	2021	2020	2021	2020
Poland	N/A	N/A	3.10%-3.9%	2.95%-3.9%	2.15%-3.15%	1.50%-2.75%

INTEREST SENSITIVITY ANALYSIS

An increase/decrease of 100 basis points in the (average) interest rates on the floating rate bank debt at the reporting date, with all other variables remaining stable, would have resulted in a 4,205 KEUR lower/higher profit before tax for 2021. This sensitivity analysis excludes borrowing costs that have been capitalized.

14.2. OTHER BORROWINGS: BONDS (289,970 KEUR; OF WHICH 233,702 KEUR LONG-TERM AND 56,268 KEUR SHORT-TERM)

Bank borrowings	Poland
Balance at 1 January 2021	254,393
Repayment of bank borrowings	-72,547
Proceeds from loans and borrowings	101,100
Other	872
Balance at 31 December 2021	289,970

On 2 February 2021, Ghelamco Invest Sp. z o.o. enacted its new Bonds Issue Programme (number IX) for an amount of max. 400,000 KPLN, allowing both public offerings and private placements of bonds to finance investment projects. Bonds series issued under this programme are secured by a guarantee granted by Granbero Holdings Ltd. Within this new programme, following bonds tranches have been issued:

- on 10 March 2021, an amount of 35,000 KPLN (series PU1). These bonds mature on 16 December 2024 and bear an interest of Wibor 6 months + 5.0%;
- on 25 March 2021, an amount of 285,000 KPLN (series PU2). These bonds mature on 16 December 2024 and bear an interest of Wibor 6 months + 5.0%; and
- on 8 June 2021, an amount of 80,000 KPLN (series PU3). These bonds mature on 16 December 2024 and bear an interest of Wibor 6 months + 5.0%.

On 10 June 2021, Ghelamco Invest Sp. z o.o. enacted its new Bonds Issue Programme (number X) for an amount of max. 200,000 KPLN, allowing both public offerings and private placements of bonds to finance investment projects. Bonds series issued under this programme are secured by a guarantee granted by Granbero Holdings Ltd. Within this new programme, following bonds tranches have been issued:

- on 16 July 2021, an amount of 30,000 KPLN (series PW1). These bonds mature on 16 July 2025 and bear an interest of Wibor 6 months + 5.0%; and
- on 29 December 2021, an amount of 35,000 KPLN (series PW2). These bonds mature on 29 September 2025 and bear an interest of Wibor 6 months + 5.0%.

The proceeds of the above bond issues have been applied to redeem other/existing outstanding bonds, to service the (interests on) the resp. bond programmes and for the financing of the Company's further investment projects within the Warsaw metropolitan area, in Wrocław or Katowice.

The Company has in the current period redeemed outstanding bonds (partly through early redemption, partly on maturity date) for an amount of 333,674 KPLN.

The effect of the evolution in the PLN/EUR exchange rate on the net movement in outstanding bonds amounts to 0.9 MEUR (positive).

Total bonds balance outstanding per balance sheet date (283,916 KEUR) represents the amount of issue (1,333.7 MPLN) less capitalized issue costs, which are amortised over the term of the bonds.

After year-end, on 11 January 2022, following bond tranche have been issued within the Bonds Issue Programme (number X) :

- on 11 January 2022, an amount of 135,000 KPLN (series PW3). These bonds mature on 29 September 2025 and bear an interest of Wibor 6 months + 5.0%.

In January 2022, a number of bonds series (PG, PK and PL) have been redeemed for a total amount of 103,717 KPLN, through early redemption.

In February 2022, a number of bonds series (PG, PK and PL) have been redeemed for a total amount of 20,503 KPLN, through early redemption.

In March 2022, a number of bonds series (PG, PM, PO and PR) have been redeemed for a total amount of 118,132 KPLN, through early redemption.

Summary of contractual maturities of bonds, including interest payments:

	31/12/2021				31/12/2020			
	<1 y	between 2 and 5 y	>5y	total	<1 y	between 2 and 5 y	>5y	total
Bonds	74,435	259,525	0	333,960	43,642	245,139	0	288,782
Total	74,435	259,525	0	333,960	43,642	245,139	0	288,782
Percentage	22%	78%	0%	100%	15%	85%	0%	100%

INTEREST SENSITIVITY ANALYSIS

An increase/decrease of 100 basis points in the (average) interest rates on the floating rate bonds debt at the reporting date, with all variables held constant, would have resulted in a 2,753 KEUR lower/higher profit before tax for 2021.

14.3. OTHER BORROWINGS: OTHER (36,012 KEUR; OF WHICH 12,287 KEUR LONG-TERM AND 23,725 KEUR SHORT-TERM)

31/12/2021 - 36,012 KEUR

The other borrowings as at 31 December 2021 included the following related party balances:

- Peridot SL: 2,238 KEUR
- Salamanca Capital Services Ltd: 71 KEUR
- Safe Invest : 2,000 KEUR
- Ghelamco Poland Sp. z o.o.: 4,710 KEUR

And also:

- 10,000 KEUR short-term loan from a third party investor, related to some specific Polish projects, maturing on 31/03/2022 and bearing an interest rate of 6%;
- 13,725 KEUR short-term loan towards the partner in the newly acquired LAND project.

31/12/2020 – 54,377 KEUR

The other borrowings as at 31 December 2020 included the following related party balances:

- Peridot SL: 2,235 KEUR
- Salamanca Capital Services Ltd: 1,259 KEUR
- Ghelamco Poland Sp. z o.o.: 4,890 KEUR

And also:

- 10,000 KEUR long-term loan from a third party investor, related to some specific Polish projects, maturing on 31/03/2022 and bearing an interest rate of 6%;
- 18,000 KEUR short-term loans from third party investors, related to some specific Polish projects, maturing mid-2021 and bearing interest rates between 6.75% and 7.20%;
- 3,250 KEUR short-term loan from a third party investor, related to a specific Polish project; and
- 13,680 KEUR short-term loan towards the partner in the newly acquired LAND project.

INTEREST SENSITIVITY ANALYSIS

An increase/decrease of 100 basis points in the (average) interest rates on the intercompany debt at the reporting date, with all variables held constant, would have resulted in a 87 KEUR lower/higher profit before tax for 2021.

14.4. LEASE LIABILITIES (24,697 KEUR; OF WHICH 17,927 KEUR LONG-TERM AND 6,770 KEUR SHORT-TERM)

The lease liabilities (long-term and short-term) fully relate to non-cancellable leases for the land rights of the resp. Polish projects. These lease commitments have been recognised in accordance with the requirements of IFRS 16 “Leases”. Further reference is made to note 16.

Summary of the undiscounted contractual maturities of lease liabilities:

	2021	2020
Within 1 year	34,006	3,165
After 1 year but not more than 5 years	5,905	6,950
More than 5 years	92,003	117,106
TOTAL	131,913	127,221

According to the movement of the HUB to assets held for sale, the lease liabilities after 1 year but not more than 5 years (1,574 KEUR) and more than 5 years (29,513 KEUR) were moved to short term lease liabilities (31,088 KEUR).

14.5. MISCELLANEOUS INFORMATION

The Company also has access to the following additional sources of financing:

- additional capacity on the debt ratio (Ghelamco chooses to keep a substantial margin on the Loan to Value ratio);
- potential to take up further financing on completed projects based on Loan to Value (LTV) instead of Loan to Cost (LTC);
- access to alternative financing, mainly in the form of bond issues or mezzanine financing. In this respect reference is made to the resp. bearer bonds issues in Poland (1,333.7 MPLN total outstanding bonds at 31 December 2021).

No defaults of payments or breaches of borrowing agreements occurred as of 31 December 2021.

- Bank borrowings are secured by amongst others the property development projects of the Company, including land and in-process construction, pledge on SPV shares, etc. For corporate guarantees and/or suretyship agreements issued by Granbero Holdings Ltd on bank loans, reference is also made to note 26.1.

The loan agreements granted by the banks are sometimes subject to a number of covenants (Loan to Value, Loan to Cost, and Debt Service Cover). During the year and per end of the year, there were no events of default in respect of these borrowings.

- The bonds are secured by a redemption surety granted by Granbero Holdings Ltd. (the Company).

In addition, the terms and conditions of the bond issues have been complied with as of balance sheet date. In this respect, reference is made to the related bi-annual covenant testing which is published on the Company's website.

The observed evolution in the above financial debt includes an immaterial amount of non-cash movements, related to capitalized transaction costs which are amortized over the duration of the debts.

15. FINANCIAL INSTRUMENTS

The table below summarizes all financial instruments by category in accordance with IFRS 9 and discloses the fair values of each instrument and the fair value hierarchy:

Financial instruments (x € 1 000)					31/12/2021
	FVTPL	FVOCI	Measured at amortised cost/fin. liabilities measured at amortised cost	Fair value	Fair value level
Other financial investments					
Other financial assets			198	198	2
Non-current receivables					
Receivables and prepayments			438,791	438,791	2
Restricted cash			-	-	-
Current receivables					
Trade and other receivables			176,493	176,493	2
Derivatives			-	-	-
Cash and cash equivalents	-	-	72,024	72,024	2
Total Financial Assets			687,506	687,506	
Interest-bearing borrowings - non-curr.					
Bank borrowings			144,884	144,884	2
Bonds			229,789	229,045	1
Other borrowings			12,287	12,287	2
Lease liabilities			17,927	17,927	2
Interest-bearing borrowings - current					
Bank borrowings			319,221	319,221	2
Bonds			54,128	54,009	1
Other borrowings			23,725	23,725	2
Lease liabilities			6,770	6,770	2
Current payables					
Trade and other payables			34,970	34,970	2
Total Financial Liabilities	-	-	843,701	842,838	

Financial instruments (x € 1 000)					31/12/2020
	FVTPL	FVOCI	Measured at amortised cost/fin. liabilities measured at amortised cost	Fair value	Fair value level
Other financial investments					
Other financial assets			233	233	2
Non-current receivables					
Receivables and prepayments			365,314	365,314	2
Restricted cash			-	-	-
Current receivables					
Trade and other receivables			176,657	176,657	2
Derivatives			-	-	-
Cash and cash equivalents	-	-	39,163	39,163	2
Total Financial Assets			581,367	581,367	
Interest-bearing borrowings - non-curr.					
Bank borrowings			363,122	363,122	2
Bonds			225,656	225,514	1
Other borrowings			32,043	32,043	2
Lease liabilities			21,304	21,304	2
Interest-bearing borrowings - current					
Bank borrowings			13,805	13,805	2
Bonds			28,737	28,720	1
Other borrowings			22,333	22,333	2
Lease liabilities			1,641	1,641	2
Current payables					
Trade and other payables			14,535	14,535	2
Total Financial Liabilities	-	-	723,176	723,017	

The above tables provide an analysis of financial instruments grouped into Levels 1 to 3 based on the degree to which the fair value (recognized on the statement of financial position or disclosed in the notes) is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair values of financial assets and financial liabilities are determined as follows:

- The fair values of derivative instruments are calculated using quoted prices. Where such prices are not available, a discounted cash flow analysis is performed using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives. Foreign currency forward contracts are measured using quoted forward exchange rates and yield curves derived from quoted interest rates matching maturities of the contracts. Interest rate swaps are measured at the present value of future cash flows estimated and discounted based on the applicable yield curves derived from quoted interest rates.
- The fair values of other financial assets and financial liabilities (excluding those described above) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The fair value of interest bearing liabilities does not materially differ from carrying amount, since all of them are floating interest bearing debts. The fair value of long term interest bearing debts (in absence of published price quotations in an active market) is calculated as the present value of cash flows discounted at the relevant current market interest rates adjusted for a company-specific margin. The fair value of short-term interest bearing debts and floating interest-bearing debts is assumed to be equivalent to their carrying amount.

We also refer to section 1.9 for the description of the fair value determination.

16. LEASES

Amounts recognised in the consolidated statement of financial position and the consolidated statement of profit and loss regarding lease liabilities and related right of use assets are as follows:

Roll forward Right of Use Asset IFRS 16	Right of Use Assets Investment Property	Right of Use Assets Property Dev. Inventories	Total
In KEUR			
1/01/2020	20,677	3,295	23,972
Addition (new)	1,524	95	1,620
Disposal	0	-48	-48
Revaluation	-629	-118	-748
Foreign exchange revaluation	-1,597	-254	-1,851
31/12/2020	19,977	2,968	22,945
Addition (new)	1,166	2,338	3,504
Disposal	-1,552	-105	-1,657
Revaluation	-180	9	-171
Transfer	-1,432	1,432	0
Foreign exchange revaluation	91	-15	77
31/12/2021	18,070	6,627	24,697

Roll forward lease liability IFRS 16	Non-current lease liability	Current lease liability	Total
In KEUR			
1/01/2020	21,787	2,185	23,972
Addition (new)	1,549	71	1,620
Payments	0	-811	-811
Disposal	-48	0	-48
Interest charges on lease liabilities (*)	63	0	63
Classification non-curr. to curr. lease liab.	-365	365	0
Foreign exchange revaluation	-1,682	-169	-1,851
31/12/2020	21,304	1,641	22,945
Addition (new)	3,504	0	3,504
Payment	0	-1,029	-1,029
Disposal	-1,657	0	-1,657
Interest charges on lease liabilities (*)	858	0	858
Classification non-curr. to curr. lease liab.	-1,154	1,154	0
Foreign exchange revaluation	71	6	77
31/12/2021	22,925	1,772	24,697

(*): included in other finance costs. Reference is made to note 24 Finance income and finance costs.

The Company has entered into non-cancellable leases for the land rights with basic lease terms of usually 99 years (Poland rights of perpetual usufruct). All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. The average lease-term per end 2021 is approx. 77 years in Poland.

All qualifying lease contracts have been recognised through a right-of-use asset and a corresponding lease liability.

The right-of-use assets are presented as Investment property, at fair value. The lease liabilities are initially recognized at their discounted value and are (at each reporting date) updated, considering the incremental interest rate on the one hand and the actual lease payments on the other hand.

The incremental borrowing rate is determined as 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.

To determine the incremental borrowing rate, the Company:

- to the extent possible, uses recent third-party financing received by the Company as a starting point, adjusted to reflect changes in financing conditions since the third party financing was received, and
- makes adjustments specific to the lease, e.g. considering term, country, currency and applicable securities.

The applied incremental borrowing rate for the Polish activities amounts to 7.7%.

The Company is exposed to potential future evolutions in lease payments, like indexations or rate increases, which are not included in the lease liability until they take effect. When adjustments to lease payments do take effect, the lease liability is reassessed and adjusted accordingly. As to lease payments, an allocation is done between principal amount and finance cost. The finance cost is charged to profit or loss over the lease period. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Right-of-use assets are measured at fair value comprising the present value amount of the initial measurement of the lease liability.

To the extent applicable, payments associated with short-term leases of equipment and vehicles and leases of low-value assets are (still) recognised on a straight-line basis as an expense in profit or loss". Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

Further reference is also made section 1.7. above and notes 6,7,16 and 24.

17. DEFERRED TAXES

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. Deferred taxes arise mainly from the temporary differences in respect of valuation of IP(UC), external borrowing costs capitalized and tax losses carried forward.

in thousands €	31/12/2021	31/12/2020
Deferred tax assets	3,618	3,500
Deferred tax liabilities	-93,381	-61,680
TOTAL	-89,763	-58,180

Deferred tax assets/(liabilities) arise from the following:

In thousands €	Investment property	Temporary differences Other	Unused tax losses and credits	
			Tax losses	Tax credits
Balance at 1 January 2020	-28,244	-10,823	1,750	-
Recognised in income statement	-25,911	366	4,750	
Recognised in other comprehensive income				
Recognised directly in equity				
Reclassified from equity to profit or loss				
Acquisitions				
Disposals				
Other		645		
Balance at 31 December 2020	-54,136	-10,544	6,500	-
Recognised in income statement	-26,866	-7,831	2,162	
Recognised in other comprehensive income				
Recognised directly in equity				
Reclassified from equity to profit or loss				
Acquisitions				
Disposals				
Other		952		
Balance at 31 December 2021	-81,002	-17,423	8,662	-

Deferred income tax assets are recognized for tax loss carry-forwards to the extent that the realization of the related tax benefit through future taxable profits is probable. Current year's increase in recognised unused tax losses is based on updated tax planning, supporting the expected recovery of these losses in the foreseeable future.

Current year's investment property related deferred tax expense is as recognised in the income statement of 2021 consisted of:

- a deferred tax expense of 29,497 KEUR
- a gain of 2,631 KEUR which is related to the reversal of deferred tax liabilities in connection with the sale of the Woloska 24 project.

Last year's investment property related deferred tax expense was fully attributable to the recognized fair value adjustments.

The following deferred tax assets have not been recognized at the reporting date:

in thousands €	31/12/2021	31/12/2020
DTA on unused tax losses	1,441	4,188
DTA on unused tax credits		
TOTAL	1,441	4,188

Tax losses in the Polish SPVs can be carried forward for a period of 5 years. In this respect, no deferred tax assets have been recognized on tax losses carried forward in these SPVs to the extent it is deemed not probable that sufficient taxable profit will be available to allow the benefit of part of these tax losses.

Tax losses in the other countries can be carried forward for an indefinite period of time.

No deferred tax liability has been recognized on undistributed profits in the subsidiaries. It should be noted that the distribution of dividends by Polish subsidiaries to the (Cypriot) Parent would normally generate no tax charge.

18. OTHER NON-CURRENT LIABILITIES

Other non-current liabilities relate to a significant extent (7,353 KEUR) to deferred income related to the Warsaw HUB project and Warsaw UNIT project.

The prior year balance was mainly related to a significant extent (6,675 KEUR) to down payments related to the construction works for the Warsaw HUB project and Warsaw UNIT project.

19. TRADE AND OTHER PAYABLES

Trade and other payables are analysed as follows:

	31/12/2021	31/12/2020
Trade payables: third parties	3,628	7,527
Trade payables: related parties	25,498	1,065
Related parties current accounts payable	-	-
Misc. current liabilities	8,798	7,694
Deferred income	9,276	17,577
Current employee benefits	16	14
Total trade and other payables	47,207	33,877

Trade payables towards related parties include amongst others the amounts payable to the Service Holding for construction and engineering coordination services received. On 31/12/2021, the trade payables include 25,498 KEUR towards related parties (vs. 1,065 KEUR last year), as follows:

- Safe Invest Sp. z o.o.: 340 KEUR (293 KEUR last year);
- Ghelamco Poland Sp. z o.o.: 24,233 KEUR (zero KEUR last year);
- Others: 925 KEUR (772 KEUR last year).

The related parties trade payables balance increased significantly compared to prior year, mainly in connection with the construction works on projects carried out during the last months of the year (mainly the Warsaw UNIT, The Warsaw HUB, The Bridge, Craft and Kreo). Previous year's outstanding balance was mainly connected with construction works on projects carried out during the last months of the year (mainly The Warsaw HUB and the Warsaw UNIT).

Miscellaneous current liabilities mainly relate to interest payable (5,520 KEUR in total, mainly to third parties), rental guarantee provisions (300 KEUR in total), VAT payable (1,485 KEUR), and some accruals and others.

The outstanding deferred income balance mainly relates to deferred income from sales in the Flisac residential project (1,892 KEUR vs. 15,287 KEUR last year), sales in the Foksal residential project (252 KEUR vs. 2,000 KEUR last year), sales in the Groen residential project (5,973 KEUR vs. zero KEUR last year) and sales in the Bliskie residential project (509 KEUR vs. zero KEUR last year), and to some deferred rent income on commercial projects. The significant increase in the Groen balance mainly goes together with the (commercial and construction) progress of the project. The decrease in the Flisac and Foksal balance goes together with the ongoing delivery of the project and the resulting recognition of revenue (and cost of sales).

Trade and other payables are non-interest bearing and are settled in accordance with the contractual terms. The carrying amounts of trade and other payables approximate their fair value as those balances are short-term.

20. CURRENT TAX LIABILITIES

The outstanding current tax payable (2,627 KEUR) is mainly related to income tax payable in Cyprus.

21. REVENUE

REVENUE IS MAINLY GENERATED FROM THE FOLLOWING SOURCES:

in thousands €	31/12/2021	31/12/2020
Sales of Residential Projects	44,274	20,224
Rental Income	27,302	10,757
TOTAL revenue	71,576	30,981

The residential projects revenue as of 31 December 2021 relates to the delivery of the sold apartments in the Foksal project (13,885 KEUR) and the sold apartments in the Flisac project (30,389 KEUR).

Revenue (and related cost of sales) for the sold apartments has been recognised based on the signing of the hand-over protocols by the resp. buyers. Last year's residential revenue related to the sale of the apartments in the Foksal project (20,224 KEUR).

The rental income as of 31 December 2021 relates to the rent collected from commercial projects (mainly the Warsaw HUB, Warsaw UNIT, Woloska 24 and Plac Vogla Retail (former Wilanow Retail)). The increase compared to prior year is mainly connected to the completion and delivery of the Warsaw HUB starting from the beginning of Q3 2020, and completion and delivery of the Warsaw UNIT from the beginning of Q2 2021.

OVERVIEW OF FUTURE MINIMUM RENTAL INCOME

The investment properties are leased to tenants under lease contracts with rentals payable on a monthly or quarterly basis. Where considered necessary to reduce credit risk, the Company may obtain bank guarantees for the term of the lease. The cash value of future minimum rental income until the first expiry date of the non-cancellable leases is subject to the following collection terms:

in thousands €	31/12/2021	31/12/2020
Future minimum rental income:		
Less than 1 year	5,036	16,566
Between 1 and 2 years	13,356	23,272
Between 2 and 3 years	16,197	32,344
Between 3 and 4 years	16,068	34,278
Between 4 and 5 years	15,751	33,423
More than five years	35,947	144,636
TOTAL FUTURE MINIMUM RENTAL INCOME	102,357	284,519

The future minimum rental income decreased significantly compared to prior year by 182,162 KEUR down to 102,357 KEUR. The decrease in the minimum rental income is mainly attributable the sale of the HUB in March 2022.

22. OTHER ITEMS INCLUDED IN OPERATING PROFIT/LOSS

OTHER OPERATING INCOME AND EXPENSES IN 2021 AND 2020 INCLUDE THE FOLLOWING ITEMS:

	2021	2020
Other operating income		
Net gains on disposal of investment property	-	983
Other	9,993	6,025
TOTAL	9,993	7,008

The current year's other operating income mainly relates to the recharge of (finalisation) fit-out expenses to tenants in the Warsaw HUB and the UNIT.

Prior year's other gain on disposals related to the gain on the sale of a 2,300 sqm unit (approx. 45% of the total available space) in the Lomianki retail project to a food retailer, at a sales price of 4.3 MEUR. For the remaining, the other operating income mainly related to recharge of fit-out expenses to tenants in the Warsaw HUB and the UNIT and the gain on the divestiture of RE Commercial Services Sp. z o.o. (658 KEUR) to Hanseta Holding Ltd.

	2021	2020
Gains from revaluation of Investment Property	155,749	139,329

Fair value adjustments over 2021 amount to 155,749 KEUR (vs 139,329 KEUR last year). This is mainly the result of current year's further engineering, development, construction and leasing efforts, in combination with evolution in market conditions (in terms of yields and rent rate levels). Main fair value adjustments have been recognised on the Warsaw HUB (57,190 KEUR), the Warsaw UNIT (71,696 KEUR), The Bridge (former Bellona Tower) (9,632 KEUR), Wola project (former Chopin + Stixx) (2,653 KEUR), Craft (6,570 KEUR) and TSKZ/Jewish Theatre (2,048 KEUR).

	2021	2020
Other operating expenses		
Housing costs	-19	0
Taxes and charges	-1,355	-996
Insurance expenses	-297	-105
Audit, legal and tax expenses	-2,090	-1,282
Promotion	-292	-273
Sales / agency expenses	-1,239	-1,255
Rental guarantee expenses	-213	-742
Maintenance and repair expenses (projects)	-7,885	-2,761
Operating expenses with related parties	-13,297	-10,424
Miscellaneous	-2,724	-1,076
TOTAL	-29,411	-18,914

The Other operating expenses increased significantly by 10,497 KEUR to 29,411 KEUR.

The increase in the Operating expenses with related parties mainly concerned fit-out expenses (mainly in connection with the Warsaw HUB and the UNIT Investment Property).

projects) charged by Ghelamco Poland Sp. z o.o., which were in-turn re-charged to tenants (through other income).

Rental guarantee expenses, in turn, decreased after a partly reversal of the outstanding rental guarantee provision (by 400 KEUR to 300 KEUR), in connection with the leasing of previously vacant space in the resp. sold projects.

The increase in Maintenance and repair expenses by 5,124 KEUR to 7,885 KEUR is mainly connected to the Warsaw UNIT (commercial) and the Warsaw HUB (commercial) projects in the course of the year.

Current year's sales/ agency expenses are mainly related to new lease contracts in the Warsaw HUB, Warsaw UNIT and share deal of Woloska 24.

The miscellaneous balance is mainly related to the negative Purchase Price Adjustment on the sale of the Woloska 24 project.

23. COST OF PROPERTY DEVELOPMENT INVENTORIES

The various items comprising the costs of Property Development Inventories are as follows:

	2021	2020
Movement in inventory	-21,317	1,922
Purchases (*)	-12,323	-16,329
	-33,640	-14,407

(*) See Note 28.2

Purchases (mainly from related parties) related to Investment Property projects are not included in the above purchases, as those have directly been recorded on IP. It concerns an amount of 64,318 KEUR (vs 170,579 KEUR in 2020).

24. FINANCE INCOME AND FINANCE COSTS

The various items comprising the financial income and financial costs are as follows:

	2021	2020
Foreign exchange gains	2,608	
Interest income	14,739	13,815
Total finance income	17,347	13,815
Interest expense	-22,059	-10,522
Other interest and finance costs	-10,888	-5,727
Foreign exchange losses		-17,787
Total finance costs	-32,947	-34,036

The interest income mainly includes interests on loans receivable from related parties.

It is to be noted that interest expenses related to (not yet delivered) Investment Property projects are not included in the above 2021 and 2020 figures, as those have directly been capitalized on IP. It concerns an amount of 7,566 KEUR (vs. 15,400 KEUR last year).

The interest expenses mainly relate to interests on bank loans, bonds and to a lesser extent on related party financial payables. The significant increase in interest expenses mainly goes together with the delivery of the Warsaw HUB. Financing costs on projects under construction are capitalized while financing costs on delivered/ income generating projects are expensed.

The other finance costs include the amortization of (capitalized) bond issue and bank (re-) financing expenses. In addition, the financial impact of the present value calculation of the finance lease liabilities in accordance with IFRS 16 is included (for an amount of 858 KEUR). In this respect, further reference is made to note 16.

It is to be mentioned that main part of the exchange differences is unrealized (and connected with the conversion at spot rate of outstanding (EUR) bank loans). It concerns a snapshot per year-end, impact of which mainly depends on the evolution of the EUR/PLN exchange rate. The foreign exchange gains amounting to 2,608 KEUR are mainly related to the conversion at spot rate of the outstanding (EUR) bank loans in Polish entities.

All financial income and expenses mentioned in the table above are related to financial instruments measured at amortized cost.

25. INCOME TAXES

Income tax expense recognized in the consolidated income statement:

	31/12/2021	31/12/2020
Current income tax	-1,767	-1,515
Deferred tax	-32,535	-21,527
Total	-34,302	-23,042

The deferred tax expenses are mainly related to the recognition of deferred tax liabilities on the fair value accounting of the investment properties. The significant increase compared to last year is explained by the recognition of a higher amount of positive fair value adjustments (refer to note 22 above).

The tax charge on the Company's result before taxes differs from the theoretical amount that would have resulted from applying the average applicable tax rates to the profits of the consolidated companies.

The income tax expense for the period can be reconciled to the accounting profit as follows:

in thousands €	31/12/2021	31/12/2020
Result before income taxes	157,307	122,839
Income tax expense calculated at 19%	-29,888	-23,339
Effect of different tax rates in other jurisdictions	1,467	1,310
Effect of non-deductible expenses	-3,264	-5,597
Effect of revenue that is exempt from taxation	571	2,237
Effect of use/recognition of previously unrecognized tax losses	333	1,374
Effect of current year losses for which no DTA is recognized	-6,852	-861
Effect of tax incentives not recognized in the income statement	2,160	2,229
Effect of under/over-accrued in previous years	158	-43
Effect of change in local tax rates		
Effect of other tax increases	0	0
Reversal cumul DTL in connection with Woloska 24 (share) sale	1,520	0
Other	-507	-352
INCOME TAX EXPENSE RECOGNISED IN INCOME STATEMENT	-34,302	-23,042

The theoretical tax rate used for the above reconciliation is the (Polish) statutory corporate tax rate of 19% payable by corporate entities in Poland on taxable profits under tax law.

The relative significant amount of non-deductible expenses is related to withholding taxes on received interest.

The effect of revenue that is exempt from taxation mainly relates to received dividends by the (Cypriot) Parent of the Polish subsidiaries and gains on exchange differences, who are exempted of corporate tax.

26. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

26.1. (BANK) GUARANTEES

All external borrowings of the subsidiaries are secured by corporate guarantees and/or suretyship agreements issued by Granbero Holdings Ltd. These guarantees cover cash deficiency risk, cost overrun, completion risk and interest & repayment shortfall risk. No calls on the guarantees were made in 2021 and 2020.

Company	Project name	Amount of bank loan-books (KEUR)		Corporate guarantees as per 31/12/2021 (KEUR)	
POLAND					Guarantee by Granbero Holdings Ltd.
Apollo Invest Sp. z o.o.	The Warsaw UNIT	EUR	115,297		Suretyship agreement (mainly including cost overrun, own contribution input, claim amounts)
The HUB SKA	The Warsaw HUB	EUR	309,019	8,000	Corporate guarantee, Suretyship agreement
Isola SKA	The Bridge (former Bellona Tower)	EUR	5,064	6,260	Suretyship agreement
Vogla SKA	Plac Vogla	EUR	1,977	6,500	Corporate Guarantee
Azira SKA	Nowe Centrum Lodzi	EUR	5,746	8,100	Suretyship agreement
Sigma SKA	Wola Project	EUR	27,000	110,532	Suretyship agreement

(*): Bank loan itself is denominated in PLN

No corporate guarantees were given by the Company to ensure repayment of the bank loans of the related parties (under the common control of the ultimate shareholders) at 31 December 2021 (but not subsidiary of the Company).

The Company does not apply cross liability, meaning that Granbero Holdings Ltd does not guarantee loans of affiliates belonging to other Ghelamco holdings.

26.2. REPRESENTATIONS AND WARRANTIES PROVIDED WITH RESPECT TO THE REAL ESTATE PROJECTS SOLD

As a seller of shares of its subsidiaries, the Company acts as a guarantor with respect to the representations and warranties contained in the real estate sales contracts concluded in the past. This mainly concerns representations regarding the title on shares, property, permit matters, technical matters, financial matters, tax matters and contractual matters. The Company's liability for the breach of these representations and warranties generally covers a period of 2 to 3 years from the date of sale (except representations regarding the tax matters covering the period of five to seven years in accordance with local regulations).

Management's past experience shows that the Company receives very limited amounts of warranty claims on its properties. Based on its assessment of the risk, the Company has not deemed it necessary to recognize any provision for representations and warranty obligations.

26.3. GUARANTEES RECEIVED FROM THE CONTRACTORS

The statutory warranty obligations of construction service providers cover the risk of structural and other defects of the properties. Construction service providers (including related parties of the Company) in Poland have a legal obligation to remediate any structural defects that become apparent within the first five years after completion of the construction for structural elements. Shorter guarantee periods apply for other

elements, depending on the nature of such elements (each sub-contractor bears similar “back-to-back” obligations).

26.4. SECURITIES ON ASSETS

Special Purpose Vehicles (SPV's) entering into external financing are offering following collateral:

- first ranking ceiling mortgage on the property belonging to the SPV (land + buildings)
- registered pledge on the borrower's shares;
- assignment of most receivables (inter alia leases, rents, sales, performance bonds, insurance income, ...);
- cash deficiency/cost overrun (letter of comfort) by the shareholder (if applicable);
- submission to execution.

No cross guarantees on assets have been granted by the different SPV's, nor other types of suretyships, cost overruns or debt service commitments.

27. COMMITMENTS

27.1. (CAPITAL) COMMITMENTS

(Capital and other) expenditure contracted for at the balance sheet date but not yet incurred is as follows:

	2021	2020
Architectural and Engineering contracts	10,499	12,859
Construction contracts	166,198	28,847
Total	176,696	41,706

The evolution in the (capital) commitments goes together with the progress on the construction of the investment properties and the start up of new projects. The increase is in line with the development of the new projects The Bridge, Kreo and Craft.

ACQUISITION CONTRACTS

At 31 December 2021, no significant contracts were signed.

SERVICES AND (SUB)CONTRACTOR AGREEMENTS

As a developer of commercial and residential properties, the Company is committed to continue the realisation of properties under the contracts with construction companies, often in cooperation with related parties of the Company.

As to the above architectural and engineering contracts and construction contracts, expenditures are spread over the coming 2 to 3 years, depending on management

decision to move forward with the involved projects.

The Company in addition declares sufficient flexibility on the commitments, as significant part of those commitments are contracted with related party entities belonging to the Development Holding.

For the on-going construction contracts, the respective SPV's concluded binding construction financing contracts with different banks.

Main construction contracts in the above overview relate to the following projects:

- Warsaw HUB (approx. 118,000 sqm mixed project): 2,762 KEUR
- Warsaw UNIT (approx. 59,000 sqm office space): 9,041 KEUR
- Warsaw The Bridge (approx. 47,500 sqm office space): 98,852 KEUR
- Krakow Kreo (approx. 26,000 sqm office space): 25,500 KEUR
- Craft (approx. 26,000 sqm office space): 29,189 KEUR
- Groen / Konstancin (approx.. 7,500 sqm residential): 1,565 KEUR
- Pattina (approx. 9,500 sqm residential): 8,330 KEUR

27.2 RENTAL GUARANTEES

The outstanding rental guarantees at the date of 31 December 2021, are rental guarantees agreements regarding two office projects (.BIG and Wronia) for resp. the not leased office and parking spaces. Rental guarantee agreements have a period of 5 years. In this respect, the remaining rental guarantee provision amounts to 283 KEUR in the consolidated financial statements at 31/12/2021.

In prior year a total rental guarantee provision of 700 KEUR was recognised in connection with the sale of the Marynarska 12/T-Mobile Office Park and the sale of .BIG and Wronia.

28. RELATED PARTY TRANSACTIONS

The Company is together with the other Ghelamco Group (sub-)holdings, the Service Holding, the Portfolio Holding and the Property Fund – all related parties – under common control of the ultimate shareholders, Mr. & Mrs. Gheysens (together “the Consortium”). The companies which make part of the Consortium are considered related parties.

Balances and transactions between the Company and its subsidiaries have been eliminated in consolidation and are not disclosed in this note. Details of transactions between the Company and other related parties (belonging to the Investment & Development Holding, the Service Holding, the Portfolio Holding and the Property Fund Holding) are described below.

28.1. RELATIONSHIPS WITH THE DIRECTORS AND MANAGEMENT

For the year ending 31 December 2021, the Consortium (of which the Company is part) paid a total amount of approx. 12,000 KEUR (vs. 12,000 KEUR last year) to the members of the board and management committee. This amount includes management service fees charged by the Management Committee members to the legal entities included in the scope of these consolidated financial statements. The Company, in turn, paid a total amount of approx. 5,000 KEUR (vs 5,000 KEUR last year) to the members of the board and the management committee.

This amount comprises the full compensation. No other short- or long-term benefits, stock option plans or other post-employment benefits have been granted to the members of the board and the management committee.

28.2. TRADING TRANSACTIONS: PURCHASE OF CONSTRUCTION, ENGINEERING AND OTHER RELATED SERVICES FROM RELATED PARTIES

CONSTRUCTION AND DEVELOPMENT SERVICES

The Company has entered into property development and construction contracts with property development and construction companies (“Contractors”) – the indirect subsidiaries of the Service Holding (International Real Estate Services Comm. VA (parent company of Ghelamco’s “Service Holding”)):

- Ghelamco Poland with its registered office in Warsaw;

This entity provides services to the real estate companies of the Company, in accordance with the terms of the property development contracts, including but not limited to:

- obtaining pre-approvals and design documents necessary to the development of the project;
- performing construction works in accordance with the required permits, approvals, regulations, plans and specifications;
- ordering materials and equipment necessary for completion of the construction works;
- entering into contracts with utility providers, other entities and authorities, enabling exploitation of the constructed buildings;
- obtaining required occupancy permits;

- ensuring compliance with local regulations, namely regarding safety, fire protection, labour and health conditions, construction law;
- maintaining insurance in relation to the construction works throughout the entire construction period.

In accordance with the conditions of the property development contracts, the Contractor has the right to use building sites during the entire period of construction. The Contractor transfers this right to use the site, together with the developed buildings, to the Company after the occupancy permit has been granted by the local authorities or after signature of the building's delivery protocol between the Company's real estate company and the Contractor. The Contractor retains an obligation to remedy all defects noted in the minutes of hand-over from the Company to the company and its tenants (when tenants take possession of their premises).

Construction service providers (including Contractors) in Poland have a legal obligation to bear repair costs of any construction defects that become apparent within a warranty period after the construction is completed. The Contractors have an obligation to remedy all structural construction defects that become apparent during the statutory warranty period of 5 years in Poland.

The price for the construction and other related services is the fixed price agreed at the inception of the contract. The payments are executed based on the invoices issued on a bi-weekly to monthly basis. With regards to completed and handed-over works, the parties sign a works protocol every fortnight to month after approval by an independent project monitor appointed by the external financial party. The prices for the services reflect normal commercial terms and conditions, with average margins between 10% to 20%.

ENGINEERING AND ARCHITECTURAL DESIGN SERVICES

Safe Invest Sp. z o.o (a limited liability company registered under the laws of Poland), indirect legal subsidiary of International Real Estate Services Comm. VA, the parent company of Ghelamco's "Service Holding") coordinates engineering and architectural design services provided to the Company in accordance with terms of the respective contracts. Purchases of services from Safe Invest Sp. z o.o exceed 80% of all engineering, architectural design and other related services acquired by the Company. These services include:

- detailed functional, technical, structural and surface-related programmes and finishing work;
- assistance in selection of engineers in charge of assignments;
- detailed preliminary architectural project and establishment of the building project in accordance with the local statutory requirements;
- establishment of all documents, permit application and verification and obtaining all approvals required to submit a building permit application and submission of a building application;
- detailed architectural implementation plan, coordination of the technical studies, definition of specifications and details;
- supervision of the work during the entire construction period;
- assistance during the preliminary acceptance and with obtaining the operating permit;
- commercial costs;
- legal and financial advisory.

The price of these services is determined during the feasibility phase of the property development project as a function of the investment value of the project (excluding cost to acquire land) and is usually fixed at 11.5% of the construction value of the project. This fee is paid by a real estate development entity upon achievement by Safe Invest Sp. z o.o of the milestones agreed in the contract (approval of the preliminary design, submission of the building permit file, implementation file, achievement of commercial goals, etc.). The prices for the services reflect normal commercial terms and conditions as locally in place.

28.3. ACQUISITIONS AND DISPOSALS OF SHARES AND OTHER RELATED PARTY TRANSACTIONS

2021

For the remainder, no other significant transactions with related parties took place in 2021.

2020

In the course of 2020, the Company has sold 100% of its shares in RE Commercial Services Sp.z o.o. (former Ghelamco PL Management Sp.z o.o.) to Hanseta Holding Ltd.

For the remainder, no other significant transactions with related parties took place in 2020.

OTHER

The excess cash balances generated by the Company's real estate development activities can, besides being reinvested in the entities belonging to the Investment Holding, to an extent and within the requirements of the terms and conditions of the recent bond issues, also invested in entities belonging to the Ghelamco Development Holding and Portfolio Holding in form of short and long-term loans.

Above described related party transactions and balances can be detailed as follows:

	31/12/2021	31/12/2020
Purchases of construction, engineering and architectural design:	-69,516	-137,140
Related party trade receivable	2,511	79
Related party trade accounts payable	-25,499	-1,065
related party non-current loans receivable	417,446	348,642
related party current loans receivable	-	6,287
related party interests receivable	56,833	45,341
related party C/A receivable	109,775	109,975
Related party non-current loans payable	-8,335	-7,712
Related party interests payable	-518	-576
Related party C/A payable	-	-

29. EVENTS AFTER BALANCE SHEET DATE

UKRAINIAN – RUSSIAN CONFLICT

In the opinion of the company's management, the armed conflict in Ukraine is not a circumstance that could result in a significant deterioration of the Company's financial situation and adversely affect the assumption that its business will continue in the foreseeable future.

Management will closely monitor and track the impact of the political and economic situation in Ukraine on its operations, including its future financial condition and results, and will make efforts to mitigate any potential negative effects on the Company, its personnel and operations.

SALE OF WARSAW HUB TO GOOGLE

On 24 January 2022, Ghelamco GP11 Sp. z.o.o. HUB S.K.A. signed a "Podium" lease with Google Poland, for the lease of 10,600 sqm office space.

Afterwards, on 10 March 2022, Ghelamco GP11 Sp. z.o.o. HUB S.K.A., sold the office, retail, service passage as well the underground part of the Warsaw HUB project (previously called Sienna Towers) to Google Poland.

The building has a WELL Health-Safety Rating certificate and a BREEAM certificate on the Excellent level. The complex is also certified as 'Building without Barriers', confirming the full architectural accessibility and friendliness for all users of the buildings, including people with disabilities, parents with children, the elderly and people with temporary disabilities. Google has been a tenant in the complex since 2021.

The transaction value was agreed on the 10th of March 2022 for amount close to EUR 583 million.

Following balance sheet, the transaction has been processed as an adjusting subsequent event on the balance sheet of Granbero at the date of 31 December 2021, which indicates the impact of the transaction when the HUB would have been sold at the date of 31 December 2021.

The following main assumptions were used:

- 1) sale of the HUB based upon the valuation as per 31.12.2021 for an amount of 541,443 KEUR, which was classified as Asset Held for Sale.
- 2) repayment of the bank loan as per 31.12.2021 for an amount of 314,017 KEUR.
- 3) payment of the income taxes on the profit made of the sale, estimated at 48,252 KEUR as included in the Deferred tax liabilities per 31.12.2021.
- 4) payment of the main outstanding Trade and other payables as per 31.12.2021 for an amount of 23,380 KEUR.

The result after processing the transaction in the Granbero balance sheet, is shown under the pro-forma balance sheet at the date of 31 December 2021.

	31/12/2021	Sale HUB	Pro-forma 31/12/2021
Assets			
Non-current assets	1,109,893	0	1,109,893
Current assets	892,601	-390,903	501,698
Trade and other receivables	183,930	-5,612	178,318
Assets classified as held for sale	541,443	-541,443	0
Cash and cash equivalents	72,024	156,152	228,176
Total Assets	2,002,494	-390,903	1,611,591
Liabilities			
Total Equity	1,042,553		1,042,553
Non-current liabilities	506,262	-53,506	452,756
Deferred tax liabilities	93,381	-48,252	45,129
Other non-current liabilities	7,995	-5,254	2,741
Current liabilities	453,679	-337,397	116,282
Trade and other payables	47,208	-23,380	23,828
Interest-bearing loans and borrowings	403,844	-314,017	89,827
Total Liabilities	2,002,494	-390,903	1,611,591
Solvency	52.06%		64.69%

This sale will have a positive impact, among others, on the free cash and solvency (52.06% to estimated 64.69%).

OTHER BORROWINGS – BONDS:

After year-end, on 11 January 2022, following bond tranche have been issued within the Bonds Issue Programme (number X) : on 11 January 2022, an amount of 135,000 KPLN (series PW3). These bonds mature on 29 September 2025 and bear an interest of Wibor 6 months + 5.0%.

In January 2022, a number of bonds series (PG, PK and PL) have been redeemed for a total amount of 103,717 KPLN, through early redemption.

The Company redeemed in February 2022, a number of bonds series (PG, PK and PL) for a total amount of 20,503 KPLN, through early redemption.

The Company redeemed in March 2022, a number of bonds series (PG, PM, PO and PR) for a total amount of 118,132 KPLN, through early redemption.



30. AUDITOR'S REPORT

Independent Auditors' Report on the consolidated financial statements of Granbero Holdings Ltd. as of and for the year ended 31 December 2021

Opinion

We have audited the consolidated financial statements of Granbero Holdings Ltd. ("the Company") and its subsidiaries (jointly "the Group"), which comprise the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, and notes, comprising significant accounting policies and other explanatory information. The total of the consolidated statement of financial position amounts to EUR 2.002.494 (000) and the consolidated statement of profit or loss shows a profit for the year of EUR 123.005 (000).

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2021, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Belgium and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises section 'I. General information and performance'.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.



Independent Auditors' Report on the consolidated financial statements of Granbero Holdings Ltd. as of and for the year ended 31 December 2021

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance as to whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of the users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

— Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;



Independent Auditors' Report on the consolidated financial statements of Granbero Holdings Ltd. as of and for the year ended 31 December 2021

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 auditors' 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 the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the management 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.

Zaventem, 23 March 2022

KPMG Réviseurs d'Entreprises SRL/
Bedrijfsrevisoren BV
Independent auditor
represented by

Filip De Bock
Réviseur d'Entreprises / Bedrijfsrevisor

GHELAMCO **SOLD**
ON 10 MARCH 2022
TWO OFFICES TOWERS
OF **THE WARSAW HUB**
TO **GOOGLE**

