

Real Estate & Senior Care

Contribution to the AvH consolidated net result

(€ million)	2022	2021	2020
Nextensa	42.5	38.6	-
Leasinvest ⁽¹⁾	-	-	3.3
Extensa Group ⁽¹⁾	-	-	25.9
Anima ⁽²⁾	2.8	4.1	3.4
Total	45.3	42.7	32.7

⁽¹⁾ Figures as of 2021 included in Nextensa figures

⁽²⁾ Sale Anima finalized in July 2022. Contribution in 1H22



Nextensa

59%

Nextensa is a mixed real estate investor and developer.



AvH & Growth Capital

Energy & Resources

Real Estate & Senior Care

Private Banking

Marine Engineering & Contracting

Shareholding percentage AvH



Michel Van Geyte Peter De Durpel Tim Rens Olivier Vuylsteke

Nextensa

Nextensa is a listed, mixed real estate investor and developer.

As an investor, Nextensa is active in the Grand Duchy of Luxembourg (41%), Belgium (44%) and Austria (15%). Nextensa’s total investment portfolio was valued at 1.28 billion euros on December 31, 2022.

As a developer, Nextensa primarily designs large-scale urban developments. At Tour & Taxis (development of more than 350,000 m²) in Brussels, Nextensa is building a mixed real estate portfolio consisting of a redevelopment of iconic buildings and new construction. In Luxembourg (Cloche d’Or), it is working in partnership on a major urban expansion of more than 400,000 m² consisting of offices, retail and housing.

Financial overview 2022

Nextensa realised a net result of 71.3 million euros in 2022. The change in the consolidation scope relative to 2021, when Leasinvest and Extensa were still separate entities during the first half of the year, makes it difficult to make a comparison with the previous year.

This result is partly due to the divestments of the Titanium (Luxembourg), Monnet (Luxembourg) and The Crescent (Belgium) buildings, which generated a capital gain of 28.3 million euros.

The operating result of the real estate portfolio increased to 71.6 million euros (2021: 44.6 million euros). The rental income increased by 2.2 million euros com-

pared to 2021 and amounted to 67.4 million euros at year-end 2022. The value of the investment property decreased relative to 2021 due to the sale of the three aforementioned buildings during 2022. On the other hand, there was only a minor (0.90%) decrease in the value of the investment property to the amount of 11.6 million euros. The average return on the investment property increased from 5.20% at year-end 2021 to 5.30% at year-end 2022.

The operating result of the development projects increased from 15.4 million euros in 2021 to 22.2 million euros in 2022. This result consists mainly of the development activities on Cloche d’Or and on Tour & Taxis (Park Lane phase I).

Disposals of investment property as well as of development projects permitted a substantial reduction of debt. The net financial debt decreased from 853.3 million euros at year-end 2021 to 721.5 million euros at year-end 2022. Consequently, the financial debt ratio decreased from 48.6% to 42.6%.

The average finance cost increased slightly from 2.07% at year-end 2021 to 2.18% at year-end 2022. Although interest rates increased significantly during 2022, Nextensa’s successful hedging policy ensures that this increase has only a minimal impact on the average finance cost.

The shareholders’ equity increased from 780 million euros to 839 million euros.

Operational overview 2022

Real estate development

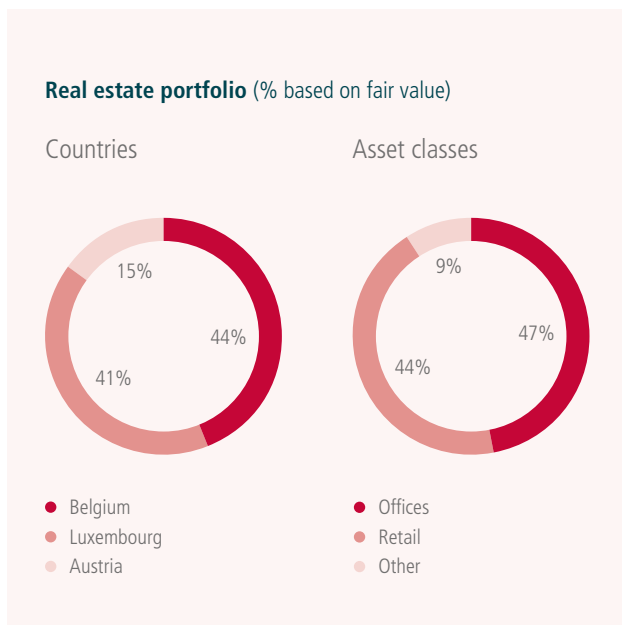
Tour & Taxis: the textbook example of a ‘15-minute neighbourhood’

- **Offices**

The Tour & Taxis site was able to position itself in 2022 as one of the most important event venues in Brussels. Over the past year, the site has welcomed a large number of visitors to temporary events such as the Realty real estate fair and the World Padel Tour, to long-running exhibitions in the Sheds or to conferences in Maison de la Poste.

The occupancy rate of the offices on the Tour & Taxis site (Gare Maritime and Royal Warehouse) is now 90%. In 2022, Unicef (900 m²) and Polestar (610 m²) set up their offices in the Gare Maritime, while CD&V signed a lease for 1,500 m². The Royal Warehouse is fully let, thanks to several major lease renewals that were concluded last year.

The occupancy rate of the retail spaces on the Tour & Taxis site (Gare Maritime and Royal Warehouse) is 56%. Lab9 (579 m²) and Wever & Ducre (165 m²) signed a lease at the end of 2022. They will open a store at the Gare Maritime in 2023.





Michel Van Geyte
CEO

“The focus on urban developments with a mix of functions in a sustainable framework appears to be the right one. Our Tour & Taxis and Cloche d’Or sites are proving their worth all the more by the successful sales of apartments and offices. Nextensa also distinguishes itself in its proactive attitude to respond quickly to ever-changing market conditions.”

Furthermore, the Hôtel des Douanes on the site is being prepared for rental. This multi- or single-tenant building will soon accommodate 6,500 m² of offices and conference rooms and will again become a model of sustainability. The uniqueness of the historic building will be fully preserved and will be combined with the most sustainable techniques, an approach that has become Nextensa’s trademark.

• Residential

Nextensa is working on the new residential quarter ‘Park Lane’ on Tour & Taxis. All 319 apartments in the four buildings of Park Lane phase I were delivered in 2022, and Anima’s residential care centre at the beginning of the Parkdreef has opened. Construction of the Park Lane phase II project, consisting of 11 compact buildings and 346 apartments, began in March 2022. By the end of 2022, more than 120 apartments of this project have already been reserved or sold.

Meanwhile, the Lake Side project is also beginning to take shape. Lake Side is the latest phase of the large-scale urban development on Tour & Taxis. The project has a potential of about 136,000 m² of apartments, co-living, offices, public facilities and retail spread over 17 buildings. The planning application for this project will be filed in the spring of 2023.

Cloche d’Or: a new urban district in Luxembourg City (in joint venture with the Luxembourg developer Promobe)

• Offices

During January 2022, the Kockelscheuer office building, with a floor area of approximately 4,200 m², was delivered and sold for 48 million euros. The whole building had been pre-let to Regus.

At the end of March 2022, the Darwin II office building (approximately 4,700 m²) was delivered. The tenant is the Luxembourg state, which also has a 3-year purchase option from April 1, 2022. The building was taken into service during the second quarter of 2022.

The Darwin I - Bronze Gate office building was provisionally delivered at the end of September 2022. At the beginning of October 2022, this Bronze Gate building was sold for 65 million euros to the Luxembourg-based real estate investor REInvest Asset Management S.A. This building of approximately 5,040 m² is fully let to atHome Group, specialising in online platforms for the sale of real estate and vehicles, and to the international law firm CMS DeBacker Luxembourg.



Nextensa | From left to right: Monteco - Brussels - Top: Hangaar 26 - Antwerp - Bottom: Shopping Center Boomerang - Luxembourg

Two more office buildings are under construction. The first, Emerald, has a floor area of 7,000 m² and is already 43% pre-let to a law firm. An LOI for lease was signed with a prospective tenant that would increase the occupancy rate to 70%. Construction work is proceeding on schedule and delivery is expected in late summer 2023.

Just next to the Emerald building, work has also begun on another 7,000 m² office building, called White House. An LOI for the lease of 100% of the floor area was also signed for this building. Delivery is expected in early 2024.

• Residential

The residential developments on Cloche d'Or consist of several sub-projects.

During 2022, all the apartments of the Ilôt D-Sud sub-project (155 apartments) were delivered. This sub-project is completely sold, except for 11 retail units on the ground floor.

The Ilôt D-Nord sub-project will be gradually delivered during 2023. Meanwhile, the last 12 apartments out of a total of 194 are being commercialised.

The sale of sub-project D5-D10 (185 apartments and 18 ground-floor retail units) was delayed due to the economic situation. Nevertheless, in the second half of the year it was decided to start construction work. This allowed some more reservations to be materialised at the end of 2022, and the first 26 notarial deeds were executed. 46 of the 185 apartments are currently reserved or already sold. Delivery is expected during 2024.

In mid-September, a fixed 20-year lease was also concluded with B&B HOTELS for the development of a hotel with 150 rooms. The planning application process is currently under way and the works are expected to start in the first half of 2023 with a probable delivery date in early 2025.

Real estate investments

In 2022, Nextensa focused on bringing forward part of the unrealised capital gains within its portfolio and on strengthening its balance sheet.

Divestments

Already in November 2021, Nextensa and Codic signed a sales agreement under conditions precedent for 100% of the shares in the Luxembourg company GK5 Sàrl, owner of the Titanium site in the Cloche d'Or district. The actual transfer of the shares took place at the end of December 2022. The total price was 110 million euros. In 2022 the rental income from the Titanium building still fully contributed to the net result of 2022.

Nextensa NV

(€ 1,000)	2022	2021	2020 ⁽²⁾
Rental income	67,400	65,174 ⁽¹⁾	59,848
Result of development projects	22,243	15,373 ⁽¹⁾	-
Net result (group share)	71,310	53,244 ⁽¹⁾	7,683
Shareholders' equity (group share)	838,798	779,970	487,211
Real estate portfolio (fair value)	1,278,716	1,407,919	1,141,190
Rental yield	5.30%	5.20%	5.63%
Netto financiële positie	-721,493	-853,333	-667,255
Financial debt ratio	42.6%	48.6%	54.0%
Personnel	45	48	25

⁽¹⁾ 2021: 12 months Leasinvest Real Estate, 6 months Extensa

⁽²⁾ Reported as Leasinvest Real Estate

The Monnet building, which had been in the portfolio since 2006, was sold to Edmond de Rothschild in early 2022. Located in the heart of Kirchberg's financial district at 4 Rue Jean Monnet, the Monnet building covers some 4,000 m² and is fully let.

At the beginning of 2022, the leasehold rights to the The Crescent building were sold to private investors DES / De Weer. The Crescent is a 15,000 m² office building located on the Erasmus Campus in Anderlecht and had been in the portfolio since 2002. Originally built for L'Oréal, the building was extensively converted into a serviced office building in 2011.

Luxembourg

The Moonar site, which has been in Nextensa's portfolio for many years, is currently undergoing extensive redevelopment in order to create higher rental values on these buildings. Moonar is a campus near the airport. The office park consists of 5 buildings, which will all be renovated by the end of 2023. Negotiations are ongoing with potential new tenants and with several current tenants, who have indicated an interest in returning to their renovated offices, resulting in an increase of the rent.

In the summer of 2022, the extension of the Schmiede shopping centre (approximately 8,500 m²) was delivered. Eight new stores officially opened to the public in September. Work is currently continuing on the new hospitality concept, consisting of a Grand Café and a Food Village, which will open during 2023. The New Yorker store extension will open in the autumn of 2023.

The lease contract with Hornbach for the retail site located in Bertrange was also extended for 15 years (until 30/06/2038).

In the Boomerang Strassen shopping centre, a 1,200 m² Colruyt supermarket opened in October.

Austria

Nextensa's Austrian investment portfolio includes 5 retail parks, with an occupancy rate that remains consistently at 100%.

Outlook 2023

For 2023, Nextensa expects to continue to sell certain buildings that are considered to be fully developed, so that the debt position can be further reduced and unrealised capital gains in the portfolio can be materialised. With this strengthened balance sheet, Nextensa will be able to take advantage of attractive development opportunities in the coming years. At the same time, a number of identified sites in the portfolio will be redeveloped in 2023, while part of the margin on the Park Lane II project in Brussels will be able to be recognised.

Partners for sustainable growth



Nextensa's sustainability mission is to create 'places you prefer' by (re) developing climate-adaptive buildings, creating sustainable societies and investing in human capital.

In 2022, efforts to accomplish this mission included the following initiatives:

- **EU-Taxonomy:** In 2022, Nextensa started a first 'alignment assessment' of 6 pilot projects. These pilot projects show that Nextensa is setting the right priorities, because for 2022 they resulted in a turnover of which 25% can be labelled 'green', thanks mainly to the rental income from Gare Maritime and the sale of Park Lane. Monteco is 'aligned' as well, and its impact will be reflected in next year's results. In 2023 Nextensa will extend the alignment assessments to the entire portfolio.
- **Electric vehicle charging infrastructure:** Through a partnership with Tesla, 16 Superchargers were installed on the Brixton Retail Park retail site in Zaventem. 9 additional superchargers were installed at the De Mot building in Mechelen, bringing the total there to 17.
- **Solar panels:** Nextensa has a total installed capacity of 8,261 kWp. PV (photovoltaic) installations on Tour & Taxis were extended with 271 kWp. In Austria, a PV installation was put up on the Hornbach Baumarkt in Vienna. In Luxembourg, the grant application was approved that allows Nextensa to put up PV installations on the buildings of the Knauf Pommerloch (333 kWp) and Knauf Schmiede (854 kWp) shopping centres. These solar panels will be installed in 2023.
- **Renovations:** In renovation projects, Nextensa focuses on minimising energy consumption, on the exclusive use of renewable and green energy, and on discontinuing the use of fossil fuels. For example, during the renovation of the Hôtel des Douanes, special attention is being paid to the use of valuable materials and a geothermal system will be installed. During the renovation of Hangar 26/27 in Antwerp, the old wooden cladding was given a second life as cladding for a neighbouring office building. The new Monteco office building was delivered in early November 2022, whereupon Bank Nagelmackers set up its head office there. Monteco is the first wooden 'fossil-fuel free' office building in the European district.
- **Energy Community:** The pilot project 'Energy Community' was launched on Tour & Taxis. Through this community, surplus electrical energy generated by the photovoltaic panels on Gare Maritime can be passed on to other users (such as the apartments sold to low-income families).
- More information can be found in Nextensa's integrated 2022 annual report.