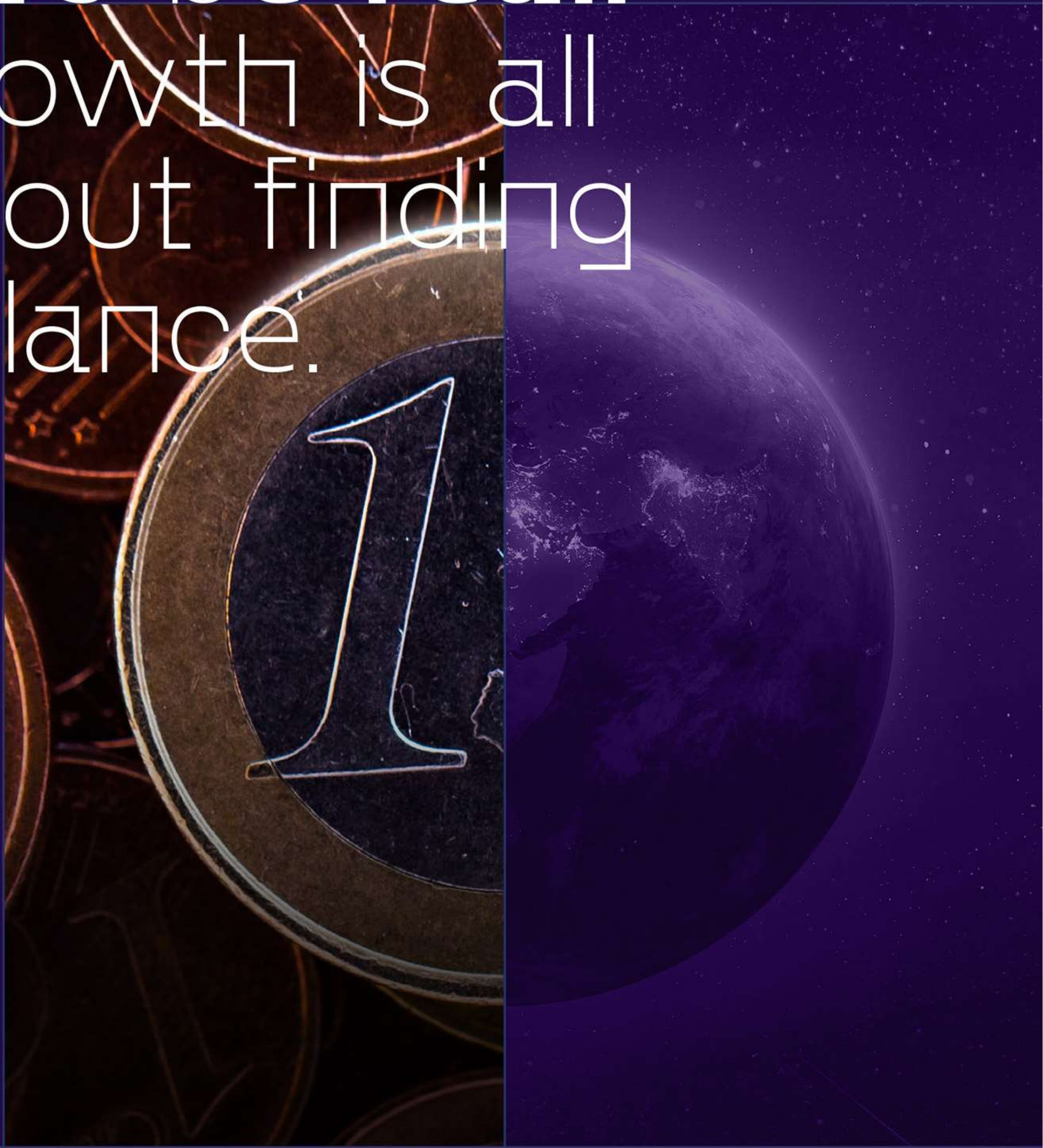
Let’s be **real.** Growth is all about finding balance.



ANNUAL FINANCIAL REPORT 2021

MONTEA

SPACE FOR GROWTH

Montea NV is a public regulated real estate company (RREC) under Belgian law (SIR – SIIC), specialising in the development and the management of logistics property in Belgium, the Netherlands, France and Germany (**Montea** or the **Company**).

The company is a leading player in this market. Montea literally provides its clients with the space to grow, through flexible and innovative property solutions.

On 31 December 2021 the property portfolio represented a surface of 1,545,165 m² across 79 sites. Montea NV has been listed on Euronext Brussels (MONT) and Paris (MONTP) since late 2006.

Montea shares are aimed at Belgian and foreign individual and institutional investors looking for an indirect investment in logistics property and seeking to achieve a relatively high dividend yield while incurring a moderate risk.

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RPR-RCB Gent, afdeling Dendermonde | BTW BE 0417 186 211

SEND US YOUR QUESTIONS OR COMMENTS: investorsrelation@montea.com
DESIGN AND REALISATION: Montea

The official version of this annual financial report has been prepared in the ESEF format and is as such available on the Montea website.

Ce rapport financier annuel est également disponible en Français.
Dit financieel jaarverslag is eveneens verkrijgbaar in het Nederlands.

The French and English versions of the annual financial report are translated from the Dutch annual financial report.

Investors may refer to the translated version within the framework of their contractual relationship with the issuer.

The annual financial report was translated under the responsibility of Montea and can be obtained at the registered office of the Company, and an online version is also available on www.montea.com. This report was drawn up in euros. The financial statements have been approved for publication by the board of directors of the Sole Director and will be submitted to the annual general meeting of shareholders on 17 May 2022.

The tallying of figures in the tables and annexes mentioned in this annual financial report may at times lead to rounding off differences.

Montea is a public regulated real estate company under the supervision of the FSMA (the Belgian Financial Services and Markets Authority).

Its annual financial report is a universal registration document within the meaning of Article 9 of Regulation (EU) 2017/1192 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading in a regulated market and repealing Directive 2003/71/EC.

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Letter to the shareholder

Dear shareholder,

In the summer of 2021 we launched our growth plan under the exciting name Track'24. A growth plan brimming with ambition that will make Montea a frontrunner in the development of sustainable logistics and solutions for urban distribution. With Track'24 we are committed to investing €800 million by the end of 2024. That represents a growth of more than 60% in 4 years. The biggest growth in Montea's history.

The first part of the road has been travelled. Since the beginning of 2021, we have already identified an investment volume of over €300 million. This involves a mix of development and expansion projects, purchases of land positions and leased warehouses and investments in solar panels.

We have also set foot on German soil. We have expanded our playing field with two redevelopment projects in Mannheim and Leverkusen. While in the Netherlands our marketing and sales team was reinforced.

At the end of 2021 we also entered into a new structural partnership with the Cordeel construction group. Together with Montea, they will give the various sites in Tongeren, Vilvoorde and Zele a new future with total surface area of some 420,000 m².

But growth for growth's sake is not what interests us. By the end of 2024, we also want to increase the earnings per share by at least 20% compared to the end of 2020, to €4.30. Yes, there too we are ON TRACK, because in 2021 earnings per share rose to €3.75, already up 7% compared to the end of 2020.

And we are going even further. When it comes to sustainability, our ambitions are also following the right course. We launched our first sustainability report, we implemented a 'Green Finance Framework' and, for the first time, we issued green bonds in the United States worth €235 million.

In addition, we made the CO_2 emissions of Montea operations net-zero (with offsetting) by the end of 2021 and will be completely CO_2 neutral (without offsetting) by the end of 2030. We also want to reduce the CO_2 emissions from the existing portfolio and from our new developments by 55% by the end of 2030. Detailed information on this can be found in Montea's second sustainability report.

We would also like to underscore that our focus for the coming years will remain on sustainable and versatile logistics real estate. We do this with a sharp eye on strategic top locations, multimodal sites, multifunctional sustainable buildings, maximum use of space and the redevelopment of greyfields and brownfields.

So let there be no doubt: 2022 must be a real Montea year, with the objective of increasing the earnings per share to €3.95 and attaining an investment volume of approximately €250 million in 2022.

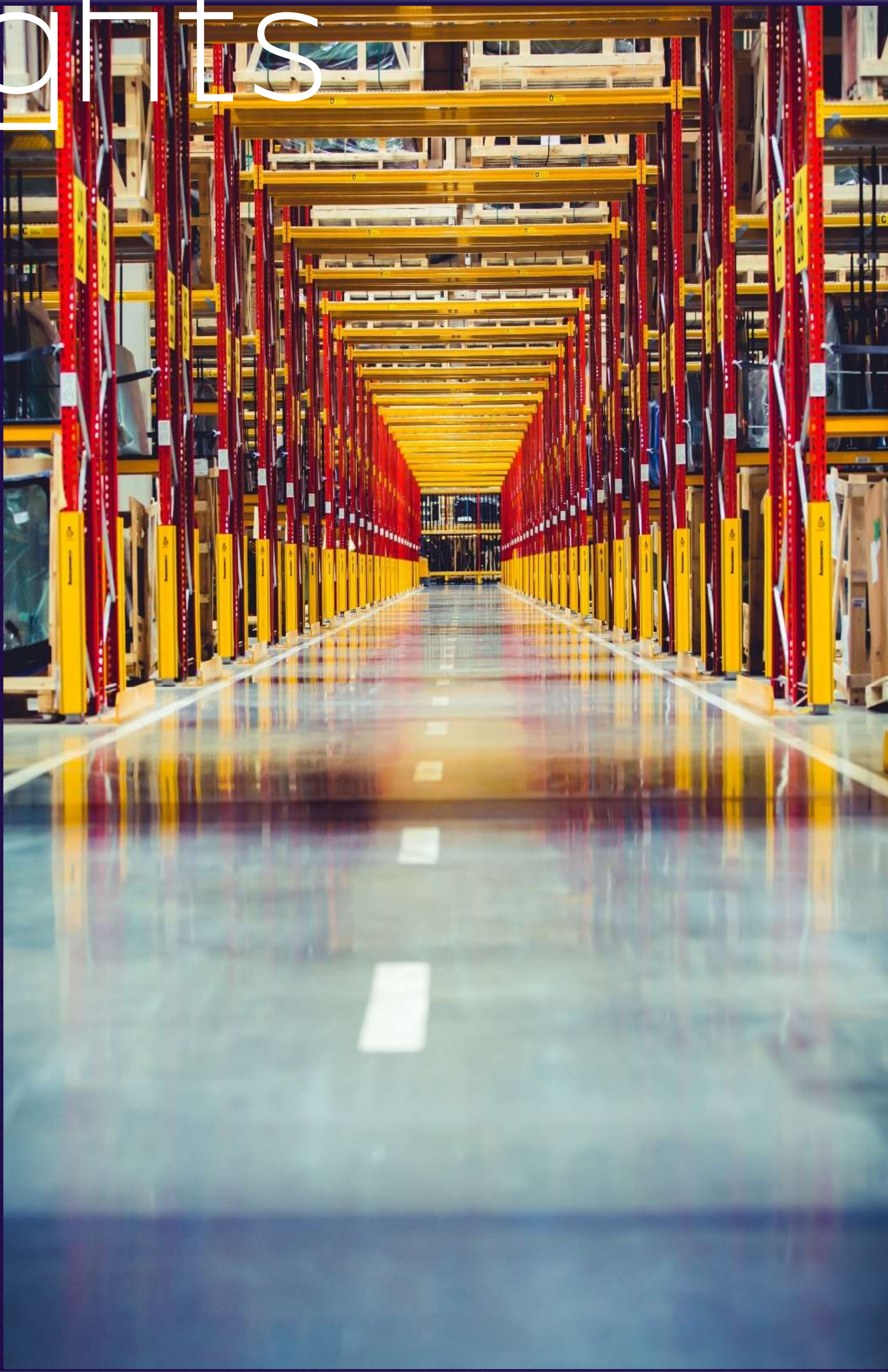
And we can only do this because we have a fantastic team, enthusiastic customers who drive us forward and shareholders and partners who keep us on the right course.

We remain on track. On to 2024.

Dirk De Pauw
Chairman of the Board of Directors

Jo De Wolf
Chief Executive Officer

Highlights



Montea in a **nutshell**

Montea is a developing investor, specializing in multimodal, multifunctional and sustainable buildings at strategic prime locations. As space is scarce we are conscious about the maximum use of space and the redevelopment of grey- and brownfield.

Our portfolio

Number of sites at the end of 2021

79

TOTAL
1,545,000 m²
€ 1,698 Mio fair value
99.7% occupancy

FRANCE	BELGIUM
201,000 m²	**761,000** m²
€ 210 Mio fair value	**€ 801 Mio** fair value
100% occupancy	**99.5%** occupancy
13% of portfolio	**49%** of portfolio

NETHERLANDS	GERMANY
548,000 m²	**36,000** m²
€ 646 Mio fair value	**€ 42 Mio** fair value
100% occupancy	**100%** occupancy
36% of portfolio	**2%** of portfolio

Our team

Number of employees at the end of 2021

32

Management
8
25%

Employees
24
75%

Woman
12
38%

Man
20
62%

Training
37.5
Hours / FTE

Years of experience
12.4
In real estate per person

ACQUIRED LANDBANK
1,429,246 m²
€ 259.4 Mio market value
€ 182 Mio market value/m²

OF WHICH YIELDING LANDBANK
68%
5.3% yield on cost

UNDER CONTROL
562,105 m²

Total landbank
1,991,351 m²

Highlights

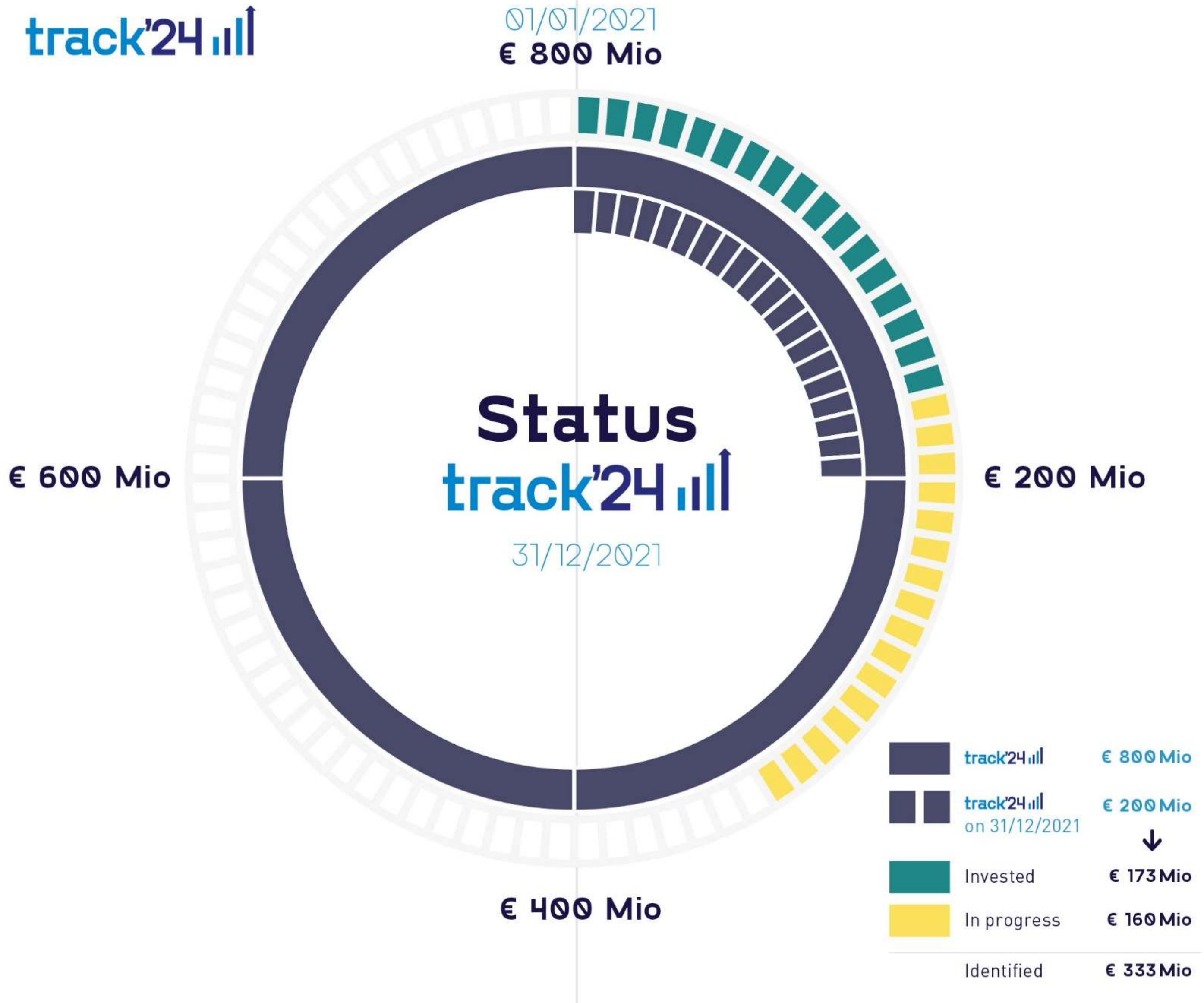
In 2021, Montea presented its growth plan Track'24. A plan for growth with the ambition to be a forerunner in the exciting challenges surrounding sustainable logistics and urban distribution. Track'24 aims to increase the portfolio by € 800 million worth of investments by the end of 2024 (>60% in 4 years). This is the largest growth in Montea's history.

Actuals - Outlook

	Actuals 2021	Outlook 2022	track'24
EPRA result per share	**€ 3.75** (+7% vs '20)	**€ 3.95** (+5% vs '21)	**€ 4.30** (>20% vs '20)
Dividend per share	**€ 3.03** (+7% vs '20)	**€ 3.18** (+5% vs '21)	**€ 3.45** (>20% vs '20)
Occupancy rate	**99.7%**	**>97%**	**>97%**
Portfolio	Identified investment volume **€ 333 Mio**	Investment volume growth of ca. **€ 250 Mio**	Investment volume growth of **€ 800 Mio** (>60% vs '20)

track'24 **highlights**

track'24



Highlights

Sustainable business has always been part of our DNA. Our track record in recent years is the clearest evidence of our commitment to sustainable value growth rather than short-term profit. We took essential steps to convert the Montea DNA into a clear vision and sustainability strategy for the medium (2030) and long (2050) term.

Montea operations

Targets greenhouse gas emission

2021
Net-zero

2030
Neutral

Actions

Use of green power
Status 2021: 100%

No fossil fuels
In 2023 100%
Status 2021: 36%

All company cars are electric
In 2027 100%
Status 2021: 20%

New developments

Targets greenhouse gas emission

2030
-55%

2050
Net-zero

Actions

Reduce energy intensity compared to 2021 CRREM target (1.5ºC scenario)
In 2022 -48% ***In 2030 -74%***
Status 2021: -22%

Existing portfolio

Targets greenhouse gas emission

2030
-55%

2050
Net-zero

Actions

Use of green power
In 2030 100%
Status 2021: 52%

Use of energy-saving technology
In 2030 100%
Status 2021: 12%

Use of renewable energy systems
In 2023 90%
Status 2021: 55%

No fossil fuels
In 2050 100%
Status 2021: 5%

1. Persons responsible, third party information, expert reports and competent authority approval

1.1. Responsible persons

The Sole Director of Montea, Montea Management NV, with registered office at 27 Industrielaan, 9320 Erembodegem, is responsible for the information provided in this annual financial report.

1.2. Declaration in accordance with Article 12 of the Royal Decree of 14 November 2007

The Sole Director declares in the name and on behalf of Montea that, having taken all reasonable measures, and to the best of its knowledge, the information contained in this annual report reflects the actual situation and that no data has been omitted the inclusion of which would alter the purport of this annual report and that:

1) the financial statements, which have been prepared in accordance with the applicable accounting standards, give a true and fair view of the assets, the financial situation and the results of Montea and the companies included in the consolidation;
2) the annual report provides a true overview of the development and the results of the business and of the position of Montea and the companies included in the consolidation, as well as a description of the main risks and uncertainties with which they are confronted.

1.3. Expert reports

1.3.1. Statutory auditor

The statutory auditor is appointed by the general meeting of shareholders and chosen from the list of auditors approved by the FSMA and is a member of the IBR (*Instituut van de Bedrijfsrevisoren/Institut des Réviseurs d'Entreprises*).

The statutory auditor is EY Bedrijfsrevisoren BV, with registered office at 2 De Kleetlaan, 1831 Diegem, represented by Mr Joeri Klaykens (acting on behalf of a BV). The annual general meeting of shareholders of 2019 decided to extend the term of office of EY Bedrijfsrevisoren BV, represented by Mr Joeri Klaykens, for a period of 3 years, i.e. until the annual general meeting of shareholders of 2022.

It is proposed to the general meeting of shareholders of 17 May 2022 to reappoint EY Bedrijfsrevisoren BV as statutory auditor for an additional period of 3 years, with Mr Christophe Boschmans (acting in the name of a private limited company) and Mrs Christel Weymeersch (acting in the name of a private limited company) as permanent representatives in replacement of Mr Joeri Klaykens (who must be replaced due to EU rotation requirements).

The statutory auditor's function consists of auditing the consolidated and statutory annual financial accounts of Montea, as well as the other Belgian subsidiaries of the Montea group. In addition, the statutory auditor performs the tasks as prescribed by the Code of Companies and Associations, the RREC Act and the RREC Royal Decree.

Montea hereby confirms that the statutory auditor has consented to have its report included in this annual financial report and to the form or context thereof.

The statutory auditor's fee is calculated on the basis of a fixed annual fee. For the financial year closed on 31 December 2021, the fixed fee of the statutory auditor EY Bedrijfsrevisoren BV for examining and auditing the Montea Group's company and consolidated accounts was €50,588.85 (exclusive of VAT). In addition to the above-mentioned fee, the statutory auditor carried out the following other audit services:

- Statutory assignments: €11,900
- Tax advice: €2,000
- Other: €22,500
- Subsidiaries: €20,779

1.3.2. Real estate experts

Article 24 of the RREC Act, provides that the RREC's property should be valued by one or more independent real estate experts. The expert shall act in full independence and have the necessary professional reliability in real estate valuation and appropriate experience and has a suitable organisation for the fulfilment of its missions. The expert is appointed for a renewable term of three years. He may only be charged with the valuation of a particular property for a maximum period of three years.

Montea has two real estate experts, namely:

(i) Jones Lang LaSalle BV (with registered office at 23 Marnixlaan, 1000 Brussels) for the valuation of the assets in Belgium, the Netherlands, France and Germany (with the exception of those valued by Stadim BV). At the board of directors of 29 March 2021, it was decided to reappoint Jones Lang LaSalle BV, represented by Rod Scrivener, as the real estate expert for a period of three years commencing on 01/07/2021 (Mrs Greet Hex acted as representative until 30/06/2021). The term of office ends by operation of law on 30/06/2024.

(ii) Stadim BV (with registered office at 180 Mechelsesteenweg, 2018 Antwerp) for the valuation of certain assets in Belgium and the Netherlands. Stadim BV will be represented by Anton Braet in the performance of its mandate. Stadim BV's mandate has a term of three years, starting on 01/09/2020 and ending by operation of law on 30/09/2023.

Pursuant to article 47 of the RREC Act, the real estate experts estimate the property portfolio of the RREC and its subsidiaries at the end of each financial year. Moreover, at the end of each of the first three quarters of the year, the real estate expert updates the total valuation made at the end of the previous year, depending on developments on the market and the characteristics of the real estate concerned. Finally, any property acquired or sold by the RREC (or its perimeter companies) is valued by the real estate expert in accordance with the provisions of article 47 of the RREC Act before the transaction takes place.

Pursuant to article 24, paragraph 4 of the RREC Act, the remuneration of the real estate expert shall not have any direct or indirect connection with the value of the property being assessed. The fee of the real estate expert is calculated based on a fixed fee per site in Belgium, France, the Netherlands and Germany. The real estate expert may also receive fees in the context of specific assignments.

For the financial year ended on 31 December 2021, the total fees paid for these assignments amounted to €155,913 (exclusive of VAT).

Montea hereby confirms that the real estate experts have consented to have their report included in this annual financial report and to the form or context thereof.

1.4. Declaration relating to information from third parties

The Sole Director declares in the name and on behalf of Montea that the information provided by the real estate experts (Jones Lang LaSalle BV, represented by Mrs Greet Hex / Mr Rod Scrivener and Stadim BV, represented by Anton Braet) and the statutory auditor (EY Bedrijfsrevisoren BV, represented by Mr Joeri Klaykens (acting on behalf of a private limited company) have been faithfully incorporated.

As far as the Sole Director is aware and able to ensure in the light of data published by third parties, no facts have been omitted which would render the information provided incorrect or misleading.

1.5. Statements on the future

This annual report includes forward-looking statements. Such statements are based on estimates and forecasts of the Company and naturally contain unknown risks, uncertainties and other factors that could result in the results, financial condition, performance and current achievements being different from those expressed or implicitly indicated in these forward-looking statements. Given these uncertainties the forward-looking statements provide no guarantee.

1.6. Information on previous years incorporated by reference

The annual financial reports for the past five years, which include the statutory and consolidated financial statements and the statutory auditor's reports, as well as the half-yearly financial reports can be consulted on https://montea.com/investor-relations/financial-reports. This annual financial report also includes information relating to previous years (2019 and 2020). The table below provides an overview of where this information can be found in the relevant annual financial reports:

Information incorporated by reference	Document	Section
Key figures	Annual financial report 2021 Annual financial report 2020 Annual financial report 2019	Section 5 page 34 Section 5 page 24 Section 5 page 20
Property portfolio	Annual financial report 2021 Annual financial report 2020 Annual financial report 2019	Section 7.1.2.2 page 84 Section 6.6.4 page 58 Section 6.6.4 page 49
Key ratios	Annual financial report 2021 Annual financial report 2020 Annual financial report 2019	Section 6.4.3 page 50 Section 6.3.8 page 37 Section 6.3.8 page 31
Condensed consolidated income statements	Annual financial report 2021 Annual financial report 2020 Annual financial report 2019	Section 7.1.2.1 page 81 Section 8.1.2.1 page 68 Section 8.1.2.1 page 60
Condensed consolidated balance sheet	Annual financial report 2021 Annual financial report 2020 Annual financial report 2019	Section 7.1.2.2 page 84 Section 8.1.2.2 page 71 Section 8.1.2.2 page 63
Stock exchange performance	Annual financial report 2021 Annual financial report 2020 Annual financial report 2019	Section 15.1 page 156 Section 16.1 page 142 Section 16.1 page 129

Consolidated and statutory financial statements	Annual financial report 2021 Annual financial report 2020 Annual financial report 2019	Section 17 page 165 ff. Section 18 page 148 ff. Section 18 page 136 ff.
Auditor's report	Annual financial report 2021 Annual financial report 2020 Annual financial report 2019	Section 17.9 page 223 Section 18.9 page 208 Section 18.9 page 197

1.7. Universal registration document

As the competent authority under Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus (the **Prospectus Regulation**), the FSMA approved Montea's registration document for two consecutive financial years.

The last approval was dated 26 July 2018. The FSMA approves the registration document only if the standards of completeness, comprehensibility and consistency laid down in the same Regulation are met. This approval may not be regarded as an approval of the issuer to which this registration document relates.

Since 2019, Montea has opted to file its universal registration document in accordance with Article 9 of the Prospectus Regulation without prior approval. This universal registration document was filed with the FSMA, without prior approval, on 15 April 2022.

In accordance with the Prospectus Regulation, this universal registration document shall also serve as the annual financial report. It may be used in the context of a public offering of investment instruments and the admission of investment instruments to trading on a regulated market provided that it has been approved by the FSMA, together with any amendments and a securities note and summary approved in accordance with the Prospectus Regulation.

2. Statutory auditors

The statutory auditor is appointed by the general meeting of shareholders and chosen from the list of statutory auditors approved by the FSMA and is a member of the IBR (*Instituut van de Bedrijfsrevisoren/Institut des Réviseurs d'Entreprises*).

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3. Risk factors

Following the entry into force of the Prospectus Regulation, only the risk factors that were identified by the Company as specific and material are described below. The non-specific risks, in particular the risks which do not only concern a company such as Montea, are therefore not included in this overview.

Furthermore, Montea considers the significance of the risk based on the probability that it will occur and the expected scope of its negative effect in accordance with the Prospectus Regulation. Pursuant to section 32 of the ESMA Guidelines and Article 16 of the Prospectus Regulation, the most material risks are mentioned in each category first.

3.1. Risk factors relating to Montea's financial situation

3.1.1. Evolution of interest rates

Short and/or long-term interest rates on the (international) financial markets may fluctuate significantly.

With the exception of the financial agreements concerning the other financial debts,[1] €260 million in bond loans and €100 million in bilateral credit lines, Montea concludes all its financial debts at a variable interest rate (bilateral credit lines at EURIBOR (3 or 6) months + margin). An increase in the interest rate will in principle make financing with borrowed capital more expensive for the Company. The total financial debt subject to variable interest rates on 31 December 2021 amounted to EUR 346,667,667.

In order to cover the risk of rising interest rates, Montea pursues a hedging policy that is aimed to cover 80% to 100% of the interest rates on its existing financial debts, including expected debts (taking into account projects in execution). On 31 December 2021, 92.7% of the amounts drawn under the credit lines and bond loans are covered by hedging instruments (swaps and caps) or credit lines/bond loans with fixed interest rates. An increase in short-term interest rates of 100 basis points, calculated as at 31 December 2021, would cause a decrease in the total financial cost of €0.7 million (€1.1 million positive impact offset by €0.4 million negative impact). The positive impact (€1.1 million) can be explained by the fact that contracted credit lines at a variable interest rate are often floored (0%) while the hedging instruments often do not contain a floor. This creates a negative mismatch effect between credit lines and hedging instruments as long as the short-term interest rate is negative. The negative effect (€0.4 million) is explained by a hedging ratio of 92.7%.

For a further explanation of the fair value of the financial liabilities, see section 17.8.1 (Note 39: Fair value hierarchy, section 4: Financial liabilities). For more information on the net interest expenses, see section 17.8.1 (Note 15: Net interest charges) and for an explanation on interest-on-interest charges see section 11.5(subtitle: net interest charges). For a further explanation of our general financing policy and structure, see section 8.1 and section 8.3.

3.1.2. Liquidity ratio

In order to finance its activities and investments, Montea depends to a large extent on its ability to raise financial resources. That ability can be disrupted by various (external) factors, e.g. disruptions in the international financial debt and equity capital markets, a reduction in the credit-granting capacity of banks, a deterioration of Montea's creditworthiness, a negative perception by investors with regard to real estate companies, etc. Each of these events could lead to Montea experiencing difficulties in gaining access to financing under its existing or new credit facilities, or on the capital markets. This could potentially lead to, amongst others, in particular not being able to finance financing acquisitions or projects, a lack of sufficient financial resources to pay interest and operational costs and to repay the outstanding capital of loans and/or bonds, etc. The liquidity risk is limited inter alia by the diversification of the sources of financing: 62% of the total financial debt consists of credit lines taken, 31% of bond loans and 8% of other financial debts. For more details about Montea's financing policy, see section 8.1.

[1] Montea has a financial leasing debt relating to a current financial agreement of EUR 821,613 (< 0.1% of the total financial debt).

3.2. Legal and regulatory risks

3.2.1. Public domain and airport zones

3.2.1.1. Concessions and rights of superficies

For certain sites, Montea has a building right (*opstalrecht/superficie*) or a concession right on public domain. In particular, reference is made here to (i) the building right agreements Montea or its subsidiaries have concluded with Brussels Airport Company (BAC) for sites located in the airport zone, and (ii) the concession agreements Montea or its subsidiaries have concluded with North Sea Port Flanders (formerly 'Gent Zeehaven') or with De Vlaamse Waterweg.[2]

These building and concession rights are limited in time. These rights may also, for reasons of public interest, be terminated by the lessor / grantor before their foreseen expiry date.

The associated risk for Montea is twofold. On the one hand, Montea risks losing its building or concession right on the site, and therefore also its investment / its building(s) on the site prematurely. On the other hand, Montea risks being exposed to claims for damages from the user(s) of that (those) building(s) because together with the building lease or concession right on the site, the user agreement necessarily ends prematurely.

Overall, €291 million (or 18.8% of the total value) of Montea's property portfolio is subject to this risk as at 31 December 2021. The consolidated rental income linked to these sites was €15.2 million (or 20% of the total rental income) in 2021. If the building and concession rights for this part of the property portfolio were to be terminated early, this rental income would lapse into the future.

This double risk is however almost always limited by (a) provisions in the user agreement according to which, in case of such termination, the user cannot claim damages from Montea and/or because (b) in case of such termination, the lessor / grantor under the building right agreement / concession agreement is obliged to compensate the full damage of Montea (including damage claims of the user).

3.2.1.2. (Safety-) regulations

Certain Montea sites located on public property or in airport zone are subject to specific (safety) regulations. If these regulations were to change/strengthen, this could have an impact on the rentability of the properties concerned or in some cases activate certain contractual termination options for the users. Overall, €159 million (or 10.3% of the value) of Montea's property portfolio is subject to this risk on 31 December 2021. Collectively, these assets generate €8.4 million in rental income.

To date this risk (changed legislation concerning the night flight regime & corresponding reduction of the user fee or premature termination) has not arisen. In addition, contractual provisions have been included in the user agreements in relation to these sites to mitigate the material impact of this risk on the Company's income.

3.2.2. Legislative and fiscal framework for public regulated real estate companies[3]

As a regulated real estate company (RREC) Montea enjoys a favourable tax regime. The results (rental income and capital gains on sales minus operating costs and financial charges) are exempt from corporate tax at the

[2] Or with one of its legal predecessors Waterwegen en Zeekanaal or De Scheepvaart. For more information on the off-balance sheet obligations in this regard, see section 17.8.1 (note 43: off-balance sheet obligations).
[3] For more information on the RREC status, see section 9.1.

level of the RREC (but not at the level of the subsidiaries). Dividends paid out by an RREC are subject to a withholding tax rate of, in principle, 30%. However, this favourable tax regime is also subject to obligations and restrictions to which Montea must adhere. As a RREC, Montea can invest a maximum of 20% of its consolidated assets in "other real estate" as defined in Article 2, 5° vi to xi of the RREC Act. This limit has not been exceeded by Montea as of 31 December 2021.

If recognition of the RREC status is lost, which presupposes a serious and persistent failure by Montea to comply with the provisions of the RREC ACT or the RREC Royal Decree, Montea would lose the benefit of this favourable tax regime.

In addition, the loss of recognition as a public RREC is generally considered under credit agreements to trigger the early repayment of bank credits (Montea has €402 M of drawn credit facilities on 31 December 2021), which could reduce Montea's liquidity. Finally, Montea is exposed to the risk of future changes to the RREC regime.

3.2.3. Legislative and fiscal framework for the 'Fiscale Beleggingsinstelling' (FBI)[4]

In order to implement its real estate investments in the Netherlands, Montea filed an application in September 2013 for the status as 'Fiscale Beleggingsinstelling' (hereinafter "FBI") as referred to in Article 28 of the Corporate Tax Act of 1969. To date, the Company's Dutch subsidiary, Montea Nederland N.V. and its subsidiaries, have not yet received a final decision from the Dutch tax administration approving the FBI status.

In addition, the Dutch government is examining whether an adjustment of the FBI regime in general, and for property funds in particular, is necessary, possible, and feasible in the long term. Any changes to the policy are not expected before 2023.

Despite the fact that Montea does not yet have approval from the Dutch tax authorities regarding the FBI status, it has conducted its accounts until the end of 2020 as if it already had FBI status. After all, the Ministry has indicated in the past that it will act within the framework of the general principles of proper administration with regard to obtaining a 'level playing field'. This is intended to ensure that Montea will not be treated worse by the Dutch tax authorities than other sufficiently comparable Belgian RRECs with existing agreements regarding the FBI status.

If FBI status is granted, the full tax amount (€11.7 million for the period up to and including 2020) will be repaid. If FBI status is nevertheless refused, the claim must be written off for the same amount and, were this to occur, it would have a material negative impact on Montea's profitability. Every year, Montea Nederland N.V.[5] has respected the obligation to distribute under the FBI regime and has thus paid €2.3 million in dividend tax due for the period 2015-2020. The dividend tax may possibly be recovered if the FBI status would be refused after all. The total impact with regard to the years 2015 up to and including 2020 would therefore be €9.4 million or €0.58 per share (16% of the EPRA result 2021).

Based on new facts (withdrawal of granted fiscal ruling as of 1 January 2021 of sufficient comparable Belgian RRECs), Montea has taken into account in its 2021 forecasts, as a matter of prudence, the possibility that the FBI status could be refused for the period as of 1 January 2021. In that sense, a provision of €4.0 million or €0.25 per share (6.6% of the ERPA result 2021) was included in the 2021 income statement, being the difference between the fiscal status of FBI and the regular taxed sphere.

Supported by European law, however, Montea's efforts remain focused on being able to qualify for FBI status in the Netherlands as of 2021. The 2021 tax return will therefore be submitted as FBI since Montea continues to believe that it fulfils all the conditions to be able to claim FBI status. For a further explanation of the FBI,

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[4] For more information on the FBI status, see section 9.3.
[5] And its Dutch subsidiaries.

please refer to section 9.3.

3.2.4. Legislative and fiscal framework for SIIC[6]

For its real estate investments in France, the Company has opted for the tax system of the listed real estate investment trusts ("*Sociétés d'Investissements Immobiliers Cotées (SIIC)*") (hereinafter referred to as "SIIC"), in accordance with Article 208-C of the Code Général des Impôts français ("CGI"). The main advantage of this scheme consists of an exemption from French corporate tax for certain income derived from real estate (rents, realised capital gains on property, property income from subsidiaries), largely modelled on the RREC scheme in Belgian corporate tax.

A number of special conditions are attached to the system. For example, the company must be listed on a French or foreign regulated market and the object of the company must be geared primarily to the acquisition or construction of immovable property with a view to leasing, or the acquisition of a direct or indirect equity interest in companies with a similar object.

If the Company were to lose its SIIC status, e.g. because it no longer complied with one or more conditions under French law, it will be required to make a number of subsequent payments for French corporate income tax purposes. The Company estimates the annual financial impact in such case at €0.06 per share at maximum[7] based on the earnings in 2021, without taking into account growth assumptions of the current portfolio.

3.3. Risks relating to the corporate structure of Montea

3.3.1. Risks relating to the Sole Director

In its capacity as controlling shareholder of the Sole Director[8], the De Pauw Family has an important influence, as it determines who will become director of the Sole Director, taking into account the legal rules on corporate governance and Montea's Corporate Governance Charter. Moreover, the general meeting of shareholders of Montea can deliberate and decide only when the Sole Director is present. The Sole Director must also give his consent to the most important decisions of the general meeting of shareholders (including the alteration of the articles of association). As a result of this statutory right of veto, and given that the Sole Director is virtually irremovable, the decision-making power of the general meeting of shareholders may be blocked, as a result of which necessary or useful decisions for the Company cannot be taken by said meeting. There is a risk therefore that all or part of the voting rights attached to the shares will be eroded.

3.3.2. Risks relating to a possible change of control

When Montea would alter its articles of association and would take the legal form other than a public limited liability company (*naamloze vennootschap/société anonyme*) with a sole director or would appoint another sole director in replacement of Montea Management NV, the change of control provisions under the Bonds[9] may be activated. As a result, any bondholder could, by means of a written notification to the registered office of Montea with a copy to the respective "agent", require that his or her bonds be declared immediately due and payable at their nominal value plus accrued interests (if any) up to the date of payment, without further formalities, unless such default has been remedied or a waiver from the bond holders is obtained.

[6] For more information on the SIIC status, see section 9.2.

[7] Calculated here on the weighted average number of shares as at 31 December 2021. The maximum annual impact if SIIC status is lost is estimated at €1.0 million.

[8] For more information on the structure of the Sole Director, reference is made to section 12.1.

This may also activate the change of control clause under bilateral credits, thereby entitling the financial institutions concerned to claim all outstanding amounts.

As at 31 December 2021, Montea had €200 million in bond loans drawn down and €401.7 million in credit lines.

3.4. Risks relating to Montea's property portfolio

3.4.1. Construction and development risk

The Montea property portfolio is expanded not only by acquiring existing buildings, but also by development projects. Such projects sometimes involve risks other than risks related the traditional acquisition of existing buildings. Following potential risks must be noted: finding the right partners to carry out the development, delay of the development or poor execution (resulting in reduced rental income, postponement, or loss of expected rental income), an increase in construction costs, organizational problems in the supply of the necessary raw materials or materials and the risk that the necessary permits are not granted or are contested. In this respect, Montea is to a large extent subject to macro-economic developments, such as the rising cost price of raw materials and building materials and disruptions in the supply chain. In 2022, the potential impact of the armed conflict in Ukraine on the timing and budget of development projects will be monitored in particular. The Montea operational team proactively monitors these risks, and ongoing projects are discussed weekly to monitor timing and budget. Montea also does its best to negotiate contracts that minimize these risks, e.g. increases in building costs are not passed on to Montea where possible, obtaining a building permit is a suspensive condition for the project, and the projects in which Montea invests are pre-let as much as possible.

In addition, Montea sometimes concludes an agreement for build-to-suit projects with a developer in which Montea undertakes to purchase the building in question (or the company to which the building belongs) at a price agreed in advance, provided that a number of conditions precedents are fulfilled. These conditions precedent pertain in particular to the delivery of the guarantee, the first rent payment, obtaining the necessary permits and the provisional handover of the building. If the building is delivered later than planned or if one or more of the conditions precedents are not fulfilled, Montea may decide not to take over the building (or the company to which the building belongs), or to do so only at a later date, which may have an impact on the projected results of Montea and its future property portfolio.[10]

3.4.2. Vacancy

Montea is exposed to the risks associated with the departure of its tenants and the renegotiation of their leases. A higher vacancy rate will involve additional costs, including, but not limited to, the charging of normally recoverable costs (property tax, management costs, etc.) and commercial costs related to reletting and/or downward revision of rents. In addition, increased vacancy will lead to a reduction in income and cash flows.

Montea's investment strategy focuses in particular on sustainable and versatile logistics real estate, consisting of strategic top locations, multimodal sites, multifunctional buildings and maximum use of space. Montea has a professional team that is dedicated to finding new tenants and managing the relationship with its customers actively. In addition, vacancies are avoided and a stable cash flow of rental income is assured because a large part of the property portfolio is let on long-term leases, which makes it possible to spread the risk of rental vacancy.

On 31 December 2021, the remaining duration of the leases until maturity was 7.3 years (excluding solar panels). The occupancy rate as at 31 December 2021 was 99.7%, i.e. a quasi-full letting of the property portfolio.

[10] More information on the forecasted result and the future property portfolio of Montea can be read in section 11.

3.4.3. Climate risk

The sustainability strategy determines how Montea will contribute to the climate objectives in order to limit the effects of climate change as much as possible. Climate change also entails changing risks. Montea builds its portfolio (reference is made to the 'Blue Label' in the ESG report) with these changing needs in mind. It sees the most important direct risk of climate change in extreme weather conditions. Damage caused by extreme weather conditions and natural disasters is covered by various insurances. The direct financial impact (in the short and medium term) is therefore not considered to be material. A significant increase in the number of claims (at Montea or in general) could affect the insurability of the portfolio & insurance premiums in the longer term. To date, Montea has not known any material impact on its portfolio with respect to this risk.

3.5. Market risks

3.5.1. Concentration risk

Given the scope of the projects in which Montea invests, there is a risk that Montea is too dependent on the continued existence of an asset group or on a contractual relationship with a single client. The concentration of the tenant base can affect the diversification of the group and cause a drop in income and cash flows when a tenant leaves or experiences financial difficulties.

To limit and spread these risks, Montea must diversify its property portfolio, in accordance with the RREC Act geographically, per type of real estate and per category of tenant. Pursuant to the RREC Act, Montea may not carry out any transaction that would result in more than 20% of its consolidated assets being invested in properties that form a single asset group, or that would increase this percentage further if it were to exceed 20% for one or more asset groups.

Montea has always strived for a highly diversified tenant base, spread over several sites. The aforementioned diversification threshold of 20% had not been reached on 31 December 2021.

The buildings rented by the largest tenant (DHL Aviation) represent 4.5% of the total annual contracted rental income. The value of the largest property in the portfolio represents 6.4% of the total fair value of the portfolio (site in Tiel, leased to Recycling Reko Tiel and Struyk Verwo Infra).

The proceeds from solar panels represent 5.5% of the income.

3.5.2. Negative change in the fair value of buildings

The fair value of Montea's property investments is subject to change and depends on various factors, some of which are external and thus beyond Montea's control (such as falling demand or occupancy rates in the markets in which Montea operates, changes in expected investment yields or increases in transaction costs relating to the acquisition or transfer of property).

In addition, the valuation of real estate may be influenced by a number of qualitative factors, including, but not limited to, its technical condition, additional obligations regarding the sustainability of buildings, its commercial positioning, capital expenditure requirements for fitting out, establishment and layout.

Each quarter, the fair value of investment properties is determined by independent valuation experts.

A substantial fall in the fair value of its real estate could potentially entail considerable losses, which could have a negative impact on Montea's results and financial situation, namely a negative influence on the net result and the NAV, a fall in the fair value of the real estate investments resulting in an increase in debt, and the partial or total inability to pay out dividends if accumulated negative variations in the fair value exceed the distributable reserves.

Montea has an investment strategy that focuses on quality assets offering stable income and ensures adequate monitoring of its assets, combined with a prudent debt policy. Montea monitors its debt ratio and the evolution of the fair value of its investment properties on a regular basis. We refer to section 17.8.1 (note 20) for a sensitivity analysis with regard to the fair value of the investment properties.

In financial year 2021, there is no negative variation in the fair value of the properties, but rather an upward trend.

4. Information about Montea

4.1. Name

Montea is a public regulated real estate company (*openbare gereglementeerde vastgoedvennootschap / société immobilière réglementée publique*) incorporated under Belgian law, specializing in the development and management of logistics real estate in Belgium, France, the Netherlands and Germany.

4.2. Register of legal entities

Montea is listed in the Ghent Register of Legal Entities, Dendermonde Division, under the number 0417.186.211. Its VAT number is BE0417.186.211. Its LEI (legal entity identifier) number is 5493006K5LQDD0GK1T60.

4.3. Incorporation – legal form

Montea was incorporated as a public limited liability company (*naamloze vennootschap/société anonyme)* on 26 February 1977. On 1 October 2006 Montea was recognized as a public real estate investment company with fixed capital under Belgian law (abbreviated: a public SICAF under Belgian law) and thus registered with the FSMA.

Montea has been listed on Euronext Brussels since October 2006 and on Euronext Paris since December 2006. Its activities, as a public SICAF, commenced on 1 October 2006 by bringing together various property portfolios consisting of logistics buildings.

Montea is a reference player in the growing logistics market of Belgium, The Netherlands, France and Germany. Montea offers more than just warehouses and aims to provide flexible and innovative real estate solutions to its tenants.

On 22 September 2014, Montea was authorized and recognized by the FSMA as a public regulated real estate company under Belgian law. That recognition took effect on 30 September 2014, being the date on which Montea's extraordinary general meeting approved the new status.

As a public limited company and public regulated real estate company under Belgian law, Montea is in particular subject to the RREC Act, the RREC Royal Decree and the Code of Companies and Associations. As a public RREC, Montea is subject to the supervision of the FSMA. For more information on the RREC statute, see section 9.1.

Montea's articles of association have been amended several times, most recently on 10 June 2021. The consolidated articles of association are available on the Montea website: https://montea.com/investor-relations/corporate-documents.

4.4. Registered office - website - e-mail address

The registered office of Montea NV in Belgium is located at 27 Industrielaan, 9320 Erembodegem (Aalst). The telephone number of the registered office is +32 (0) 53 82 62 62 and its e-mail address is info@montea.com.

The company's website is www.montea.com. The information on the website does not form part of this annual financial report unless that information is incorporated by reference herein.

4.5. Group

4.5.1. General

Montea has subsidiaries in Belgium, the Netherlands, France and Germany.

The shares in the Belgian subsidiaries are held directly by Montea.[11]

The branch office in France, Montea SA, has been located at 18-20 Place de la Madeleine, 75008 Paris since 1 October 2010. Since 24 April 2007, this branch acquired the SIIC (*Société d'investissement immobilier cotée*) status. For more information on the SIIC-statute see section 9.2. Through this branch, Montea holds shares in the French companies.

The permanent establishment in France is registered in the "*régistre du commerce et des sociétés*" of Paris under the number 497 673 145. Its VAT number is FR 06497 673 145. The telephone number of this branch is +33 (0) 1 83 92 25 00.

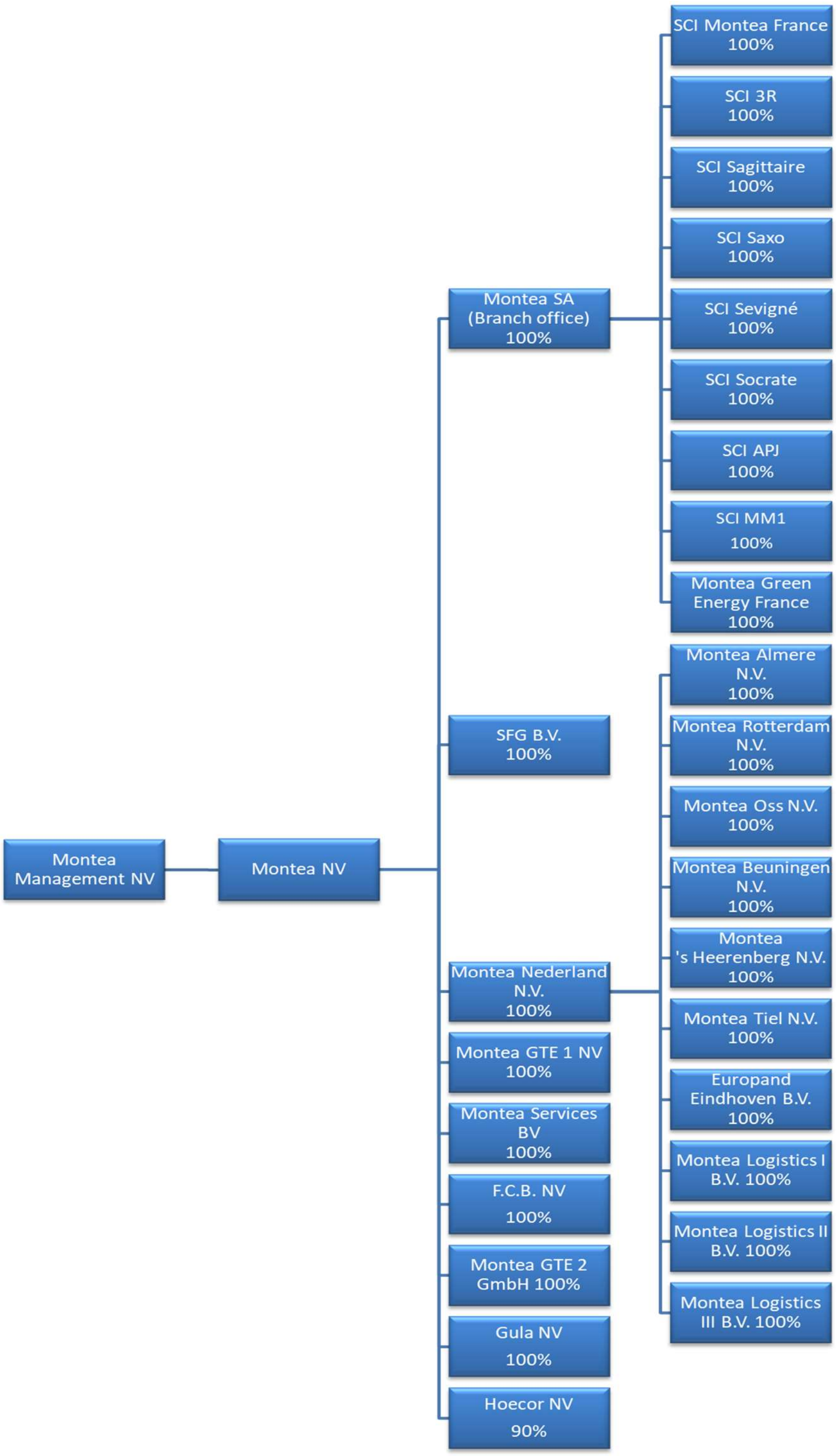
Through Montea Nederland N.V., having its administrative office at EnTrada, 1c Pankurststraat, 5032 MD Tilburg, Montea holds the shares in the Dutch companies[12]. This company also has an office at 33 Weesperzijde, 1091 ED Amsterdam. The telephone number of the administrative office in the Netherlands is +31 (0) 88 2053 88.

Montea Nederland NV. is registered in Tilburg under the RSIN/FI number 853208785. Its VAT number is NL853208785B01.

4.5.2. Group structure

The Montea group structure is made up of various companies in the different countries where Montea operates. On the date of this statutory annual report, the group includes the following companies[13]:

[11] With the exception of Hoecor NV, 10% of whose shares are held by a third party not affiliated with Montea.
[12] With the exception of SFG B.V. whose shares are held directly by Montea.
[13] On 28 March 2022, Blue Gate Antwerp Invest NV (as absorbed company) has been merged with Montea NV (as absorbing company). Blue Gate Antwerp Invest NV is no longer mentioned on the group structure, but is included in the figures mentioned in this consolidated annual financial report on financial year 2021.



Montea Management NV
Montea NV
Montea SA (Branch office) 100%
SFG B.V. 100%
Montea Nederland N.V. 100%
Montea GTE 1 NV 100%
Montea Services BV 100%
F.C.B. NV 100%
Montea GTE 2 GmbH 100%
Gula NV 100%
Hoecor NV 90%
SCI Montea France 100%
SCI 3R 100%
SCI Sagittaire 100%
SCI Saxo 100%
SCI Sevigné 100%
SCI Socrate 100%
SCI APJ 100%
SCI MM1 100%
Montea Green Energy France 100%
Montea Almere N.V. 100%
Montea Rotterdam N.V. 100%
Montea Oss N.V. 100%
Montea Beuningen N.V. 100%
Montea 's Heerenberg N.V. 100%
Montea Tiel N.V. 100%
Europand Eindhoven B.V. 100%
Montea Logistics I B.V. 100%
Montea Logistics II B.V. 100%
Montea Logistics III B.V. 100%

4.5.3. Data of group companies

The data of the Montea group companies on the date of this annual financial report statutory annual report are as follows[14]:

Name	Address	Country	VAT nummer	Shareholding (%)
Montea NV	27 Industrielaan, box 6, 9320 Erembodegem (Aalst)	BE	BE0417186211	N/A[15]
Montea Management NV	27 Industrielaan, box 6, 9320 Erembodegem (Aalst)	BE	BE0882872026	N/A[16]
Montea Services BV	27 Industrielaan, box 6, 9320 Erembodegem (Aalst)	BE	BE0742845794	100%
Montea GTE 1 NV	27 Industrielaan, box 6, 9320 Erembodegem (Aalst	BE	BE0757964037	100%
GULA NV	27 Industrielaan, box 6, 9320 Erembodegem (Aalst)	BE	BE0462368712	100%
Hoecor NV	27 Industrielaan, box 6, 9320 Erembodegem (Aalst)	BE	BE0736839318	90%[17]
F.C.B. NV[18]	27 Industrielaan, box 6, 9320 Erembodegem (Aalst)	BE	BE0440810659	100%
SFG B.V.	EnTrada, 1C Ellen Pankhurstraat, 5032 MD Tilburg	NL	NL853810151B01	100%
Montea Nederland N.V.	EnTrada, 1C Ellen Pankhurstraat, 5032 MD Tilburg | Weesperzijde 33, 1091 ED Amsterdam	NL	NL853208785B01	100%
Montea Almere N.V.	EnTrada, 1C Ellen Pankhurstraat, 5032 MD Tilburg	NL	NL853209625B01	100%[19]
Montea Rotterdam N.V.	EnTrada, 1C Ellen Pankhurstraat, 5032 MD Tilburg	NL	NL853631712B01	100%
Montea Oss N.V.	EnTrada, 1C Ellen Pankhurstraat, 5032 MD Tilburg	NL	NL854488522B01	100%
Montea Beuningen N.V.	EnTrada, 1C Ellen Pankhurstraat, 5032 MD Tilburg	NL	NL854488339B01	100%
Montea 's Heerenberg N.V.	EnTrada, 1C Ellen Pankhurstraat, 5032 MD Tilburg	NL	NL854800232B01	100%
Montea Tiel N.V.	EnTrada, 1C Ellen Pankhurstraat, 5032 MD Tilburg	NL	NL859569238B01	100%
Europand Eindhoven B.V.	EnTrada, 1C Ellen Pankhurstraat, 5032 MD Tilburg	NL	NL814882651B01	100%
Montea Logistics I B.V.	EnTrada, Ellen Pankhurststraat 1C, 5032 MD Tilburg	NL	NL861408470B01	100%
Montea Logistics II B.V.	EnTrada, 1C Ellen Pankhurststraat, 5032 MD Tilburg	NL	NL863491546B01	100%

[14] On 28 March 2022, Blue Gate Antwerp Invest NV (as absorbed company) has been merged with Montea (as absorbing company). Blue Gate Antwerp Invest NV is no longer mentioned on the group structure, but it is included in the figures mentioned in this consolidated annual financial report on financial year 2021.
[15] For an overview of the shareholder structure of Montea, see section 15.2.
[16] Sole director of Montea NV; holds 1 share in Montea.
[17] 10% of the shares of Hoecor NV are held by a third party not affiliated to Montea.
[18] The shares in F.C.B. NV have been acquired by Montea end of March 2022. Consequently, the figures mentioned in this consolidated annual financial report in relation to financial year 2021 do not cover the figures of this company.
[19] With the exception of SFG B.V., the shares in the Dutch group companies are held fully (100%) by Montea Nederland N.V., which is in turn is controlled in full (100%) by Montea.

Montea Logistics III B.V.	EnTrada, 1C Ellen Pankhurststraat, 5032 MD Tilburg	NL	NL863501874B01	100%
Montea GTE 2 GmbH	72 Beierheimer Allee, Karlsruhe	DE	DE328815225	100%
Montea SA SIIC[20] [21] (Branch)	75008 Paris, 18-20 Place de la Madeleine	FR	FR06497673145	100%
SCI[22] Montea France	75008 Paris, 18-20 Place de la Madeleine	FR	FR33493288948	100%[23]
SCI 3R	75008 Paris, 18-20 Place de la Madeleine	FR	FR44400790366	100%
SCI Sagittaire	75008 Paris, 18-20 Place de la Madeleine	FR	FR79433787967	100%
SCI Saxo	75008 Paris, 18-20 Place de la Madeleine	FR	FR23485123129	100%
SCI Sévigné	75008 Paris, 18-20 Place de la Madeleine	FR	FR48438357659	100%
SCI Socrate	75008 Paris, 18-20 Place de la Madeleine	FR	FR16481979292	100%
SCI APJ	75008 Paris, 18-20 Place de la Madeleine	FR	FR25435365945	100%
SCI MM1	75008 Paris, 18-20 Place de la Madeleine	FR	FR82393856463	100%
SAS Montea Green Energy France	75008 Paris, 18-20 Place de la Madeleine	FR	FR69889967162	100%

4.6. Branches

Montea has one branch. This branch is located in France and is registered as Montea SA with head office at 18-20 Place de la Madeleine, 75008 Paris.

[20] *Société d'Investissement Immobiliers Cotée*.
[21] For its real estate activities in France, Montea has set up a branch under the name Montea SA, which has also acquired SIIC status since 24 April 2007. Montea holds, via this permanent establishment, shares in the French companies.
[22] *Société Civile Immobilière*.
[23] The nine French group companies are held fully (100%) by Montea SA (branch), which is turn controlled by Montea.

5. Key figures

		BE	FR	NL	DE	31/12/2021 12 months	31/12/2020 12 months
Property portfolio							
Property portfolio - Buildings (1)							
Number of sites		**37**	**17**	**23**	**2**	**79**	**74**
Occupancy Rate (2)	**%**	**99,5%**	**100,0%**	**100,0%**	**100,0%**	**99,7%**	**99,4%**
Total surface - property portfolio (3)	**m²**	**760.788**	**200.749**	**547.663**	**35.965**	**1.545.165**	**1.463.071**
Investment value (4)	K€	**754.600**	**217.259**	**618.757**	**44.458**	**1.635.073**	**1.351.828**
Fair value of the property portfolio (5)	**K€**	**801.332**	**209.566**	**645.612**	**41.613**	**1.698.123**	**1.364.452**
Real estate	K€	736.063	202.962	567.667	41.613	1.548.305	1.280.108
Projects under construction	K€	39.088	6.604	69.143	0	114.834	54.590
Solar panels	K€	26.181	0	8.803	0	34.983	29.755
Total surface - Landbank	**m²**					**1.991.351**	**1.426.246**
Acquired, valued in property portfolio	**m²**					**1.429.246**	**1.277.109**
of which income generating	**%**					68%	68%
Under control, not valued in property portfolio	**m²**					**562.105**	**149.137**
Consolidated results							
Results							
Net rental result	K€					75.145	69.597
Property result	K€					84.743	74.374
Operating result before the porfolio result	K€					77.275	67.635
Operating margin (6)	%					91,2%	90,9%
Financial result (excl. changes in fair value of the financial instruments) (7)	K€					-11.561	-10.950
EPRA result (8)	**K€**					**60.433**	**55.778**
Weighted average number of shares						16.130.871	15.916.319
EPRA result per share (9)	**€**					**3,75**	**3,50**
Result on disposals of investment properties	K€					453	0
Changes in fair value of investment properties	K€					175.392	107.308
Deferred taxes on the result on the portfolio	K€					-21.397	0
Result on the portfolio (10)	K€					**154.448**	**107.308**
Changes in fair value of the financial instruments (11)	K€					**12.967**	**-8.077**
Net result (IFRS)	**K€**					**227.848**	**155.009**
Net result per share	**€**					**14,12**	**9,74**
Consolidated balance sheet							
IFRS NAV (excl. minority participations) (12)	**K€**					**1.015.097**	**815.311**
EPRA NRV (13)	**K€**					**1.144.202**	**911.747**
EPRA NTA (14)	**K€**					**1.053.984**	**845.722**
EPRA NDV (15)	**K€**					**1.013.270**	**817.356**
Debts and liabilities for calculation of debt ratio	**K€**					**675.905**	**531.279**
Balance sheet total	**K€**					**1.752.917**	**1.398.921**
Debt ratio (16)	**%**					**38,6%**	**38,0%**
IFRS NAV per share (12)	**€**					**62,60**	**50,88**
EPRA NRV per share (13)	**€**					**70,56**	**56,90**
EPRA NTA per share (14)	**€**					**65,00**	**52,78**
EPRA NDV per share (15)	**€**					**62,49**	**51,01**
Share price (17)	**€**					**132,20**	**93,10**
Premium	**%**					**111,2%**	**83,0%**

1) Inclusive of real estate intended for sale.
2) The occupancy rate is calculated on the basis of sqm. When calculating this occupancy rate, neither the numerator nor the denominator was taken into account for the unleased sqm intended for redevelopment and the land bank.
3) Area of leased land (yielding landbank) is included for 20% of the total area; after all, the average rental value of a site is about 20% of the rental value of a logistic building
4) Value of the portfolio without deduction of the transaction costs, involves only the property portfolio, excluding developments and solar panels.
5) Accounting value according to the IAS/IFRS rules, exclusive of real estate intended for own use.
6) The operating margin is obtained by dividing the operating result before the result on the property portfolio by the property result. See section 17.12.
7) Financial result (exclusive of variations in the fair value of the financial instruments): this is the financial result in accordance with the Royal Decree of 13 July 2014 on regulated real estate investment companies excluding the variation in the fair value of the financial instruments and reflects the actual funding cost of the company. See section 17.12.
8) EPRA earnings: this is the net result (after incorporation of the operating result before the portfolio result, less the financial results and corporation tax, excluding deferred taxes), less the changes in fair value of investment properties and properties held for sale, less the result on sale of investment properties and plus the changes in fair value of financial assets and liabilities. See also section 17.11.
9) EPRA earnings per share refers to the EPRA earnings based on the weighted average number of shares. See also section 17.11.
10) Result on the portfolio: this concerns the negative and/or positive variations in the fair value of the property portfolio, plus any capital gains or losses from the sale of real estate. See section 17.12.
11) Variations in the fair value of financial hedging instruments: this concerns the negative and/or positive variations in the fair value of the interest hedging instruments according to IFRS 9.
12) IFRS NAV: Net Asset Value of intrinsic value before profit distribution for the current financial year in accordance with the IFRS balance sheet. The IFRS NAV per share is calculated by dividing the equity capital according to IFRS by the number of shares entitled to dividends on the balance sheet date.
13) EPRA Net Reinstatement Value: NRV assumes that entities never sell assets and aims to represent the value required to rebuild the entity. The aim of the metric is to also reflect what would be needed to recreate the company through the investment markets based on its current capital and financing structure, including Real Estate Transfer Taxes. EPRA NRV per share refers to the EPRA NRV based on the number of shares in circulation on the balance sheet date. See also section 17.11.
14) EPRA Net Tangible Assets assumes that entities buy and sell assets, thereby crystallizing certain levels of unavoidable deferred tax. The NTA is the NAV adjusted to include real estate and other investments at their fair value and exclude certain line items that are not expected to take shape in a business model with investment properties over the long term. EPRA NTA per share refers to the EPRA NTA based on the number of shares in circulation on the balance sheet date. See also section 17.11.
15) EPRA Net Disposal Value provides the reader with a scenario of the disposal of the company's assets resulting in the settlement of deferred taxes and the liquidation of debt and financial instruments. EPRA NDV per share refers to the EPRA NDV based on the number of shares in circulation on the balance sheet date. See also section 17.11.
16) Debt ratio according to the Royal Decree of 13 July 2014 on regulated real estate investment companies. See also section 7.1.2.2.
17) Stock market price at the end of the period.

	Definition	Purpose	31/12/2021	31/12/2020
A) EPRA earnings	Recurring earnings from the core operational activities.	A key measure of a company's underlying operating results from its property rental business and an indicator of the extent to which current dividend payments are supported by earnings.	€ x 1000: 60.433 € / share: 3,75	€ x 1000: 55.778 € / share: 3,50
B) EPRA Net Reinstatement Value	The Net Reinstatement Value assumes that entities never sell assets and aims to represent the value required to rebuild the entity.	The objective of the EPRA NRV measure is to also reflect what would be needed to recreate the company through the investment markets based on its current capital and financing structure, related costs such as real estate transfer taxes should be included.	€ x 1000: 1.144.202 € / share: 70,56	€ x 1000: 911.747 € / share: 56,90
C) EPRA Net Tangible Assets	The Net Tangible Assets assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax.	This scenario assumes a business model with long-term investment properties, with property and other investments at fair value and excluding certain items that are not expected to materialize.	€ x 1000: 1.053.984 € / share: 65,00	€ x 1000: 845.722 € / share: 52,78
D) EPRA Net Disposal Value	The Net Disposal Value represents the shareholders' value under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax.	This scenario assumes that the company sells the assets, leading to the realization of deferred taxes and the liquidation of debt and financial instruments. This measure should not be viewed as a "liquidation NAV" as, in many cases, the fair value is not equal to the liquidation value.	€ x 1000: 1.013.270 € / share: 62,49	€ x 1000: 817.356 € / share: 51,01
E) EPRA cost ratio (incl. vacancy charges)	Administrative & operating costs (including costs of direct vacancy) divided by gross rental income.	A key measure to enable meaningful measurement of the changes in a company's operating costs.	8,8%	8,3%
F) EPRA cost ratio (excl. vacancy charges)	Administrative & operating costs (excluding costs of direct vacancy) divided by gross rental income.	A key measure to enable meaningful measurement of the changes in a company's operating costs.	8,4%	8,1%

	Definition	Purpose	31/12/2021	31/12/2020
G) EPRA Vacancy Rate	Estimated rental value (ERV) of vacant space, divided by the ERV of the entire portfolio.	A 'pure' (%) measure of investment property space that is vacant, based on ERV.	0,4%	1,4%
H) EPRA Net Initial Yield	Annualized rental income based on the steady rent collected on the balance sheet date, minus the non-recoverable property operating costs, divided by the market value of the property, plus the (estimated) acquisition costs.	A comparable benchmark for portfolio valuations in Europe	4,9%	5,5%
I) EPRA "Topped-up" Net Initial Yield	This benchmark integrates an adjustment of the EPRA NIY before the expiry of rent-free periods (or other non-due rental incentives such as discounted and tiered rent).	A comparable benchmark for portfolio valuations in Europe	4,9%	5,5%

6. Overview of business activities

6.1. Core activities

Montea is a leading public regulated real estate company in logistics real estate. It aims to develop and maintain a diversified real estate portfolio (by acquiring it or developing it itself) as part of a strategy to keep its properties in long-term ownership in order to generate stable rental income leading to a stable and - insofar as possible - growing long-term dividend for its shareholders.

The Company has as its objective (Article 3 of the articles of association):

"3.1 The Company's object is exclusively:

(a) to make real estate property available to users, directly or via a company in which it owns a holding, in accordance with the terms of the RREC and in execution of the decisions taken and regulations set under it; and
(b) within the boundaries of the RREC legislation, to own property within the meaning of the RREC legislation. If the RREC legislation changes in the future and designates other types of assets as real estate within the meaning of the RREC legislation, the Company will also be allowed to invest in these additional types of assets.
(c) in the long term, to conclude or join one or more contracts with a public client, directly or through a company in which it owns equity interest pursuant to the provisions of the RREC Act and the implementing decrees and regulations, if necessary in cooperation with third parties:
(i) "Design, Build, Finance" (DBF) agreements;
(ii) "Design, Build, (Finance) and Maintain" (DB(F)M) agreements;
(iii) "Design, Build, Finance, (Maintain) and Operate" (DEF(M)O agreements); and/or
(iv) public works concession agreements for buildings and/or other immovable infrastructure and services relating thereto, and on the basis of which:
(i) it ensures the provision, maintenance and/or operation for the benefit of a public entity and/or the citizen as end-user, in order to meet a social need and/or to provide a public service; and
(ii) it can bear all or part of the related financing, availability, demand and/or operating risk, in addition to any construction risk, without necessarily having rights in rem; or
(d) in the long term, either directly or through a company in which it owns equity pursuant to the RREC Act and the resolutions and regulations adopted pursuant thereto, if necessary, in cooperation with third parties, develop, have developed, set up, manage, operate, run or make available to third parties:
(i) facilities and repositories for the transport, distribution or storage of electricity, gas, fossil or non-fossil fuel and energy in general and related goods;
(ii) utilities for the transport, distribution, storage or purification of water and related goods;
(iii) installations for the generation, storage and transport of renewable or non-renewable energy and related goods; or
(iv) waste and incineration plants and related goods.
(e) the initial holding of less than 25% of the capital or, if the company concerned has no capital, less than 25% of the equity of a company in which the activities referred to in Article 4.1, (c) above are carried out, insofar as said equity interest is converted into an equity interest in accordance with the provisions of the RREC legislation within two years, or any longer period required by the public entity with which the contract is concluded in this respect, following the end of the construction phase of the PPP project (within the meaning of the RREC legislation) as a result of a transfer of shares.

If the RREC legislation should be amended in the future and authorize the Company to perform new activities, the Company will also be authorized to perform those additional activities. For the provision of immovable property, the Company may, in particular, carry out all activities relating to the creation, reconstruction, renovation, development, acquisition, disposal, management and operation of immovable property.

3.2 The Company may invest, on an ancillary or temporary basis, in securities other than real estate within the meaning of the RREC legislation. Such investments shall be made in accordance with the risk management policy adopted by the Company and shall be diversified in order to ensure appropriate risk diversification. The

Company may also hold unallocated liquid assets in any currency in the form of sight or term deposits or in the form of any other easily negotiable monetary instrument.

In addition, the Company may enter into transactions relating to hedging instruments for the sole purpose of hedging interest rate and exchange rate risks in the financing and management of the Company's activities as referred to in Article 4 of the RREC Act and excluding any transaction of a speculative nature.

3.3 The Company may acquire or lease one or more real estate properties. The activity of property leasing with a purchase option may be exercised only on an ancillary basis, unless such immovable property is intended for a general interest including social housing and education (in which case the activity may be exercised as the main activity).

3.4 The Company may, by means of a merger or in any other way, take an interest in all businesses, enterprises or companies with a similar or complementary purpose, and of such a nature as to promote the development of its business and, in general, it may carry out all operations directly or indirectly related to its corporate purpose as well as all acts that are relevant or necessary to attaining said corporate purpose".

6.2. Main markets

Montea operates in Belgium, the Netherlands, France and Germany.

For the breakdown of total revenue for the 2021 financial year by geographical markets and by categories of business activity, see section 17.8.1 (Note 1: Rental income) and section 17.11 (Investment Assets).

For a breakdown of the historical total revenue by categories of business activity and by geographical markets, please refer to Montea's annual financial reports (in particular Note 1 to the consolidated financial statements) for financial years 2019 and 2020.

Annual financial report 2019	Note 1 to the consolidated financial statements (p. 158-161)
Annual financial report 2020	Note 1 to the consolidated financial statements (p. 168-172)
Annual financial report 2021	Note 1 to the consolidated financial statements (p. 184-187)

6.3. Key events at portfolio level

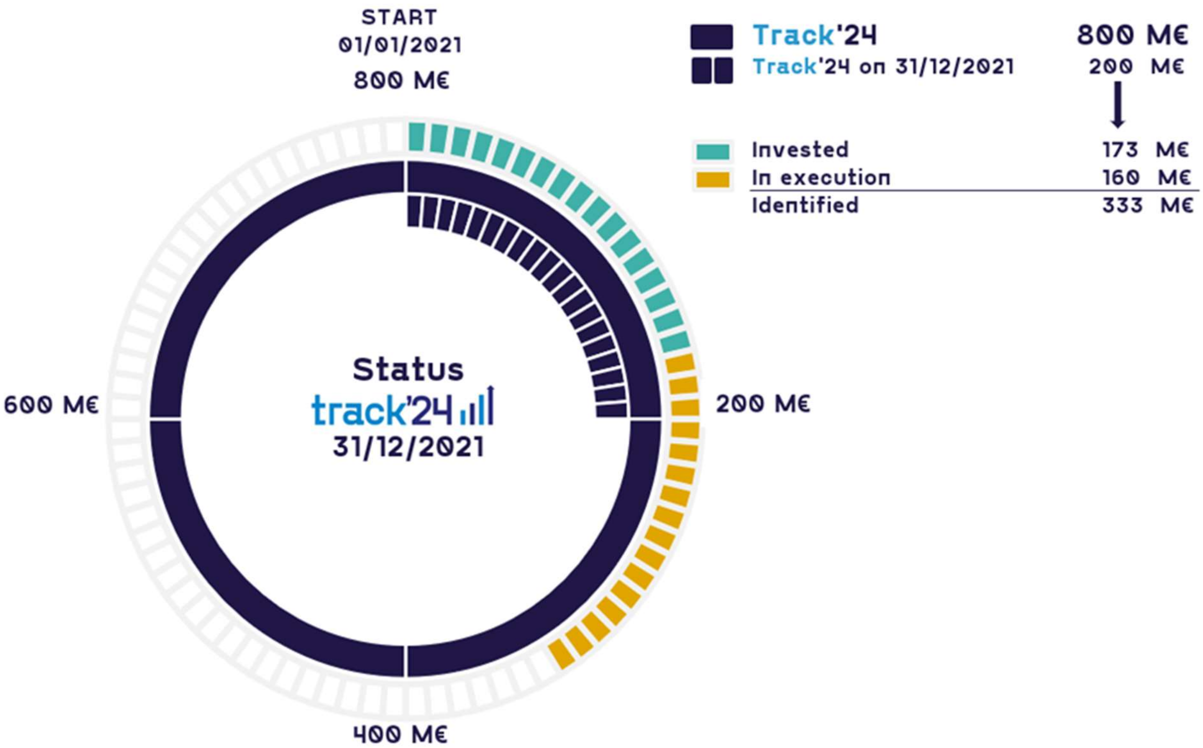
6.3.1. Historical financial information

In relation to the key events in the development of the business activities, reference is being made as regards the historical financial information to Montea's annual financial reports (in particular the management report) for financial years 2019 and 2020, which are incorporated by reference into this annual financial report.

Annual financial report 2019	"Significant events" (p. 24-33)
Annual financial report 2020	"Significant events" (p. 29-39)
Annual financial report 2021	"Important event and transactions in 2021" (p. 49 - 52)

6.3.2. Status Track'24

The growth plan Track'24 aims to realise a predefined investment volume of €800 million over the period 2021 to 2024. On 31 December 2021, Montea already identified[24] an investment volume of €333 million, with €173 million already been realised and €160 million in execution. Montea expects to generate an average net initial yield of 5.8% on these identified investments, excluding land bank. Including the land bank, Montea expects the net initial yield to be 5.2%. Montea has thus made a strong start to its growth plan and is on track to realise the targeted investment volume of €800 million over the period 2021 to 2024 (inclusive). These investments will consist of a mix of purchases of land positions & leased warehouses, development and expansion projects, and investments in solar panels.



[24] The identified investment volume consists of the "invested" investment amount from the course of 2021 and ongoing projects "in execution".

6.3.2.1. Acquisitions – Overview of acquisitions closed[25]

In the course of 2021, the total acquisition volume amounted to ca. €109 million. All acquisitions were made at an investment value lower than or in line with the value determined by the independent real estate expert.

New structural cooperation with Cordeel, Tongeren (BE)[26]

At the end of 2021, Montea entered into a new structural cooperation with the construction group Cordeel and its real estate division C-living (hereinafter referred to as the "Cordeel Group"). Montea has become involved in current development projects of the Cordeel Group in Tongeren, Vilvoorde and Zele. Together with Montea, they will give a new future to the various sites totalling ca. 420,000 m².

In the fourth quarter of 2021, Montea acquired, in an initial phase, two sites of about 180,000 m² in Tongeren. In 2021, on a first site, a first pre-let (XPO Logistics) building of 20,000 m² has already been developed and the development of a second building of 20,000 m² had started. The second site offers a development potential of approximately 50,000 m².

On the other sites (still to be acquired by Montea) located in Tongeren, Vilvoorde and Zele, respectively ca. 110,000 m², ca. 12,000 m² and ca. 18,000 m² could be developed. Montea and the Cordeel Group expect to be able to start developing these sites in the course of 2022.

Acquisition of building from Expologic, Ghent (BE)[27]

In the fourth quarter, Montea concluded an agreement with Expologic on the takeover of a building strategically located at the gateway to Ghent, the Ottergemsesteenweg. It comprises a 1.5-hectare plot of land on which a building of ca. 10,000 m² stands today. The building is currently leased to Publiganda, a market leader in the development of commercial spaces and booths at (trade) fairs.

The building's location near the E40 and E17 motorways makes it strategically important in the long term, for example for future last-mile deliveries to Ghent.

Montea sets foot on German soil in Mannheim and Leverkusen (DE)[28]

Montea took its first steps on German soil in the third quarter of 2021 with the purchase of a grey field site in Mannheim of ca. 83,000 m². The site is leased for 8.5 years to the German company FDT Flachdach. As soon as this lease expires, the grey field site will be redeveloped into a sustainable logistics area.

In the fourth quarter, Montea also concluded a *sale and lease-back transaction* with TMD Friction Services GmbH for a logistics building in Leverkusen. The building, situated on a 2.8-hectare site, will be redeveloped into a city distribution centre after the lease expires.

With the abovementioned acquisitions, totalling ca. €43 million, Montea is continuing its growth story with a

[25] Included in the "invested" investment volume on 31/12/2021.
[26] See press release of 04/01/2022 or www.montea.com for more information.
[27] See press release of 04/01/2022 or www.montea.com for more information.
[28] See press release of 26/08/2021 or www.montea.com for more information.

focus on the (re)development of strategic sites near major consumer centres. Mannheim is located in the centre of the Rhein-Neckar metropolitan region, one of the strongest logistical and economic growth poles in Germany. Leverkusen is located on the outskirts of Cologne, Germany's fourth largest city.

Purchase of development land, Senlis (FR)

In Senlis, located on the Lille-Paris axis, Montea acquired, in 2019, a site of ca. 71,000 m² in a prime location on the A1 exit. In the first half of 2021, Montea took an option on 11 adjacent sites of ca. 99,000 m² thereby increasing the total area of the industrial estate to ca. 17 hectares.

At the end of the fourth quarter Montea has exercised 6 of the 11 options (ca. 28,000 m² for a total investment value of ca. € 0.9 million). Montea expects to be able to start developing the business park by early 2024 at the latest.

Montea invests in multimodal urban logistics, Brussels (BE)[29]

During the second quarter, Montea and the Port of Brussels signed a land concession agreement for a fixed period of 30 years (extendable by periods of 10 years) for a site of ca. 35,000 m². This site is located on the Vilvoordselaan, immediately adjacent to the TTB terminal (Trimodal Terminal Brussels) of Brussels. This means that the site offers - with its location next to the access road to the centre of Brussels - exceptional multimodal possibilities for rail and canal traffic.

Montea has acquired from DSV a distribution centre of ca. 20,000 m², located on the above-mentioned concession land in the Port of Brussels. This transaction has an investment value of ca. € 7 million. In the context of sustainable value growth, Montea will also take further steps to make the site sustainable by installing charging stations, LED lighting, solar panels, etc.

As of 01/05/2021, the former DSV site has been leased for ten years fixed to Van Moer Logistics. The location offers Van Moer Logistics the much-needed additional capacity for its waterbound goods flows towards Brussels. The TTB terminal, which Van Moer Logistics acquired some time ago, is also part of this plan. Van Moer Logistics will also reactivate the adjacent tracks and thus make the hub fully trimodal.

Sale & lease back logistics building, Ridderkerk (NL)[30]

During the second quarter Montea also purchased a distribution centre of ca. 6,750 m² from VDH Forwarding & Warehousing B.V. in Ridderkerk. VDH arranges transport from A to B, but also the journey from A to Z: from expedition activities to delivery at the final destination.

Further steps will be taken to modernize the site sustainably by installing charging stations, LED lighting and solar panels. After the work, the premises will again fully comply with current sustainability standards.

The lease agreement with VDH Forwarding & Warehousing B.V. has a term of 10 years, with an initial termination option after 7 years.

[29] See press release of 12/04/2021 or www.montea.com for more information.
[30] See press release of 03/06/2021 or www.montea.com for more information.

6.3.2.2. Acquisitions – Overview of purchases to be closed after 2021[31]

At the beginning of 2022, a total acquisition volume of approximately €80.4 million was realised. All acquisitions were made at an investment value below or in line with the value determined by the independent real estate expert.

Acquisition of buildings let to PostNL, Zwolle and ‘s Hertogenbosch (NL)[32]

Early 2022, Montea reached an agreement with Urban Industrial for the acquisition of two buildings in 's Hertogenbosch and Zwolle, both currently leased to PostNL.

The acquisition in Zwolle concerns a site of 6 hectares with a footprint of approximately 29,000 m². The building in ‘s Hertogenbosch is a 5-hectare site with a footprint of approximately 24,000 m². Both buildings are strategically located at the entrance of the city and are therefore extremely suitable for e-commerce. Moreover, the presence of a lot of outdoor space offers the possibility to expand the site in case the current tenant would leave. Both buildings were purchased on 31/01/2022.

Acquisition of building from Barsan, Tilburg (NL)[33]

At the start of 2022, Montea and a private investor reached agreement on the acquisition of a logistics building in Tilburg currently leased by Barsan Group. The building has a surface area of 6,000 m² on a 2- hectare site. The site offers the possibility to expand the building in the future. The purchase was closed on 31/01/2022.

[31] Included in the investment volume “in execution” on 31/12/2021.
[32] See press release of 04/01/2022 or www.montea.com for more information.
[33] See press release of 04/01/2022 or www.montea.com for more information.

Acquisition of buildings from GVT, Alkmaar, Echt and Berkel & Rodenrijs (NL)[34]

Beginning of February 2022, Montea has acquired three new-build projects in the Netherlands, which GVT Transport & Logistics will lease for a period of 10 years. The new-build projects are located in Alkmaar, Berkel & Rodenrijs and Echt, all having an ideal location for a complex distribution. The site in Alkmaar has already been delivered. The sites in Berkel & Rodenrijs and Echt will be completed in Q2 2022. GVT Transport & Logistics has signed a 10-year lease agreement for these new-built projects. The sites will generate a total annual rental income of approximately € 890,000.

6.3.2.3. Developments and extension projects – Projects delivered in 2021[35]

In the course of 2021, ca. 6,250 m² of pre-let projects and ca. 11,650 m² of pre-let sites (parking) were delivered for a total investment amount of €14.5 million (excluding the investments for solar panels, see section 6.3.2.5).

- **Circular and climate-neutral business park Blue Gate in Antwerp, Belgium[36]**
  - Start of development: Q4 2019
  - Completion: 08/01/2021
  - Surface area: ca. 4,250 m² distribution centre (city distribution with electric vehicles & cargo bikes)
  - 15-year fixed lease to DHL Express
  - Investment value: ca. € 10 million

- **Schiphol Airport – parking plot 2 (NL)**
  - Purchase of land: Q4 2020
  - Start of construction: Q4 2020
  - Completion of parking/start of lease: 23/04/2021
  - Surface area: 4,400 m² (60 parking spots)
  - 10-year fixed lease to to Amazon Logistics
  - Investment value: ca. € 2 million

- **Extension + parking, De Hulst, Willebroek (BE)**
  - Start of construction: Q2 2021
  - Start of lease: 17/11/2021
  - Car park surface area: 7,250 m² (75 and 76 spaces for cars and trucks respectively)
  - Cross dock surface area: ca. 2,000 m²
  - 15.5-year fixed lease to to Dachser Belgium NV
  - Investment value: ca. €2.5 million

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[34] See press release of 07/02/2022 or www.montea.com for more information.
[35] Included in the "invested" investment volume on 31/12/2021.
[36] See press release of 19/12/2019 or www.montea.com for more information.

6.3.2.4. Developments and extension projects - Projects in execution[37]

In addition, Montea started a number of projects in 2021 which will be delivered in the course of 2022. This comprises the development of an area of ca. 94,700 m² of pre-let projects and a pre-let parking tower of ca. 40,000 m². The total investment budget amounts to ca. €113 million.

Blue Gate, Antwerp (BE)[38]

Montea became the exclusive partner in February 2016 for the development of the Blue Gate logistics site in Antwerp, with a strong focus on the development of 'next generation' buildings combining unique sustainability with low impact urban distribution.

During the third quarter of 2021, Montea was able to start developing a distribution centre of ca. 8,500 m². This development has been fully pre-let to Amazon Logistics for a fixed period of 15 years. The distribution centre is qualified as Breeam Excellent.

- Purchase of land: Q3 2021
- Start of development: Q3 2021
- Surface area of distribution centre: ca. 8,500 m²
- Surface parking tower: 5 levels of ca. 8,000 m²
- Completion: Q3 2022
- 15-year fixed lease to Amazon Logistics
- Estimated investment budget site + development: ca. €41 million

Cleantech recycle and distribution centre, Tiel (NL)[39]

In the second quarter of 2021, Montea started building a 9,700 m² recycling and distribution centre for Re-match. The recycling and distribution centre is being built on the approximately 48-ha site in Tiel, which Montea purchased in September 2018. After completion of this development for Re-match, there is still 45 ha of land available for development on the site, which in the meantime remains to be leased to Recycling Kombinatie REKO B.V. (for storage and processing of residual waste) and Struyk Verwo Infra B.V.

- Purchase of leased site: Q3 2018
- Surface area of leased site: 479,000 m² of which 31,800 m² is released for the construction of a distribution centre; the remaining part remains to be leased to Recycling Kombinatie REKO B.V. (for the storage and processing of residual waste) and Struyk Verwo Infra B.V.
- Surface area of the distribution centre: 9,700 m²
- Start of development: Q2 2021
- Completion of development: Q1 2022
- 20-year fixed lease to Re-Match
- Investment value: ca. €12 million

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[37] Partly included in the "invested" investment volume on 31/12/2021 and partly included in the investment volume "in execution" on 31/12/2021.
[38] See press release of 17/02/2022 or www.montea.com for more information.
[39] See press release of 26/04/2021 or www.montea.com for more information.

Vosdonk business park, Etten-Leur (NL)[40]

In the second quarter of 2021, Montea was also able to sign an eight-year lease with Bas Service Oriented for the development of a new distribution centre of ca. 26,500 m² on the Vosdonk industrial estate in Etten-Leur. Montea signed the purchase agreement for this brownfield of 37,520 m² already in 2019. In the meantime, this site has been completely remediated and the environmental permit has been definitively delivered.

- Purchase of land (37,520 m²) in 2019
- Start of development: Q3 2021
- Start of lease: 01/07/2022
- Expected surface area of distribution centre: ca. 26,500 m²
- Estimated investment budget site + development: ca. € 20 million

Logistics Park A12, Waddinxveen (NL)

In the first quarter of 2021, the first phase of the development of a distribution centre in Waddinxveen in the Netherlands started (50% of the site acquired in 2020). This development has been fully pre-let to HBM Machines B.V.[41] for a fixed period of 10 years.

Development phase 1:

- Site surface area[42]: 60,000 m²
- Storage area: ca. 50,000 m²
- Start of development: Q1 2021
- Delivery: Q1 2022
- Tenant: HBM Machines B.V. for a fixed period of 10 years
- Estimated investment budget for site + development: ca. €40 million

6.3.2.5. Developments in the PV portfolio

The recent investments in PV installations bring the total capacity of solar panels to ca. 43 MWp by the end of December 2021, generating ca. 40,000 MWh, comparable to the energy consumption of ca. 11,500 households or an equivalent CO_2 reduction of ca. 650 hectares of forest. For the time being, Montea has installed PV systems on the roofs of its Belgian and Dutch portfolios. In the last quarter of 2021, the installation of the first PV systems on the roofs of the French portfolio was initiated.

Projects completed in 2021[43]

During 2021, four new PV systems on the roofs of the Belgian portfolio became operational, representing a total investment cost of ca. €2.3 million. With these new installations, the PV systems in Belgium generate ca. 27,000 MWh which is the equivalent of the annual energy consumption of ca. 7,700 households.

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[40] See press release of 03/06/2021 or www.montea.com for more information.
[41] See press release of 21/12/2020 of www.montea.com for more information.
[42] The total surface area of the purchased site amounts to 120,000 m². Phase 2 (60,000 m²) will be considered as an identified project only when the construction phase starts.
[43] Included in the "invested" investment volume on 31/12/2021.

In the Netherlands, 3 new PV systems were installed, representing a total investment cost of €4.0 million. The Netherlands thus brings its production to a level of ca. 13,100 MWh, which is the equivalent of the annual energy consumption of ca. 3,750 households.

Projects expected to be completed after 2021[44]

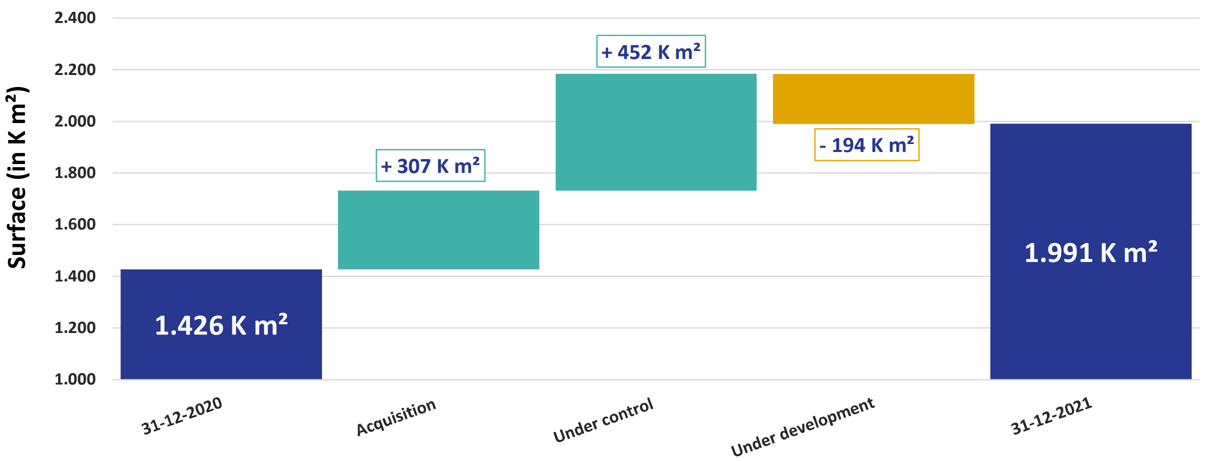
Montea has effectively equipped approximately 86% of all the roofs of its warehouses in Belgium with PV installations. The aim is to increase this percentage to 95%, being the maximum technical capacity of the current portfolio. An investment budget of ca. €0.6 million has been earmarked for this.

In the Netherlands, 61% of the portfolio of warehouses is currently equipped with solar panels. Montea aims to increase this percentage to 75% and foresees an investment budget of ca. €9 million to that end. A delay is, however, expected due to capacity problems with the electricity network in the Netherlands.

In addition to the Netherlands and Belgium, the installation of solar panels in France was initiated in the fourth quarter of 2021. An investment budget of ca. €4 million has been earmarked for this.

6.3.3. Development potential – land bank

Montea ends the year 2021 with a land bank of ca. 2,000,000 m², a stable reserve to further achieve its ambitions in the years to come. Montea expanded its land bank in the course of 2021 with the purchase of some 307,000 m² of land and also gained control over a land reserve of some 452,000 m². In 2021, developments were started on a total of ca. 194,000 m² of land reserves.



[44] Included in the investment volume "in execution" on 31/12/2021.

6.4. Important events and transactions in 2021

6.4.1. Rental activity in 2021

Occupancy rate of 99.7%

The occupancy rate on 31 December 2021 amounted to 99.7% compared to 99.4% at the end of 2020. 98% of the 9% of lease contracts that expired in 2021 were renewed.

The limited vacancy is located in Bornem (BE) previously let to Raamwinkel.

Montea's rental business also felt little impact from the COVID-19 crisis in 2021. The risk of default is minimized, thanks to its qualitative and diversified customer portfolio (at country and sector level). The warehouses are operational and, in some cases, even have an increased activity. Montea is aware of the challenge faced by some customers. No rent reductions or rent waivers were granted by Montea.

6.4.2. Divestment activity

Divestment of building in St-Laurent-Blangy (FR)

As part of a dynamic management of its property portfolio, Montea proceeded with the sale of a 13,500 m² building in St-Laurent-Blangy in the second quarter of 2021. The transaction was carried out for an amount of approximately € 7.8 million. The sale price was € 1.2 million above the fair value of the site as determined by the independent real estate expert as of 31/03/2021.

Divestment of building in Heppignies (BE)

During the fourth quarter of 2021 Montea reached an agreement with Exeter Property Group Europe on the sale of a building located in Heppignies, leased to Coca-Cola Enterprises Belgium. The transaction was concluded for an amount of ca. €7.6 million, in line with the value determined by the independent real estate expert as at 30/09/2021.

6.4.3. Proposal to pay out a gross dividend of €3.03 per share

Based on the EPRA earnings of €3.75, the board of directors of the sole representative of Montea will propose a gross dividend of €3.03 per share (€2.12 net per share), based on a pay-out ratio of 80% (based on the statutory distributable result). This means a 7% increase in the gross dividend per share compared to 2020 (€2.83 gross per share).

KEY RATIO'S	31/12/2021	31/12/2020
Key ratio's (€)		
EPRA result per share (1)	3,75	3,50
Result on the portfolio per share (1)	9,57	6,74
Changes in the fair value of financial instruments per share (1)	0,80	-0,51
Net result (IFRS) per share (1)	14,12	9,74
EPRA result per share (2)	3,73	3,48
Proposed distribution		
Payment percentage (compared with EPRA result) (3)	81%	81%
Gross dividend per share	3,03	2,83
Net dividend per share	2,12	1,98
Weighted average number of shares	16.130.871	15.916.319
Number of shares outstanding at period end	16.215.456	16.023.694

(1) Calculation based on the weighted average number of shares.
(2) Calculation based on the number of shares in circulation on balance sheet date.
(3) The pay-out ratio of 81% is calculated in absolute figures on the basis of the consolidated EPRA earnings. The dividend distribution occurs on the basis of the statutory earnings of Montea NV available for distribution which is set at 80%.

6.4.4. Other events during the year 2021

Montea welcomes Barbara De Saedeleer and Koen Van Gerven as new directors[45]

The general meeting of shareholders of Montea Management NV, held on 18 May 2021, approved the appointment of Barbara De Saedeleer and Koen Van Gerven as independent non-executive directors for a period of three years.

These appointments are part of a sound corporate governance policy where Montea has chosen to increase the number of independent directors from 3 to 4.

The two new independent directors have a thorough knowledge of both the logistics and the real estate markets.

[45] See press release of 26/05/2021 or www.montea.com for more information.

Montea bolsters commercial strength in the Netherlands (NL)[46]

In the course of the third quarter 2021, Cedric Montanus reinforced the Montea team, with the ambition of increasing Montea's commercial presence in the Netherlands. Together with Hylcke Okkinga, Cedric Montanus will be part of the management team. They will join forces in BrightSite B.V.

Cedric Montanus has a long-standing affinity with the logistics real estate market and has the required experience to bring real estate projects to fruition for Montea.

In light of its exponential growth, Montea also decided to open a second office in Amsterdam, in addition to the office in Tilburg, in order to strengthen its presence in the Netherlands. The office is located at Weesperzijde 33 and has become operational as from the beginning of September 2021.

6.4.5. Important events after the balance sheet date

New acquisitions

Thanks to several strategic expansions in the Netherlands, Montea is setting a strong course for 2022. On 31 January 2022 Montea purchased four new properties. It reached an agreement with Urban Industrial for the acquisition of two buildings in 's Hertogenbosch and Zwolle, both currently leased to PostNL. Montea and a private investor also reached agreement on the purchase of the logistics premises in Tilburg leased by the Barsan Group. Finally, Montea also acquired, beginning of February 2022, three new-build projects in the Netherlands, which GVT Transport & Logistics will lease for a period of 10 years. More detailed information about these purchases can be found in section 6.3.2.2 “Overview of purchases to be closed after 2021”.

Share buy-back programme to purchase 70,000 own shares

Within the limits of the authorization to purchase own shares as granted by the extraordinary shareholders' meeting held on 9 November 2020, Montea has successfully completed a share buy-back programme during the period from 6 January 2022 until 3 February 2022 (inclusive). During this period a total of 70,000 treasury shares have been purchased through an independent broker for a total purchase price of € 8,838,255.60.

The treasury shares that were acquired through the share buy-back programme will be allocated to the execution of share purchase and share option plans to the benefit of the management and employees of Montea.

Further to this share buy-back programme the total number of treasury shares held by Montea amounts to 82,422 (0.51% out of a total of 16,215,456 shares) on 3 February 2022. The press releases on this share buy-back program, as well as an overview of the individual transactions, can be found here: https://montea.com/investor-relations/buyback-own-shares.

Recruitment of Chief Human Resources Officer

At the start of 2022, Steven Claes strengthened the team as Chief Human Resources Officer. Steven's arrival will entail an extra impulse to the social component of the ESG policy. As CHRO, Steven will fine-tune the HR policy of the entire Montea group further and make it future proof for the growth of Montea and the team. He will in particular set up a new welfare programme for employees and optimize the existing evaluation processes and satisfaction surveys.

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[46] See press release of 27/08/2021 or www.montea.com for more information.

Armed conflict in Ukraine

The armed conflict in Ukraine, which started in February 2022, is a significant macro-economic event that could potentially impact various aspects of Montea's business operations, e.g. rising costs of raw materials and building materials, disruptions in the supply chain and a rise in interest rates. The concrete impact of this cannot be estimated at the time of publication of this annual financial report. The Montea management proactively monitors these risks (see also section "Risk factors").

6.5. Strategy and objectives

- Montea literally offers its clients space to grow, through flexible and innovative real estate solutions. That is why Montea maintains an extensive network of estate agents, landowners, property developers and contractors.
- Montea converts its market knowledge into high-quality real estate investments that offer sustainable added value for clients and shareholders.
- Montea consists of a driven team of logistics real estate experts. With a good understanding of the client's needs, Montea searches for tailor-made qualitative solutions, adapted to the ever-changing economic situation.
- A share in Montea therefore offers a spread of risk, profitable growth and a stable dividend.

Montea acts in accordance with the following three key concepts:

Logistics real estate

Montea believes in the long-term value of logistics real estate. The total lifecycle of a logistics building is actually much longer than that of other institutional real estate categories. The requirements for architecture, changing techniques, clearance height or other technical specifications will change less rapidly than for other property categories such as offices. If certain renovations do occur throughout the life cycle of a building, the cost will be lower in relation to the total value than for other property categories. This makes logistics real estate an interesting long-term investment.

Pure player

Montea has opted to invest exclusively in logistics real estate. This enables Montea to focus exclusively on this niche. The teams in Belgium, the Netherlands and France are composed of specialists in this sector and can therefore aspire to be 'the best of the class' in their field. This distinguishes Montea from many other real estate companies that have opted to diversify their real estate categories, which means that they do not have a pure focus.

Final investor

Montea acts in the marketplace as final investor that takes a long-term view of its property portfolio. Using its expertise and experience in niche markets, Montea works with other parties in the sector, such as developers, construction companies, industrial parties and landowners, to become involved in the development process at an earlier stage.

The build-to-suit project with DocMorris in Heerlen, Unéal-Advitam in St. Laurent de Blangy, Amazon in Schiphol and the cooperation with the Cordeel Group, Bouwbedrijf Van de Ven, etc. are interesting examples of this vision. It is Montea's ambition to continue to pursue similar projects in the future.

6.6. Investments

6.6.1. Most important investments made in each financial year closed for the period covered by the historical financial information

For a description (including the amount) of Montea's main investments made during the past financial year, reference is being made to section 6.3 of this annual financial report.

6.6.2. Essential Montea investments that are currently in execution or for which firm commitments have already been made

The investment commitments already made are included in section 6.3.2.1 and section 6.3.2.5 of this annual financial report.

6.6.3. Joint ventures and equity interests in the capital of other companies

For joint ventures or shareholdings in the capital of other companies, reference is made to section 4 of this annual financial report (i.e. Information about Montea).

6.6.4. ESG report[47]: out sustainability strategy

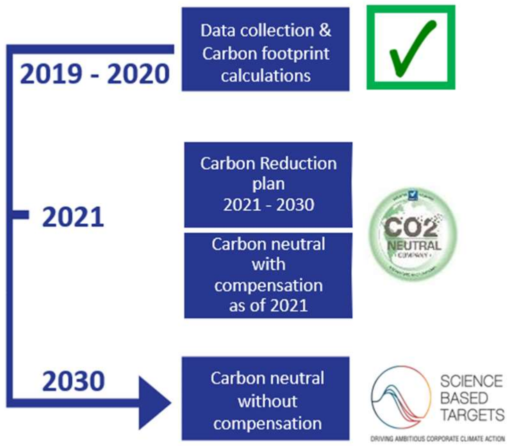
2020 was the year in which Montea set out a clear vision and sustainability strategy for the medium and long term (2030 and 2050 respectively). In the course of 2021, we continued along this path and refined our sustainability strategy. Together with this annual financial report, we have updated Montea's sustainability strategy in a new ESG report.

Environmental

In 2021, Montea presented its first ESG report, the main objective being to continue to use its expertise in logistics real estate in order to realize sustainable long-term solutions with added value for clients, shareholders, employees and other stakeholders. Sustainable entrepreneurship has always been in Montea's DNA. The track record of the past few years is the pure evidence of our pursuit of sustainable value growth rather than short-term profit. Montea has now taken essential steps to convert the Montea-DNA into a clear vision and sustainability strategy for the medium (2030) and long term (2050). Montea carried out a baseline measurement to determine concrete actions and objectives. In addition, a Group Energy & Sustainability Manager was appointed in November 2020 to steer all concrete actions in the right direction and help Montea achieve all ambitious objectives.

[47] See press release of 16/04/2021 or www.montea.com for more information.

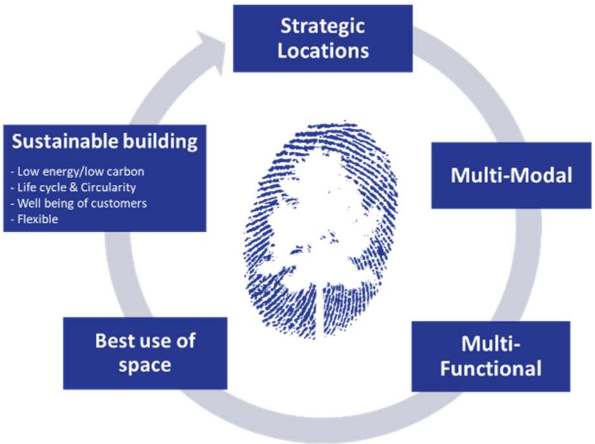
Montea successfully made its own operations CO_2 neutral with compensation in 2021 and aspires to do so without compensation by 2030. In this light, Montea purchases electricity only from local renewable sources as of the second quarter of 2021. Together with its own production of green power, Montea is taking a major step towards making its own operations CO_2-neutral. In the same context, it was decided to make the car fleet greener whereby Montea skips the intermediate step of plug-in hybrids and will immediately pursue an all-electric car fleet.



Montea also aspires to make its portfolio of buildings Paris Proof by 2050 (a reduction by 20% towards the end of 2024). A "Client Engagement Programme" has been set up to that end, whereby Montea helps its clients to reduce their greenhouse gas emissions and lower their energy costs. After an initial analysis and benchmarking of the current energy consumption, efforts will be made to ensure that each asset meets the targets. To lend its weight to this endeavour, Montea has signed the Paris Proof Commitment of the Dutch Green Building Council (DGBC) Foundation.

In Montea's ESG report 2022, scope 3 emissions will be reported (emissions from operational use of the buildings in the portfolio and the embodied carbon from new developments). Montea has underlined its ambitions by participating in the Science Based Target Initiative. Worldwide, 2,466 companies (122 active in the real estate sector) participated in the initiative. Montea was among the ca. 45% of the participants (ca. 40% of the real estate companies) whose targets were validated and approved.

To increase the sustainability of its portfolio further, Montea is continuing its tried and tested recipe: focus on sustainable and versatile logistics real estate at strategic locations; multimodal sites; multifunctional buildings and maximum use of space (brownfield and greyfield redevelopment).



Social

To achieve this goal, Montea can count on a fantastic team of employees, the Monteaneers. As an organization, Montea has an eye for the health and well-being of its own employees through in particular:

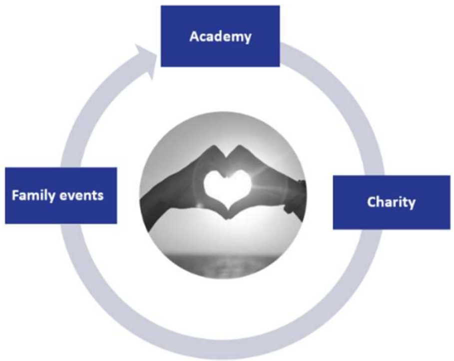
- ✓ access to a training platform covering a wide range of topics
- ✓ online 'stay connected & in good shape' work- outs
- ✓ online team moments
- ✓ a fully digital working environment
- ✓ an annual team building event to guarantee the connection across the four countries

Ambitions are also set high on the social front, where the arrival of the Chief HR Officer, Steven Claes, constitutes an important milestone.[48] Future initiatives include the launch of an employee welfare programme and upgrades to the performance and satisfaction measurement process.

[48] See above in this annual financial report under "Important events after the balance sheet date".

Furthermore, Montea wants to share its extensive expertise with as many partners as possible and therefore organizes interesting seminars and inspiration days regularly at its own initiative and sometimes in cooperation with partners. Montea is also a regular guest speaker at seminars organized specifically for the real estate sector.

In addition, Montea encourages its employees to make an active contribution to socially relevant initiatives apart from their work. A number of Montea employees took part in the Wings for Life World Run, a running competition held in May where 100% of the money raised goes to spinal cord research. In August, two Montea teams participated in the 24h Trail Run of Kampenhoeve Ster VZW, a donkey and horse centre for asinotherapy. In turn, Montea supports several local charitable organizations. Since Montea is firmly convinced that its employees, together with their families, are the cornerstones of the company, Montea also regularly organizes events for the entire family.



Governance

Montea is committed to a culture in which equality, diversity and non-discrimination are central. Employee diversity ensures good dynamics and balanced decision-making and has already contributed greatly to Montea's growth.

Sufficient diversity is also sought on the board of directors, where diversity refers to the gender of the directors, but also to other criteria such as skills, experience and knowledge, all contributing to a balanced decision-making.

In addition, a number of policies were updated in the second quarter of 2021 as a result of the charted ESG strategy.

A detailed description of the vision, strategic focus, objectives and achievements is available in the ESG Report.

ESG reporting through international ratings

Rating	Latest scores	Evolution
EPRA sBPR SILVER	**2021** **Silver Award** High adherence to sBPR. Score between 70% & 85%	BRONZE → SILVER **2020** **2021**
69 / 100 GRESB 2021	**2021** **Green Star** with a score of **69%**	32% → 69% **2020** **2021**

6.6.5. Green Finance Framework[49]

To lend force to its sustainability ambitions, Montea has set up a Green Finance Framework. With this framework, Montea intends to issue green financing instruments. These financing instruments include, amongst others, issuing bond loans and credit agreements with banks with the aim to (re)finance sustainable projects having a clear benefit to the environment and society. Sustainalytics (Second Party Opinion Provider) confirmed that this financing programme is in line with the Green Bond Principles and Green Loan Principles. The Framework covers the following issues:

- Use of proceeds
- Process for project evaluation and selection
- Management of the proceeds
- Reporting
- External reviews

The Green Finance Framework is available here: https://montea.com/investor-relations/.

[49] See press release of 09/06/2021 or www.montea.com for more information.

6.7. Real estate report[50]

The research material concerns the countries and sub-markets where the property to be valued is located, namely the Belgian, Dutch, French and German industrial markets.

6.7.1. Belgium

LOGISTICS

Key Market Indicators

Logistics take-up volume 17% below that of 2020

Take-up volume by logistics axis (sq.m.)	2020	2021	2021 vs 2020	5-year average	2021 vs 5-y average
Antwerp-Brussels	357.709	228.775	-36%	293.194	-22%
Antwerp-Ghent	268.207	169.003	-37%	199.505	-15%
E313	186.461	271.722	46%	200.478	36%
Walloon axis	60.148	93.530	55%	111.193	-16%
Other	104.404	50.034	-52%	111.848	-55%
Total Belgium	976.929	813.064	-17%	916.218	-11%

Logistics remains a letting market

Lettings vs acquisitions	2020	2021	2021 vs 2020	5-year average	2020 vs 5-y average
Lettings (sq.m.)	834.419	695.967	-17%	569.360	22%
Acquisitions (sq.m.)	142.510	117.097	-18%	346.859	-66%
Total	976.929	813.064	-17%	916.218	-11%

Lower take-up volumes y-o-y in Flemish and Walloon Region

Take-up volume per Region (sq.m.)	2020	2021	2021 vs 2020	5-year average	2021 vs 5-y average
Flemish Region	821.099	658.417	-20%	482.018	37%
Walloon Region	146.430	126.712	-13%	98.310	29%
Brussels Region	9.400	27.935	+197%	1.880	NA
Total	976.929	813.064	-17%	916.218	-11%

Number of logistics transactions rose in 2021

Number of transactions per size category	2020	2021	2021 vs 2020	5-year average	2021 vs 5-y average
>= 20,000 sq.m.	14	14	0%	13	6%
10,000 - 19,999 sq.m.	11	21	91%	18	14%
5,000 - 9,999 sq.m.	20	18	-10%	17	5%
2,500 - 4,999 sq.m.	14	9	-36%	11	-21%
1,000 - 2,499 sq.m.	10	10	0%	4	127%
Total	69	72	4%	65	11%

[50] Source: Report prepared by Jones Lang LaSalle on the one hand and Stadim on the other hand, as at 31/12/2021, based on the most recent available information. This report was drawn up at the request of Montea, whereby the property experts have agreed to the inclusion of the full report in this annual report.

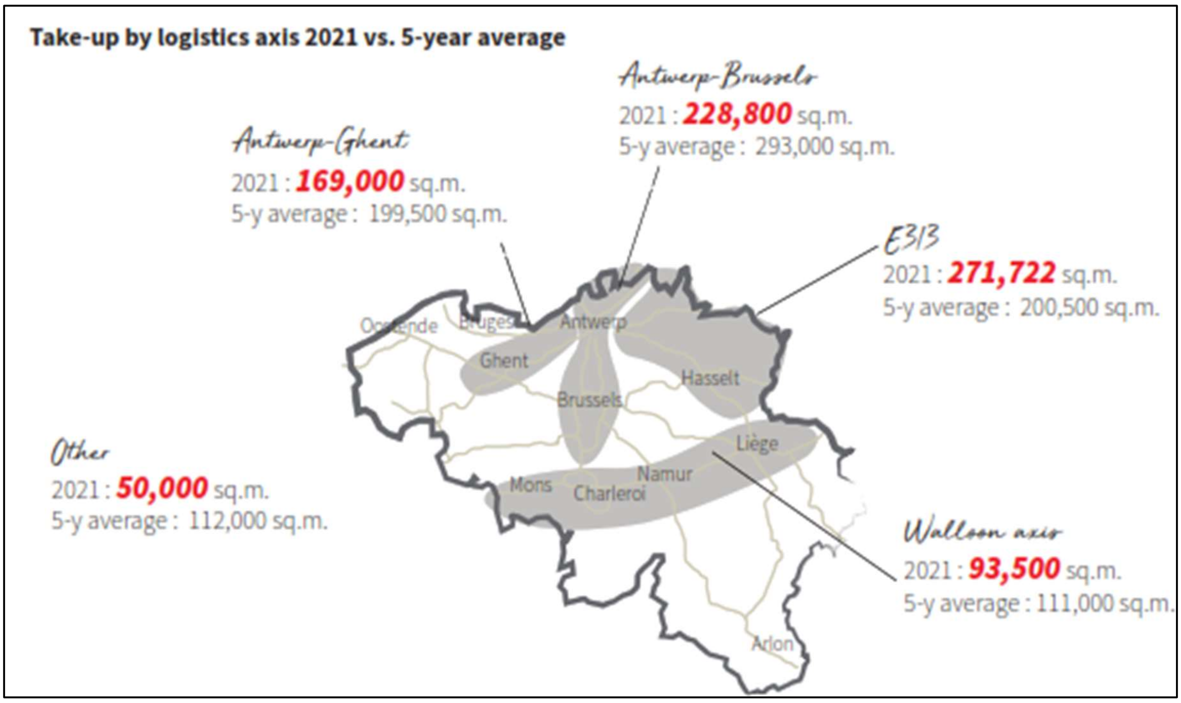
6.7.1.1. Occupier Market

Take-up

In 2021, 813,000 sq.m. of logistics spaces were let and sold in Belgium. That transaction volume is 17% below the volume in 2020 - when one transaction with WDP/Legio Invest (X2O, Overstock Home/Garden) of 150,000 sq.m. in WDPort of Ghent accounted for 15% of the annual volume. The annual volume 2021 is also 21% below the five-year average, but still 6% above the ten-year average. The obvious reason for this is the continuing scarcity of supply. For example, on the main logistics axis Antwerp-Brussels less than 1% of the logistics building stock is immediately available, and everywhere else in the country the availability rate remains below 4%. Moreover, the market demand is so high that the current availability will be taken up in a few months' time.

The geographical spread of the logistics transactions in 2021 shows that three quarters of the transactions (76%) took place in the Flemish Region, one fifth or 22% in the Walloon Region and the rest in Brussels. In terms of surface area, the Flemish Region even accounted for 81% of the total take-up volume.

The logistics axis Antwerp-Brussels recorded the highest number of transactions, 28 transactions with a total area of 228,800 sq.m. In terms of volume Antwerp-Brussels is in second place, however, just behind the E313 Antwerp-Limburg-Liège axis, where a total of 271,700 sq.m. was absorbed in 17 transactions. In third place in terms of take-up volume was the Antwerp-Ghent axis, with a total take-up of 169,000 sq.m. in 11 transactions, mainly thanks to new projects in the Evergem port area. Just as many transactions were recorded on the Walloon axis, but the total take-up volume there is slightly lower: 93,500 sq.m.. In addition, in other locations outside the central axes, mainly in the province of West Flanders, another 50,000 sq.m. were recorded in 7 transactions.

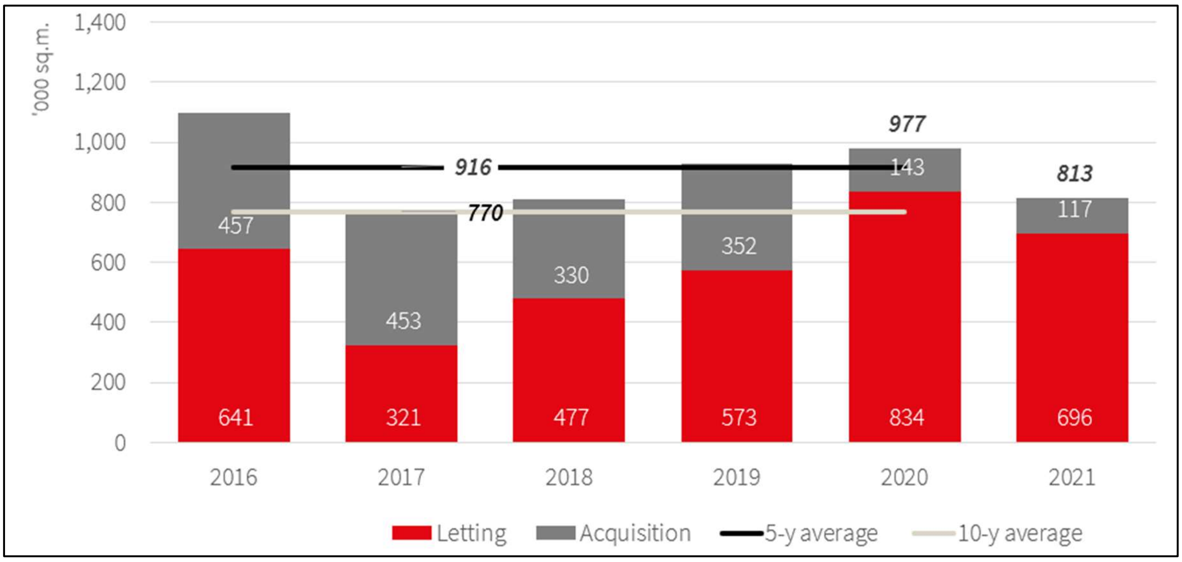


There were no individual transactions above 50,000 sq.m. this year. The largest transaction of 2021 was the letting to Eutraco of 45,000 sq.m. in MG New Docks, an extension after Eutraco had already signed for 25,000 sq.m. in the same project. In addition, the former logistics building of Milcobel in Schoten, with a surface of 33,500 sq.m., was sold to Gosselin Group. Connect+ Group and Eltra rented a total of 30,000 sq.m. in Ghent

Logistic Campus in Evergem. In Ham, on the E313 axis, bottling company Konings rented 27,700 sq.m. of logistics space. In Genk Green Logistics, the former Ford site in Genk, five lettings were recorded for a total of 82,720 sq.m. with Eddie Stobart Logistics (two transactions of 20,000 sq.m. each), Nippon Express Logistics, Neovia Logistics and P&O Ferrymasters. In the Tongeren-Oost industrial zone XPO Logistics pre-let 20.000 sq.m. in a project by developer Cordeel.

The average logistics transaction has been getting smaller over the last three years: in 2021 the average transaction was 10,987 sq.m., which is 22% lower than the five-year average. Given the increasing demand for urban logistics, the trend towards smaller logistics transactions will continue.

Take-up volume logistics Belgium 2016-2021



Vacancy

As elsewhere in Europe, the vacancy in logistics warehouses in Belgium has decreased throughout 2021. At the end of 2021, JLL calculated a vacancy rate of 0.85% on the main axis Antwerp-Brussels, which makes it very difficult to meet demand. Projects under construction which are not entirely pre-let are limited. They are located on the Antwerp-Ghent axis or along the E313 Antwerp-Limburg-Liège. On the Antwerp-Brussels axis or the Walloon axis no speculative development projects are currently under construction.

Future supply

Although it has picked up in the past 12 to 18 months, speculative development remains limited. In most cases developers adopt a build-to-suit strategy whereby developments are fully adapted to users' needs and the development risk is kept to a minimum.

In some cases, however, developers are prepared to take slightly more risk, such as with the project Ghent Logistic Campus by Heylen Warehouses or MG New Docks by MG Real Estate, where part of the development was launched speculatively once the first unit(s) were prelet. Given the current market conditions where availability is low and market demand is high, we expect these speculative developments to find occupiers relatively easily.

In 2021 we recorded the delivery of 27 projects, 2 more than average in the past five years, representing a total area of close to 597,000 sq.m. While this completion volume was 27% above that of 2020 and 17% above its five-year average, only 3% of the total volume was completed speculatively.

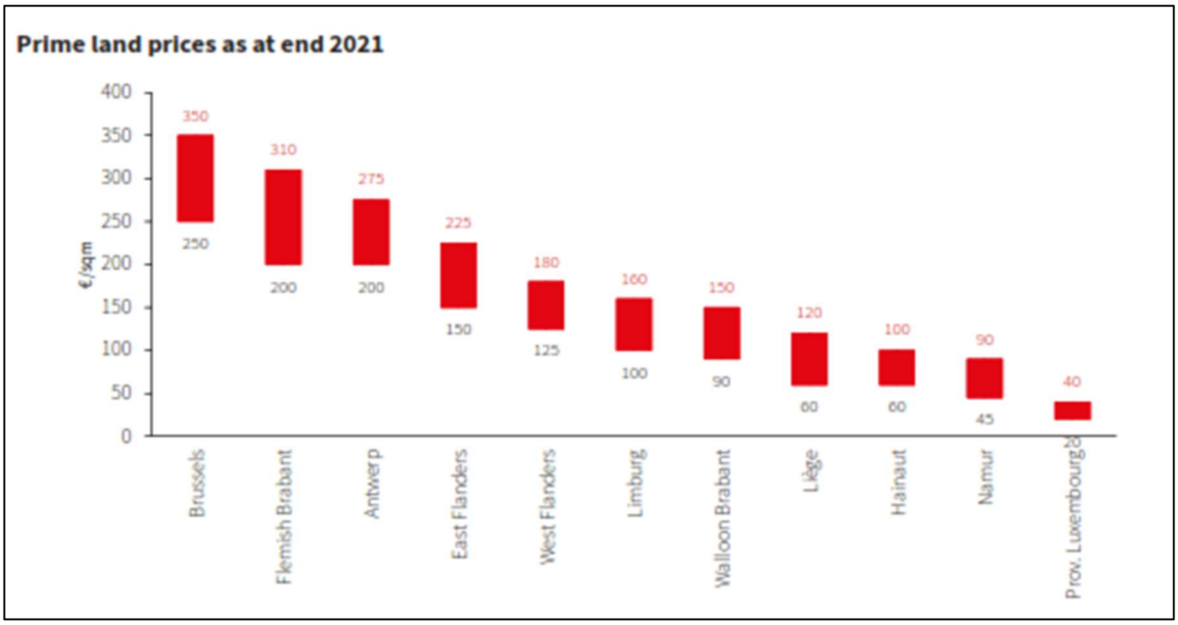
The average size of projects completed in 2021 was 22,100 sq.m., 36% above the average size in 2020. Delivered projects were the largest on the axis Antwerp-Ghent and the E313 with average sizes of respectively 35,100 and 24,400 sq.m. Looking forward, 691,000 sq.m. are under construction for completion in 2022, of which currently 18% are not yet prelet. If all these projects are completed on schedule, the volume completed in 2022 will be the highest ever delivered in one year, ahead of the 666,000 sq.m. registered in 2008.

Prime rents

In 2021, the upward pressure on rents resulting from low supply and increased land and building costs resulted in a rise in prime rents. For logistics spaces, the prime rent, which is for the Antwerp-Brussels axis, rose to a price range between €55 and €60 per sq.m. per year. The highest increase this year was noted on the Walloon axis, where prime rent now stands at €48 to €53 per sq.m. per year, and along the E313 axis, where high demand pushed up rental prices by 4% to the current price range of €43 to €48 per sq.m. per year. In the region of Ghent where a lot of new development is under way, top rental prices for logistics range from €44 to €48 per sq.m. per year.

Land prices

The lack of land for industrial use is a constraint. As a result land prices have risen in 2022 in no less than 5 provinces: Antwerp, East Flanders, Limburg, Liège and Hainaut. Price ranges for prime industrial land in each province are shown at the bottom of this page. The province of Flemish Brabant and the Brussels Capital Region, where land for industrial use is extremely scarce, have the highest current top prices varying from 310 to 350 € per sq.m.

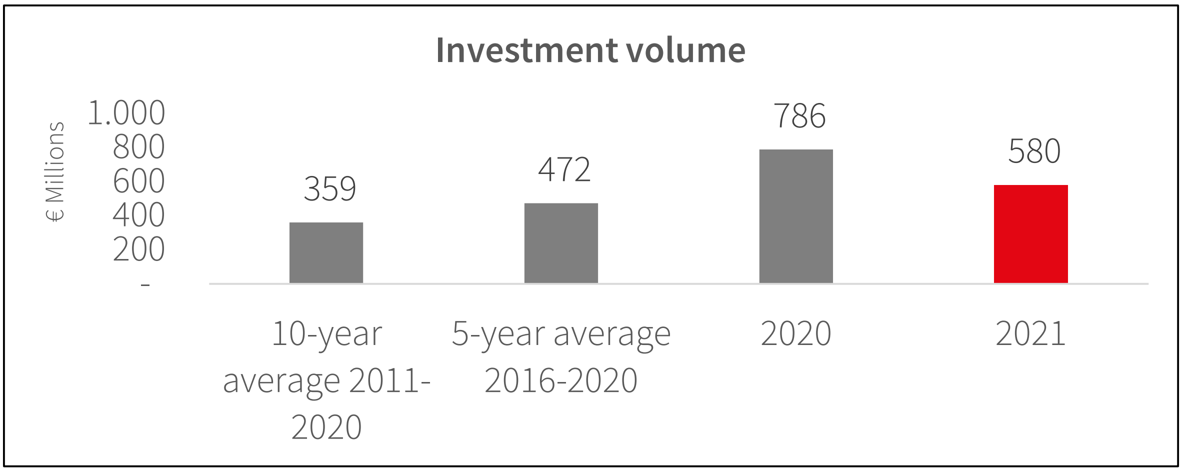


6.7.1.2. Investment market

The investment volume in 2021 reached the second highest level ever, despite the continuing scarcity of supply due to the lack of speculative developments. In 2021, the investment volume in industrial real estate in Belgium amounted to almost € 580 million, 56% of which were logistics properties.

The volume for 2021 is a solid 23% above the five-year average. It is, nevertheless, 26% lower than the best year ever, 2020, which was a record year thanks to the sales of portfolios of AG Real Estate and Weerts.

The lion's share, 94% of the total volume invested in 2021, went to industrial and logistics properties in the Flemish Region, wihich also represents 76% in terms of number of transactions. 34 investment transactions were registered in 2021, 17% above the 5-year average and 31% up on the 10-year average. The average investment deal in 2021 amounted to €17 million, up 5% in comparison with the 5-year average.



The largest transaction of 2021 was the acquisition for € 180 million by CBRE Investment Management of Ghent Logistic Campus in Evergem, a new development project of 184,000 sq.m. by Heylen Warehouses in the seaport of Ghent. In Genk, a joint venture between Whitewood and Tristan Capital invested € 32 million in a logistics complex owned by Immo Genk-Zuid (KBC). In Tessenderlo on the E313 logistics axis, the Belgian RREC Intervest purchased the site of Advanced Power Solutions Belgium (Aurelius Group) for € 30 million in a sale-and-leaseback operation, a transaction realised by JLL. Of the total number of 34 transactions in 2021, 11 or 32% were sale-and-leasebacks, compared to 9% on average in the previous five years.

More than half (52%) of the buyers were fund managers, followed by regulated real estate investment trusts (REITs) which accounted for 18% of the investment volume. Developers also joined the top 3. Besides Belgian investors, American, British and French funds were also active on the buyers' side.

Sellers were Belgian parties, especially developers who represented 36% of the sold volume.

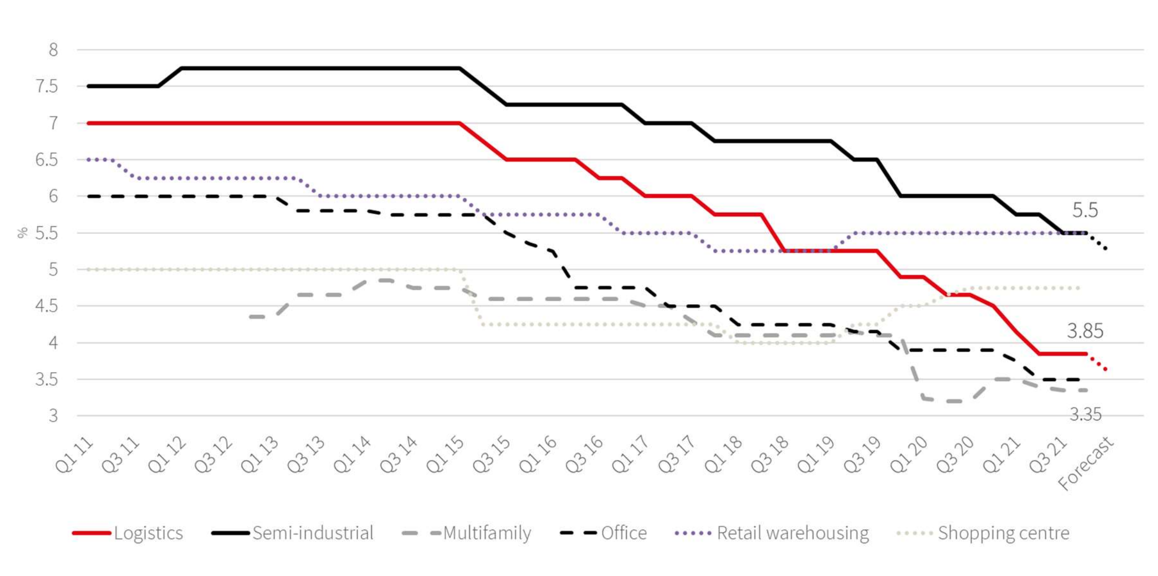
Demand for the asset class from both national and international investors remains extremely high, but the lack of offer limits investment volumes.

Prime yields

Prime yields have compressed throughout 2021 under pressure from high demand. Prime yields for logistics in neighbouring countries are equally low: 3.2% in France, 3.1% in The Netherlands and 3.0% in Germany. In Belgium, the prime yield for logistics real estate at end 2021 was 3.85%, a 65 bp compression since end 2020. The prime yield for semi-industrial units is 5.50%, a drop of 50 basis points year-on-year and the lowest level ever.

Prime yields for industrial and logistics properties have shown a clear downward trend over the past few years, whereas yields for retail properties have seen the reverse trend. The outlook for prime yields in 2022 remains downward, given the proven resilience of the segment in; the recent sanitary crisis and the high interest for «beds and sheds» from investors worldwide.

Prime yields for "beds and sheds" trend downward, retail yields trend upward



6.7.1.3. Outlook

In order to maintain the same high level of take-up, market players will have to identify opportunities and find an answer to a number of challenges that could slow down the take-up volume.

1) Land scarcity. High market demand does not necessarily mean high take-up. The lack of speculative supply in recent years has slowed down transaction volumes. Build-to-suit storage areas are preferred by users, but land is hard to find and is also becoming more expensive due to the scarcity. In addition, available land sometimes does not meet the user's criteria, so that temporary solutions are required while waiting for better options.

2) Sustainability criteria. Industrial and logistics real estate is also becoming greener. Investors include ESG (Environmental, Social, Governance) criteria in their specifications and compel developers to build "green" warehouses with attention to sustainable building materials and processes and a high level of certification.

3) Development risk. Speculative development is again on the rise: 18% of logistics space under construction is speculative. However, the risk taken by developers in 2021 was limited to a few projects that were only partially launched on speculation. Examples are Heylen Logistic Campus and MG Docks Ghent.

4) Urban logistics. The high demand for urban logistics will result in more, but smaller, transactions. Smaller urban distribution centres can shorten delivery times - and thus the cost of delivery - which is especially interesting for food and e-commerce. This offers opportunities for the redevelopment of older industrial buildings located close to city centres. Large market players are also positioning themselves to meet this urban logistics demand. The criteria that often differ from user to user can be a challenge here.

5) Subletting. The supply of immediately available space is so scarce that large users, in anticipation of future demand, sign for the rental of larger storage space in new projects than is strictly necessary. If they do not wish to use the space themselves upon completion, this constitutes a potential for subletting, for which, given the high market demand, candidates are fairly easily found.

6) Investment risk. In previous years, sale & lease-back transactions - possibly partial - were an interesting condition for the purchase of large sites, as they ensured a certain return to the developer. In the current context, where demand is so high that new users are almost certain to be found within an acceptable period of time, a bare sale without a rent guarantee is much less of a problem for developers.

6.7.2. The Netherlands

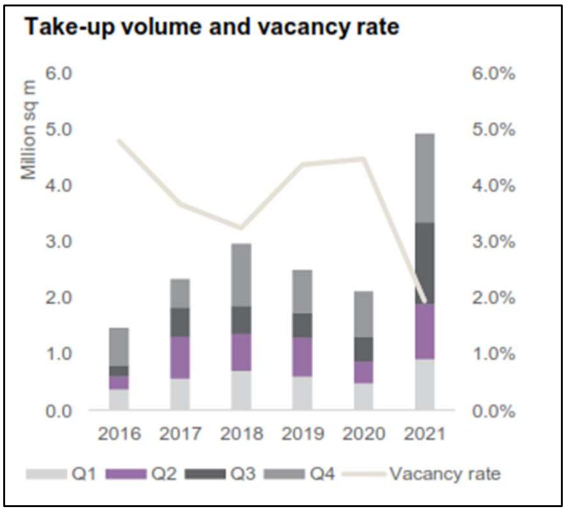
6.7.2.1. Occupier market

Take-up

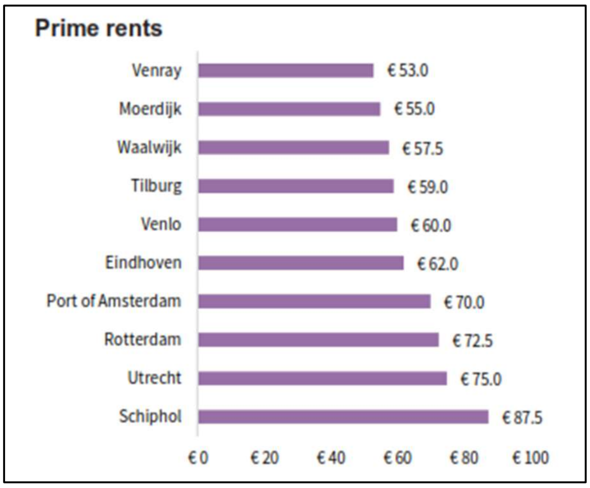
The last quarter of 2021 saw continued record performance on the occupier as well is the investment market. In the fourth quarter, 78 transactions were witnessed, with a total take- up volume of 1.6 million sq m. The total occupier transaction volume 2021 reached a record volume of 4.9 million sq m, which is an increase of 133% compared to 2020. These numbers are mainly driven by 3PL and e- commerce parties.

Vacancy and future supply

The high demand for distribution warehouse space has caused a significant drop in supply. The current supply is 702,000 sq m, which corresponds to a vacancy rate of 1.9%. Although there are many new developments, the supply is likely to remain low because these are often leased out before completion.



Prime rents

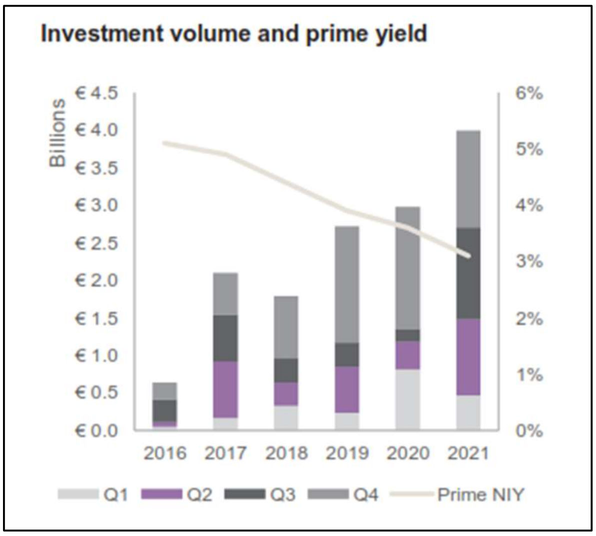


6.7.2.2. Investment market

Logistics investment reached €1.3 billion in 2021 Q4 alone, making the total volume in 2021 almost €4 billion. This is the highest investment volume in logistics real estate ever. The largest deal in the last quarter of 2021 is the sale of Smartlog Maasvlakte from DHG to Patrizia for €230 million.

Prime yields

Prime net initial yields are continuing to drop in the Netherlands and currently stand at 3.1%. Slight yield compression is expected; however, stabilization of the prime yield is near.



6.7.2.3. Outlook

The past quarter has shown again just how strong the logistics market is. JLL expects that supply will further decrease, and that more creative solutions are required.

One of the problems that occupiers of distribution warehouses are facing is finding the right staff. This has become increasingly more difficult. Continued labor shortages have caused acceleration towards automation and robots in warehousing and transport to reduce reliance on people. Implementation of robotics and automation in logistics buildings have an impact on specification of buildings and their location.

This would also mean that here is a growing need for adequate power supply, which is already a challenge. For example, automation can lead to greater productivity per sq m and therefore, could lead to a lower sq m demand. Moreover, in many cases today, the choice of location is a compromise between the availability of labor and proximity to the end user. In a world of automation, the proximity to the end user will become leading, allowing customers to offer faster delivery times and optimize transportation costs.

Fundamentals

Indicator	2021	Forecast 3 – 6m
Take-up (cumulative)	4.9 million sq m	▼
Vacancy rate	1.9%	▶
Investment volume (cumulative)	€4 billion	▲
Prime net initial yield	3.1%	▼

6.7.3. France

6.7.3.1. Key messages

- After an already remarkable 2020, the French logistics real estate market saw its demand in 2021 rise above the threshold of 3.5 million m², with 3,596,000 m² of take-up of warehouses of more than 10,000 m². This level is up 8% from last year's volume.

- The excellent shape of the French rental market is also reflected in the number of transactions with more than 144 transactions recorded over the whole of 2021, a figure 4% higher than last year and 29% higher than the ten-year average.

- The warehouse segment with a size between 10,000 m² and 20,000 m² continues to perform with 86 projects, a record figure and higher than the previous record of 2017 (84 transactions).

- Geographically, the markets that make up the backbone (Lille-Paris-Lyon-Marseille) represent more than 54% of the national take-up, and 56% of all transactions.

- Nearly €2.4 billion was invested in the French logistics real estate market in the 4th quarter of 2021, bringing the total amount invested over the whole year to nearly €5.1 billion, a volume up 44% year-on-year and 66% higher than the average of the last 5 years.

- The prime yield, which has been steadily compressed since the beginning of the pandemic, now stands at 3.25%. A strong compression has also been observed on the Value-add rates over the last 6 months.

6.7.3.2. Occupier market

Take up

The French logistics real estate market has seen its demand in 2021 rise above the threshold of 3.5 million m² on warehouses of more than 10,000 m². This level is up 8% compared to last year's volume while the emergence of the new Omicron variant caused many slowdowns in decision-making. The high level of take-up demonstrates the strong resilience of the sector as a whole, and a foolproof adaptability in the face of the uncertainties generated by the health crisis. E-commerce players are actively and increasingly participating in the very high level of warehouse take-up in France.

Over the whole of 2021, 3,596,000 m² were marketed on the warehouse market of more than 10,000 m² in France. This is a record level of activity. The take-up thus shows an increase of 8% over one year and is positioned 31% above the long-term average.

The warehouse segment with a size between 10,000 m² and 20,000 m² continues to perform with 86 projects, a record figure and higher than the previous record of 2017 (84 transactions).

The 20,000 - 40,000 m² niche totals a number of transactions equivalent to that of 2020 (38 transactions). In the XXL warehouse segment (>40,000 m²), 20 movements were recorded, including 3 of more than 100,000 m². Of particular note is the leasing of LA REDOUTE (110,000 m²) in Haynecourt (59), near Cambrai, that of SEB (100,640 m²) in Bully-les-Mines (62) and the transaction of LIDL (100,600 m²) in Ablis (78).

In 2021, 54% of the take-up volume concerned the backbone. Paris and Lille achieved a better year than last year, and captured respectively 25% and 18% of the activity. The Lyon region accounts for 8%. The Marseille market, which is further behind, represents 5%.

On the so-called secondary markets, two regions stand out: Centre-Val-de-Loire which, thanks to 2 XXL transactions (ALLOGA FRANCE on 49,200 m², in Meung-sur-Loire and MH FRANCE, on 46,500 m², in Artenay), totals 295,500 m² of take-up or 8% of the national total and the Normandy region, which recorded 6 transactions (including 2 XXL transactions) or 225,600 m².

Prime rent

The prime rent in the Paris region is the highest in the territory at 61 € / m² / year. On the other markets, rents reach respectively 55 € in the Lyon region, 48 € for the Marseille region and 46 € on the Lille market.

Région lilloise	655 200 m²	↑	Région lilloise	45 - 46 €	↑
Région francilienne	1 152 900 m²	↑	Région francilienne	55 - 61 €	↑
Région lyonnaise	298 400 m²	↓	Région lyonnaise	48 - 55 €	↑
Région marseillaise	186 800 m²	↓	Région marseillaise	46 - 48 €	↑

6.7.3.3. Investment market

Nearly €2.4 billion was invested in the French logistics real estate market in Q4 2021, bringing the total amount invested over the full year to nearly €5.1 billion. This volume, up 44% year-on-year and 66% higher than the average of the last 5 years, is the best performance in history after that of 2019. Logistics thus concentrates nearly 20% of the investments made in unmarked real estate in 2021, a historical market share that demonstrates that logistics has become an asset in its own right and that it is no longer a notion of diversification.

This excellent dynamic is also reflected in the number of transactions with 86 investment transactions recorded, significantly more than the 68 observed on average over the past 5 years. This increase benefits all the volumes, but it is essentially to a record number of portfolios of an amount greater than € 150 million (7) that we owe the performance of this year. The latter total €2.2 billion, or 44% of the amounts invested in logistics in 2021.

The share of foreign investment remained very high in 2021 (83% against 81% in 2020), including BLACKSTONE through the acquisition of the VALOR portfolio, EXETER on several operations, GIC with the "Eagle" portfolio, DREAM INDUSTRIAL with the CLARION portfolio, or HINES with the "Optimus" portfolio purchased from AUCHAN. Global funds lead the way with 22% of volumes, followed by US investors (20%).

Prime yields

The prime yield, which has been steadily compressed since the beginning of the pandemic, now stands at 3.25%. Regarding Value-add products, although the rates remained stable at first, investors are waiting to see the pace of take-up of the new speculative developments. A very big compression (100 basis points) has taken place since last summer in correlation with the dynamism of the rental market. The rates of large-scale speculative operations are now positioned around 5% or even below depending on the structuring.

6.7.3.4. Outlook

The arrival of the Omicron variant brings a dose of uncertainty to the 2022 outlook. Forecasts at this stage remain robust but more subdued as economies return to their pre-crisis levels. For France, the 2022 forecast is slightly below 4% growth. The consensus persists on the cyclical nature of inflation, which should moderate during 2022. However, the Fed caused concern on Wall Street by evoking on January 5 the end of its asset purchase program, a rise in key rates in March and the reduction in the size of its balance sheet, following the record level of inflation in the United States at +6.8% in November. At this stage, the ECB has taken a more moderate approach, announcing a simple slowdown in the asset purchase programme and a maintenance of its key interest rates for 2022.

Rental market

Despite a context that could still be turbulent, we are confident for the year 2022, which will be marked by the necessary acceleration in the transformation of companies and their relationship to real estate. In view of the pipeline of transactions that we have identified, we envisage a take-up around 3.3 million m².

As far as supply is concerned, we still expect a slight increase in availability for 2022, driven by the large volume of new developments expected over the whole year with potentially nearly 2.2 million m². However, vacancy rates will remain stable.

Rental values are expected to stabilize; however, the market will split between the major backbone markets and the off-backbone markets.

The French logistics investment market has entered a new era since 2019, with volumes exceeding €5 billion in a normal year.

Investment market

Logistics real estate is indeed increasingly attractive in the eyes of French and foreign investors. Considered as a promising and promising sector in view of the structural changes that are taking place, particularly concerning e-commerce in both B2C and B2B, or the rise of urban logistics.

Driven by a particularly healthy rental market – with very low vacancy rates, rising demand, and significantly higher rental values – the French logistics investment market is expected to experience a year 2022 just as dynamic as 2021. The prime yield is expected to experience further slight compression to 3.00% in the coming months.

6.7.4. Germany

6.7.4.1. Occupier market

Take up

The total take-up in the German market for warehousing and logistics space of around 8.67 million sqm in 2021 was a new record. This was a year-on-year increase of 25% (2020: 6.95 million sqm), and almost 1.5 million sqm (20%) above the previous record from 2018 (7.21 million sqm). There was particularly strong take-up in the fourth quarter, which was the first three-month period with a take-up of over 2.5 million sqm. Whilst take-up attributable to owner-occupiers fell by 10%, lettings rose by 39% year-on-year.

The total demand for logistics space has increased across the board, logistics services providers as well as retailers and manufacturing companies were more active during 2021 compared to the previous year.

Some companies are suffering the negative effects of the COVID-19 pandemic with delivery problems and shortages of materials due to breakdowns in global supply chains. For these companies, it is sensible to extend storage capacities on site to reduce their dependency on those networks. Other companies, such as online retailers, are benefiting from the changes in many customers' shopping behaviours, as customers ordered more online during the course of the pandemic, rather than visiting local shops. Those companies require greater amounts of space to service the increased demand. According to a current forecast by the Bundesverband Paket und Ex- presslogistik (BIEK) e.V., the number of parcels transported are expected to increase by 8% to 5.7 billion p.a. in the period up to 2025. The demand for space amongst online retailers remains a significant driver in terms of take-up. As a result of the strong demand for space, we expect take-up to exceed 7 million sqm again in 2022.

The scarcity of space remains a challenging topic. Many regions are characterised by a shortage of modern logistics space and sites available in the short term. This is also reflected in the lack of construction activity and hikes in rental prices. Companies are either shifting their attention to wider peripheral areas around the major conurbations or extending their existing leases. Even the development of brownfield sites will play a more important role in future.

Total take-up in the Big 5 conurbations (Berlin, Düsseldorf, Frankfurt, Hamburg and Munich) was around 2.42 million sqm in 2021. This is another record and 170,000 sqm above the previous record in 2011. It is a year-on-year increase of 27% and around 23% above both the 5 and 10-year averages.

Take-up in the Frankfurt region increased by 47% year- on-year with a new record of around 695,000 sqm. There was also a new record in the Berlin region with around 616,000 sqm (increase of 36% compared to 2020), around 120,000 sqm above the previous record from 2019. There was also growth in the Düsseldorf (+38%) and Hamburg (+26%) regions. The only downturn was in the Munich region: a fall of 21%.

The strongest demand came from companies in the distribution/logistics sector with a share of around 38% of total-take-up. Retail companies accounted for a further 32% and manufacturing companies contributed 19%. Around 620,000 sqm of new warehousing space was completed in the Big 5 regions in 2021, and just 28% of the space was still unlet at the point of completion. A further approx. 1.3 million sqm is currently under construction, of which 70% has already been prelet or is being constructed for owner-occupiers. The majority of construction activity is in the Hamburg region where around 450,000 sqm is under construction.
There was a take-up of around 6.25 million sqm outside the Big 5 conurbations* in 2021. This is above 6 million sqm for the first time ever, and is a year-on-year increase of 24% (2020: 5.04 million sqm) and 30% above the 5-year average.

The strongest demand came from retail and e-commerce companies, which accounted for around 2.7 million sqm or 43% of total take-up, having benefited from a number of large volume deals in the ≥50,000 sqm size category.

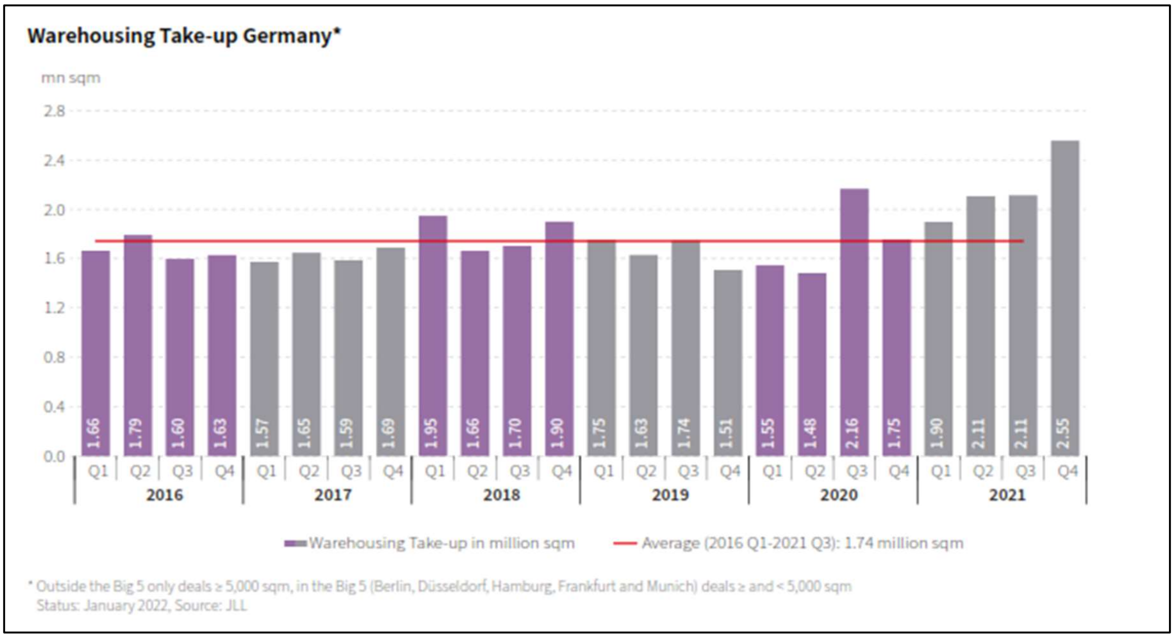
All transactions of areas in the ≥100,000 sqm size category involved retail companies. These included Edeka (owner-occupier approx. 100,000 sqm) in Marktredwitz, the Berlin Brands Group (letting of around 100,000 sqm) in Werne and XXXLutz (owner-occupier approx. 105,000 sqm) in Uffenheim. By far the largest deals of the year were attributable to e-commerce companies. Zalando decided in favour of a location in Giessen where it leased an area of around 130,000 sqm in the VGP Park for a new logistics centre. Another high-profile online retailer signed a lease for an area of 189,000 sqm in Grossenkneten. The total turnover involving e-commerce companies was around 1.4 million sqm, which was a new record, and for the second year in succession there was a take-up of over 1 million sqm (2020: 1.2 million sqm).

A further 35% (2.2 million sqm) of total take-up was attributable to companies in the distribution/logistics sector and the largest registered lettings were to BLG Logistik in Bremen (95,000 sqm) and Rhenus in Wesel (84,000 sqm).

18% of take-up was attributable to manufacturing companies, including large-scale transactions such as the let- ting of around 90,000 sqm to a battery manufacturer in Sülzetal near Magdeburg.

The majority of take-up outside the Big 5 regions was again in the Ruhr area at around 788,000 sqm. The largest letting was to an e-commerce company, the Berlin Brands Group, which leased an area of around 10,000 sqm in Werne in the fourth quarter. In second and third place were the Leipzig/Halle region (approximately 500,000 sqm) and the Hannover/Braunschweig region (around 385,000 sqm).

Three-quarters of all space take-up was in new-build space and development projects, and in the case of take-up in the ≥50,000 sqm size category, that share increases to 97%.



Warehousing Take-up total (sqm)		2020	2021	% [9]
Berlin [1]		451,700	615,900	36.4
Düsseldorf [2]		173,000	239,100	38.2
Frankfurt [3]		472,500	694,800	47.0
Hamburg [4]		498,300	630,300	26.5
Cologne [5]	only space ≥ 5,000 sqm	187,400	211,300	12.8
Munich [6]		307,200	242,600	-21.0
Stuttgart [7]	only space ≥ 5,000 sqm	107,700	141,900	31.8
Ruhr Area [8]	only space ≥ 5,000 sqm	844,500	787,900	-6.7

Warehousing Take-up (≥ 5,000 sqm)	2020	2021	% [9]
Berlin [1]	251,500	404,900	61.0
Düsseldorf [2]	108,400	122,400	12.9
Frankfurt [3]	329,500	534,500	62.2
Hamburg [4]	345,500	498,100	44.2
Cologne [5]	187,400	211,300	12.8
Munich [6]	205,900	102,400	-50.3
Stuttgart [7]	107,700	141,900	31.8
Ruhr Area [8]	844,500	787,900	-6.7

Prime Rents for Warehousing Space (≥ 5,000 sqm) (€/sqm/month)	Q4 2020	Q4 2021	% [9]
Berlin [1]	5.50	5.50	0.0
Düsseldorf [2]	5.50	6.00	9.1
Frankfurt [3]	6.20	6.50	4.8
Hamburg [4]	6.40	6.50	1.6
Cologne [5]	5.80	5.80	0.0
Munich [6]	7.10	7.50	5.6
Stuttgart [7]	6.80	7.20	5.9
Ruhr Area [8]	5.25	5.50	4.8

Completions (sqm)		2020	2021	% [9]
Berlin [1]		349,800	203,000	-42.0
Düsseldorf [2]		151,600	52,300	-65.5
Frankfurt [3]		129,100	170,700	32.2
Hamburg [4]		9,000	161,500	1,694.4
Cologne [5]	only space ≥ 5,000 sqm	38,800	82,600	112.9
Munich [6]		35,000	31,000	-11.4
Stuttgart [7]	only space ≥ 5,000 sqm	119,500	48,900	-59.1
Ruhr Area [8]	only space ≥ 5,000 sqm	405,900	491,800	21.2

[1] The Berlin city area and surrounding communities are included in the study. [2] The following towns are covered: Düsseldorf, Erkrath, Hilden, Ratingen, Neuss, Krefeld, Kaarst, Korschenbroich, Haan, Grevenbroich, Langenfeld, Meerbusch, Monheim, Rommerskirchen, Dormagen, Willich. [3] Coverage includes in the entire Frankfurt region, bounded by Butzbach (Wetterau-Kreis) in the north, by Aschaffenburg in the east, by Bensheim/Heppenheim (Kreis Bergstraße) in the South and by Wiesbaden and Mainz in the West. [4] Coverage includes Hamburg and four surrounding submarkets: North limited by Norderstedt, Quickborn, Nützen, Henstedt-Ulzburg; East limited by Bargteheide, Ahrensburg, Trittau, Schwarzenbek, Geesthacht; South limited by Lüneburg, Winsen (Luhe), Buchholz, Buxtehude; West limited by Wedel, Uetersen-Tornesch. [5] The considered market area comprises the cities and communities Cologne, Leverkusen, Bergisch Gladbach, Rösrath, Troisdorf, Niederkassel, Wesseling, Brühl, Hürth, Frechen, Pulheim, Bedburg, Bergheim, Elsdorf, Kerpen, Erftstadt, Weilerswist, Leichlingen, Burscheid and Odenthal. [6] Coverage includes the entire Munich region. In addition to the City of Munich itself, the region surveyed comprises the most important towns and local authorities in the immediate vicinity of the administrative districts of Dachau, Ebersberg, Erding, Freising, Fürstenfeldbruck and Munich as well as Starnberg. [7] The considered market area comprises the cities Stuttgart and Heilbronn as well as the administrative districts Ludwigsburg, Böblingen, Esslingen, Göppingen, Heilbronn and Rems-Murr-Kreis. [8] The considered market area comprises the cities Bochum, Bottrop, Dortmund, Duisburg, Essen, Gelsenkirchen, Hagen, Hamm, Herne, Mülheim and Oberhausen as well as the administrative districts Recklinghausen, Wesel, Unna and Ennepe-Ruhr-Kreis. [9] compared to the previous year.

Prime rents

Prime rents for warehousing space in the ≥5,000 sqm size category have risen by between 1.6% and 9.1% year-on- year in four of the Big 5 regions. The exception is the Berlin region, where the prime rent remained stable at €5.50/sqm/month in 2021. The strongest increase was in Düsseldorf (+€0.50 to its current level of €6.00/sqm/ month) and the highest prime rent is still paid in Munich at €7.50/sqm/month (increase of 5.6% or €0.40). Prime rents rose by €0.30 and €0.10 in Frankfurt and Hamburg, respectively, to €6.50/sqm/month Further hikes are expected in 2022.

6.7.4.2. Investment market

As expected, the German investment market concluded 2021 with a record result: a total transaction volume (including the residential segment) of €111 billion, up 36% on the 2020 result. €77 billion worth of real estate changed hands in the second half of the year alone. This means that the third and fourth quarters made up almost 70% of the annual result; however, the exceeding of forecasts can no longer be attributed solely to the Vonovia/Deutsche Wohnen merger. While the record result demonstrates the attractiveness of the German market across all segments, it is still evidence of a lack of higher-yielding alternatives. Nonetheless, one thing is certain: all issues that brought uncertainty to the market in 2021 including the Coronavirus, supply bottlenecks, rising inflation, sustainability and the future of (office) work, remain unresolved in 2022. The biggest question mark at the moment is still inflation which, according to the Federal Statistical Office, reached 5.2% in November. Not only was this an annual high, but it was also the highest level recorded since June 1992. For 2021 as a whole, the inflation rate is expected to have risen by 3.0%. Unlike in countries trading in the Dollar, we anticipate a short-term inflation phase for Europe and therefore a possible easing of consumer prices in Germany again as early as 2022.

However, there will not be a return to times of near-zero inflation any time soon. While the losses caused by the pandemic were too severe for many companies, they will try to compensate for lost sales in part through higher prices; according to the ifo Institute, more companies than ever in Germany plan to raise their prices. Conversely, the economy remains on a growth path which is also driving up prices. The Euro- pean Central Bank (ECB) will also continue its expansionary monetary and fiscal policy, albeit at a slower pace; although, in view of the current economic situation and the national debt, it is not yet in a position to increase interest rates again.

Capital pressure from investors will remain high in the coming years and increase further. Over the next four years, German government bonds with a total volume of almost €1 trillion will mature. Even if interest rates rise by then, part of this capital will be reinvested in real estate. At present, capital-raising activities are running very successfully and as the pandemic subsides, additional international capital will flow into the German market. There is currently some catch-up potential here.

It was already apparent last year that the German investment market was heading for a record-breaking result. In the second half of the year, the inflation rate pushed real interest rates to new record lows. As a tangible asset, real estate can offer some protection against the loss of value due to inflation. Moreover (and this may be even more important in view of the pandemic), investors are regaining confidence. This is evident from the increasing interest being shown in Value-add opportunities alongside the more crisis-resilient Core products.

Logistics still has a lot of growth potential in store Logistic properties have continued to develop dynamically in the shadow of the two dominant real estate segments. With a total of €10.2 billion (share of 9.3%), more capital than ever before has flowed into distribution, production and warehousing facilities. In addition to further surges in demand from the eCommerce, healthcare and life science segments, JLL expects that production sites will move closer to Germany as the marketplace, thereby optimising the generally global supply chains. Whether production will be reshored to Germany itself remains to be seen, but in view of recent production issues, globally networked industrial companies in particular will build up strategic buffers to better withstand temporary supply chain disruptions. There is still significant growth potential here. With many institutional investors just starting to break into this real estate segment, there is much to do, especially in the sale & leaseback segment.

Prime yields

Prime yields continue to decline moderately Despite the continuing risks related to global political and economic developments, yields for most real estate segments continued to fall at the end of 2021. The largest decline was observed in food-anchored retail parks, where yields fell by a further 25 bps in the final quarter of 2021, to 3.50%. This further increase in the price of these properties is confirmed in several ongoing sales processes and is therefore likely to put further pressure on initial yields in the new year. Investors also still have to dig deep into their pockets for supermarkets; here, too, yields are below the 4.00% mark at 3.85%. Despite difficult conditions, prime yields for high-street retail properties have remained stable over the year at an average of 2.91% across the Big 7. Nevertheless, there is little evidence of buyer reticence and we note that, for example, multi-storey retail properties, no matter how good their location, are no longer generating top returns.

Prime yields in 1a-locations	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021
Office	2.81	2.81	2.74	2.69	2.64
Retail: Shopping center	4.85	4.85	4.85	4.85	4.85
Retail: Warehousing parks	3.90	3.80	3.75	3.75	3.50
Retail: Warehousing solus units	4.60	4.60	4.50	4.50	4.50
Retail: High street	2.91	2.91	2.91	2.91	2.91
Warehousing/Logistics	3.38	3.38	3.38	3.11	3.03

Aggregierte Nettoanfangsrendite in den Big 7 in %

In addition to food-specific properties, logistic properties were among the winners in terms of value last year. Overall, yields have fallen by 35 bps since the end of 2020 to their current level of 3.03%. Given the volume of the capital that has flowed into this real estate segment, a price increase would not be surprising. We expect this dynamic trend to continue and forecast yields of below 3.00% for 2022.

Prime Yield Distribution Warehouse/Logistics					
City	2017	2018	2019	2020	2021
	Q4	Q4	Q4	Q4	Q4
Berlin	4.50%	4.10%	3.75%	3.35%	3.00%
Dusseldorf	4.50%	4.10%	3.75%	3.35%	3.00%
Frankfurt/M	4.50%	4.10%	3.75%	3.35%	3.00%
Hamburg	4.50%	4.10%	3.75%	3.35%	3.00%
Munich	4.50%	4.10%	3.75%	3.35%	3.00%
Stuttgart	4.50%	4.10%	3.75%	3.45%	3.10%

Secondary Yield Distribution Warehouse/Logistics					
City	2017	2018	2019	2020	2021
	Q4	Q4	Q4	Q4	Q4
Berlin	6.00%	5.70%	5.20%	4.40%	4.15%
Dusseldorf	5.50%	5.20%	4.70%	4.40%	4.15%
Frankfurt/M	5.75%	5.20%	4.70%	4.40%	4.15%
Hamburg	5.50%	5.20%	4.70%	4.40%	4.15%
Munich	5.50%	5.20%	4.70%	4.40%	4.15%
Stuttgart	5.85%	5.50%	5.00%	4.70%	4.30%

Although capital pressure, competition and therefore prices for top products will continue to rise, there is no sign of a bubble forming. In simple terms, there is a lack of product, especially in the office and logistics segments, which is keeping the pressure on rents high. Since rising rents are realistic, lower yields are therefore also justified and this situation will only change again once the product pipeline has caught up.

6.7.4.3. Outlook

Investors must be prepared for higher financing costs owing to an increase in internal administrative costs at banks (especially higher personnel costs due to increased regulation and risk provisioning). Since this also makes it more difficult to finance value-add or opportunistic transactions, alternative financiers are also becoming increasingly important for the German market. However, the market environment will remain attractive for the foreseeable future. Although interest rates have risen slightly, we do not expect any significant rates of increase until at least 2023 that would render an investment no longer feasible. The gap between property yields and the yields on German government bonds remains very high.

6.7.5. Conclusions of the real estate experts[51]

To the company administrators

Montea NV

Industriezone III Zuid
Industrielaan 27 bus 6

9320 Erembodegem

Belgium

Brussels, 31st January 2022

Dear Sir, Dear Madam,

In accordance with the article 47 of the law of 12 May 2014 on the Belgian Real Estate Investment Trusts (SIR/GVV), you asked Jones Lang LaSalle (JLL) and Stadim to value the buildings situated in Belgium, France, The Netherlands and Germany and belonging to the BE-REIT.

Our mission has been realized in complete independence.

In accordance with established practice, our mission has been realized based on the information communicated by Montea NV regarding rental condition, charges and taxes carried by the lessor, work to be realized, as well as all other elements that might influence the value of the buildings. We suppose this information to be exact and complete. As stated explicitly in our valuation reports, this does not include in any way the valuation of structural and technical quality of the building, nor an analysis of the presence of any harmful material. These elements are known by Montea NV, that manages its portfolio in a professional manner and carries a technical and juridical due diligence before the acquisition of each building.

Every building has been visited by the experts. They work with different software, such as Argus Enterprise or Microsoft Excel.

The investment value can be defined as the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

Montea NV – 31 12 2021 Page 1

[51] Not the complete report of the real estate experts per 31/12/2021 is included in this annual financial report, since the full report contains confidential information that may be of interest for competitors. This report has been drawn up at the request of the issuing entity whereby the real estate experts have agreed to the inclusions of these conclusions in this annual financial report.

The experts have adopted different methods.

JLL have adopted two different methods: the « Term and Reversion » method and the « Hardcore » method. Besides, they also did a control in terms of price per m².

According to the « Term and Reversion » method, the capitalization of the revenues considers the actual revenue until the end of the current contract, and then takes the estimated rental value in perpetuity. According to the « Hardcore » method, the estimated rental value is capitalized in perpetuity before looking at adjustments that consider surfaces that are rented below or above their rental value, void, etc.

The method used by Stadim is based on Discounted Cash Flow (DCF), in combination with the capitalisation method when desired. The Stadim approach is characterized by reference prices on the one hand and the factoring in of future earnings on the other.

The yield, used for these methods, represents the expected yield for investors for this kind of properties. It reflects the intrinsic risks of the good and the sector (future void, credit risk, maintenance obligations, etc.). To determine this yield, experts based themselves on the most comparable transactions and current transactions in their investment department.

When there are unusual factors or specific factors applicable to a property, corrections will be applied (important renovations, non-recoverable costs...).

The sale of a property is in theory subjected to transaction costs. This amount depends among others on the method of transfer, the type of buyer and the geographic location of the property. This amount is known once the sale is closed. In Belgium, as independent real estate experts we can admit that based on a representative sample of transactions in the market between 2002 and 2005 (and recently revised for the period 2013-2016), the weighted average of the costs (average of the transaction costs) was 2,5% (for goods with a net value superior to 2.500.000 EUR). The Belgian properties are considered as a portfolio. The transaction costs for buildings located in France is 1,8% when the building is less than 5 years old and between 6,9% and 7,5%, depending on the department, in all other cases. The transaction costs in The Netherlands is 9% and the transaction cost for buildings located in Germany depend on region and market value volume.

Based on the remarks in previous paragraphs, we confirm that the **investment value** of the real estate portfolio of Montea NV on December 31st, 2021 amounts to:

1.786.597.300 EUR

(One billion seven hundred eighty-six million five hundred and ninety-seven thousand and three hundred euro)

This amount takes into account the value attributed to the buildings valuated by the companies, Jones Lang LaSalle and Stadim in the 4 countries where Montea NV is present.

After deduction of respectively 2,5% for buildings located in Belgium (average rate of transaction costs defined by the experts of the BE-REITS), 1,8% / 6,9%-7,5% for buildings located in France, 8%-9% for buildings located in The Netherlands and transaction costs depending on the location and volume for buildings in Germany, as transaction cost on the investment value, we obtain a Fair Value of Montea NV real estate assets as of December 31st, 2021 at :

1.698.118.500 EUR

(One billion six hundred and ninety-eight million one hundred and eighteen thousand and five hundred euro)

This amount takes into account the value attributed to the buildings valuated by the companies Jones Lang LaSalle and Stadim in the 4 countries where Montea NV is present.

We stay at your entire disposition if any questions about the report would remain. In the meantime, we offer you our kind salutations,

Greet Hex MRICS	**Justin Stortelers RT**	**Christophe Adam MRICS**	**Frank Rambow MRICS**
Director	Director	Director	Lead Director
JLL Belgium	JLL The Netherlands	JLL Expertises	JLL Germany

Nicolas Janssens
Partner
Stadim

Opinion of Jones Lang LaSalle

Jones Lang LaSalle estimates, for its part of Montea's NV real estate portfolio valued at 31st December 2021, the investment value at EUR 1.706.508.800 and the fair value (transaction costs deducted) at EUR 1.621.838.700.

Greet Hex MRICS	Justin Stortelers RT	Christophe Adam MRICS	Frank Rambow MRICS
Director	Director	Director	Lead Director
JLL Belgium	JLL The Netherlands	JLL Expertises	JLL Germany

Opinion of Stadim

Stadim estimates, for its part of Montea NV's real estate portfolio valued at 31st December 2021, the investment value at EUR 80.088.500 and the fair value (transaction costs deducted) at EUR 76.279.800.

Nicolas Janssens
Partner
Stadim

7. Operating results and financial situation

7.1. Financial situation

7.1.1. Historical figures

For a description of Montea's financial condition for the 2019 and 2020 financial years, please refer to the sections below. These results include the changes in the financial situation and the operating results and, if these are significant and to the extent necessary for a proper understanding, the causes of these changes.

Annual financial report 2019	“Key figures” (p. 20-21) “Consolidated balance sheet as at 31 December 2019” (p. 137) “Summary of changes in the consolidated equity and reserves as at 31 December 2019” (p. 141)
Annual financial report 2020	“Key figures” (p. 24-25) “Consolidated balance sheet as at 31 December 2020” (p. 150) “Summary of changes in the consolidated equity and reserves as at 31 December 2020” (p. 154)
Annual financial report 2021	“Key figures” (p. 34) “Consolidated balance sheet as at 31 December 2021” (p. 167) “Summary of changes in the consolidated equity and reserves as at 31 December 2021” (p. 171)

7.1.2. Summary of the financial results

7.1.2.1. Condensed form of the consolidated statement of the results before profit distribution as at 31 December 2021 (in thousands of euros)

CONDENSED CONSOLIDATED INCOME STATEMENT (K EUR) Analytical	31/12/2021 12 months	31/12/2020 12 months
CONSOLIDATED RESULTS		
NET RENTAL RESULT	**75.145**	**69.597**
PROPERTY RESULT	**84.743**	**74.374**
% compared to net rental result	**112,8%**	**106,9%**
TOTAL PROPERTY CHARGES	**-2.574**	**-2.229**
OPERATING PROPERTY RESULT	**82.169**	**72.145**
General corporate expenses	-5.052	-4.378
Other operating income and expenses	158	-133
OPERATING RESULT BEFORE THE PORTFOLIO RESULT	**77.275**	**67.635**
% compared to net rental result	**102,8%**	**97,2%**
FINANCIAL RESULT excl. changes in fair value of the hedging instruments	**-11.561**	**-10.950**
EPRA RESULT BEFORE TAXES	**65.714**	**56.684**
Taxes	-5.281	-906
EPRA Earnings	**60.433**	**55.778**
per share	**3,75**	**3,50**
Result on disposal of investment properties	453	0
Result on disposal of other non-financial assets	0	0
Changes in fair value of investment properties	175.392	107.308
Deferred taxes on portfolio result	-21.397	0
Other portfolio result	0	0
PORTFOLIO RESULT	**154.448**	**107.308**
Changes in fair value of financial assets and liabilities	12.967	-8.077
RESULT IN FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES	**12.967**	**-8.077**
NET RESULT	**227.848**	**155.009**
per share	**14,12**	**9,74**

- Summary

The EPRA earnings for 2021 amounted to €60.4 million, an increase of 8% compared to the EPRA earnings of €55.8 million in 2020. The EPRA earnings per share amounted to €3.75 for 2021, an increase of 7% compared to 2020 (€3.50).

The increase of the EPRA earnings is mainly due to the strong growth of the property portfolio in 2020 and 2021, whereby the operational and financial costs are closely monitored and managed as such.

- Net rental income

The net rental income amounted to €75.1 million and increased by 8% (or €5.5 million) compared to the same period in 2020 (€69.6 million). This increase is mainly due to the recent acquisitions of new properties, leased land and completed projects, which generate additional rental income. With an unchanged portfolio (and therefore excluding new purchases, sales and project developments between both comparative periods 2021 and 2020), the level of rental income increased by 1.4%, mainly driven by indexation of leases and the reletting of vacant units in the building in Le Mesnil-Amelot (France).

- Property result

  The property result amounted to €84.7 million and increases by €10.4 million (or 14%) compared to the same period last year (€74.4 million), due mainly the increase in the net rental income (€5.5 million), an increase in the solar panel income (€1.7 million), due mainly to the new PV installations and a one-off payment received.

- Operating result before the result on the property portfolio

  The property charges and general costs, which are part of the operating result before result on property portfolio, increased by €1.0 million for 2021 compared to 2020. This is due to the growth of the portfolio and the increase of the subscription fee because of the strengthening of the equity in 2021. Despite these movements, the operating property result for the portfolio still increased by €9.6 million or 14% compared to the same period last year (from €67.6 million in 2020 to €77.3 million in 2021) thanks to the strong increase in the property result.

  The operating margin was 91.2% for the full year 2021, compared to 90.9% for 2020.

- Financial result

  The financial result excluding variations in the fair value of financial instruments amounted to €-11.6 million, a decrease of 6% compared to last year (€-11.0 million), which is mainly caused by a higher recorded debt during 2021 compared to 2020.

  The total financial debt (including bond loans and leasing debts, including the recurring cost of land under concession) on 31 December 2021 was 92.7% hedged.

  The average financing cost, calculated on the basis of the average financial debt, was 1.8% for the 2021 financial year compared to 1.9% for the 2020 financial year.

- Taxes

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

  Based on new facts (withdrawal of granted fiscal ruling as of 1 January 2021 in the event of sufficient comparable Belgian RRECs) Montea has, for the sake of caution, taken into account in the income statement the possibility that the FBI status could be refused for the period starting 1 January 2021. As such, a tax provision of €4.0 million was included in the 2021 income statement, namely the difference between the fiscally transparent FBI status and the regular taxed sphere. Supported by European law, however, Montea's efforts remain focused on being able to qualify for FBI status in the Netherlands as of 2021. The 2021 tax return will therefore be submitted as FBI since Montea continues to believe that it fulfils all the conditions to be able to claim FBI status.

- EPRA earnings

  The EPRA earnings for 2021 amounted to €60.4 million, an increase of 8% compared to the EPRA earnings of €55.8 million in 2020. The EPRA earnings per share amounted to €3.75 for 2021, being an increase for the second year in a row of 7% (€3.50 in 2020 and €3.28 in 2019).

- Proposed gross dividend of € 3.03 per share, an increase of 7% compared to 2020.

  Based on the distributable result, Montea will propose a gross dividend of € 3.03 per share to the general meeting of shareholders. This means a 7% increase in the gross dividend per share compared to 2020.

- Result on the property portfolio [52]

  The result on the property portfolio for financial year 2021 amounted to €154.4 million or €9.57 per share.[53] The increase is explained mainly by an increase in fair value of the existing property portfolio (€175 million), linked to the downward yield shift of 68 bps combined with an increase in estimated market rents (+1.24%), as well as the capital gain on the sale of the sites in St-Laurent-Blangy (FR) and Heppignies (BE) (€0.5 million). The increase is partly offset (- €21.4 million) by a provision for deferred taxes on the Dutch portfolio result, which was processed on the basis of a principle of caution (not obtained FBI status, see above 'Taxes').

  The result on the property portfolio is not a cash item and does not impact the EPRA result in any way.

- Changes in the fair value of financial instruments

  The positive change in the fair value of financial instruments amounted to €13.0 million or €0.80 per share at the end of 2021. The positive impact arises from the change of the fair value of the concluded interest rate hedges as at 31 December 2021 as a result of rising long-term interest rates during the year 2021.

  The changes in the fair value of financial instruments are not a cash item and do not have any impact on the EPRA result.

- Net result (IFRS)

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

  The net result for 2021 (€227.8 million) increases by €72.8 million compared to last year as a result of an increase in the EPRA earnings (+ €4.7 million), a positive value fluctuation of the property portfolio (+ €47.1 million) and the variation in the fair value of the hedging instruments (+ €21.0 million) in 2021 compared to 2020.

  The net result (IFRS) per share [54] amounted to €14.12 compared €9.74 in 2020.

[52] Result on the property portfolio: this concerns the negative and/or positive changes in the fair value of the property portfolio + any negative or positive changes in the fair value of the property portfolio, taking into account any deferred taxes.
[53] Calculated as the result on the property portfolio based on the weighted average number of shares.
[54] Calculated on the basis of the weighted average number of shares.

7.1.2.2. Condensed form of the consolidated balance sheet as at 31 December 2021

	CONDENSED CONSOLIDATED BALANCE SHEET (EUR)	31/12/2021 Conso	31/12/2020 Conso
I.	**NON-CURRENT ASSETS**	**1.703.679.775**	**1.360.538.550**
II.	**CURRENT ASSETS**	**49.237.090**	**38.382.025**
	TOTAL ASSETS	**1.752.916.865**	**1.398.920.575**
	SHAREHOLDERS' EQUITY	**1.016.279.778**	**815.310.611**
I.	Shareholders' equity attributable to shareholders of the parent company	1.015.097.127	815.310.611
II.	Minority interests	1.182.651	0
	LIABILITIES	**736.637.087**	**583.609.964**
I.	Non-current liabilities	597.218.066	477.806.518
II.	Current liabilities	139.419.021	105.803.445
	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**1.752.916.865**	**1.398.920.575**

The total assets as at 31 December 2021 (€1,753 million) consist mainly of investment properties (88% of the total), solar panels (2% of the total), and constructions (7% of the total). The remaining amount of the assets (3% of the total) consists of the other tangible and financial fixed assets including assets for own use and current assets containing the cash investments, trade and tax receivables.

Value and composition of the property portfolio on 31 December 2021

The total property portfolio of Montea amounts to €1,698.1 million, consisting of the valuation of the property portfolio buildings, including buildings held for sale (€1,548.3 million), the fair value of developments in execution (€114.8 million) and the fair value of solar panels (€35.0 million).

	Total 31/12/2021	Belgium	France	The Netherlands	Germany	Total 31/12/2020
Property portfolio - Buildings (1)						
Number of sites	**79**	**37**	**17**	**23**	**2**	**74**
Total area (m²) - property portfolio	**1.545.165**	**760.788**	**200.749**	**547.663**	**35.965**	**1.463.071**
Annual contractual rents (K EUR)	77.133					72.867
Gross yield (%)	4,98%					5,69%
Current yield on 100% occupancy (%)	5,07%					5,75%
Un-let property area (m²)	4.135	4.135	0	0	0	8.149
Rental value of un-let property parts (K EUR) (2)	279	279	0	0	0	734
Occupancy rate	**99,7%**	99,5%	100,0%	100,0%	100,0%	99,4%
Investment value (K EUR)	1.635.073	754.600	217.259	618.757	44.458	1.351.828
Fair value (K EUR)	**1.548.305**	**736.063**	**202.962**	**567.667**	**41.613**	**1.280.108**
Property portfolio - Solar panels (3)						
Fair value (K EUR)	**34.983**	**26.181**	**0**	**8.803**	**0**	**29.755**
Property portfolio - Developments						
Fair value (K EUR)	**114.834**	**39.088**	**6.604**	**69.143**	**0**	**54.590**
Property portfolio - TOTAL						
Fair value (K EUR)	**1.698.123**	**801.332**	**209.566**	**645.612**	**41.613**	**1.364.452**

(1) Including the buildings held for sale
(2) Excluding the estimated rental value of projects under construction and/or renovation
(3) The fair value of the investment in solar panels is entered under section "D" of the fixed assets in the balance sheet

- The total surface area of the investment properties portfolio amounts to 1,545,165 m², spread over 79 sites, i.e. 37 sites in Belgium, 17 in France, 23 in the Netherlands and 2 in Germany.

- The gross yield on the total investment properties is 5.1% based on a fully let portfolio, compared to 5.8% at 31 December 2020. The gross return yield, taking into account the current vacancy rate, is 5.0%, compared to 5.7% on 31 December 2020.

- The contractual annual rental income (excluding rental guarantees) amounted to €77.1 million, an increase of 5.9% compared to 31 December 2020, mainly due to the growth of the property portfolio.

- The occupancy rate was 99.7% as at 31 December 2021 compared to 99.4% at the end of December 2020. The limited vacancy is located in Bornem (BE) previously let to Raamwinkel.

- The fair value of the ongoing developments amounted to €114.8 million and consists of:

  - the ongoing project development and the purchased site in Tongeren (BE) – see section 6.3.2.1
  - the land located in Senlis (FR) - see section 6.3.2.1
  - the ongoing development (pre-let) in Antwerp, Blue Gate (BE) – see section 6.3.2.4
  - the ongoing development (preleased to Re-match) in Tiel (NL) - see section 6.3.2.4
  - the ongoing development (preleased to Bas Service Oriented) in Etten-Leur - see section 6.3.2.4
  - phase 1 of the project development (preleased to HBM Machines B.V.) + site of phase 2 in Waddinxveen (NL) - see section 6.3.2.4
  - the land located in Lummen (BE)

- the expansion site located next to the building rented to Pelsis Belgium NV in Bornem (BE)
- solar panels under construction (BE + NL + FR) - see section 6.3.2.5

- The fair value of the solar panels of € 35.0 million concerns 38 solar panel projects spread across Belgium and the Netherlands.

- Montea has a total land reserve of 1,991,351 m² that will lead to a future development potential of approximately 1 million m².

  Some 1.5 million m² (or 75% of the total land bank) of this land reserve has been purchased and is valued in the property portfolio for a total value of €259 million. Moreover, 68% of this land reserve yields an immediate return of 5.3% on average. In addition, Montea has about 0.5 million m² (or 25% of the total land bank) under control by means of contracted partnership agreements.

		Total 31/12/2021	Total %	Total 31/12/2020	Total %
Landbank					
Total surface	m²	1.991.351	100%	1.426.246	100%
Acquired, valued in property portfolio	m²	1.429.246	72%	1.277.109	90%
of which income generating	%	68%		68%	
Under control, not valued in property portfolio	m²	562.105	28%	149.137	10%
Fair value	K€	259.424	100%	176.882	100%
Acquired, valued in propery portfolio	K€	259.424	100%	176.882	100%
of which income generating	%	68%		68%	
Under control, not valued in property portfolio	K€	0	0%	0	0%

Composition of equity and liabilities

- The total liabilities consist of equity of €1,016.3 million and the total debt of €736.6 million.

    - The equity attributable to shareholders of the parent company (IFRS) amounted to €1,015.1 million as at 31 December 2021 compared to €815.3 million as of the end of 2020. The portion of non-controlling interests (IFRS) amounted to €1.2 million. This non-controlling interest arises due to the set-up of the cooperation with the Cordeel Group, which did not exist in 2020.

  The total liabilities (€736.6 million) consist of:

    - €401.7 million in lines of credit taken at with 8 financial institutions. Montea has €551.7 million of contracted credit lines on 31 December 2021 and an undrawn capacity of €150.0 million;
    - €200.0 million of Green Bonds that Montea concluded in 2021 (US Private Placement). In addition, an amount of €85.0 million was taken up in January 2022, bringing the total of bonds after this transaction to €285 million;
    - a current lease liability of €47.3 million, mainly formed by the recognition of a lease liability relating to the concession land (entry into force of IFRS 16) and, on the other hand, for the financing of the solar panels on the Aalst site;
    - the negative value of current hedging instruments amounting to €19.1 million;
    - €21.6 million in deferred taxes; and
    - other debts and accruals[55] for an amount of €46.9 million.

  The weighted average maturity of financial debts (credit lines, bond loans and leasing liabilities) is 5.7 years as at 31 December 2021, an increase of almost 2 years compared to 31 December 2020 (3.9 years) and this mainly due to the contracted US private placement in the course of 2021.

  The weighted average maturity of the interest rate hedges amounts to 6.6[56] years at the end of December 2021. The hedge ratio, which represents the percentage of financial liabilities with a fixed interest rate or with a floating interest rate subsequently hedged by a hedging instrument, amounts to 93%.

  The Interest Coverage Ratio is equal to 6.7x at the end of December 2021 compared to 6.2x at the end of 2020. Montea thus amply meets the covenants on the interest coverage ratio that it has concluded with its financial institutions.

  The average financing cost of the debts was 1.8% in 2021 (compared to 1.9% in the same period last year).

- Montea's debt ratio [57] at the end of 2021 is 38.6% (compared to 38.0% at the end of 2020). This means that Montea has an additional investment potential of approximately 885 million before reaching a debt ratio of 60%.

  Montea complies with all the covenants on debt ratios that it has concluded with its financial institutions, under which Montea may not have a debt ratio higher than 60%.

[55] The accrual largely comprise rent already invoiced in advance for the following quarter.
[56] Change compared to the press release and the corporate presentation, caused by an update in the calculation method.
[57] Calculated in accordance with the RECC Royal Decree.

7.1.3. Conclusions for financial year 2021

On the financial front, the year 2021 was characterized primarily by good operating results for Montea:

- The EPRA result rose by 8% compared to the same period last year.
- The EPRA result per share amounts to € 3.75 compared to € 3.50 per share for the same period last year.
- An operating margin[58] of 91.2 % compared to 90.9 % in 2020.

7.1.4. Appropriation of profits

Based on the profit as at 31 December 2021, the board of directors of Montea Management NV will propose to the general meeting of shareholders of 17 May 2022 to pay out a gross dividend of €3.03 per share. This corresponds to a net dividend of €2.12 per share.

[58] See section 17.12.

7.2. Operating results

For a description of the most important factors, reference is made to the sections below of Montea's annual financial reports in relation to the financial years 2019 and 2020 which are incorporated by reference into this annual financial report, and the present annual financial report. These factors include unusual or infrequent events or new developments, which have a material effect on Montea's operating income, stating the extent to which the income was affected, and, if applicable, a description of the reasons for material changes in net sales or income that occurred.

Annual financial report 2019	"Key figures" (p. 20-21) "Consolidated statement of comprehensive income before distribution as at 31 December 2019" (p. 138) "Consolidated result before profit distribution as at 31 December 2019" (p. 139) "Consolidated cash flow statement as at 31 December 2019" (p. 140)
Annual financial report 2020	"Key figures" (p. 24-25) "Consolidated statement of comprehensive income before distribution as at 31 December 2020" (p. 151) "Consolidated result before profit distribution as at 31 December 2020" (p. 152) "Consolidated cash flow statement as at 31 December 2020" (p. 153)
Annual financial report 2021	"Key figures" (p. 34) "Consolidated statement of comprehensive income before distribution as at 31 December 2021" (p. 168) "Consolidated result before appropriation of profits as at 31 December 2021" (p. 169) "Consolidated cash flow statement as at 31 December 2021" (p. 170)

8. Capital resources

8.1. General financing policy

The total capital of Montea amounts to €330,469,920.07 on 31 December 2021 and is represented by 16,215,456 shares listed on both Euronext Brussels and Euronext Paris. All issued shares are fully paid up and without nominal value. The shares are nominative and dematerialized and each share gives the right to one vote. On 31 December 2021 Montea held 12,422 of its own shares.

The Sole Director is authorized to increase the capital in one or more instalments on the dates and in accordance with the arrangements he shall determine, in accordance with the applicable legislation, up to a maximum amount of

a) EUR 163,280,905.26 (one hundred and sixty-three million two hundred and eighty thousand nine hundred and five euros and twenty-six eurocents) for public capital increases by way of cash contribution whereby it is provided that the shareholders of the Company may exercise the statutory preferential right or the irreducible allocation right,
b) EUR 163,280,905.26 (one hundred and sixty-three million two hundred and eighty thousand nine hundred and five euros and twenty-six eurocents) for capital increases in connection with the distribution of an optional dividend.
c) EUR 32,656,181.05 (thirty-two million six hundred and fifty-six thousand one hundred and eighty-one euros and five eurocents) for (1) capital increases by way of contribution in cash, without the possibility of the Company's shareholders exercising their statutory preferential right or irreducible allocation right, (2) for capital increases by way of contribution in kind (other than within the framework of distribution of an optional dividend), or (3) any other form of capital increase,

on the understanding that the governing body may in any event never increase the capital by more than the statutory maximum amount, which is EUR 326,561,810.51 (three hundred and twenty-six million five hundred and sixty-one thousand eight hundred and ten euros and fifty-one eurocents).

In the case of a capital increase accompanied by a payment or an entry of an issue premium in the account, only the amount subscribed to the capital shall be deducted from the usable permanent amount of the authorized capital. This authorization is granted for a period of five years from the publication of the minutes of the extraordinary general meeting of shareholders of 18 May 2021, being 26 May 2026. For any capital increase, the Sole Director shall determine the price, the issuance premium, if any, and the terms and conditions of issuance of the new securities, unless the general meeting of shareholders decides on them itself. The capital increases thus decided by the Sole Director may be made by subscription for cash or by contribution in kind in compliance with the legal provisions, or by incorporation of reserves or of issue premiums with or without creation of new securities. Capital increases may give rise to the issue of shares with or without voting rights. Such capital increases may also be made by issuing convertible bonds or subscription rights - whether or not attached to another movable asset - which may give rise to the creation of shares with or without voting rights. As of 26 May 2021, the current authorization of the authorized capital has not yet been used.

The financing cost is the largest cost item in Montea's result. That is why Montea manages the cost of its financing operations proactively. First of all, the company wants to guarantee that its various financing sums are available over the longest possible period. In addition, the Company aims for variable rate financing which is for the most part covered by hedging instruments.

This policy is pursued because it offers protection against disruptive fluctuations in economic cycles.

In times of high economic activity, the financing cost may increase. In principle, this is compensated by higher operating income (such as higher occupancy and higher inflation). This compensation is rather limited, which is why a hedging policy was adopted for the largest part of the debt.

Financial key figures

Financial key figures	expressed in	31-12-2021	31-12-2020
Net Debt/EBITDA	x	8,2	7,4
Weighted average maturity of financial debt	years	5,7	3,9
Weighted average maturity of hedging instruments	years	6,6[59]	6,6
Hedge ratio	%	92,7	85,3
Interest coverage ratio	x	6,7	6,2
Average financing cost	%	1,8	1,9
Debt ratio[60]	%	38,6	38

[59] Change compared to the press release and the corporate presentation, caused by an update in the calculation method.
[60] Calculated in accordance with the RECC Royal Decree.

8.2. Cash flows

The cash flow statement as at 31 December 2021 is set out below:

CONSOLIDATED CASH FLOW STATEMENT (EUR x 1.000)	31/12/2021 12 months	31/12/2020 12 months
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	**5.057**	**7.690**
NET CASH FLOW FROM OPERATING ACTIVITIES (A)+(B)+(C) = (A1)	**73.518**	***70.061***
Net result	227.848	155.009
Net interest costs	11.487	10.938
Financial income	-21	-94
Taxes	26.678	906
Gain (-)/loss (+) on disposal of investment properties	-453	0
Cash flow from operating activities before adjustments of non-cash items and working capital (A)	**265.539**	**166.759**
Changes in fair value of hedging instruments	-12.967	8.077
Changes in fair value of investment properties	-175.392	-107.308
Additions (+)/reversals (-) in provisions and employee benefits	0	0
Equity-settled share-based payment expense	58	0
Depreciation and amortization (addition (+)/reversal (-)) on fixed assets	346	278
Impairment losses on receivables, inventories and other assets	426	465
Exit tax	0	0
Share of result of associates and joint ventures	0	0
Other adjustments for non-cash items	0	0
Adjustments for non-cash items (B)	**-187.529**	**-98.488**
Decrease (+)/increase (-) in trade and other receivables	-6.961	-2.663
Decrease (+)/increase (-) in inventories	0	0
Increase (+)/decrease (-) in trade and other payables	2.469	4.454
Increase (+)/decrease (-) in working capital requirement (C)	**-4.492**	**1.791**
Interest received	0	0
Dividends received	0	0
Income tax paid	0	0
NET CASH FLOW FROM INVESTMENT ACTIVITIES (B1)	**-150.995**	**-98.695**
Acquisitions	**-166.389**	**-98.695**
Payments regarding acquisitions of real estate investments	-82.243	-92.118
Payments regarding acquisitions of buildings intended for sale	0	-6.221
Payments regarding acquisitions of shares in real estate companies	-81.645	0
Purchase of other tangible and intangible fixed assets	-2.501	-356
Disposals	**15.395**	**0**
Proceeds from sale of investment properties	15.395	0
Proceeds from sale of buildings held for sale	0	0
Proceeds from sale of shares in real estate companies	0	0
NET FINANCIAL CASH FLOW (C1)	**87.591**	**26.001**
Net effect of withdrawal and repayment of loans	**127.626**	**58.881**
Capital increase	**16.232**	**17.919**
Dividends paid	**-45.308**	**-40.049**
Interests paid	**-10.960**	**-10.751**
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR (A1+B1+C1)	**15.172**	**5.057**

8.3. Financing structure

The figures for capitalization and indebtedness have been taken from the financial accounts prepared in accordance with IFRS, as approved by the EU, for the period ending on 31 December 2021.

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

8.3.1. Capitalization on 31 December 2021

On 31 December 2021, the consolidated equity capital amounted to €1,016,279,776.25.

CHANGES IN SHAREHOLDERS' EQUITY (EUR x 1.000)	Share capital	Share premiums	Reserves	Result	Minority interests	Shareholders' equity
ON 31/12/2019	314.983	209.183	47.397	108.465	0	680.029
Elements directly recognized as equity	**4.829**	**13.091**	**2.402**	**0**	**0**	**20.322**
Capital increase	4.829	13.091	0	0	0	17.919
Impact on fair value of estimated transfer rights and costs resulting from hypothetical disposal of investment properties	0	0	0	0	0	0
Positive change in value of solar panels (IAS 16)	0	0	2.402	0	0	2.402
Own shares	0	0	0	0	0	0
Own shares held for employee option plan	0	0	0	0	0	0
Minority interests	0	0	0	0	0	0
Corrections	0	0	0	0	0	0
Dividends	0	0	-40.049	0	0	-40.049
Result carried forward	0	0	108.465	-108.465	0	0
Result for the financial year	0	0	0	155.009	0	155.009
ON 31/12/2020	319.812	222.274	118.215	155.009	0	815.311
Elements directly recognized as equity	**3.965**	**12.419**	**863**	**0**	**1.183**	**18.429**
Capital increase	3.814	12.419	0	0	0	16.232
Impact on fair value of estimated transfer rights and costs resulting from hypothetical disposal of investment properties	0	0	0	0	0	0
Positive change in value of solar panels (IAS 16)	0	0	227	0	0	227
Own shares	0	0	0	0	0	0
Own shares held for employee option plan	151	0	171	0	0	323
Minority interests	0	0	0	0	1.183	1.183
Corrections	0	0	465	0	0	465
Dividends	0	0	-45.308	0	0	-45.308
Result carried forward	0	0	155.009	-155.009	0	0
Result for the financial year	0	0	0	227.848	0	227.848
ON 31/12/2021	323.777	234.693	228.779	227.848	1.183	1.016.280

8.3.2. Debt as at 31 december 2021

The Company is careful to obtain the necessary financing in a timely manner. The balance between the cost of the financing, its duration and the diversification of the sources of financing is always paramount.

Montea's financial liabilities as at 31 December 2021 amounted to €649.4 million (€556.5 million long-term and €92.9 million short-term) and break down as follows:

FINANCIAL DEBTS (EUR x 1.000)	31/12/2021	31/12/2020	31/12/2019
NON-CURRENT FINANCIAL DEBTS	**556.509**	**446.742**	**389.741**
Credit institutions	310.833	350.167	261.667
Bonds	198.758	49.787	79.648
Securities and bank guarantees deposited	1.588	1.707	1.641
Financial leasing	718	833	943
Other (*)	44.612	44.247	45.844
CURRENT FINANCIAL DEBTS	**92.940**	**61.794**	**61.340**
Credit institutions	90.833	30.000	29.600
Bonds	0	29.975	30.000
Financial leasing	104	98	92
Other (*)	2.003	1.721	1.648
TOTAL	**649.449**	**508.535**	**451.082**

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

The Company has a total amount of drawn credit lines of €401.7 million. On 31 December 2021 Montea had a total amount of confirmed bilateral credit lines of €551.7 million with 8 financial institutions. There is still an undrawn capacity of €150.0 million, which means that 72.8% of credit lines have been drawn. On 31 December 2021 the weighted average duration of these credit lines was 3 years.

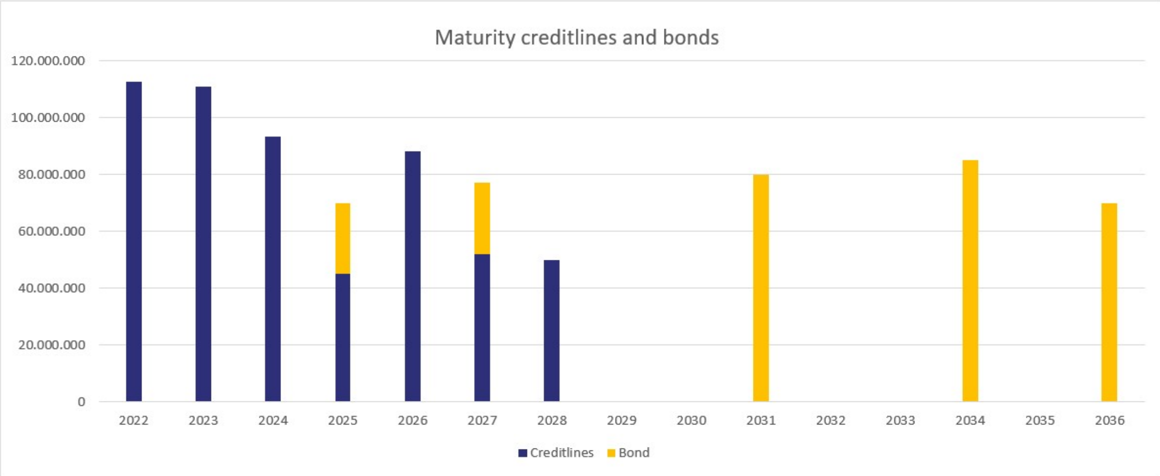
Furthermore, Montea also has a total amount of €200 million in bond loans, of which €150 million in Green Bonds that Montea concluded in 2021 (US Private Placement) (section 8.4). In addition, an amount of €85.0 million was drawn in January 2022, bringing the total amount of bonds after this transaction to €285 million. As at 31 December 2021, the weighted average term of the current bond loans was still 10.7 years.

Furthermore, there is a total amount of leasing debts of €47.3 million, divided into long and short term, of which €46.6 million is mainly constituted by the recognition of the lease obligations on the concession land (following IFRS 16) and for the financing of the solar panels on the site in Aalst.

The weighted average term of all financial debts (credit lines, bond loans and leasing obligations) together amounted to 5.7 years on 31 December 2021, an increase of almost 2 years compared to 31 December 2020 (3.9 years) and this mainly due to the contracted US private placement in the course of 2021.

The average financing cost of debt was 1.8% in 2021 (compared to 1.9% in the same period last year). The Interest Coverage Ratio was equal to 6.7x at the end of December 2021 compared to 6.2x at the end of 2020. Montea thus amply meets the covenants on the interest coverage ratio that it has concluded with its financial institutions.

The table below shows the year in which the credit lines and bond loans expired as at 31 December 2021. The Company always ensures that not all debts fall due in the same year.



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

Debt ratio

The debt ratio of the Company may not exceed 65% according to the RREC Royal Decree. The Company has concluded covenants with the financial institutions whereby the consolidated debt ratio may not exceed 60%. In the conditions of the bonds a maximum consolidated debt ratio of 65 % was stipulated. It was determined internally to maintain a maximum debt ratio of 50 % to 55 %.

Montea's debt ratio at the end of 2021 was 38.6% (compared to 38.0% at the end of 2020). As a result, Montea has an additional investment potential of approximately €885 million before reaching a debt ratio of 60%.

Hedging the interest rate

As already mentioned, Montea pursues a financing policy whereby it hedges a large part of its financial debt. The hedge ratio, which represents the percentage of the financial debt with a variable interest rate subsequently hedged by a hedging instrument, amounts to 93%.

As at 31 December 2021, the Company had concluded a total of €562.5 million of hedging contracts of the IRS and interest rate cap type.

The weighted average duration of the interest rate hedges amounted to 6.6[61] years on 31 December2021.

For a description of Montea's hedging instruments, see section 17.8.1 (Note 17: Changes in the fair value of financial assets and liabilities) of this annual financial report.

Covenants and securities

The contractual provisions of the credit facilities stipulate that Montea continues to qualify as a regulated real estate investment trust (RREC) in Belgium, including a maximum debt ratio of 60% and a minimum Interest Coverage Ratio. The contractual stipulations of the bond loans also provide for a maximum debt ratio and a minimum interest coverage ratio.

Montea confirms that all these conditions were met throughout the 2021 financial year. As at 31 December 2021, the interest coverage ratio was 6.7x and the debt ratio was 38.6%.

[61] Change compared to the press release and the corporate presentation, caused by an update in the calculation method.

8.4. Further strengthening of the financial structure in 2021

Montea has identified[62] an investment volume of over €333 million since the beginning of 2021, with €173 million already realised and €160 million in execution. An appropriate financing strategy was drawn up in advance to meet these investment commitments and to perpetuate the company's solid capital structure.

The company strengthened its financial resources in the course of 2021 as follows:

Successful issuance of €235 million in Green Bonds[63]

An important step was taken at the beginning of 2021 under the Green Finance framework with the successful issue of €235 million in Green Bonds by Montea via a US Private Placement. The bonds are divided into four tranches:

- €50 million - 10-year term (maturity date 27/04/2031) - coupon 1.28%;
- €30 million - 10-year term (maturity date 23/06/2031) - coupon 1.28%;
- €85 million - 12-year term (maturity date 04/01/2034) - coupon 1.42%;
- €70 million - 15-year term (maturity date 23/06/2036) - coupon 1.44%.

The bonds were placed through a US private placement with six internationally renowned investors. The issue was extremely well received: the target amount was exceeded several times, confirming the market's confidence in Montea's solid credit profile. Moreover, the diversification and unique maturities of the bonds further strengthen Montea's financing structure: the average maturity of the debts was extended considerably at an average coupon, and this well below the current cost of debt.

In accordance with the criteria included in the Green Finance Framework, the proceeds of the bonds will be used exclusively to (re)finance qualifying sustainable assets such as certified buildings, renewable energy and energy-efficiency programmes.

The total contracted bond volume amounts to €285 million by the end of 2021. An amount of €85.0 million of this sum was not drawn until January 2022. One bond running from 2014 to 2021, worth €30 million, was repaid in the course of 2021.

Additional bank financing

Montea was able to secure an amount of approximately €110 million in additional bank financing from various Belgian and foreign banks in the course of 2021. Furthermore, €45 million was also repaid to various financial institutions. These transactions bring the total of contracted credit lines to €551.7 million at the end of 2021 compared to €486.7 million at the end of 2020. There is still a buffer of unused credit lines worth €150 million for these contracted credit lines.

Optional dividend – 52% of the shareholders support Montea's growth by opting for shares

To support its further growth, Montea once again offered its shareholders an optional dividend. A total of 52% of the coupons no. 23 (representing the dividend for the 2020 financial year) were exchanged for new shares. 191,762 new shares were issued for a total issue amount of €16,326,616.68 (€3,908,109.56 in capital and €12,418,507.12 in issue premium) in the context of the authorized capital. The newly created shares were admitted to trading on Euronext Brussels and Euronext Paris as of 14 June 2021. The Montea share capital is represented by 16,215,456 shares on the date of this press release.

[62] The identified investment volume consists of the "invested" investment amount from the course of 2021 and ongoing projects "in execution".
[63] For more information, see press release of 14/04/2021 or www.montea.com.

8.5. Financing of the investments

The future investment commitments will be financed with still available contracted credit lines. Taking account of a debt ratio of 38.6%, Montea has a sufficient buffer to raise additional debt in the form of credit lines, bond loans and/or via a commercial paper programme.

9. Regulations

Montea is a public regulated real estate company (*openbare gereglementeerde vastgoedvennootschap / société immobilière réglementée publique*) under Belgian law, specializing in the development and management of logistics real estate in Belgium, France, the Netherlands and Germany.

Montea has been listed on Euronext Brussels since October 2006 and on Euronext Paris since December 2006. Montea's activities, as a public SICAF under Belgian law, started on 1 October 2006 by bringing together different property portfolios.

On 22 September 2014, Montea was authorized and recognized by the FSMA as a public regulated real estate company under Belgian law. That recognition took effect on 30 September 2014, i.e. the date on which the extraordinary general meeting of shareholders of Montea approved the new status.

As a public regulated real estate investment trust under Belgian law, Montea is subject to the RREC Act and the RREC Royal Decree.

Its permanent establishment in France (Montea SA, established as a branch) is recognized as an SIIC (*Société d'Investissements Immobiliers Cotée*).

In order to implement its real estate investments in the Netherlands, Montea filed an application in September 2013 for the FBI status as referred to in Article 28 of the Corporate Income Tax Act of 1969 with respect to Montea Nederland N.V. and its subsidiaries. On the date of this annual financial report, Montea Nederland N.V. and its subsidiaries have not yet received a final decision of the Dutch tax administration approving the FBI status.

For information about governmental, economic, budgetary, monetary or political policies or factors which directly or indirectly have or may have substantial consequences for the activities of Montea, we also refer to the section "Risk Factors".

9.1. The regulated real estate investment company in Belgium

The regulated real estate company (RREC) introduced by the RREC Act makes it possible to create in Belgium companies for investment in real estate, as they exist in many other countries: Real Estate Investments Trusts (RRECs) in the United States, Fiscale Beleggingsinstellingen (FBI) in the Netherlands, G-RRECs in Germany, Sociétés d'Investissements Immobiliers Cotées (SIIC) in France and UK-RRECs in the United Kingdom. The statute of RREC is subject to the RREC Act and the RREC RD.

The main characteristics of the regulated real estate company are as follows:

- must be incorporated in the form of a public limited liability company;
- be listed on the stock exchange, with at least 30% of the shares being distributed on the market;
- is supervised by the Financial Services and Markets Authority (FSMA);
- may carry out all activities relating to the creation, conversion, renovation, development, acquisition, sale, management and operation of immovable property;
- cannot (directly or indirectly) act as a construction promoter;
- risk-spreading: no more than 20% of the Company's consolidated assets may be (i) invested in real estate constituting a single property or (ii) in "other real estate" as defined in Article 2, 5°, vi to xi of the RREC Act;
- the (non-consolidated and consolidated) debt ratio is limited to 65% of the (non-consolidated and consolidated) assets; the issuing of securities and mortgages is limited to 50% of the total fair value of the properties of the RREC and its subsidiaries and to 75% of the value of a particular property;
- very strict rules on conflicts of interest;

- quarterly assessment of the assets by an independent real estate expert;
- recognition of buildings at fair value; no depreciation;
- the results (rental income and capital gains on sales less operating costs and financial charges) are exempt from corporate income tax as far as the RREC is concerned (but not its subsidiaries); however, rejected expenditures and abnormal and gratuitous benefits are taxed;
- at least 80% of the amount of the adjusted statutory result[64] and the net capital gains on the sale of real estate not exempted from the distribution obligation must be distributed on a compulsory basis;
- any reduction in the debt ratio during the financial year may, however, be deducted from the amount to be distributed;
- withholding tax of 30% (subject to certain exceptions) on dividends from regulated real estate companies, discharging natural persons residing in Belgium.
- Companies which obtain a license as a regulated real estate company or merge with a regulated real estate company are subject to a tax (exit tax) of 15% (as of assessment year 2020 for a taxable period starting on 1 January 2020 at the earliest) on latent capital gains and exempted reserves.

9.2. "Société d'investissements immobiliers Cotée" (SIIC) in France

Montea also has a branch in France with the status of SIIC (*Société d'Investissements Immobiliers Cotée*) and is also listed on the second market of Euronext Paris, its second listing after Euronext Brussels. In France, Montea opted for SIIC status in 2007 in order to benefit from the advantages associated with the status of initially SICAFI (now RREC).

The tax characteristics of the RREC and the SIIC are quite similar: for example, they are both exempt from corporate tax on annual income and on capital gains. Profits from activities other than the letting or sale of real estate are subject to corporate tax.

When RREC or SIIC status is obtained, the company is subject to a one-off discharging tax called an "exit tax". This tax is calculated on the basis of the difference between the investment value of the portfolio and the fiscal accounting value of the real estate. The exit tax applicable to SIIC is 19%. Payment of the exit tax for SIIC is spread over four years, with a first 15% instalment being paid at the end of the first year.

In France, at least 95% of the operating result has to be paid out, but after deducting write-downs. In Belgium, at least 80% of the operating result has to be paid out.

The provisions relating to the distribution of capital gains on the sale of real estate differ substantially, however. In Belgium, at least 80% must be distributed if the profit is not reinvested. For the SIIC, at least 70% of capital gains must be distributed at the end of the second year after they are made. Furthermore, dividends from subsidiaries exempt from corporate tax must be distributed in full in the financial year following the one in which they were received. With regard to the shareholding structure, the "free float" of regulated real estate companies, i.e., the number of shares not held on a fixed basis, must be at least 30%. In France, it must be 40%. There is no maximum debt ratio for the SIIC. For regulated real estate companies, the maximum debt ratio is 65%.

9.3. Fiscale beleggingsinstelling (FBI) in the Netherlands

In order to realise its real estate investments in the Netherlands, Montea filed an application in September 2013 for the FBI status as referred to in Article 28 of the Corporate Income Tax Act 1969 with respect to Montea Nederland N.V. and its subsidiaries. Montea has structured its Dutch real estate investments in Dutch public limited companies. These entities formed a fiscal unit together with Montea Nederland N.V. for the

[64] Calculated on the basis of the chart mentioned in Annex C of the RREC RD.

levy of corporate income tax up to and including 31 December 2018. After that date, Montea Nederland N.V. and its subsidiaries are independently taxable and each has opted for the FBI status. An FBI is subject to corporate tax in the Netherlands at a rate of 0%. At present, Montea Nederland N.V. and its subsidiaries have not yet received a final decision from the Dutch tax authorities approving FBI status.

The Dutch government is moreover studying whether an adjustment of the FBI regime in general and for property funds in particular is necessary, possible and feasible in the long run. Any changes to the policy are not expected before 2023.

Montea maintains ongoing constructive contacts with the Dutch tax administration and the Dutch Ministry on the concrete application of the rulings already published and on the comparability of Montea with Dutch institutions with FBI status. This contact is aimed at obtaining the FBI status for Montea Nederland N.V. and its subsidiaries.

For more details about the pending FBI status and its financial processing, please refer to the section on "Risk Factors".

The main characteristics (legal requirements) of the FBI are:

- the legal form must be a private limited company (B.V.), a public limited liability company (N.V.), a common account fund or similar body established under the law of, inter alia, an EU Member State;
- the object and actual activities of the company consist (exclusively) of the investment of assets;
- the company must comply with two financing limits:
    - real estate investments may be financed with borrowed capital up to a maximum of 60% of the book values for tax purposes;
    - other investments may be financed only with borrowed capital for 20% of the book values for tax purposes;
- the company must comply with an annual breakthrough obligation. This entails that the company must make its full operating profit available to shareholders within eight months as of the end of the financial year;
- the profit to be made available by the company must be distributed equally among all shares;
- for unlisted companies or companies which do not (or their managers do not) have a license under the Financial Supervisory Act (known by the initials WFT in Dutch),the following shareholder requirements apply:
    - 75% or more of the shares must be held by natural persons, or by entities that are not subject to any form of tax levied on profits, or by investment institutions that are similar to Dutch FBIs in nature and set-up;
    - the shares may not be held for 5% or more (in-)directly by natural persons;
    - the interest in the company may not be held for 25% or more by bodies established in the Netherlands which have structured their interests through foreign entities.

10. Trends

Montea is a public regulated real estate company (RREC), specializing in the development, acquisition and management of logistics real estate in Belgium, France, the Netherlands and Germany. The company is a reference player in the first three markets and is developing rapidly in the fourth market. Montea's real estate portfolio includes quality buildings located close to airports, railways, waterways and motorways.

In 2022, Montea will use its expertise and experience to continue its growth in line with its growth plan, Track'24. The focus here is on sustainable and versatile logistics real estate in strategic locations, multimodal sites, multifunctional buildings and maximum use of space (brownfield and greyfield re-development). Montea will implement its growth plan through a mix of build-to-suit projects, the acquisition of additional land positions at strategic locations, sale and rent-back transactions, and collaborations with other real estate developers and other partners such as landowners.

Logistics activities are really taking off in the various countries in which Montea operates, mainly as a result of accelerating trends such as the continuing growth of e-commerce. Montea is studying the possibility of investing in new logistics solutions and is constantly analysing the logistics needs of its customers and potential customers. There are no new trends for the period from the closing of the last financial year (31 December 2021) to the date of this annual financial report.

For a discussion of the logistics property market in Belgium, the Netherlands, France and Germany, see the property report in section 6.7.

11. Profit forecasts or estimates

11.1. Outlook 2022

Result-orientated objectives in line with Track'24

Montea sets out its result-oriented objectives for 2022:

- ✓ Growth of the EPRA earnings per share to €3.95 per share (+ 5% compared to 2021)
- ✓ Growth of the dividend per share to €3.18 per share (+ 5% compared to 2021)
- ✓ An investment volume growth of ca. €250 million for 2022
- ✓ Appointment of Steven Claes as Chief Human Resources Officer in order to future-proof the social component of the ESG policy

Maintaining strong fundamentals

Montea aims to maintain its strong fundamentals in 2022 and will stick to its strategy of subjecting its portfolio to continuous arbitrage. This strategy results in exceptional real estate-related performance indicators such as occupancy rate (99.7% on 31/12/2021), average remaining term of the leases until the first termination option (7.3 years on 31/12/2021) and the average age of the buildings (9 years on 31/12/2021). Thanks to its focus on the type of client and their activity (such as the health care sector, recycling sector, etc.) as well as on strategic locations with high added value (such as airports, water bound locations, etc.), Montea has succeeded in expanding its property portfolio in optimal fashion. As a result, Montea expects to maintain the occupancy rate at least above 97%.

Sustainability

Montea launched its first ESG report in the course of 2021, with the primary objective of continuing to bring its expertise in logistics real estate to bear so as to make sustainable, long-term investments with added value for clients, shareholders, employees and other stakeholders. In 2021, Montea succeeded in making its own operations carbon-neutral by means of compensation.

In 2022, Montea will continue in this vein, with efforts to reduce its CO_2 emissions further (stimulating public transport, electric cars, etc.), as well as to improve energy efficiency and continue to use renewable energy sources (such as solar panels and heat pump applications).

In addition, Montea will also place greater focus on the social aspect of sustainability in 2022. Montea is ambitious with Track'24 and wants to attract the necessary additional employees for this, as well as focusing on the well-being and further development of its current employees. At the start of 2022, Chief Human Resources Officer Steven Claes will join the management team, who will actively help to develop the future-oriented HR policy, with the strategy and culture continuing to evolve in the same direction.

Some of the concrete initiatives in Montea in 2022 include the launch of a well-being programme for its employees, creating a communication tool that brings all the countries together and stimulates communication between the teams in the various branches. Furthermore, Montea will upgrade the performance and satisfaction process for employees, for example by organizing the satisfaction survey annually with the necessary feedback, as well as by developing the existing feedback moments further so that people can continue to grow.

11.2. Track'24

Ambitious portfolio growth

In 2021, Montea proposed Track'24, intended to achieve its stated ambitions in the years 2021 to 2024. Over a four-year period, Montea aims to realise an investment volume growth of € 800 million.

The focus will be on sustainable and versatile logistics real estate:

- ✓ Strategic top locations
- ✓ Multimodal sites
- ✓ Multifunctional buildings
- ✓ Best use of space – brown field and grey field redevelopment

Eye on long-term profitability

Based on Montea's strong financial basis, its low debt ratio and its high occupancy rate at its sites, Montea's ambition for 2024 is to achieve

- ✓ growth of the EPRA earnings per share to € 4.30
  (> 20% increase compared to 2020)
- ✓ increase of the dividend per share to € 3.45
  (> 20% increase compared to 2020)

With this growth plan, Montea is setting the bar high, but is more than ever ready to realise its ambitions. With €333 million in identified projects, €173 million already realised and €160 million in execution, many new projects in the pipeline, an ample land bank of some 2,000,000 m² and professional teams in the four countries where it operates, Montea can provide an answer to the strong market demand. These factors will form the basis for the implementation of Track'24.

Focus on sustainability

Montea aspires to reduce the CO_2 emissions from its own operations by 50% by the end of 2024 – in line with the 2030 target, i.e. full CO_2 neutrality without compensation.

Montea aspires to reduce the CO_2 emissions from its buildings by 20% by the end of 2024 – in line with the 2050 target, i.e. to bring the emissions in line with the targets of the Paris climate conference (Paris Proof).

track'24

11.3. Assumptions about prospects for EPRA results

In the outlook we describe the expected results concerning the consolidated EPRA earnings and the consolidated balance sheet for financial year 2021 on the basis of figures as indicated in the annual report as at 31 December 2020, the known information after the balance sheet data, and the calculated forecasts on the basis of the development of the property, economic and financial markets.

These forecasts and estimates may not be interpreted as a certainty, because the activities of Montea and the market in which it is active are subject to uncertainties and risks, and consequently this forward-looking information does not constitute any commitment for the company. There is a possibility that the expectations will not be reached.

11.4. Assumptions

Montea applies the usual accounting methods used to prepare the consolidated accounts as of 31 December 2021 in accordance with IFRS as applied by the European Union and implemented by the RREC Royal Decree.

The assumptions are rather conservative, but realistic. In the preparation of the 2022 forecasts, an investment volume of approximately €250 million in 2022 was taken into account in determining the investment properties.

11.5. Assumptions regarding factors that Montea can influence directly

Net rental income

The net rental income is estimated on the basis of the current contracts, taking into account the assumption for the indexation (see below) of the leases applied to each contract individually and the anniversary date of the lease. For the leases that have a termination option in 2022, conservative estimates of re-letting (extension or renewal) are made on an individual basis.

The investments made in 2021 have only a limited impact on the net rental income of 2021, but contribute for a full year to the net rental income of 2022.

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

- (i) Acquisitions made in early 2022 that were still to be completed after 2021 (see section 6.3.2.2).
- (ii) Investments that will be delivered in 2022 (see section 6.3.2.4) contribute to the net rental income on average one month after the expected delivery date.
- (iii) Investments in solar panel projects (see section 6.3.2.5) do not contribute to the net rental income with the exception of the Netherlands. The income related to these investments is included in “Other rental-related operating income and charges”.
- (iv) Additional ambition amounting to €73 million does not contribute to the net rental income of 2022. The majority of Montea's investments are build-to-suit developments that only contribute to the net rental income after a development period. It is assumed here that completion will only take place in 2023. However, the investments do contribute to the financial result because they are already generating intercalary interest.

Other rental-related operating income and charges

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

Furthermore, this section includes income from solar panels, which was estimated conservatively for the existing portfolio. The investments in solar panels included in 2022 (see section 6.3.2.5) generate revenues in Belgium and France on average two months after the expected completion date.

The property management fee that Montea charges to its customers also falls under this section. The contracts newly concluded in 2022 linked to identified investments are taken into account here.

Real estate costs

These costs include mainly brokerage commissions, internal management fees and charges and taxes relating to unlet buildings. These were estimated for 2022 on the basis of the current portfolio (in function of conservative renewal or reletting assumptions, see "Net rental income")

Company general overheads

These costs comprise mainly the following:

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

Recurring overheads are included in the forecasts based on effective estimates per cost category. The effective costs of 2021 for non-recurring overheads are included after indexation with 2%. Marketing and personnel costs are provided for on a best estimate basis.

Interest charges

Voor de inschatting van de interestlasten wordt uitgegaan van de evolutie van de gemiddelde financiële schuldenlast:

- the real financial outstanding debt of €602.5 million on 31 December 2021, consisting of €401.7 million in outstanding credit lines; €200.0 million in outstanding bond loans; €0.8 million in financial leasing debts;
- the expected changes in financial debt in 2022; the inclusion of already contracted and new credit lines to finance current and new investments and the repayment of bond loans coming to maturity will be refinanced.

The overall average financing cost for 2022 is calculated in line with the average cost of debt for 2021, taking into account a hedging ratio in accordance with the hedging policy (see section 3.1.1 "Evolution of interest rates").

The total financial cost is then reduced by an estimated amount of capitalized interest calculated on current project developments and the ambition recorded in 2022. In this way, the calculated intercalary interest is neutralized in the financial cost account and included in the investment cost of the project on the asset side of the balance sheet until it is delivered and thus starts generating rental income.

Taxes

This item includes the corporate income tax payable annually. Montea's taxable base is virtually zero given the fiscal transparency it enjoys. The taxable basis of the regulated property company is limited to the so-called 'disallowed expenses', other than depreciation and loss of value on shares, and the received 'abnormal or gratuitous benefits' (RREC (Belgium), SIIC (France), FBI (Netherlands)). Based on an estimate of the taxable base of the fiscal unity Montea SA (branch in France), the corresponding dividend tax is estimated in this section. On an estimate of the taxable basis of Montea Netherlands and its subsidiaries, corporate income tax (rate = 25.8%) is provided in this section. For Germany, a corporate income tax rate of 15.825% is applied.

Furthermore, for the other companies, direct subsidiaries of Montea that do not qualify as SIIC (France) or FBI (Netherlands), an estimate is made based on the estimated local results.

11.6. Assumptions regarding factors beyond Montea's direct control

The development of rental income takes into account an indexation level in 2022 based on an average of the 2021 indexation and the economic consensus expectations for 2022, corrected with a 0.5% margin of caution. Montea limits the potential impact of inflation by, on the one hand, including a clause in its lease contracts whereby the current rent is indexed and, on the other hand, by concluding hedging contracts for the majority of its financing with variable interest rates.

When determining the interest rates, a negative 3 or 6-month Euribor floored at 0.0% is assumed.

The changes in the fair value of the hedging instruments are not a cash item and therefore have no impact on the EPRA earnings. Therefore, no assumptions have been made in relation to this item.

The same reasoning applies to the changes in fair value of the property portfolio. Furthermore, the outlook can be influenced by market, operational, financial, regulatory and (geo)political risks.

11.7. Forecast of EPRA earnings

Based on the above assumptions and the current outlook for 2022, Montea expects the EPRA earnings per share to rise to €3.95 per share in 2022 (an increase of 5% compared to 2021).

(EUR x 1.000) POST-MONEY	31/12/2022 12 months	31/12/2021 12months
Net rental income	86,586	75,145
Property result	92,568	84,743
Total property charges	-2,354	-2,574
OPERATING PROPERTY RESULT	**90,214**	**82,169**
Company general overheads	-6,297	-5,052
Other operating income and charges	-116	158
OPERATING RESULT BEFORE THE RESULT ON THE PORTFOLIO	**83,801**	**77,275**
Operating margin (1)	91%	91%
FINANCIAL RESULT, exclusive of changes in the fair value of the hedging instruments	**-12,772**	**-11,561**
Taxes	-6,670	-5,281
EPRA EARNINGS (2)	**64,359**	**60,433**
Income from sale of investment properties	-	453
Income from the sale of other non-financial assets	-	-
Change in the fair value of investment properties	-	175,392
Deferred taxes on the portfolio result	-	-21,397
RESULT ON THE PROPERTY PORTFOLIO	**-**	**154,448**
Changes in the fair value of financial assets and liabilities	-	12,967
NET RESULT	**64,359**	**227,847**
Number of shares in circulation entitled to share in the profit for the period	16,300,823	16,203,034
Weighted average number of shares for the period	16,313,372	16,130,871
NET EARNINGS PER SHARE (3)	**3.95**	**14.06**
EPRA EARNINGS PER SHARE (3)	**3.95**	**3.73**
EPRA EARNING PER SHARE (4)	**3.95**	**3.75**

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

11.8. Forecast of the consolidated balance sheet

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

Montea aims to attain an investment volume of around €250 million in 2022.

The projected EPRA earnings, a pay-out ratio of 80%, the offer of an optional dividend and the low debt ratio at the end of 2021 were taken into account for the debt-to-equity ratio. The projected investments can be financed entirely through borrowed capital, which leads to a projected debt ratio of approximately 44% at the end of 2022.

In euros	Q4 2022	Q4 2021
Investment properties	1,936,584,285	1,698,122,975
Other assets	54,793,891	54,793,891
TOTAL ASSETS	**1,991,378,175**	**1,752,916,865**
EQUITY	**1,049,029,507**	**1,016,279,778**
LIABILITIES	**942,348,669**	**736,637,087**
Non-current liabilities	**835,679,376**	**597,218,066**
Provisions	-	-
Other non-current financial liabilities	19,130,484	19,130,484
Deferred taxes – liabilities	21,578,896	21,578,896
Other non-current liabilities	794,969,996	556,508,686
Current liabilities	**106,669,293**	**139,419,021**
Provisions	-	-
Other current financial liabilities	-	-
Deferred charges and accrued income	20,022,876	20,022,876
Other current liabilities	86,646,417	119,396,145
TOTAL LIABILITIES	**1,991,378,175**	**1,752,916,865**
Debt ratio	**44.3%**	**38.6%**

11.9. Dividend forecast

The dividend policy is determined by the Montea board of directors and proposed to the annual general meeting of shareholders after the end of the financial year. Based on the EPRA earnings forecast for 2022, Montea expects a further increase in dividend per share in line with the increase in the EPRA earnings per share, i.e. 5% compared to 2021, which will lead to a gross dividend per share of €3.18 per share taking into account a pay-out ratio of 80%.

11.10. Statement

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

11.11. Auditor's report on the outlook for 2022

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EY Réviseurs d'Entreprises
De Kleetlaan 2
B-1831 Diegem

Tel: +32 (0)2 774 91 11
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Statutory auditor's report on the consolidated financial forecasts of Montea NV

As a statutory auditor of the company, we have, upon request by the Board of Directors, prepared the present report on the forecasts of the EPRA earnings (as defined in August 2011 and amended in October 2019 in the report "Best Practices Recommendations" of the European Public Real Estate Association) per share for the 12 months period ending 31 December 2022 (the "Forecast") of Montea NV, included in Chapter "11.1 Outlook 2022" of Montea's Annual Financial Report as approved by the Board of Directors of the company on 28 March 2022.

The assumptions included in Chapter "11.1 Outlook 2022" of Montea's Annual Financial Report result in the following forecasts of the EPRA earnings for the accounting year ending 2022:

EPRA Earnings, per share, in EUR: 3,95 EUR

Board of Director's responsibility

It is the Company's board of directors' responsibility to prepare the consolidated financial forecasts and the main assumptions upon which the Forecast is based.

Auditor's responsibility

It is our responsibility to provide an opinion on the consolidated financial forecasts, prepared appropriately on the basis of the above assumptions. We are not required nor do we express an opinion on the possibility to achieve that result or on the assumptions underlying this Forecast.

We performed our work in accordance with the auditing standards applicable in Belgium, as issued by the Institute of Registered Auditors (*Institut des Réviseurs d'Entreprises/Instituut van de Bedrijfsrevisoren),* including the related guidance of its research institute and the standard "International Standard on Assurance Engagements 3400" related to the examination of forecast information. Our work included an evaluation of the procedures undertaken by the Board of Directors in compiling the forecasts and procedures aimed at verifying the consistency of the methods used for the Forecast with the accounting policies normally adopted by Montea NV.

We planned and performed our work so as to obtain all the information and explanations that we considered necessary in order to provide us with reasonable assurance that the forecasts have been properly compiled on the basis stated.

Statutory auditor's report of 14 April 2022
on the consolidated financial forecasts
of Montea NV

Opinion

We have examined the EPRA earnings per share of Montea NV for the 12 months period ending 31 December 2022 in accordance with the International Standard on Assurance Engagements applicable to the examination of prospective financial information. Board of Director's is responsible for the forecast including the assumptions referenced above. In our opinion the forecast is properly prepared on the basis of the assumptions and is presented in accordance with the accounting policies applied by Montea NV for the consolidated financial statements of 2021.

Since the Forecast and the assumptions on which they are based relate to the future and may therefore be affected by unforeseen events, we can express no opinion as to whether the actual results reported will correspond to those shown in the forecasts. Any differences may be material.

Brussels, 14 April 2022

EY Réviseurs d'Entreprises SRL
Statutory auditor
represented by

Joeri Klaykens (Signature)
Digitally signed by Joeri Klaykens (Signature)
DN: cn=Joeri Klaykens (Signature), c=BE
Date: 2022.04.14 07:14:30 +02'00'

Joeri Klaykens*
Partner
* Acting on behalf of a SRL

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12. Corporate governance statement

This corporate governance statement contains the most important rules that Montea has adopted from the legislation and the recommendations on corporate governance and the way these have been applied in 2021. In this respect, Montea has applied the recommendations included in the Belgian Corporate Governance Code 2020 as reference code since 1 January 2020 (www.corporategovernancecommittee.be). Should it deviate from this, it shall include this deviation in this corporate governance statement, pursuant to article 3:6, §2 of the Companies and Associations Code. This takes into account the size of the company and the nature of its activity.

The applicable legislation includes not only the Code of Companies and Associations, but also the RREC Act and the RREC RD. This statement of corporate governance is part of this annual report, pursuant to article 3:6, §2 of the Code of Companies and Associations.

Montea itself has assumed the form of a public limited liability company (*naamloze vennootschap/société anonyme*) and has only one sole director appointed in the articles of association. This Sole Director, Montea Management NV, assumes the form of a public limited liability company (*naamloze vennootschap/société anonyme*) with a monistic board structure.

12.1. Corporate governance statement

12.1.1. Corporate Governance Code 2020 and Corporate Governance Charter

In 2021, the Company and its Sole Director complied with the recommendations of the Belgian Corporate Governance Code 2020 and the legal provisions on corporate governance by applying them mutatis mutandis to the organization of the board in the Sole Director. As the governing body of the Company's Sole Director, it is in fact the board of directors of the Sole Director that decides, as a board, on Montea's values and strategy, its willingness to take risks and its main policies.

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

In 2021 the Corporate Governance Charter of Montea was amended as a result of (i) the amendments imposed by the Code of Companies and Associations, (ii) the change in the legal form of Montea from a Comm. VA to a NV in November 2020, and (iii) the amended dealing code.

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

- In accordance with recommendation 5.6 of the Corporate Governance Code 2020, the term of office of a director should not exceed four years. This rule is departed from with regard to the managing director, Mr Jo De Wolf who was appointed for six years on 17 May 2016. A term of six years instead of four years is justified for this position so as to enable the managing director to implement a long-term strategy. The general meeting of shareholders of 17 May 2022 will be asked to reappoint Mr Jo De Wolf for a renewable period of four years, in line with recommendation 5.6 of the Corporate Governance Code.

- The remuneration of the non-executive directors is not paid partly in the form of shares in the Company, which constitutes a deviation from recommendation 7.6 of the Corporate Governance Code 2020. The aim of this recommendation is to align the interests of the non-executive directors with the long-term interests of the shareholders. As a RREC, Montea aims for a robust profit and dividend per share, in line with the perspective of a long-term shareholder. This strategy is clearly reflected in the growth plan (Track'24) and the ESG strategy, as approved by the members of the Sole Director. Therefore, there is no immediate need to pay these non-executive directors, nor the independent Directors, partly in shares, subject to regular review.

- The Company has not set a minimum threshold in terms of shares to be held by members of executive management as recommended by recommendation 7.9 of the Corporate Governance Code 2020. Montea is of the opinion that this is not required as there is both a share option plan and a share purchase plan in favour of certain members of management appointed by the members of the Sole Director upon recommendation of the remuneration and nomination committee (see section 13.2.3 of this annual financial report).

- The contracts of the executive management do not provide for any claw-back right regarding variable remuneration awarded on the basis of incorrect financial data, which constitutes a deviation from recommendation 7.12 of the Corporate Governance Code 2020. This recommendation will be taken into account when concluding any future contracts with the executive management. Montea does not, however, wish to amend the existing contracts for this specific point.

- Contrary to recommendation 8.7 of the Corporate Governance Code 2020, the Company has not entered into a relationship agreement with one of its major shareholders. As at the date of this annual financial report, Montea's largest shareholder, the De Pauw family, has two representatives on the board of directors, meaning that it is closely involved in Montea's policy. The Company is of opinion that concluding such a relationship agreement is therefore not appropriate at present and will reassess this position annually.

12.2. Description of the internal control and risk management systems

12.2.1. General

The board of directors of the Sole Director is responsible for assessing the risks that are characteristic of the Company and also for assessing the effectiveness of internal auditing.

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

Montea organises the way the Company's internal auditing and risks are managed by:
- defining its audit environment (general legal, financial and operational context);
- identifying and ranking the main risks[65] to which the Company is exposed;
- analysing the extent to which the Company manages these risks.

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

[65] For a description of the material and specific risks, see section 3 (Risk factors).

12.2.2. Audit environment

The main characteristics of the audit environment consist of:

- **The risk culture:** Montea conducts itself responsibly in order to generate steady and recurrent revenue. Montea adopts a cautious approach regarding its investment policy and will avoid any speculative projects.

- **A clear description of the Company's purpose:** Montea is a leading RREC, listed on the stock exchange, which specialises in logistics property. Montea has set itself the aim of building up a diversified property portfolio that generates stable and recurrent income. In doing so, Montea allows itself to be guided by the interests of the logistics world in Belgium, France, the Netherlands and Germany.

- **A definition of the role of the various management bodies:** Montea has a board of directors, an audit committee, a remuneration and nomination committee and three investment committees. The audit committee has the specific task of handling the company's internal auditing and risk management. Montea is assisted by third parties (EY, Deloitte Legal, KPMG, Primexis, ABAB/Meijburg & Co and Bartsch) for accounting and tax matters. These parties only provide support (this is in no way a delegation of management tasks).

- **Company organization:** The Company is organised into various departments through a clear organisation chart. Each persons within the organisation is aware of what powers and responsibilities have been allocated to them.

- **Measures to ensure sufficient capabilities:** The Company ensures to have sufficient skills and capabilities from:

  - the directors: in view of their experience the directors have the skills they need to carry out their mandate, including in the area of accountancy and general financial matters, legal matters and knowledge of the logistics (real estate) market;

  - the executive management and staff: carrying out the various functions within the Company is assured by a recruitment process based on carefully defined employee profiles, an assessment policy and appropriate remuneration based on achievable and measurable objectives, and appropriate training for all positions within the Company

12.2.3. Risk analysis and audit activities

The person, in charge of the company's risk management, draws up a list of all risks that are evaluated by the audit committee twice a year. The material and specific risks are discussed in the chapter on "Risk factors" in this report.
The Company's specific audit processes can be subdivided into the following categories:

- **Audits based on statutory requirements:** Every transaction involving the purchase or sale of property can be traced in terms of origin, the parties involved, the nature of the transaction and the time it was carried out, by using official notarial instruments and other legal documents such as a share purchase agreement.

- **Audits based on internal procedures:**
  - any purchase, sale and lease contract is signed by the permanent representative of the Sole Director;
  - incoming invoices are approved by at least two people (the person responsible and the manager of each department);
  - outgoing payments are approved by at least two people.

- **Audits on financial matters:**
    - wherever needed, the Company is assisted by an external adviser on accounting matters and tax practices;
    - an overview is systematically drawn up of any discrepancies in the actual costs and income, compared with the budget and compared with the actual costs and income of the previous year;
    - ad hoc samples are taken according to their material importance.

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

12.2.4. Financial information and communication

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

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

12.2.5. Monitoring and evaluation of internal audit

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

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

12.3. Administrative, executive and supervisory bodies and management

12.3.1. General

In accordance with the Code of Companies and Associations and its articles of association, Montea is managed by its Sole Director, Montea Management NV (**Montea Management** or the **Sole Director**), a company which itself is represented by its permanent representative, Mr Jo De Wolf. Montea Management NV is appointed as statutory Sole Director for a period until 30 September 2026.

Montea Management is managed by a board of directors that is composed in such a way that Montea can be managed in accordance with article 4 of the RREC Act, and has at least three independent directors within the meaning of article 7:87 of the Code of Companies and Associations *juncto* recommendation 3.5 of the Corporate Governance Code 2020, in accordance with the provisions of the RREC Act and the RREC Royal Decree.

The structure of Montea and its Sole Director is transparent. This means that all the rules of the RREC Act and the RREC Royal Decree apply to its governing body, the Sole Director, and to the Sole Director's directors.

To that end, Montea has extended the corporate governance principles to the directors of the Sole Director.

Montea's corporate governance structure can be shown diagrammatically as follows:

- **the management bodies, on two levels:**
  - the Sole Director, Montea Management NV, represented by its permanent representative, Mr Jo De Wolf;
  - the board of directors and the individuals to whom the day-to-day management of Montea Management NV is entrusted;

- **the supervisory bodies:**
  - internal: supervision of the day-to-day management by the effective leaders, supervision by the compliance officer and the person tasked with the risk management of the company and the person tasked with the internal audit;
  - external: the auditors and the FSMA.

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

12.3.2. Board of directors

12.3.2.1. Appointment – qualification requirements – composition

Appointment

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

The members of the board of directors are all natural persons. The directors are in principle appointed for a maximum period of four years, but, contrary to recommendation 5.6 of the Belgian Corporate Governance Code 2020, this limit may be waived in order to make a certain rotation possible within the board.

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

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

Prior to any new appointment, an evaluation is made of the skills, knowledge and experience already present on the Board and for which there remains a need. This ensures the necessary diversity and complementarity of the diverse backgrounds and skills of the directors. A profile of the required role is detailed.

Non-executive directors are made aware of the extent of their duties at the time of their candidacy nomination.

Qualification requirements

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

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

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

In accordance with article 13 of the RREC Act, at least three directors must be independent within the meaning of Article 7:87 of the RREC Act in conjunction with recommendation 3.5 Corporate Governance Code 2020. At present, the following directors meet these independence criteria:

- Ciska Servais[66];
- Sophie Maes;
- Philippe Mathieu;
- Koen Van Gerven[67];
- Barbara De Saedeleer[68].

Composition

The board of directors consists of seven members composed as follows as at 31 December 2021:[69]

Name	Capacity/Position	Commencement of first term of mandate	End of term of mandate
Dirk De Pauw	Executive director and, as of 1/10/2014, chairman of the board of directors	01/10/2006	20/05/2025
Jo De Wolf	Executive director, Chief Executive Officer (CEO)	30/09/2010	17/05/2022
Peter Snoeck	Non-executive director	01/10/2006	20/05/2025
Philippe Mathieu	Independent, non-executive director	15/05/2018	20/05/2025
Sophie Maes	Independent, non-executive director	03/10/2013	17/05/2022
Barbara De Saedeleer	Independent, non-executive director	18/05/2021	21/05/2024
Koen Van Gerven	Independent, non-executive director	18/05/2021	21/05/2024

[66] Until 18 May 2021.
[67] Since 18 May 2021.
[68] Since 18 May 2021.
[69] Jean-Marc Mayeur, Greta Afslag and Ciska Servais were members of the board of directors until 18 May 2021.

The general meeting of shareholders of Montea Management NV on 17 May 2022 will be asked to:

- extend the term of office of Jo De Wolf as executive director by four years until the annual general meeting of shareholders of 16 May 2026;
- appoint a new female independent non-executive director for a term of three years until the annual general meeting of shareholders of 2025, to replace Sophie Maes whose mandate expires.

Since 18 May 2021, the board of directors has been composed of seven members, two of whom are women.

Curricula Vitae

A concise curriculum vitae of each of the directors and the effective leaders is provided below together with an indication of the other remits as member of the administrative, management or supervisory bodies in other companies during the past five years (with the exception of the perimeter companies of the Company).

Dirk De Pauw

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

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

a) Mandates that expired in the last five years: until 29 February 2020 Dirk De Pauw was the effective leader of Montea in accordance with Article 14 of the RREC Act. Until December 2021, Dirk De Pauw was a director of Project Planning Degroote CV, as the permanent representative of DDP Management BV.

b) Current mandates:

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

He is been managing director of NV CLIPS (since 1982), NV K& D Invest (since 2006) and Fadep NV (since 2018). In addition, he is a director in Tack Buro BV (since 2020).

Jo De Wolf

Executive director and CEO – Effective leader
Start of term of mandate: 30/09/2010 – Reappointed until 17/05/2022

Jo De Wolf, born in 1974, holds a Master's degree in Applied Economics from KU Leuven, an MBA from the Vlerick Leuven Ghent Management School and pursued the Master's Real Estate program at the KU Leuven.

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

b) Current mandates:

Jo De Wolf is executive director and managing director of the Sole Director. He has also been appointed effective leader of Montea in accordance with article 14 of the RREC Act.

In addition, he has been a director of non-profit association BVS-UPSI VZW (Professional association of the real estate sector) since May 2011. Since December 2016, he has been a director of Good Life Investment Fund CV.

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

Jimmy Gysels
Effective leader
Start of term of mandate: 1 March 2020

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

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

b) Current mandate:

Jimmy Gysels has been effective leader of Montea since 1 March 2020 in accordance with article 14 of the RREC Act.

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

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

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

b) Current mandates:

Peter Snoeck was an executive director of the Sole Director from 2006 to 2018. Since 2018, he has been a non-executive director. Peter Snoeck is also a director of DBS-projects NV, DPCo NV and Immo-Lux NV.

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

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

a) Mandates that expired in the last five years:

ECS Corporate NV, Arkafund NV, Arco Information NV and Papillon d'Or NV.

b) Current mandates:

Philippe is an independent non-executive director with the Sole Director and also chairman of the audit committee. As permanent representative of Sobelder NV, he is also chairman of the board of directors of ECS Corporate NV and Invale NV. As permanent representative of ECS Corporate NV, he is also chairman of the board of directors of ECS European Containers NV, ECS Technics BV and 2XL NV. Finally, he is vice-chairman of the board of directors of De Warande VZW and managing director of Sobelder NV.

Sophie Maes
Independent, non-executive director
Start of term of mandate: 03/10/2013 - Reappointed until 17/05/2022

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

a) Mandates that expired in the last five years:

- In her own name:

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

- On behalf of Insumat NV:

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

b) Current mandates:

- In her own name:

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

- On behalf of Insumat NV:

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

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

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

a) Mandates that expired in the last five years: Independent non-executive director at Befimmo SA, and chairman of the board at Mithra Pharmaceuticals SA (where she was also a member of the audit committee).

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

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

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

a) Mandates that expired in the last five years:

Director mandates at International Post Corporation (until 2019), bpost NV (also CEO, until 2020), Voka VZW (until 2020), VBO-FEB VZW (until 2020) and Certipost NV (until 2020).

b) Current mandates: Koen has been an independent non-executive director with the Sole Director since 18 May 2021.

In addition, Koen is an independent non-executive director at: ING Belgium NV (also chairman of the audit committee and member of the nomination xommittee), SDworx NV (also member of the audit committee), WorxInvest NV (also chairman of the audit committee), Universitair Ziekenhuis Gasthuisberg (also member of the remuneration committee), Z.org Kuleuven VZW (also member of the audit committee), Algemeen Ziekenhuis Diest VZW (also chairman of the board of directors and chairman of the remuneration committee) and Plexus Ziekenhuis Netwerk VZW.

Jean-Marc Mayeur
Non-executive director
Start of term of mandate: 15/05/2012 – End of term of office: 18/05/2021

Jean-Marc Mayeur, born in 1970, has a degree in Commercial Engineering (Solvay Business School - ULB).

a) Mandates that expired in the last five years: Retail Estates NV.

b) Current mandates:

Since May 2012, as Chief Investment Officer, he has represented the Federal Insurance as a non-executive director of Montea. This mandate expired on 18 May 2021 and has not been renewed.

Since 2012, he has also been a director of several real estate subsidiaries that invest in student housing and in retirement homes, which merged into Federale Real Estate Investment Management SA in 2017. He is also a director of The Hype since 2017, a joint venture between Federale Real Estates and Eaglestone and of LEAPPP since 2017, a joint venture between Federale and Willemen. Since 2018, he has also been a director of The Artist (joint venture with Eaglestone Group), Senior Island NV (Federale real estate subsidiary in Belgium) and Rosenstein NV (Federale real estate subsidiary in Luxembourg). His other directorships are at Kampoos SA, UGC Real Estate SA, ESCH 404 Sàrl, Campus Koekelberg SA, Moneytrans SPRL and FSA Holding NV.

Ciska Servais
Independent, non-executive director
Start of term of mandate: 21/05/2013 – End of term of office: 18/05/2021

Ciska Servais, born in 1965, holds a Master's degree in Law, a Master's degree in International Legal Cooperation and a special degree in Environmental Sciences.

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

b) Current mandates:

Non-executive director with the Sole Director until 18 May 2021. In addition, Ciska holds directorships with CFE NV (listed company), Astrea CV (law firm) and Symbiosis (Public Benefit Foundation).

Greta Afslag
Non-executive director
Start of term of mandate: 16/05/2017 – End of term of office: 18/05/2021

Greta Afslag, born in 1962, holds a Master's degree in Applied Economics from the KU Leuven.

a) Mandates that expired in the last five years: director of Belins, investment company.

b) Current mandates: Non-executive director with the Sole Director until 18 May 2021. In addition, Greta is director at VDL Interass, Immo Saint Michel, Immo Zeedrift and Philadelphius.

12.3.2.2. Mission

Montea Management NV, as sole director, acts in the exclusive interest of Montea. In this context, the mission of the board of directors of Montea Management NV comprises the following tasks in particular:

- defining the strategy of Montea in the medium and long term, the risk profile and in particular the sectors and the geographical area of activity in line with the relevant legal requirements;
- approving the operational plans and main policies developed by the executive management to implement the approved strategy of the Company;
- approving major investment decisions in line with legal requirements;
- determining the Company's readiness to take risks in order to achieve the Company's strategic objective;
- monitoring and approving the periodic financial information;
- supervising the executive management, in particular in the light of the monitoring of the strategy;
- approving the information to be disseminated to the public;
- proposing profit appropriation;
- appointing the independent real estate experts within the meaning of the RREC Act;
- approving the internal audit and risk management framework and assessment of the implementation of this framework;
- reviewing the Company's compliance with applicable laws and other regulations, as well as the application of internal guidelines in this respect;
- approving and annually reviewing the Code of Conduct which sets out the expectations for the leadership of the Company and for the employees with regard to responsible and ethical behaviour and also supports the Company's strategy;
- engaging with (potential) shareholders through appropriate investor relations programmes;
- deciding on the powers that are to be entrusted individually or collectively to the CEO and/or other members of the executive management and on a clear delegation policy;
- drawing up a remuneration policy of the Company for non-executive directors and the executive management, taking into account the general remuneration framework of the Company;
- drawing up and annually evaluating a succession plan for each member of the executive management and each member of the board of directors;
- deciding on the remuneration of the members of the executive management (incl. CEO) after advice from the remuneration and nomination committee and annually evaluating the performance of the members of the executive management and the achievement of the Company's strategic objectives against the agreed performance criteria and targets;
- being available for advice to the executive management, also outside meetings;

- supporting the executive management in the performance of its duties, but also being prepared to challenge the executive management in a constructive manner whenever this is appropriate;
- the other tasks expressly assigned to the statutory manager by the articles of association or by law.

12.3.2.3. Activity report of the board of directors

In 2021, the board of directors met five times and held three telephone meetings. The directors were present as indicated in the table below:

Name	Title	Attendance 2021 (physically and by conference call)[70]
Dirk De Pauw	Chairman and executive director	8/8
Jo De Wolf	Managing director	8/8
Philippe Mathieu	Independent, non-executive director	8/8
Peter Snoeck	Non-executive director	7/8
Sophie Maes	Independent, non-executive director	8/8
Barbara De Saedeleer (as from 18.05.2021)	Independent, non-executive director	4/4
Koen Van Gerven (as from 18.05.2021)	Independent, non-executive director	4/4
Ciska Servais (until 18.05.2021)	Independent, non-executive director	4/4
Greta Afslag (until 18.05.2021)	Non-executive director	4/4
Jean-Marc Mayeur (until 18.05.2021)	Non-executive director	3/4

Matters dealt with at the meetings of the Board of directors included the following:

- consideration and discussion of the reports of the remuneration and nomination committee;
- consideration and discussion of the reports from the audit committee;
- consideration and discussion of the reports of the investment committees;
- deliberations and decisions regarding investments and disinvestments on the advice of the investment committees;
- deliberation and decision regarding the quarterly, half-yearly and annual consolidated and statutory financial statements, the growth plan (Track'24) and press releases;
- deliberation and decision regarding the ESG report;
- deliberation and decision regarding the US private placement of bonds;
- discussion and approval of the annual budget;
- evaluation and follow-up of the defined strategy;
- the Covid-19 impact;
- renewal of statutory authorizations and organization of an extraordinary general meeting;
- deliberation and decision on capital increase in the context of the optional dividend on 18 May 2021;
- reappointment of statutory auditor and internal auditor;
- succession of property management;
- perusal and discussion of the proposed remuneration policy, share option plans and share purchase plans;
- reappointment of the real estate expert;
- deliberation and approval of the Corporate Governance Charter, trading rules, code of conduct and environmental policy.

[70] 3 of the 8 board meetings were organized via videoconference. In line with the remuneration policy, no attendance fees were paid for such meetings.

12.3.2.4. Functioning of the board of directors

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

- the audit committee;
- the remuneration committee, which also acts as a nomination committee due to the limited size of the Company; and
- three investment committees (Internal, Dutch and French).

The board of directors reviews the effectiveness of its committees.

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

Individual directors and the committees may at all times request (legal advisers, tax advisers, etc., in accordance with article 3.5.3 of Montea's Corporate Governance Charter) via the Chairman of the board of directors at the Company's expense.

In the autumn of 2021, a secretary general was appointed to support the board of directors and its committees in accordance with article 4 of Montea's Corporate Governance Charter.

12.3.2.5. Chairman of the board of directors

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

The position of Chairman cannot be combined with that of CEO.

The Chairman has the particular task to:

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

12.3.2.6. Professional development of directors

The professional development of directors is guaranteed by:

- on the one hand, the personal development of each director in their own field of expertise by attending various seminars and the change in the property market;
- and on the other, by the organisation of various in-house trainings and seminars.

In 2021, Montea held informal training sessions on, among other things, the evolution of the logistics property market and the new company legislation and global interest evolutions.

12.3.2.7. Evaluation of directors

The directors are evaluated at different levels:

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

The board of directors is supported in this by the remuneration and nomination committee and, if needed, also by external experts.

The contribution of each director is evaluated individually each year by the remuneration and nomination committee, so that the composition of the board of directors could be adjusted if circumstances should change. In case of reappointment, the director's contribution is evaluated on the basis of a predetermined and transparent procedure.

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

12.3.3. Committees of the board of directors

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

12.3.3.1. Audit committee

Composition of the audit committee

The audit committee was set up in accordance with Article 7:99 of the Code of Companies and Associations effective as of 1 January 2009 and assists the board of directors in fulfilling its supervisory role regarding the internal and external audit in the broadest sense.

In 2021, the audit committee was composed of the following directors:

- Jean-Marc Mayeur, non-executive director (until 18 May 2021);

- Philippe Mathieu, chairman of the audit committee, non-executive and independent director;
- Sophie Maes, non-executive and independent director;
- Barbara De Saedeleer, non-executive and independent director (as from 18 May 2021); and
- Koen Van Gerven, non-executive and independent director (as from 18 May 2021).

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

- Philippe Mathieu has in particular relevant experience as chairman of the board of directors and audit committee of ECS Corporate NV and (former) member of several executive committees.
- Sophie Maes has in particular relevant experience as CEO of the various companies within the Maes Group.
- Barbara De Saedeleer has in particular relevant experience as regional director Corporate Banking Oost-Vlaanderen, Group Treasury Manager and member of the executive committee at Omega Pharma NV, Chief Investments and Operations Officer at Ghelamco NV and independent non-executive director at Beaulieu International Group NV where she is also chairman of the audit committee.
- Koen Van Gerven's relevant experience includes being CEO at bpost and independent non-executive director at, inter alia, SDworx NV, WorxInvest NV, Universitair Ziekenhuis Gasthuisberg, Algemeen Ziekenhuis Diest and ING Belgium NV. He is also chairman of the audit committee of WorxInvest NV and ING Belgium NV.

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

Mission of the audit committee

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

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

In addition, the recommendation to appoint (or renew an appointment) of the statutory auditor made by the board of directors at the general meeting of shareholders can only be made upon proposal by the audit committee.

The audit committee reports, after each meeting, to the board of directors on the performance of its duties, and at least when the board of directors drafts the annual account and the consolidated annual account, and, as the case may be, the shortened financial summary intended for publication.

Audit committee activity report

In 2021, the audit committee met six times. The members were present as indicated in the table below:

Name	Title	Attendance in 2021 (physically and by conference call)[71]
Phillippe Mathieu	Independent, non-executive director and Chairman	6/6
Sophie Maes	Independent, non-executive director	6/6
Barbara De Saedeleer (as from 18.05.2021)	Independent, non-executive director	3/3
Koen Van Gerven (as from 18.05.2021)	Independent, non-executive director	3/3
Jean-Marc Mayeur (until 18.05.2021)	Non-executive director	2/3

The following matters in particular were discussed:

- discussion of the quarterly, half-yearly and annual consolidated and statutory financial statements;
- discussion of the financing and hedging strategy;
- follow-up of FBI status;
- discussion of the optional dividend;
- discussion of the annual budget;
- discussion of the annual financial figures audited by the statutory auditor;
- discussion of risk factors;
- discussion of internal audit (including follow-up of outstanding issues and internal audit plan for 2022-2023);
- discussion of the reappointment of the statutory auditor;
- presentation of follow-up points and covenants under the Note Purchase Agreement in the context of the US private placement of bonds;
- presentation of follow-up points for the Green Finance Framework.

The auditor was present at three of the meetings. The above items were also discussed with the CEO and the CFO at all meetings.

Evaluation of the audit committee

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

- experience in the field of accounting and auditing;
- experience in sitting on other audit committees;
- experience in the analysis, audit and monitoring of financial, legal and business risks.

The evaluation of the members and operation of the audit committee is done on a permanent basis (i) both by colleagues and (ii) by the full board of directors. If someone has questions regarding the contribution of a fellow colleague/member, he can discuss this with the chairman of the board of directors. The chairman can then, at his discretion, take the necessary steps.

[71] Attendance fees were paid for all 6 meetings of the audit committee.

12.3.3.2. Remuneration and nomination committee

Composition of remuneration and nomination committee

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

In 2021, the remuneration and nomination committee consisted of the following members:

- Ciska Servais, non-executive, independent director (until May 18, 2021);
- Sophie Maes, non-executive, independent director;
- Philippe Mathieu, non-executive, independent director;
- Barbara De Saedeleer, non-executive, independent director (as from May 18, 2021).

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

- Sophie Maes has in particular relevant experience as CEO of the various companies within the Group Maes.
- Ciska Servais has relevant experience as a member and chairman of the remuneration committee of CFE SA.
- Barbara De Saedeleer has in particular relevant experience as regional director Corporate Banking Oost-Vlaanderen, Group Treasury Manager and member of the executive committee at Omega Pharma NV, Chief Investments and Operations Officer at Ghelamco NV and independent non-executive director at Beaulieu International Group NV.
- Philippe Mathieu's relevant experience includes being chairman of the board of directors and the remuneration and nomination committee of ECS Corporate NV and (former) member of various executive committees.

Tasks of the remuneration and nomination committee

The remuneration and nomination committee performs the following tasks:

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

Remuneration and nomination committee activity report

The remuneration and nomination committee met seven times [72] in 2021. The members were present as set out in the below table:

Name	Title	Attendance 2021 (physically or by conference call)[73]
Ciska Servais (until 18.05.2021)	Independent, non-executive director	2/2
Sophie Maes	Independent, non-executive director	7/7
Philippe Mathieu	Independent, non-executive director	7/7
Barbara De Saedeleer (as from 18.05.2021)	Independent, non-executive director	5/5

The following matters were discussed:

- discussion and preparation of a remuneration policy;
- discussion and preparation of the 2021 remuneration report;
- discussion and preparation of the adjusted remuneration report;
- discussion and evaluation of the global human resources policy;
- discussion of the status of and renewal of offerings under the stock option plan and the share purchase plan;
- discussion and preparation of the remuneration policy for employees and executive management;
- discussion of the (re)appointment of the directors in 2022;
- discussion of adjustments to the corporate governance charter;
- discussion of the remuneration of members of the executive management;
- discussion of the Long-Term Incentive Plan for business development in the Netherlands.

The CEO and CFO attend the meetings of the remuneration and nomination committee when the latter discusses the objectives and remuneration of the executive management and personnel, whereby they leave the meeting when their performance and/or remuneration is being discussed.

Evaluation of the remuneration and nomination committee

The functioning of the remuneration and nomination committee is evaluated by means of the following criteria:

- experience in the field of personnel management, remuneration policy and remuneration systems;
- experience in sitting on other remuneration committees.

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

12.3.3.3. Investment committees

Composition of the investment committees

Three investment committees have been set up in Montea, which are responsible for preparing investment

[72] In 2021, the remuneration and nomination committee met more often than usual given that a number of important decisions in this area had to be discussed during this year: the appointment of a new independent non-executive director, new LTIP for executive management and adjustments to the HR organisation chart to accommodate Montea's growth.
[73] 1 of the 7 meetings of the remuneration and nomination committee was held by written decision. In line with the remuneration policy, no attendance fee was paid for this meeting.

and disinvestment dossiers for the board of directors. The investment dossiers for the Netherlands and France are handled in the Investment Committee Netherlands and the Investment Committee France respectively. The investment files for the other countries where Montea is active are handled in the Internal investment committee.

The investment committees consist of the members of the executive management, supplemented with one or more non-executive directors and one or more external persons.

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

- DDP Management BV, represented by Dirk De Pauw, chairman of the investment committee;
- Jo De Wolf, Chief Executive Officer (CEO);
- Elijarah BV, represented by Els Vervaecke (CFO);
- PDM GCV, represented by Peter Demuynck (CCO);
- HOAM B.V., represented by Hylcke Okkinga (Director Netherlands) - replaced as from August 2021 by BrightSite B.V., represented by Hylcke Okkinga and Cedric Montanus (Directors the Netherlands);
- Gerhard Mannsperger and Domenique Mannsperger (IMPEC);
- PSN Management BV, represented by Peter Snoeck.

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

- DDP Management BV, represented by Mr. Dirk De Pauw, chairman of the investment committee;
- Jo De Wolf, Chief Executive Officer (CEO);
- Elijarah BV, represented by Els Vervaecke (CFO);
- Gilles Saubier;
- SAS Casamagna, represented by Mr. Laurent Horbette.

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

- DDP Management BV, represented by Dirk De Pauw, chairman of the investment committee;
- Jo De Wolf, Chief Executive Officer (CEO);
- Elijarah BV, represented by Els Vervaecke (CFO);
- PDM GCV, represented by Peter Demuynck, Chief Commercial Officer (CCO);
- HOAM B.V., represented by Hylcke Okkinga (Director Netherlands) - replaced as from August 2021 by BrightSite B.V., represented by Hylcke Okkinga and Cedric Montanus (Directors the Netherlands);
- PSN Management BV, represented by Peter Snoeck;
- ADK Invest BV, represented by Ard De Keijzer;
- Rien MTMA, represented by Rien van den Heuvel.

Tasks investment committees

The investment committees are responsible for the preparation of investment and divestment files for the board of directors. They also follow the negotiations with the various counterparties of Montea. These negotiations are mainly related to the acquisition (in any form) and the divestment of property, the conclusion of major lease agreements and/or acquisitions of property companies.

The creation and advice of the investment committees in no way affects the decision-making powers of the board of directors which remains responsible and can decide alone about investments.

Investment committee activity report

In 2021, the investment committee Internal met three times. The members were present as indicated in the table below:

Name	Title[74]	Attendance in 2021 (physically and by conference call)[75]
DDP Management BV, represented by Dirk De Pauw	Chairman	3/3
Jo De Wolf	Member	3/3
Elijarah BV, represented by Els Vervaecke	Member	3/3
PSN Management BV, represented by Peter Snoeck	Member	3/3
PDM GCV, represented by Peter Demuynck	Member	3/3
HOAM B.V., represented by Hylcke Okkinga (until August 2021)	Member	2/3
BrightSite B.V., represented by Hylcke Okkinga en Cedric Montanus (since August 2021)	Member	1/3
Gerhard Mannsperger en Domenique Mannsperger (IMPEC)	Member	2/3

In 2021, the investment committee the Netherlands met four times. The members were present as indicated in the table below:

Name	Title	Attendance in 2021 (physically and by conference call)
DDP Management BV, represented by Dirk De Pauw	Chairman	4/4
Jo De Wolf	Member	4/4
Elijarah BV, represented by Els Vervaecke	Member	4/4
PSN Management BV, represented by Peter Snoeck	Member	4/4
PDM GCV, represented by Peter Demuynck	Member	4/4
HOAM B.V., represented by Hylcke Okkinga (until August 2021)	Member	2/4
BrightSite B.V., represented by Hylcke Okkinga en Cedric Montanus (Since August 2021)	Member	2/4
Ard De Keijzer	Member	3/4
Rien van den Heuvel	Member	4/4

In 2021, the investment committee France did not formally meet. Ongoing and (des)investment files in France were discussed during the Internal investment committee.

[74] The only directors and members of the executive management who receive compensation in connection with the investment committees in accordance with the remuneration policy are Peter Snoeck (via PSN Management BV) as a member of the Internal investment committee and the investment committee the Netherlands and Dirk De Pauw (via DPP Management BV) as chairman of all investment committees.

[75] On 28 April 2021, both the investment committee Internal and investment committee the Netherlands held meetings. Only one attendance fee was paid for both meetings.

12.3.4. Executive management and day-to-day management

12.3.4.1. Composition of executive management, day-to-day management and effective leaders

In view of the further growth of Montea, in the beginning of 2020, the board of directors of the Sole Director decided to reorganize its management on the basis of the different countries in which it is active. As of this year, there are three country managers for Belgium, France and the Netherlands who report to the executive management consisting of the CEO, CFO and the CPM.

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

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

The executive management is assisted by the various country directors:

- for Belgium: PDM GCV, represented by Peter Demuynck (CCO).
- for the Netherlands: BrightSite B.V., represented by Hylcke Okkinga and Cedric Montanus (directors Netherlands).
- for France: The local team in France was managed by the executive management.

No country director for Germany has yet been appointed on the date of this annual financial report. As the portfolio in Germany grows, a local team with country director will be put together.

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

12.3.4.2. Tasks of the executive management

The executive management is tasked in particular with:

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

The executive management committee is charged in particular with the management of property, the financing policy, the overall management of staff and the HR policy, the preparation of all statutorily required financial and other information and the reporting and distribution of all required information to the public or competent authorities.

12.3.4.3. Operation of the executive management

The executive management works closely together and in constant consultation. When the executive management does not reach an agreement, the decision is left to the board of directors.
The executive management meets weekly. The agenda items of these meetings are, inter alia, the operational decisions regarding the daily management, the status of current projects and leases and evaluation of new projects under study.

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

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

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

12.3.4.4. Evaluation of the executive management

The executive management is evaluated by the board of directors on the basis of performance and objectives.

12.3.4.5. Audit – Internal supervision – Supervision of the executive management

The supervision of the executive management is the responsibility of the full board of directors of the Sole Director.

12.3.5. Diversity policy

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

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

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

12.3.6. Other functions involved

12.3.6.1. Compliance officer

Compliance is an independent function within Montea. It focuses on investigating and encouraging compliance by Montea of the rules relating to its business.
The rules relating to compliance and integrity are included in the function of the compliance officer. The independent compliance function resides with Montea's Chief Property Manager Jimmy Gysels.

The compliance officer is charged with investigating and encouraging compliance by the company of the rules relating to the integrity of its business activities. The rules cover the requirements that arise from the company's policy and its status, as well as other statutory and regulatory requirements. It therefore relates to part of the corporate culture in which emphasis is placed on honesty and integrity, compliance with high ethical standards in conducting business, and compliance with the applicable regulations. Hence the compliance officer is also charged with supervising compliance with the rules on market abuse, such as those imposed by the Act of 2 August 2002 relating to supervision of the finance sector and financial services, Regulation (EU) 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse. The compliance officer is also charged with supervising compliance with the rules regarding conflicts of interest, as set out in section 11 of Montea's corporate governance charter with regard to the incompatibility of mandates.

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

12.3.6.2. Person in charge of the company's risk management

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

The awareness of risks in its internal and external environment is demonstrated on various levels by the Company to its staff by setting a good example at the top, as well as through the corporate governance charter, in other words the corporate culture.

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

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

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

12.3.6.3. Internal audit

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

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

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

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

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

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

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

12.3.6.4. Person in charge of the financial service

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

The execution of this financial service entailed a total cost of €27,011.29 (exclusive of VAT) in 2021. This fee includes both a fixed fee per year and a variable fee per distributed dividend for the non-nominative shares.

12.3.6.5. Research and development activities

Montea has no research and development activities.

12.4. Conflict of interests

12.4.1. Code of Companies and Associations

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

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

In the course of the 2021 financial year, the board of directors had to apply the procedure provided for in article 7:96 *juncto* article 7:102, §1 (2) of the Code of Companies and Associations twice and did not have to apply the procedure provided for in article 7:97 of the Code of Companies and Associations.

Excerpt from the minutes of the board of directors' meeting on 8 February 2021

*"**Reporting of conflicts of interest***

The Chairman asked the persons with a possible conflict of interest to report it accordingly.

The following directors declared that they had a direct or indirect interest of a financial nature which conflicted with a decision that falls under the competence of the board of directors:
Jo De Wolf declared that he has a conflict of interest with regard to agenda item 3.b. concerning the evaluation and remuneration as in this context there will be a deliberation and decision concerning his evaluation and variable remuneration for FY2020 as well as his target bonus for 2021.

Philippe Mathieu, Ciska Servais and Sophie Maes declared that they had a conflict of interest with regard to agenda item 3.c.v. as this concerns the remuneration of the independent directors and they are all independent directors.

Pursuant to article 7:96 of the Code of Companies and Associations, the directors concerned cannot participate in the deliberation or decision and these minutes must contain the following entries: nature of the transactions, justification of the decisions taken, the financial consequences of the transactions for the Company. These entries are included above and in agenda item 3.

The statutory auditor of Montea will be notified of this conflict of interest.

(...)

Pursuant to article 7:96 of the Code of Companies and Associations, Jo De Wolf left the meeting. Els Vervaecke also left the meeting.

The board of directors took note of the evaluation of Jo De Wolf by the remuneration and nomination *committee, including the proposal for the variable remuneration to be granted for 2020 and the proposal for the fixed and variable remuneration for 2021.*

DECISION: The board of directors approves the proper evaluation of Jo De Wolf and made the following decisions regarding Jo De Wolf's remuneration:
- As Jo De Wolf has reached his targets for 2020, the board of directors decided to grant 100% of his target variable remuneration, which amounts to EUR 220,000
- The board of directors approved the indexation of Jo De Wolf's fixed remuneration as of 1 January 2021, bringing it to EUR 667,000
The board of directors considered that an adequate remuneration of the CEO is in the interest of the company.

Jo De Wolf rejoins the meeting of the board of directors.

(...)

Philippe Mathieu, Ciska Servais and Sophie Maes left the meeting.

The board of directors noted the study by Korn Ferry concerning the remuneration of non-executive directors, including a peer comparison. Based on this study, the following remuneration was proposed for the independent directors with effect from 2021.

Nothing will change for the non-independent, non-executive directors.

DECISION: The board of directors considered that an adequate remuneration of the independent directors is in the interest of the company and decided to approve the proposed remuneration for independent directors effective from 2021.

Philippe Mathieu, Ciska Servais and Sophie Maes rejoin the meeting.

Excerpt from the minutes of the board of directors' meeting on 28 October 2021

***"Reporting of conflicts of interest**:*

The Chairman asked the directors to notify him of any possible conflict of interest with respect to the items on the agenda for this meeting.

Jo De Wolf declared that he had a direct or indirect interest of a proprietary nature which conflicted with a decision that falls under the competence of the board of directors, since the board of directors would discuss the approval of a stock option scheme in agenda items 6 and 7.

Under this stock option plan, a number of options would be granted to certain employees and members of the Montea management, including Jo De Wolf. More specifically it is proposed to grant Jo De Wolf 2,500 options whereby the exercise price will be determined in accordance with the plan (i.e. the exercise price will be equal to the lower amount of (i) the closing price of the Montea share on the stock exchange day preceding the day of the offer, and (ii) the average closing price of the Montea share during 30 calendar days preceding the day of the offer).

As Jo De Wolf is both a director of the company and a beneficiary under the option plan, he has an interest of a financial nature that is contrary to the aforementioned decision of the board of directors.

Pursuant to article 7:96 of the Code of Companies and Associations, Jo De Wolf cannot take part in the deliberation or decision and these minutes must contain the following entries: nature of the transactions, justification of the decisions taken, the financial consequences of the transactions for the Company. These entries are included above and in agenda item 6.a.i.

The statutory auditor of Montea will be informed of this conflict of interest.

(...)

6.a. Long Term Incentive Plan (LTIP)

Jo De Wolf left the meeting prior to the discussion of this agenda item 6.a. i.

i. Management and Employees - Share Option Plan 2021

The proposal to offer the Belgian employees new stock options on 22 December 2021 through a new 2021 Stock Option Plan was noted (management members: 2,500 stock options each; other employees: 500 stock options each).

As regards the 2020 Stock Option Plan, each beneficiary (except for one employee) had accepted the offered stock options. The terms of the new 2021 Stock Option Plan are quasi-identical to those of the 2020 Stock Option Plan except for the following elements:

- The new plan is restricted to employees who have been working at Montea for at least six months; and
- In the new plan, only the days of actual employment are taken into account when calculating the number of stock options that are retained pro rata by a Type C Leaver (unless the executive management decides otherwise).

There is also the intention to approve a new offer under the Share Purchase Plan 2020 in early 2022, this will be discussed at the next remuneration and nomination committee to be held in February 2022. It is noted that the interest in the initial offering under the Share Purchase Plan 2020 was somewhat less because of the pre-financing required here.

The question arose as to whether in the context of the ongoing stock option and share purchase plans, the purchase of own shares should be started now. The management is examining the various possibilities in this regard, on the understanding that preference is given to a purchase of own shares via an OTC transaction.

DECISION: The board of directors decided unanimously to approve the 2021 Stock Option Plan and to offer stock options (with an exercise price determined in accordance with the 2021 Stock Option Plan) to eligible members of management and employees.

Jo De Wolf rejoins the meeting after discussion and decision on this agenda item 6 .a. i."

12.4.2. RREC Act

Pursuant to article 37 of the RREC Act, the FSMA has to be informed when any benefit is gained in a transaction by certain parties referred to in this article. The Company must show the importance of the planned transaction, as well as the fact that the planned transaction falls within the normal course of its corporate strategy. These transactions must be carried out at market conditions and must be disclosed immediately. Pursuant to article 49, §2 of the RREC Act, the fair value, as established by the real estate expert, will be the maximum price in a transaction with the parties referred to in article 37, when the Company acquires real estate, or the minimum price when the company disposes of real estate. Furthermore, these transactions must be explained in the annual report.

In the course of the financial year, the Company carried out the capital increase within the framework of the authorised capital by means of optional dividend with application of article 37 of the RREC Act. Under the aforementioned alteration of the articles of association, there was a possible conflict of interest on the part of the following persons because they (could) act as counterparties to this transaction or (could) possibly derive financial benefit therefrom:

- Montea Management, as Sole Director;
- Dirk De Pauw, as director of the Sole Director;
- Jo De Wolf, as director of the Sole Director and effective leader;
- Peter Snoeck, as director of the Sole Director;
- Jimmy Gysels, as effective leader;
- The reference shareholder: De Pauw family.

There are no significant arrangements and/or agreements with major shareholders, customers, suppliers or other persons on the basis of which persons were selected as members of the administrative, management or supervisory bodies or as members of senior management.

There are no potential conflicts of interest between Montea, on the one hand, and the members of the administrative, management or supervisory bodies and the members of the executive management, on the other on 31 December 2021 (other than those mentioned in this financial report.

There are no further details about any restrictions to which the members of the administrative, management or supervisory bodies and the members of the executive management have agreed with regard to the disposal of the securities they hold in Montea within a certain period of time.

12.5. Family ties between shareholders, directors and effective leaders

There are no known regulations which could entail a change in control of the issuing institution if they were to be triggered.

De Pauw Family

The De Pauw family consists of:

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

Based on the notifications received by Montea within the framework of the transparency regulations, they hold, on 31 December 2022, 12,66% of the voting rights of Montea. The De Pauw family acts through mutual consultation. This can be derived from the notifications to the FSMA. This information is also available on the website of Montea.

As already mentioned, Mr Dirk De Pauw is the executive director and chairman of the board of directors of the Sole Director. Peter Snoeck, the spouse of Dominika De Pauw, is a non-executive director

12.6. Statement of the board of directors of the Sole Director

The board of directors of the Sole Director of Montea declares that:

- In the course of the previous five years:
  - (i) no director or member of the executive management was convicted of fraud;
  - (ii) no director or member of the executive management, in his capacity of member of the administrative, management or supervisory body, was involved in a bankruptcy, moratorium or dissolution;
  - (iii) no director or member of the executive management has been charged with an offence and/or been subject to an official public nomination sanction by a statutory or regulatory authority; and
  - (iv) no director or member of the executive management has been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer of financial instruments or from acting in the management or conduct of the affairs of any issuer or in the management or conduct of the affairs of any issuer.

- No contract of employment has been concluded with the directors or members of the executive management that provides for the payment of compensation at the end of the contract. There is a management contract between Montea Management NV and some directors and members of the executive management that provides for the payment of an indemnity.

- They are not aware of the fact that the directors or members of the executive management do or do not hold shares in Montea as at 31 December 2021, with the exception of Dirk De Pauw, DDP Management BV, permanently represented by Dirk De Pauw, Jo De Wolf, Peter Snoeck, PSN Management BV permanently represented by Peter Snoeck, Els Vervaecke, Elijarah BV permanently represented by Els Vervaecke, Jimmy Gysels and Koen Van Gerven.

- No options have been granted on the Montea shares to date, with the exception of options granted to some members of the executive management and certain members of personnel.[76]

[76] For more information, see section 13.2.3.

13. Remuneration Report

This remuneration report pertains to all remuneration of the directors and members of the executive management that was granted during or was due in the financial year 2021. It includes the amounts coming from Montea, its perimeter companies and the Sole Director.

Pursuant to article 7:89/1 of the Code of Companies and Associations and recommendation 7.3 of the Corporate Governance Code 2020, Montea has an approved remuneration policy since 18 May 2021 that is valid for four years. The remuneration policy can be consulted on the company's website (https://montea.com/investor-relations/corporate-documents).

The remuneration report below was drawn up in line with Montea's remuneration policy. In order to have a complete picture of the remuneration of the directors and members of the executive management that was awarded during or was due in financial year 2021, this remuneration report should be read together with Montea's remuneration policy.

13.1. Remuneration of the Sole Directors in financial year 2021

The articles of association of the Company provide that the mandate of Montea Management NV as Sole Director is compensated. In accordance with article 13 of the articles of association of Montea, this remuneration consists of two parts: a fixed part and a variable part.

The fixed part of the remuneration of the Sole Director is established every year by the general meeting of shareholders of Montea. This lump sum cannot be less than € 15,000 per year and meets the criteria of article 35, §1, 1st subparagraph of the RREC Act.

The variable statutory portion is equal to 0.25% of the amount equal to the consolidated net results[77] of the Company, excluding any fluctuations in the fair value of the assets and hedging instruments. This remuneration meets the criteria of article 35, §1, 2nd subparagraph of the RREC Act. The Sole Director is entitled to reimbursement of the actual costs incurred, directly related to his/her mission and of which sufficient proof is provided.

In the course of the financial year that closed on 31 December 2021, the remuneration of the Sole Director amounted to € 963,788.72 exclusive of VAT. This amount essentially covers the total remuneration of the board of directors of the Sole Director, the remuneration of the managing director and the operating costs of Montea Management NV.

The definitive allocation of this remuneration to the Sole Director will be submitted for approval at the annual general meeting of shareholders of 17 May 2022.

[77] Adjusted results = Net result + Depreciation + Write-downs – Reversals of write-downs – Reversals of rentals carried forward and discounted +/- Other non-monetary items +/- Result from the sale of real estate +/- Changes in the fair value of real estate.

13.2. Remuneration of the members of the board of directors, members of the investment committees and the executive management in financial year 2021

13.2.1. Total remuneration in financial year 2021

For the directors, the members of the investment committees and the executive management, the remuneration defined in the remuneration policy resulted in the following total amount for financial year 2021:

TOTAL REMUNERATION DIRECTORS, MEMBERS OF THE INVEST COMMITTEES AND EXECUTIVE MANAGEMENT									
Name, position	1. Fixed remuneration			2. Variable remuneration		3. Exceptional items	4. Group insurance	5. Total remuneration	6. Proportion fixed and variable remuneration
	Base fee	Attendance fees (1)	Other benefits	One-year variable	Multi-year variable				
Dirk De Pauw	**€ 187.200**	**€ -**	**€ -**	**€ 21.886**	**€ -**	**€ -**	**€ -**	**€ 209.086**	**Fixed: 90%** **Variable: 10%**
- president of the board of directors	€ 60.000	€ -	€ -	€ -	€ -	€ -	€ -	€ 60.000	Fixed: 100% Variable: 0%
- president of the investment committees (2)	€ 26.220	€ -	€ -	€ -	€ -	€ -	€ -	€ 26.220	Fixed: 100% Variable: 0%
- business development France (2)	€ 100.980	€ -	€ -	€ 21.886	€ -	€ -	€ -	€ 122.866	Fixed: 82% Variable: 18%
Jo De Wolf	**€ 619.809**	**€ -**	**€ 5.120**	**€ 220.000**	**€ -**	**€ -**	**€ 41.212**	**€ 886.141**	**Fixed: 75%** **Variable: 25%**
- executive director	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	Fixed: - Variable: -
- member of the investment committees	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	Fixed: - Variable: -
- CEO	€ 619.809	€ -	€ 5.120	€ 220.000	€ -	€ -	€ 41.212	€ 886.141	Fixed: 75% Variable: 25%
Peter Snoeck	**€ -**	**€ 12.000**	**€ -**	**€ -**	**€ -**	**€ -**	**€ -**	**€ 12.000**	**Fixed: 100%** **Variable: 0%**
- non-independent, non-executive director	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	Fixed: - Variable: -
- member of investment committee Intern and the Netherlands	€ -	**€ 12.000**	€ -	€ -	€ -	€ -	€ -	€ 12.000	Fixed: 100% Variable: 0%
Jean-Marc Mayeur, non-independent, non-executive director (until 18 May 2021)	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	**Fixed:** - **Variable:** -
Greta Afslag, non-independent, non-executive director (until 18 May 2021)	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	**Fixed:** - **Variable:** -
Ciska Servais *(until 18 May 2021)*	**€ 12.500**	**€ 6.000**	€ -	€ -	€ -	€ -	€ -	€ 18.500	**Fixed:** 100% **Variable:** 0%
- independent, non-executive director	€ 10.000	€ 4.500	€ -	€ -	€ -	€ -	€ -	€ 14.500	Fixed: 100% Variable: 0%
- president and member of the remuneration and nomination committee	€ 2.500	€ 1.500	€ -	€ -	€ -	€ -	€ -	€ 4.000	Fixed: 100% Variable: 0%

Sophie Maes	**€ 22.500**	**€ 28.500**	**€ -**	**€ -**	**€ -**	**€ -**	**€ -**	**€ 51.000**	**Vast: 100%** **Variabel: 0%**
- onafhankelijk, niet-uitvoerend bestuurder (3)	€ 20.000	€ 10.500	€ -	€ -	€ -	€ -	€ -	€ 30.500	Vast: 100% Variabel: 0%
- voorzitter en lid remuneratie- en benoemingscomité	€ 2.500	€ 9.000	€ -	€ -	€ -	€ -	€ -	€ 11.500	Vast: 100% Variabel: 0%
- lid auditcomité	€ -	€ 9.000	€ -	€ -	€ -	€ -	€ -	€ 9.000	Vast: 100% Variabel: 0%
Philippe Mathieu	**€ 35.000**	**€ 28.500**	€ -	€ -	€ -	€ -	€ -	**€ 63.500**	**Vast: 100%** **Variabel: 0%**
- onafhankelijk, niet-uitvoerend bestuurder (3)	€ 20.000	€ 10.500	€ -	€ -	€ -	€ -	€ -	€ 30.500	Vast: 100% Variabel: 0%
- lid remuneratie- en benoemingscomité	€ -	€ 9.000	€ -	€ -	€ -	€ -	€ -	€ 9.000	Vast: 100% Variabel: 0%
- voorzitter en lid auditcomité	€ 15.000	€ 9.000	€ -	€ -	€ -	€ -	€ -	€ 24.000	Vast: 100% Variabel: 0%
Barbara De Saedeleer *(sinds 18 mei 2021)*	**€ 20.000**	**€ 18.000**	€ -	€ -	€ -	€ -	€ -	**€ 38.000**	**Vast:** 100% **Variabel:** 0%
- onafhankelijk, niet-uitvoerend bestuurder (3)	€ 20.000	€ 6.000	€ -	€ -	€ -	€ -	€ -	€ 26.000	Vast: 100% Variabel: 0%
- lid remuneratie- en benoemingscomité	€ -	€ 7.500	€ -	€ -	€ -	€ -	€ -	€ 7.500	Vast: 100% Variabel: 0%
- lid auditcomité	€ -	€ 4.500	€ -	€ -	€ -	€ -	€ -	€ 4.500	Vast: 100% Variabel: 0%
Koen Van Gerven *(sinds 18 mei 2021)*	**€ 20.000**	**€ 10.500**	€ -	€ -	€ -	€ -	€ -	**€ 30.500**	**Vast:** 100% **Variabel:** 0%
- onafhankelijk, niet-uitvoerend bestuurder (3)	€ 20.000	€ 6.000	€ -	€ -	€ -	€ -	€ -	€ 26.000	Vast: 100% Variabel: 0%
- lid remuneratie- en benoemingscomité	€ -	€ -	€ -	€ -	€ -	€ -	€ -	€ -	Vast: - Variabel: -
- lid auditcomité	€ -	€ 4.500	€ -	€ -	€ -	€ -	€ -	€ 4.500	Vast: 100% Variabel: 0%
Overige leden van het uitvoerend management	€ 476.649	€ -	€ 18.312	€ 142.497	€ -	€ -	€ 10.846	€ 648.304	**Vast:** 78% **Variabel:** 22%

(1) In line with the remuneration policy, no attendance fees are paid for meetings held by telephone or in writing. For more information on how many meetings were organized in this way, cf. section 12.

(2) Via DDP Management BV.

(3) Each of the independent non-executive directors (Sophie Maes, Philippe Mathieu, Barbara De Saedeleer and Koen Van Gerven) received two attendance fees (board of directors) for attending the strategic days in October 2021.

13.2.2. Application of the performance criteria in financial year 2021

The performance criteria that used to determine the variable compensation of the members of the executive management for financial year 2021 were set by the remuneration and nomination committee at the beginning of financial year 2021 based on the following targets, which proportionally represent a possible variable compensation:

Performance criteria (PC)	Relative weighting	a) / b)	a) Measured performance / b) Corresponding remuneration
Jo De Wolf, CEO			
Achieving projected growth of the real estate portfolio in logistics real estate	30%	a)	On target
		b)	€ 66.000
Achieving the targeted increase in EPRA earnings per share (EPS)	20%	a)	On target
		b)	€ 44.000
Achieving or maintaning a target occupancy rate for the buildings	20%	a)	On target
		b)	€ 44.000
Achieving 1 ESG KPI	15%	a)	On target
		b)	€ 33.000
Organising and participating in initiatives to keep team spirit, performance and staff satisfaction high	15%	a)	On target
		b)	€ 33.000
Other members of the executive management			
Achieving projected growth of the real estate portfolio in logistics real estate	30%	a)	On target
		b)	€ 42.749
Achieving the targeted increase in EPRA earnings per share (EPS)	20%	a)	On target
		b)	€ 28.499
Achieving or maintaning a target occupancy rate for the buildings	20%	a)	On target
		b)	€ 28.499
Achieving 1 ESG KPI	15%	a)	On target
		b)	€ 21.375
Organising and participating in initiatives to keep team spirit, performance and staff satisfaction high	15%	a)	On target
		b)	€ 21.375
Total Bonus			**€ 362.497**

13.2.3. Share-based remuneration in financial year 2021

In 2021, Montea set up a share purchase plan for the benefit of certain employees and members of the company's management. The beneficiaries under the share purchase plan have the option (but not the obligation) to purchase a certain number of shares at a market price minus a discount that is justified by, among other things, a Lock-Up of 3.5 years.

Under this purchase plan, on 9 April 2021, CFO Els Vervaecke, Elijarah BV's permanent representative, purchased 1,000 shares at a unit price of €82.52 calculated as 83.33% of the average closing price of the Montea share (ISIN code BE0003853703) on the Euronext Brussels market during the 20 (twenty) trading days prior to the date of the offer (12 February 2021) - i.e. €99.03.

Montea set up a stock option plan in 2020 and 2021 in favour of certain members of the (executive and non-executive) management and certain employees, designated at the discretion of the board of directors on the recommendation of the remuneration and nomination committee. The beneficiaries under the stock option plan have the possibility to acquire options with a term of ten years and which can be exercised at a price equal to the lower of (a) the closing price of the share on Euronext Brussels to which that option gives right on the trading day preceding the day of the offer; and (b) the average closing price of the share on Euronext Brussels to which the option gives right during the period of 30 calendar days preceding the day of the offer.

The options will vest after a three-year period.

Remuneration in share options										
	The main conditions of the share option plans						Information regarding the reported financial year			
							Opening balance	During the year (2)		Closing balance
Name, position	1. Identification of the Plan	2. Award date	3. Vesting date	4. End of retention period	5. Exercise period (1)	6. Exercise price	7. Share options held at the beginning of the year	8. a) Share options awarded b) Value underlying shares @ offer date	9. a) Share options vested b) Value underlying shares @ vesting date c) Value @ exercise price d) Capital gains @ vesting date	10. Share options awarded and unvested
Jo De Wolf Executive, CEO	SOP 2020	18/12/2020	31/12/2023	NVT	1/03/2024 - 18/12/2030	90,70 €	0	a) 2.500 b) € 226.750		2.500
	SOP 2021	22/12/2021	31/12/2024	NVT	1/03/2025 - 22/12/2031	127,60 €	0	a) 2.500 b) € 319.000		2.500
									Total:	**5.000**
Jimmy Gysels Executive, CPM	SOP 2020	18/12/2020	31/12/2023	NVT	1/03/2024 - 18/12/2030	90,70 €	0	a) 2.500 b) € 226.750		2.500
	SOP 2021	22/12/2021	31/12/2024	NVT	1/03/2025 - 22/12/2031	127,60 €	0	a) 2.500 b) € 319.000		2.500
									Total:	**5.000**

(1) The exercise periods are limited to the period from 1 to 15 March, 1 to 15 June, 1 to 15 September and 1 to 15 December of each year and the last two months before their expiry date up to and including this expiry date.

(2) During the year, no stock options were exercised and no options expired because of the expiry of their option period.

13.2.4. Evolution of remuneration and benefits

The table below provides an overview of the annual change in total remuneration, Montea's developments and performance, the average remuneration of the employees and the ratio between the highest remuneration of the management members and the lowest remuneration of the employees on the basis of full-time equivalent.

The company interprets article 3:6, §3 (5) of the Code of Companies and Associations in such a way that the requirement to include the five-year development of the remuneration in relation to the company's performance and the average remuneration of the employees applies only as of 2020 and consequently does not require that figures from before 2020 be included in the comparison. It will therefore show the evolution in the remuneration report as of 2020, but not retroactively.

	2021 vs 2020	2020 vs 2019
Annual change in remuneration of the members of the board of directors and executive management (1)		
· Fixed remuneration	€ 175.259,17	€ 186.615,65
· Variable remuneration	€ 4.831,38	€ 87.545,00
Annual change in the evolution of performance		
· Portfolio growth	+ 24,5%	+ 18%
· EPS	+ 7%	+ 7%
· DPS	+ 7%	+ 11%
· Occupancy rate	+ 0,3%	+ 0,1%
· Property result	+ 14%	+ 9%
· EPRA result	+ 8%	+ 12%
Annual change in average employee remuneration (2)		
· Belgian employees	-3%	3%
· Dutch employees	2%	17%
· French employees	0%	6%
· On a consolidated basis	-2%	8%
Ratio of highest management remuneration to lowest employee remuneration (3)	14	14

(1) The increase in fixed remuneration is explained by the appointment of an additional independent non-executive director and a changed policy regarding the remuneration of independent directors as set out in the Montea remuneration policy that was approved by the ordinary general meeting of shareholders 18 May 2021.

(2) The average remuneration shown is that of all employees as defined by Belgian law, with the exception of persons who are also part of the executive management. The average remuneration of an employee is calculated based on the figures shown in section 14 of this annual report. Social security, pension and benefit costs are excluded.

(3) The ratio was calculated based on total cost to the company. The variable remuneration is included in the year that includes the performance year (this is only equal to the short-term variable cash remuneration as described above).

13.2.5. Severance payments in financial year 2021

No severance payments were granted or paid out in in financial year 2021 as no contracts with members of the executive committee were terminated.

13.2.6. Claw-back rights applied in financial year 2021

No possible claw-back rights were applied in 2021.

13.2.7. Deviations from the remuneration policy in financial year 2021

In 2021 the remuneration paid to the directors and the executive management was in line with the remuneration policy as approved by the general meeting of shareholders of 18 May 2021. There was no deviation.

14. Employees

The workforce as at 31 December 2021 comprises 32 people, 22 of whom are based in Belgium, 4 in France and 6 in the Netherlands.

The average number of employees over the last three financial years was as follows:

	31/12/2021 12 months	31/12/2020 12 months	31/12/2019 12 months
Average workforce (in FTE)	**25**	**23**	**22**
a) Workers	0	0	0
b) Employees	*25*	*23*	*22*
Administrative employees	*13*	*13*	*12*
Technical employees	*11*	*10*	*10*
Geografical location workforce (in FTE)	***25***	***23***	***22***
West-Europe	*25*	*23*	*22*
Belgium	*17*	*16*	*15*
France	*4*	*4*	*4*
The Netherlands	*4*	*3*	*3*
Central- and Eastern-Europe	*0*	*0*	*0*
Personnel costs (in EUR x 1000)	**2.822**	**2.923**	**2.582**
a) Salaries and direct social benefits	*2.308*	*2.153*	*1.921*
b) Employer contributions to social security	*431*	*657*	*549*
c) Employer premiums for non-statutory insurances	*35*	*66*	*48*
d) Other personnel costs	*48*	*48*	*64*

(*) FTE means Full-Time Equivalents

Staff costs included above can be found in the section on overheads and in the section management costs. The difference between the two amounts corresponds to the remuneration of the Sole Director.

Montea has contracted for its permanent employees a group insurance contract of the type defined contribution plan with an external insurance company. The contribution of the insurance plan is paid by Montea. The insurance company has confirmed that, on 31 December 2020, the shortfall to guarantee the minimum legal return is not material.

An overview of the shareholding by the members of the administrative, managerial and supervisory bodies of Montea as at 31 December 2021 is provided below:

Name	represented by	Number of shares
Jo De Wolf	-	110,440
Elijarah BV	Els Vervaecke	767
Els Vervaecke	-	4,983
Jimmy Gysels	-	205
PSN Management	Peter Snoeck	1,046
Peter Snoeck[78]		40,651
DDP Management BV	Dirk De Pauw	4,256
Dirk De Pauw	-	75,748
Ciska Servais	-	-
Sophie Maes	-	-
Greta Afslag	-	-
Philippe Mathieu	-	-
Jean-Marc Mayeur	-	-

[78] These shares are held within the matrimonial community of property. The matrimonial community of property also owns 120,000 shares in usufruct.

Barbara De Saedeleer	-	-
Koen Van Gerven	-	100

Montea set up a stock option plan for management and employees in 2020 and in 2021. It will also have a share purchase plan for key personnel within the Company in 2021. See section 13.2.3 of this annual financial report.

15. Montea on the stock exchange

15.1. Performance of the Montea share

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

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

Based on the closing price on 31 December 2021 (€ 132.20), the Montea share was listed 111.2% above the value of the IFRS NAV.

On 31 December 2021, the closing price of the Montea share increased by 42.0% compared to the closing price on 31 December 2020. There may also be an increase of 19.7% if the average price for the year 2021 and 2020 is taken into account.

The board of directors of the Sole Director will propose at the Montea general meeting of shareholders of 17 May 2022 that a gross dividend of €3.03 per share be distributed, which corresponds to €2.12 net per share. The withholding tax on dividends from RRECs is 30% (subject to certain exceptions) (Article 269 of the Income Tax Code 1992).

Key figures for the Montea share:

STOCK MARKET PERFORMANCE	31/12/2021	31/12/2020
Share price (€)		
At closing	132,20	93,10
Highest	136,00	107,80
Lowest	86,60	53,00
Average	108,51	90,69
Net asset value per share (€)		
IFRS NAV	62,60	50,88
EPRA NRV	70,56	56,90
EPRA NTA	65,00	52,78
EPRA NDV	62,49	51,01
Premium compared to IFRS NAV (%)	**111,2%**	**83,0%**
Dividend return (%)	**2,3%**	**3,0%**
Dividend (€)		
Gross dividend per share	**3,03**	2,83
Net dividend per share	**2,12**	1,98
Volume (number of securities)		
Average daily volume	13.988	12.889
Volume of the period	3.608.990	3.312.481
Number of shares (at the end of the period)	**16.215.456**	**16.023.694**
Market capitalisation (K €)		
Market capitalisation at closing	2.143.683	1.491.806
Ratios (%)		
Velocity	**22%**	**21%**

15.2. Principal shareholders

Montea's shareholding, based on the information in the transparency reports received, is as follows:

Shareholders	Number of shares as at 31/12/2021	%	Number of shares as at 31/12/2020	%
De Pauw family: Dirk, Marie Christine, Bernadette, Dominika, Beatrijs, the undivided De Pauw, Montea Management NV	2,053,020	12,66%	2,053,020	12.81%
Belfius Insurance Belgium – 5 Galileelaan, 1210 Brussels	1,017,346	6,27%	1,017,346	6.35%
Federale Verzekeringen – 12 Rue de l'Etuve, 1000 Brussels	788,215	4,86%	894,265	5.58%
Patronale Life – 3 Belliardstraat, 1040 Brussels	964,785	5,95%	964,785	6.02%
Ethias NV	607,130	3,74%	607,130	3.79%
BlackRock group	643,663	3,97%		
Public (free float)	10,141,297	62,54%	10,487,148	65.45%
TOTAL	**16,215,456**	**100.00%**	**16,023,694**	**100.00%**

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

Up to the date of closure of this annual financial report, the Company has not received any transparency notice regarding a situation after 31 December 2021.

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

De Pauw family

The De Pauw family consists of:

- Dirk De Pauw, Marie Christine De Pauw, Bernadette De Pauw, Dominika De Pauw and Beatrijs De Pauw (brother and four sisters) and their respective children;
- the undivided De Pauw estate;
- Montea Management NV, which is controlled by the five aforementioned De Pauw siblings.

Based on the information in the transparency reports received, they held 12.66% of the voting rights of Montea on 31 December 2021. The De Pauw family acts through mutual consultation. This is evident from the notifications that were made to the FSMA. This information can also be found on the Montea website.

15.3. Transparancy notification

Any person who directly or indirectly acquires voting securities of the company, should declare to the FSMA, as well as to the company, the number of securities that he/she owns, when voting rights pertaining to the voting rights securities that he/she holds, actively or passively exceed the statutory threshold of 3% of the total voting rights pertaining to the securities of the Company. The same notification is also required to transfer, directly or indirectly, voting rights securities, if as a result, the voting rights fall below this 3% threshold. The provisions of Articles 6 to 17 of the Act of 2 May 2007, on the disclosure of major holdings in issuers whose shares are admitted to trading on a regulated market, shall apply to the aforementioned quota.

Pursuant to Article 6 of the Act of 2 May 2007, the same notification requirement shall apply in the event that the legal thresholds of 5%, 10%, 15%, etc. are exceeded, each time per bracket of 5%-points, active or passive.

15.4. Information pursuant to Article 34 of the Royal Decree of 14 November 2007 – Elements that may have an impact in case of a public takeover bid

Pursuant to Article 34 of the Royal Decree of 14 November 2007, Montea lists and, where appropriate, explains the following elements, to the extent that said elements are of such nature as to have an effect in the event of a public takeover bid.

15.4.1. Capital structure (on 31 December 2021)

The capital, €330,469,920.07, is represented by 16,215,456 shares without nominal value, each representing a 1/16,215,456 (one / sixteen million two hundred fifteen thousand four hundred fifty-sixth) part of capital. There are no preference shares. Each of these shares confers one voting right (with the exception of the Company's own shares of which the voting right is suspended) at the general meeting of shareholders and these shares therefore represent the denominator for the purposes of notification in the event that the statutory or legal thresholds are reached, exceeded or fallen below (transparency regulations). The voting right is not restricted either by law or by the articles of association.

15.4.2. Legal or statutory restriction on the transfer of securities

The transfer of Montea shares is not subject to any legal or statutory restrictions.

15.4.3. Special control rights

Montea has no holders of securities to which special control rights are attached, other than certain veto rights in favour of its sole director (see article 24 of the articles of association).

15.4.4. Shareholders' agreements known to Montea that may give rise to restrictions on the transfer of securities and/or exercise of voting rights

To the best of Montea's knowledge, there are no shareholders' agreements which might give rise to restrictions on the transfer of securities and/or on voting rights.

15.4.5. Mechanism for controlling any share plan for employees where the controlling rights are not exercised directly by the employees

Montea does not have such a share plan for employees.

15.4.6. Governing body

Montea is managed by the Sole Director, Montea Management NV. Montea Management NV was statutorily appointed for a period ending on 30 September 2026. The main effect of Montea having a sole director is that, under the articles of association, the sole director has extensive powers and even the right to veto certain major decisions and amendments to the articles of association.[79]

Pursuant to article 2:51 of the Code of Companies and Associations Montea Management NV is represented in the name and for the account of the Company by a permanent representative, Mr Jo De Wolf, for the exercise of the role of Sole Director. The Sole Director may resign at any time to the extent possible in the context of the commitments he has entered into towards Montea and to the extent that this resignation does not cause Montea any difficulties.

The mandate of Sole Director can only be revoked by a court order after a claim by the general meeting of shareholders of Montea on the basis of reasonable grounds has been established.

When the general meeting must decide on this issue, the Sole Director shall not vote. The Sole Director continues to exercise his duties until his resignation, following a court decision, which has the force of res judicata. The Sole Director must be organized in such a way that, in the framework of its board of directors, at least two individuals in a group are jointly responsible for monitoring the person(s) responsible for the executive management of operations in the interest of Montea.

The members of the governing bodies of the Sole Director must be natural persons and need to possess the professional reliability and the required experience as prescribed by the RREC Act.

In the event of the loss on the part of the members of the governing bodies or the Sole Directors' day-to-day management body of the required professional reliability or required experience, as required by the RREC Act (fit and proper), the Sole Director or the statutory auditor must convene a general meeting of shareholders of Montea, with the point on the agenda to deal with the recording of the loss of these requirements and the measures to be taken.

If one or more members of the bodies entrusted with the management or the executive management of the Sole Director no longer meet the above requirements, the Sole Director must replace them within the month. When this period has expired, a general meeting of shareholders of Montea must be convened, as described above, without prejudice to the measures that can be taken by the FSMA in connection with the exercise of its powers.

The mission of the Sole Director consists, in particular, of taking all actions that are useful or necessary for achieving the civic objectives of Montea, with the exception of those that are reserved by law or under the articles of association for the general meeting of shareholders of Montea.

15.4.7. Amendments to the articles of association

For amendments to the articles of association of Montea are concerned, cf. the rules imposed by the RREC Act and the RREC Royal Decree according to which, inter alia, any draft amendment to the articles of association must be submitted in advance to the FSMA for approval. In addition, article 24 of Montea's articles of association and the rules of the Code of Companies and Associations must be complied with.

[79] In this regard also reference can be made to article 24 of the articles of association of Montea NV in relation to decision-making.

15.4.8. Authorized capital

The Sole Director was authorized by the extraordinary general meeting of shareholders of 18 May 2021 to increase the capital in one or more instalments on the dates and in accordance with the procedures it shall determine, in accordance with the applicable legislation, with a maximum amount of:

a) EUR 163,280,905.26 (one hundred and sixty-three million two hundred and eighty thousand nine hundred and five euros and twenty-six eurocents) for public capital increases by way of cash contribution whereby the shareholders of the Company may exercise the statutory preferential right or the irreducible allocation right;
b) EUR 163,280,905.26 (one hundred and sixty-three million two hundred and eighty thousand nine hundred and five euros and twenty-six eurocents) for capital increases in connection with the payment of an optional dividend; and
c) EUR 32,656,181.05 (thirty-two million six hundred and fifty-six thousand one hundred and eighty-one euros and five eurocents) (1) for capital increases by way of contribution in cash whereby it is not provided that the shareholders of the Company can exercise their statutory preferential right or irreducible allocation right, (2) for capital increases by way of contribution in kind (other than within the framework of the distribution of an optional dividend), or (3) any other form of capital increase

it being understood that the governing body may never increase the capital by more than the statutory maximum amount, i.e. EUR 326,561,810.51 (three hundred and twenty-six million five hundred and sixty-one thousand eight hundred and ten euros and fifty-one eurocents).

This authorization was granted for a period of five years from the publication of the minutes of the extraordinary general meeting of shareholders, i.e. until 26 May 2026. No use has been made of this authorization to date.

15.4.9. Purchase of own shares

15.4.9.1. Statutory authorization

Montea can purchase its own shares or pledge them in accordance with a decision taken by the general meeting of shareholders pursuant to the provisions of the Code of Companies and Associations. The same meeting will also lay down the conditions for the disposal of these shares.

The governing body is authorized for a period of 5 (five) years, starting from the publication in the Annexes to the Belgian Official Gazette of the decision of the extraordinary general meeting of shareholders of 9 November 2020, to acquire or pledge the Company's own shares (even outside the stock exchange) on behalf of the Company with a maximum of 10% (ten percent) of the total number of issued shares. This at a unit price that may not be lower than 75% (seventy-five percent) of the average closing price of the Montea share on the regulated market Euronext Brussels during the last 20 (twenty) trading days prior to the date of the transaction (acquisition and pledging) and that may not be higher than 125% (one hundred and twenty five percent) of the average of the closing price of the Montea share on the regulated market Euronext Brussels during the last 20 (twenty) trading days prior to the date of the transaction (acquisition and pledge).

The governing body is also explicitly authorized to dispose of the company's own shares to, among others, one or more specific persons other than members of the personnel of the company or its subsidiaries, subject to compliance with the Code of Companies and Associations.

The authorizations referred to above do not affect the possibilities of the board of directors to acquire, take as security or alienate shares in the Company, in accordance with the applicable legal provisions, if no authorization is required by the articles of association or the authorization of the general meeting of shareholders, or if such authorization is no longer required.

The authorizations referred to above extend to the acquisition and disposal of shares in the Company by one or more direct subsidiaries of the Company within the meaning of the legal provisions governing the acquisition of shares in their parent company by subsidiaries.

The governing body is also explicitly authorized to dispose of own shares of the Company to the staff of the Company or its subsidiaries, even if the own shares are disposed of more than twelve months after their acquisition.

15.4.9.2. Share buy-back programme

On 31 December 2021, the Company owned 12,422 treasury shares. Within the limits of the authorization to purchase treasury shares granted by the extraordinary general meeting of shareholders on 9 November 2020, Montea successfully implemented a share buy-back programme during the period from 6 January 2022 to 3 February 2022. A total of 70,000 treasury shares were purchased during this period through an independent intermediary at a total purchase price of €8,838,255.60. The shares purchased via the buy-back programme will be used to implement share purchase and stock option plans for the benefit of the management and employees of Montea.[80]

On the date of this annual financial report, Montea held 7,854 of its own shares (0.05% of a total of 16,215,456 shares).[81]

15.4.10. Contractual conditions

There are no major agreements to which Montea is party and which come into force, are amended or which will expire if the control over Montea changes as a result of a public takeover bid, with the exception of the following agreements:

- The relevant provisions in the terms and conditions of issue of the bonds issued in 2015 and 2021 (Terms and Conditions);
- The change of control provisions in the credit agreements which Montea concluded with BNP Paribas Fortis, KBC Bank, Belfius Bank, ING Bank, Aion Bank, Nagelmackers, Argenta and ABN AMRO respectively;
- In the context of the issue of bonds through a US Private Placement, the change of control provisions in the terms and conditions of this bond issue.

The loans entered into by the Company that contain provisions subject to a change of control over the Company were approved and disclosed by the general meeting of shareholders pursuant to article 7:151 of the Code of Companies and Associations, with the exception of the loan entered into by the Company with ABN AMRO. This will be presented at the next general meeting of shareholders on 17 May 2022.

[80] All press releases on this share buy-back programme can be consulted on: https://montea.com/investor-relations/buyback-own-shares.

[81] In April 2022, a number of shares were transferred by Montea to certain employees and members of management in accordance with the existing share purchase plans. Montea will communicate about this on its website in accordance with applicable legislation.

15.5. Financial calendar

12/05/2022	Interim statements on 31/03/2022 (before stock market opening)
17/05/2022	General shareholders' meeting (10 a.m.)
19/08/2022	Half-yearly report on 30/06/2022 (after stock market closing)
19/08/2022	Analyst conference call (7 p.m.)
28/10/2022	Interim statements on 30/09/2022 (before stock market opening)
28/10/2022	Analyst conference call (8 a.m.)

16. Transactions with related parties

For an overview of the transactions between Montea and its related parties, we refer to section 12.4 (with regard to conflicts of interest) and section 17.8.1 (Note 42) of this annual financial report.

17. Financial data concerning the assets, financial position and results of Montea

17.1. Historical financial information

The parts of Montea's annual financial reports for the 2019, 2020 and 2021 financial years listed below are incorporated by reference and can be consulted at Montea's registered office or via its website (www.montea.com).

Annual financial report 2019	"Financial statements", including consolidated financial statements, report of the statutory auditor and abridged statutory financial statements (pp. 137-210) "Management report" (p. 20-135) "Real estate report" (p. 36-55)
Annual financial report 2020	"Financial statements", including consolidated financial statements, report of the statutory auditor and abridged statutory financial statements (p. 150-222) "Management report" (p. 24-148) "Real estate report" (p. 43-64)
Annual financial report 2021	"Financial statements", including consolidated financial statements, report of the statutory auditor and abridged statutory financial statements (p. 165-235) "Management report" (p. 34-167) "Real estate report" (p. 58-74)

The consolidated financial statements for financial years 2019, 2020 and 2021 were audited by Montea's auditor. The auditor's reports can be found in the chapter "Auditor's report to the general meeting of shareholders of Montea NV." in Montea's annual financial reports for financial years 2019, 2020 and 2021, which include an unqualified opinion.

The financial reporting framework was not changed.

17.2. Consolidated balance sheet as at 31 December 2021[82]

		CONSOLIDATED BALANCE SHEET (EUR x 1.000)	31/12/2021	31/12/2020
I.		**NON-CURRENT ASSETS**	**1.703.680**	**1.360.539**
	A.	Goodwill	0	0
	B.	Intangible assets	727	589
	C.	Investment properties	1.665.521	1.328.823
	D.	Other tangible assets	36.103	30.842
	E.	Non-current financial assets	1.106	64
	F.	Finance lease receivables	0	0
	G.	Trade receivables and other non-current assets	221	221
	H.	Deferred taxes (assets)	0	0
	I.	Participations in associates and joint ventures according to the equity method	0	0
II.		**CURRENT ASSETS**	**49.237**	**38.382**
	A.	Assets held for sale	0	6.221
	B.	Current financial assets	0	0
	C.	Finance lease receivables	0	0
	D.	Trade receivables	16.469	13.374
	E.	Tax receivables and other current assets	13.104	9.646
	F.	Cash and cash equivalents	15.172	5.057
	G.	Deferred charges and accrued income	4.492	4.085
		TOTAL ASSETS	**1.752.917**	**1.398.921**
		TOTAL SHAREHOLDERS' EQUITY	**1.016.280**	**815.311**
I.		**Shareholders' equity attributable to shareholders of the parent company**	**1.015.097**	**815.311**
	A.	Share capital	323.777	319.812
	B.	Share premiums	234.693	222.274
	C.	Reserves	228.780	118.216
	D.	Net result of the financial year	227.848	155.009
II.		**Minority interests**	**1.183**	**0**
		LIABILITIES	**736.637**	**583.610**
I.		**Non-current liabilities**	**597.218**	**477.807**
	A.	Provisions	0	0
	B.	Non-current financial debts	556.509	446.742
		a. Credit institutions	312.421	351.874
		b. Financial leasings	718	833
		c. Other	243.370	94.035
	C.	Other non-current financial liabilities	19.130	31.065
	D.	Trade debts and other non-current debts	0	0
	E.	Other non-current liabilities	0	0
	F.	Deferred taxes - liabilities	21.579	0
II.		**Current liabilities**	**139.419**	**105.803**
	A.	Provisions	0	0
	B.	Current financial debts	92.940	61.794
		a. Credit institutions	90.833	30.000
		b. Financial leasings	104	98
		c. Other	2.003	31.696
	C.	Other current financial liabilities	0	0
	D.	Trade debts and other current debts	26.113	17.966
		a. Exit tax	4.194	147
		b. Other	21.920	17.819
	E.	Other current liabilities	342	4.778
	F.	Accrued charges and deferred income	20.023	21.266
		TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**1.752.917**	**1.398.921**

[82] There has been no significant change in the financial or trading position of the Group since the end of the last reporting period for which either audited financial information or interim financial information have been published, except for those included under section Alternative Performance Measures (APMs).

17.3. Consolidated statement of comprehensive income before appropriation of profits as at 31 December 2021[83]

	CONSOLIDATED PROFIT & LOSS ACCOUNT (EUR x 1.000)	31/12/2021 12 months	31/12/2020 12 months
I.	Rental income	75.571	70.061
II.	Reversal of lease payments sold and discounted	0	0
III.	Rental-related expenses	-426	-465
	NET RENTAL RESULT	**75.145**	**69.597**
IV.	Recovery of property charges	0	0
V.	Recovery of rental charges and taxes normally borne by tenants on let properties	8.780	7.466
VI.	Costs payable by tenants and borne by the landlord for rental damage and refurbishment at end of lease	0	0
VII.	Rental charges and taxes normally borne by tenants on let properties	-9.262	-7.762
VIII.	Other rental-related income and expenses	10.080	5.074
	PROPERTY RESULT	**84.743**	**74.374**
IX.	Technical costs	-1	-17
X.	Commercial costs	-222	-95
XI.	Charges and taxes of non-let properties	-314	-156
XII.	Property management costs	-1.985	-1.913
XIII.	Other property charges	-52	-48
	PROPERTY CHARGES	**-2.574**	**-2.229**
	PROPERTY OPERATING RESULT	**82.169**	**72.145**
XIV.	General corporate expenses	-5.052	-4.378
XV.	Other operating income and expenses	158	-133
	OPERATING RESULT BEFORE PORTFOLIO RESULT	**77.275**	**67.635**
XVI.	Result on disposal of investment properties	453	0
XVII.	Result on disposal of other non-financial assets	0	0
XVIII	Changes in fair value of investment properties	175.392	107.308
XIX.	Other portfolio result	0	0
	OPERATING RESULT	**253.120**	**174.943**
XX.	Financial income	21	94
XXI.	Net interest charges	-11.487	-10.938
XXII.	Other financial charges	-94	-107
XXIII	Changes in fair value of financial assets & liabilities	12.967	-8.077
	FINANCIAL RESULT	**1.406**	**-19.027**
XXIV.	Share in the result of associates and joint ventures	0	0
	PRE-TAX RESULT	**254.526**	**155.915**
XXV.	Income tax	-26.678	-906
XXVI.	Exit tax	0	0
	TAXES	**-26.678**	**-906**
	NET RESULT	**227.848**	**155.009**
	Attributable to:		
	Shareholders of the parent company	227.685	155.009
	Minority interests*	162	0
	Number of shares in circulation at the end of the period	16.215.456	16.023.694
	Weighted average number of shares for the period	16.130.871	15.916.319
	NET RESULT per share (EUR)	**14,12**	**9,74**

* The figures provided for "Minority interests" have slightly changed compared to the press release and corporate presentation, due to an update in the calculation method.due to an update in the calculation method.

[83] The Consolidated Statement of Comprehensive Income before profit appropriation as at 31 December takes into account 16,130,871 shares, the weighted average number of shares for 2021. The total number of shares in circulation at the end of financial year 2021 is 16,215,456. Montea reports in the consolidated statement of realized and unrealized results before profit appropriation as at 31 December 2021, the EPRA result per share and the net result per share, based on the weighted average number of shares.

17.4. Consolidated result before appropriation of profits as at 31 December 2021[84]

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (EUR x 1.000)	31/12/2021 12 months	31/12/2020 12 months
Net result	**227.848**	**155.009**
Other items of the comprehensive income	**227**	**2.402**
Items taken in the result:	**0**	0
Impact on fair value of estimated transfer rights and costs resulting from hypothetical disposal of investments properties	0	0
Changes in the effective part of the fair value of authorized cash flow hedges	0	0
Items not taken in the result:	**227**	**2.402**
Impact of changes in fair value of solar panels	227	2.402
Comprehensive income	**228.074**	**157.411**
Attributable to:		
Shareholders of the parent company	227.912	157.411
Minority interests*	162	0

*The figures provided for "Minority interests" have slightly changed compared to the press release and corporate presentation, due to an update in the calculation method.

[84] The Consolidated result before profit appropriation as at 31 December takes into account 16,130,871 shares, the weighted average number of shares for 2021. The total number of shares in circulation at the end of the 2021 financial year is 16,215,456. Montea reports in the consolidated statement of realized and unrealized results before profit distribution as of 31 December 2021, the EPRA result per share and the net result per share, based on the weighted average number of shares.

17.5. Consolidated cash flow statement as at 31 December 2021

CONSOLIDATED CASH FLOW STATEMENT (EUR x 1.000)	31/12/2021 12 months	31/12/2020 12 months
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	5.057	7.690
NET CASH FLOW FROM OPERATING ACTIVITIES (A)+(B)+(C) = (A1)	73.518	*70.061*
Net result	227.848	155.009
Net interest costs	11.487	10.938
Financial income	-21	-94
Taxes	26.678	906
Gain (-)/loss (+) on disposal of investment properties	-453	0
Cash flow from operating activities before adjustments of non-cash items and working capital (A)	**265.539**	**166.759**
Changes in fair value of hedging instruments	-12.967	8.077
Changes in fair value of investment properties	-175.392	-107.308
Additions (+)/reversals (-) in provisions and employee benefits	0	0
Equity-settled share-based payment expense	58	0
Depreciation and amortization (addition (+)/reversal (-)) on fixed assets	346	278
Impairment losses on receivables, inventories and other assets	426	465
Exit tax	0	0
Share of result of associates and joint ventures	0	0
Other adjustments for non-cash items	0	0
Adjustments for non-cash items (B)	**-187.529**	**-98.488**
Decrease (+)/increase (-) in trade and other receivables	-6.961	-2.663
Decrease (+)/increase (-) in inventories	0	0
Increase (+)/decrease (-) in trade and other payables	2.469	4.454
Increase (+)/decrease (-) in working capital requirement (C)	**-4.492**	**1.791**
Interest received	0	0
Dividends received	0	0
Income tax paid	0	0
NET CASH FLOW FROM INVESTMENT ACTIVITIES (B1)	-150.995	-98.695
Acquisitions	**-166.389**	**-98.695**
Payments regarding acquisitions of real estate investments	-82.243	-92.118
Payments regarding acquisitions of buildings intended for sale	0	-6.221
Payments regarding acquisitions of shares in real estate companies	-81.645	0
Purchase of other tangible and intangible fixed assets	-2.501	-356
Disposals	**15.395**	**0**
Proceeds from sale of investment properties	15.395	0
Proceeds from sale of buildings held for sale	0	0
Proceeds from sale of shares in real estate companies	0	0
NET FINANCIAL CASH FLOW (C1)	87.591	26.001
Net effect of withdrawal and repayment of loans	**127.626**	**58.881**
Capital increase	**16.232**	**17.919**
Dividends paid	**-45.308**	**-40.049**
Interests paid	**-10.960**	**-10.751**
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR (A1+B1+C1)	15.172	5.057

17.6. Summary of changes in consolidated equity and reserves as at 31 December 2021

CHANGES IN SHAREHOLDERS' EQUITY (EUR x 1.000)	Share capital	Share premiums	Reserves	Result	Minority interests	Shareholders' equity
ON 31/12/2019	**314.983**	**209.183**	**47.397**	**108.465**	**0**	**680.029**
Elements directly recognized as equity	**4.829**	**13.091**	**2.402**	**0**	**0**	**20.322**
Capital increase	4.829	13.091	0	0	0	17.919
Impact on fair value of estimated transfer rights and costs resulting from hypothetical disposal of investment properties	0	0	0	0	0	0
Positive change in value of solar panels (IAS 16)	0	0	2.402	0	0	2.402
Own shares	0	0	0	0	0	0
Own shares held for employee option plan	0	0	0	0	0	0
Minority interests	0	0	0	0	0	0
Corrections	0	0	0	0	0	0
Dividends	0	0	-40.049	0	0	-40.049
Result carried forward	0	0	108.465	-108.465	0	0
Result for the financial year	0	0	0	155.009	0	155.009
ON 31/12/2020	**319.812**	**222.274**	**118.215**	**155.009**	**0**	**815.311**
Elements directly recognized as equity	**3.965**	**12.419**	**863**	**0**	**1.183**	**18.429**
Capital increase	3.814	12.419	0	0	0	16.232
Impact on fair value of estimated transfer rights and costs resulting from hypothetical disposal of investment properties	0	0	0	0	0	0
Positive change in value of solar panels (IAS 16)	0	0	227	0	0	227
Own shares	0	0	0	0	0	0
Own shares held for employee option plan	151	0	171	0	0	323
Minority interests	0	0	0	0	1.183	1.183
Corrections	0	0	465	0	0	465
Dividends	0	0	-45.308	0	0	-45.308
Result carried forward	0	0	155.009	-155.009	0	0
Result for the financial year	0	0	0	227.848	0	227.848
ON 31/12/2021	**323.777**	**234.693**	**228.779**	**227.848**	**1.183**	**1.016.280**

For more information on the above table, see Notes 29, 30, 30.1, 30.2, 31 and 32.

17.7. Annexes to the consolidated financial statements as at 31 December 2021

17.7.1. Background

17.7.1.1. Statement of compliance

The Company's financial statements have been prepared in accordance with the requirements of International Financial Reporting Standards (IFRS) as adopted by the EU, as issued by the International Accounting Standards Board (IASB) and as interpreted by the International Financial Interpretations Committee of the IASB. Investment properties (including projects) and financial instruments are booked at fair value. The other headings of the consolidated financial statements have been prepared on the basis of historical cost. Where it is indicated that figures are in thousands of euros, minor rounding differences may occur.

17.7.1.2. Consolidation principles

Subsidiaries[85]

Subsidiaries are entities controlled by the company.

A company controls another enterprise company when it is exposed to, or has rights on, variable remuneration from its involvement in that company and has the ability to influence that remuneration, based on its power.

IFRS 10 requires that control can exist only if the following three conditions are cumulatively met by the parent company:

- have "power" over the subsidiaries;
- be exposed to the rights to the net income / net expenses as a result of its influence on its subsidiaries; i.e. the "investor" is exposed to - or has claims to - the variable (net) income (both positive and negative) from its involvement with the "investee" (subsidiaries).
- have the ability to use its power over its subsidiaries to influence the net income / net expenditure, i.e. the "investor" can effectively exercise the existing rights to generate the (net) income.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Where necessary, the accounting policies of subsidiaries are adjusted to ensure consistency with the principles adopted by the group.

With the exception of the subsidiaries that were merged during the financial year, the financial statements of the subsidiaries relate to the same accounting period as that of the consolidating company. Minority interests are those interests in the subsidiaries that are held neither directly nor indirectly by the group.

[85] The companies included in the consolidation, each with their own shareholding: Montea NV (BE0417186211), Montea Services BV (BE0742.845.794) Montea GTE 1 NV (BE0757964037), Blue Gate Antwerp Invest NV (BE0736.475. 171), Hoecor NV (BE0736839318), Gula NV (BE0462368712), Montea SA (497673145 RCS Paris), SCI Montea France (100%) (493288948 RCS Paris), SCI 3R (100%) (400790366 RCS Paris), SCI Sagittaire (100%) (433787967 RCS Paris), SCI Saxo (100%) (485123129 RCS Paris), SCI Sévigné (100%) (438357659 RCS Paris), SCI Socrate (100%) (481979292 RCS Paris), SCI APJ (100%) (435365945 RCS Paris), SCI MM1 (100%) (393 856 463 RCS Paris), Montea Green Energy France (100%) (889967162 RCS Paris), SFG B.V. (100%) (Chamber of Commerce 60209526), Montea Nederland N.V. (100%) (Trade Register 58852794), Montea Almere N.V. (100%) (Trade Register 58854134), Montea Rotterdam N.V. (100%) (Trade Register 59755636), Montea Oss N.V. (100%) (Trade Register 61787671), Montea Beuningen N.V. (100%) (Trade Register 61787264), Montea 's Heerenberg N.V. (100%) (Trade Register 62392670), Europand Eindhoven B.V. (100%) (KvK 20121920) Montea Tiel N.V. (100%) (KvK 73544884), Montea Logistics I B.V. (KvK 78460271), Montea Logistics II B.V. (KvK 85056804), Montea Logistics III B.V. (KvK 85082414) and Montea GTE 2 GmbH (HRB 742615). With the exception of Montea Management NV, sole director of Montea NV, all the aforementioned companies are included in the consolidation.

Intercompany transactions

Intra-group balances and transactions, and any unrealized profits arising withing the group, are eliminated in proportion to the group's interest in the company. Unrealized losses are eliminated in the same way as unrealized profits, but only to the extent that there is no evidence of impairment.

17.7.1.3. Use of estimates and assessments

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the policies and regulations and the reporting of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical events and various factors that are believed to be reasonable under the circumstances. Actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision and accounting estimate are recognized in the period in which the estimate is revised, both in cases where the estimate affects the audited financial year and where the estimate affects the future. Apart from estimates relating to the determination of the fair value of investment property, solar panels and derivatives, as at 31 December 2021 there are no significant assumptions about the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. See also note 20.

17.7.2. Valuation rules

17.7.2.1. Investment properties

Investment properties comprise all lands and buildings that can be leased and which (wholly or partly) generate rental income, including buildings where a limited portion is held for the firm's own use. In accordance with IAS 40, investment property is valued at fair value. Two external, independent experts, Jones Lang LaSalle BVBA, Marnixlaan 23, 1000 Brussels, represented by Rod Scrivener, and Stadim CVBA, represented by Anton Braet, Mechelsesteenweg 180, 2018 Antwerp, make a quarterly valuation of the property portfolio.

Any profit or loss, after the acquisition of a building, as a result of a change in fair value is booked in the income statement. The valuation is carried out in accordance with the capitalization method and the method of incorporation of rental income, published by the International Valuation Standards Committee.

The fair value (as defined in IFRS 13) is the price that would be received on the sale of the asset or paid to transfer an obligation in a normal transaction between market parties on the evaluation date. The fair value must also reflect current lease contracts, current cashflows and reasonable assumptions in relation to expected rental income and costs.

The sale of an investment property is usually subject to the payment of registration fees or value added tax to the public authorities. The Belgian Association of Asset Managers (BEAMA) published a communication on amount of these registration fees on 8 February 2006. An analysis of a large number of Belgian transactions led to the conclusion that the impact of the acquisition costs on important Belgian investment properties exceeding a value of €2,500,000 is limited to 2.5%. This is because various methods of transfer of ownership are used in Belgium. This percentage will be reviewed annually and adjusted per bracket of 0.5% as and where necessary. Properties below the threshold of € 2,500,000 and foreign properties remain subject to the usual registration tax and their fair value therefore corresponds to the value excluding registration and notary costs and VAT. The registration fee for properties valued in France is generally 1.8% when the building is less than 5 years old and between 6.9% and 7.5%, depending on the department, in all other cases. For the Netherlands, the theoretical local registration duties deducted from the investment value average 9.0% and in Germany they depend on the exact location and the market value of the building.

The investment value in Belgium corresponds with the fair value, plus 2.5% acquisition charges (for investment properties that exceed a value of €2,500,000). The fair value is thus to be calculated by dividing the value less legal charges by 1.025.

In 2017, Montea decided to adjust its valuation rule with regard to mutation costs (which is equal to the difference between the fair value of the real estate and the investment value of the real estate) to be adjusted retrospectively. Originally, the difference between the fair value of the real estate and the investment value of the real estate, as determined by the external real estate experts at purchase, was included under the section "Reserve for the impact on the fair value of estimated transaction rights and costs in case of hypothetical disposal of investment properties" of equity. The movements during the financial year were included in the result (mark-ups and write-downs). In case of divestment, the initial difference between the fair value and the investment value was included in the result.

In 2018 the transaction rights and costs for the purchase were processed through the profit and loss account[86] (via the portfolio result). Only after processing will the results end up in the Reserves in the account "Reserve for the Balance of the changes in the fair value of real estate." The account "Reserve for the impact on the fair value of estimated transaction rights and costs in case of hypothetical disposal of investment properties" is no longer used.

The realized profits / losses on the sale are recognized in the income statement under the heading "Result of the sale of investment properties". The realized result is determined as the difference between the selling price and the fair value of the last valuation.

17.7.2.2. Concessions

The paid concessions are treated as operating leases in accordance with IFRS 16.

17.7.2.3. Project developments

Property to be constructed or developed for future use as investment property is recorded under the heading "investment properties" and will be valued at fair value.

All costs directly related to the development are capitalized, and the directly attributable interest expenses are capitalized in accordance with the provisions of IAS 23-financial costs.

17.7.2.4. Other tangible fixed assets

All tangible fixed assets which neither meet the definition of investment property, nor the definition of development project have been catalogued under this section. Other tangible non-current assets are initially recorded at cost and valued in accordance with the cost model. Grants are deducted from the cost. Additional costs are only capitalised if the future economic benefits related to tangible current assets increase for the company. Other tangible non-current assets are depreciated on the basis of the linear depreciation method. The following rates will apply on an annual basis:

- Plant, machinery and equipment: 20%-25%
- Furniture and rolling stock: 20%
- IT equipment: 33%
- Real estate for own use: 2%

[86] The equity capital is not affected by this adjustment. Furthermore, this adjustment also has no impact on the EPRA result and the available result.

Solar panels are valued on the basis of the revaluation model in accordance with IAS 16 – Tangible non-current assets. After the initial take-up, an asset for which the fair value can be reliably established needs to be entered in the accounts at the revalued value, i.e. the fair value at the time of revaluation, minus any depreciations accumulated later and any extraordinary reductions in value accumulated later. The fair value is determined based on the discounting method of future returns.

The service life of the solar panels is estimated at 20 years.

The solar panels are evaluated on a quarterly basis.

Gains recorded at the start-up of a new site are stated in a separate component of shareholders' equity, as a result of the application of the discounting method of future revenues, which leads to a higher market value than the original cost of the solar panels. Losses are also recorded in this component, except where they are realized or unless the fair value falls below the initial cost. In these latter cases, they are recorded in the result.

Montea assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, an estimate is made of the recoverable amount of the asset.

When the book value of an asset exceeds the recoverable amount, an impairment loss is recognized to bring the book value of the asset back to the recoverable amount. The recoverable amount of an asset is defined as the highest fair value minus selling costs (assuming a voluntary sale) or the value in use (based on the present value of the estimated future cash flows). The regarding resulting impairments are charged to the income statement.

The company value is the constant value of expected future cash flows. To determine the value in use, the estimated future cash flows are discounted at an interest rate before tax, which reflects current market rates and the specific risks related to the asset.

For assets that do not generate cash, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Previously recognized impairment loss is reversed through the income statement if a change has occurred in the estimate used to determine the recoverable amount of the asset since the recognition of the last impairment loss.

17.7.2.5. Financial fixed assets

Financial fixed assets are valued at fair value. The claims and guarantees for the receivables are instead booked at face value. A reduction is made in the case of a permanent write-down or devaluation.

17.7.2.6. Cash and cash equivalents

Cash and cash equivalents include bank accounts, cash and short-term investments.

17.7.2.7. Equity

The capital includes net cash obtained from creation, merger or capital increase whereby the direct external costs are deducted (such as registration fees, legal fees, notary fees and publication costs, etc.).

If the company proceeds to buy back own shares, the amount paid, including directly attributable costs, is deducted from equity (restricted reserves). Dividends are a part of results carried forward until the general meeting of shareholders grants dividends.

Montea decided in 2017 to adjust retrospectively its valuation rule with respect to mutation costs (which is equal to the difference between the fair value of the real estate and the investment value of the real estate). Originally the difference between the fair value of the property and the investment value of the property as determined by the external real estate experts and is included in the section "Reserve for the impact on fair value of estimated transfer rights and costs on hypothetical transfer of investment property" of the equity. The movements during the financial year were taken to the result (mark-ups and write-downs). In case of divestment, the initial difference between the fair value and the investment value was taken to the result.

Since 2018 the transaction rights and costs for the purchase are processed through the profit and loss account[87] (via the portfolio result). Only after processing will the results end up in the Reserves in the account "Reserve for the Balance of the changes in the fair value of real estate." The account "Reserve for the impact on the fair value of estimated transaction rights and costs in case of hypothetical disposal of investment properties" is no longer used.

17.7.2.8. Provisions

A provision is made if the company has a legal or contractual obligation as a result of an event from the past and where it is probable that a cash outflow will be required to meet the obligation and provided that this outflow can be determined in a reliable way. Provisions are valued at the discounted value of expected future cash flows to the market rate.

17.7.2.9. Debts

Trade and other debts are valued at their face value on the balance sheet date. Interest-bearing debts are initially recorded at cost, less any directly attributable costs. Then the difference between the book value and the refundable amount is included in the income statement over the period of the loan using the actual interest method.

17.7.2.10. Revenues

Revenues include gross rental income and proceeds resulting from the services and the management of the buildings. Revenue is measured at the fair value of the indemnity that is received or is entitled. Revenue is recorded only from the time that it is sufficiently certain that the economic benefits will accrue to the company. Gratuity costs and benefits granted to the tenants are recognized to reduce the rental income over the term of the lease, the period between the entry into force and the first break option (a "straight line"). Indemnification for early termination of lease is immediately included in the income statement.

Revenues related to the solar panels (green power certificates and electricity generated) are recognized at the time of receipt of such income in accordance with IAS18. The principles of IAS20 are also applied. There are no green power certificates that were not sold at the end of the financial year. These green power certificates are paid by the government and not by the energy suppliers.

17.7.2.11. Costs

The costs are measured at the fair value of the indemnity that is paid or owed.

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[87] The equity capital is not affected by this adjustment. Furthermore, this adjustment also has no impact on the EPRA result and the available result.

Executed works in the buildings

As concerns executed work in the buildings, a division is made between:

- maintenance and repairs: these are costs that do not increase the expected future economic benefits of the building, and as such are integrally dependent on the result of the period in which they are paid;
- extensive renovation work: these are costs as a result of occasional work on the building, which will significantly increase the expected economic benefits of the building. The direct costs attributable to such work, such as materials, construction work by contractors, architect's fees and remuneration of other potential advisors etc. are capitalized;
- rental advantages: this is provided by the lessor to the lessee to convince the latter to rent existing or additional space. These costs are spread over the period from the commencement of the lease to the first break and are deducted from the rental income.

Commissions paid to real estate brokers

Commissions regarding the rental of buildings are charged against profits in the period in which they were paid. Commissions relating to the purchase of buildings, registration fees and other additional costs are considered as part of the purchase price of the building and are consequently capitalised. Commissions paid by selling buildings are deducted from the selling price obtained for the realized gain or loss to be determined.

General expenses

General expenses are expenses associated with the management and overall operation of the RREC. These include general administrative costs, staff costs for general management, and depreciation of assets used for general management.

17.7.2.12. Financial result

The financial result consists on the one hand of interest costs on loans and associated costs, and investment income, and on the other hand of positive and negative fair value variations of hedging instruments. Interest income and costs are recognised pro rata tempora in the income statement. Potential dividend income is booked in the income statement on the day the dividend is granted.

17.7.2.13. Taxation and exit tax

The tax on the profit for the year comprises the current tax burden. The tax on profit or loss is recognized in the income statement with the exception of the elements recorded directly in equity. Deferred tax assets and liabilities are recorded based on the liability method for all temporary differences between the taxable basis and book value for financial reporting purposes, for both assets and liabilities. Deferred tax assets are only recognized if it is probable that these could be compared against taxable profits in the future.

The exit tax is the tax levied on the profit and on the tax-free reserves as the result of a merger, split, contribution in kind or transfer of a regulated real estate company with a company that is not a regulated real estate company.[88]

If the latter is incorporated for the first time in the consolidation of the Group, a provision for exit tax is included together with a revaluation value equal to the difference between the value with costs for the buyer (investment value minus all sales-related costs such as registration and notary fees) of the building at the time of acquisition and book value. The exit tax is generally payable by the contributor of a property or company but Montea must record these due to the fact that the tax is only assessed after a certain time. This tax is

[88] The exit tax is the tax levied on the difference between the fair value and the book value and on the tax-free reserves and is 15% for mergers that take place in 2020. For mergers that took place in 2019, the exit tax amounted to 12.5% + 2% crisis tax.

deducted from the value of the property or company to be transferred.

Any subsequent adjustment of the exit tax liability is included in the income statement. The amount of the exit tax can vary even after the transfer or merger from which this variation may arise.

17.7.2.14. Financial derivative instruments

Montea concludes loans with financial institutions with a variable interest rate. The company uses financial hedging instruments of the IRS type (Interest Rate Swaps) to hedge against the risk of increases to these variable interest rates. In so doing, the loans linked to variable interest rates are to a large extent swapped against a fixed interest rate. In accordance with its financial policy and in application of its regulations, Montea holds no derivative instruments, nor would it issue any for speculative purposes.

The hedging instruments do not satisfy the conditions for the type of "hedging" as defined in IFRS 9, whereby all movements in the real value of the instrument are entirely included in the income statement. The market-to-market balance sheet date is used to determine the fair value.

In order to clarify the accounting method of the settlement of swaps, and in order to obtain a better connection with the EPRA guidance, there was decided to process the unwinding of the swaps from 2017 via the P & L heading: changes in the fair value of financial assets and liabilities.

17.7.2.15. Off balance sheet rights and obligations

These rights and obligations are valued at face value based on the amount stated in the contract. If there is no face value or if valuation is not possible, the rights and obligations are reported as token entries.

17.7.2.16. New standards and interpretations

New and amended standards and interpretations applicable in 2021

Montea has not availed itself thereof, unless stated otherwise. These standards amended by the IASB and interpretations issued by the IFRIC have no significant impact on the presentation, the notes or the results of the company.

The nature and effect of the following new and amended standards and interpretations are explained below:

- Amendments to IFRS 4 Insurance contracts - deferral of IFRS 9
- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (Interest Benchmark Reform - Phase 2)
- Amendments to IFRS 16 Leases - Covid-19 related lease concessions after 30 June 2021

Amendments to IFRS 4 Insurance Contracts - Deferral of IFRS 9
The amendment to IFRS 4 provides a temporary deferral that allows, but does not require, the qualified insurer to apply IAS 39 Financial Instruments: Recognition and Measurement instead of IFRS 9 for financial years beginning before 1 January 2023.

Amendments to IFRS 9 Financial Instruments, IFRS 7 Financial Instruments: Disclosures, IAS 39 Financial Instruments: Recognition and Measurement, IFRS 4 Insurance Contracts and IFRS 16 Leases - reformed benchmark interest rates - phase 2, applicable as of 1 January 2021
The amendments provide temporary relief that addresses the financial reporting consequences when an interbank offered rate (IBOR) is replaced by an alternative near risk-free rate (RFR).

The amendments include the following practical simplifications:

- A practical simplification to treat contractual changes, or changes to cash flows directly required by the reform, as changes to a floating rate, equivalent to a movement in a market rate.
- Allowing changes required by the IBOR reform in designations such as hedging and hedging documentation without severing the hedging relationship.
- Temporarily not requiring entities to comply with the separately identifiable requirement when a near risk free interest rate (RFR) instrument is designated as a hedge of a risk component.

These amendments has no impact on Montea’s consolidated financial statements.

Amendments to IFRS 16 Leases - Rental concessions as a result of Covid-19 after 30 June 2021

The amendments provide relief to lessees in applying the guidance under IFRS 16 on the accounting for changes to leases as a result of lease concessions that are a direct consequence of the COVID-19 pandemic. As a practical simplification, a tenant is permitted not to make an assessment of whether or not a lease concession by a landlord as a result of COVID-19 is a change to leases. A tenant who chooses this option will account for any change in rental payments resulting from a lease concession under COVID-19 in the same way as it would under IFRS 16 if the change did not result from a lease amendment. This amendment extends the exemption by one year, so that it also applies to lease concessions that reduce only rental payments due on or before 30 June 2022.

The effective date of the amendment is for financial years beginning on or after 1 April 2021.

These amendments had no impact on Montea's consolidated financial statements.

Published standards not yet in force

A number of new standards, amendments to standards and interpretations are not yet applicable in 2021, but may be applied earlier. Unless stated otherwise, Montea has not made availed itself thereof. These standards amended by the IASB and interpretations issued by the IFRIC are not expected to have a material impact on the presentation, notes or results of the company:

- Amendments to IAS 1 Presentation of Financial Statements - Classification of Short and Long-Term Debt, effective 1 January 2023[89]
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Statement of Practice 2: Disclosure of Accounting Policies, effective 1 January 2023
- Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Estimates, effective 1 January 2023
- Amendments to IAS 12 Income Taxes: Deferred Taxes related to Assets and Liabilities arising from a single Transaction, effective 1 January 2023
- Amendments to IAS 16 Property, Plant and Equipment - Revenue from intangible assets, effective 1 January 2022
- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets - onerous contracts - costs to fulfil a contract, effective 1 January 2022
- Amendments to IFRS 3 Business Combinations - references to the conceptual framework, effective 1 January 2022
- Amendments to IFRS 17 Insurance Contracts: Initial Application of IFRS 17 and IFRS 9 - Comparative Information, effective 1 January 2023
- IFRS 17 Insurance Contracts, effective 1 January 2023
- Annual improvements cycle - 2018-2020, effective 1 January 2022

[89] Not yet endorsed by the EU as of 28 December 2021. On 19 November 2021, the IASB published a new draft for discussion relating to the following topic: Amendments to *IAS 1 Presentation of Financial Statements - Classification of Short-Term or Long-Term Debt.*

Amendments to IAS 1 Presentation of Financial Statements - Classification of Short-Term and Long-Term Debt

The amendments clarify the criteria for determining whether a debt should be classified as short-term or long-term. The amendments clarify:

- What is meant by the right to postpone settlement
- That a right to defer must exist at the end of the financial year
- That classification is not affected by the probability that an entity will exercise its right to defer
- That only if an embedded derivative in convertible debt is an equity instrument would the terms of the debt not impact classification

Companies are required to apply the amendments for annual periods beginning on or after 1 January 2023. The amendments must be applied retrospectively in accordance with *IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.* Early application is permitted.

Since Montea's current practice is in line with the amendments, the amendments have no impact on the consolidated financial statements.

Amendments to IAS 1 Presentation of Financial Statements and IFRS Statement of Practice 2: Disclosure of Accounting Policies, effective 1 January 2023
The amendments provide guidance on the application of materiality assessments to accounting policy disclosures. The amendments to IAS 1 replace the requirement to disclose "significant" accounting policies with a requirement to disclose "material" accounting policies.

The Practice Statement includes guidance and illustrative examples that assist in applying the materiality concept in making judgements about accounting policies.

The amendments to IAS 1 will be effective for annual periods beginning on or after 1 January 2023.

Amendments to IAS 8 Accounting policies, changes in accounting estimates and errors: Definition of estimates, effective 1 January 2023
The amendments introduce a new definition of estimates. Estimates are defined as "monetary amounts in the financial statements about which measurement is uncertain".

The amendments clarify what changes in estimates are and how they differ from changes in accounting policies and corrections of errors.

The amendments will be effective for annual periods beginning on or after 1 January 2023, with early adoption permitted.

Amendments to IAS 12 Income Taxes: Deferred Tax Relating to Assets and Liabilities Arising from a Single Transaction, effective 1 January 2023
The amendments limit the scope of the initial recognition exemption under IAS 12 Income Taxes so that it no longer applies to transactions that give rise to the same taxable and deductible temporary differences.

The amendments also clarify that when payments made to settle a liability are deductible for tax purposes, it is a matter of judgement (taking into account the applicable tax laws) whether such deductions are attributable for tax purposes to the liability component (and interest expense) recognized in the financial statements or to the related asset component (and interest expense). This assessment is important to determine whether temporary differences exist on initial recognition of the asset and liability.

The amendments apply to financial years beginning on or after 1 January 2023, with early adoption permitted. The amendments apply prospectively to transactions occurring on or after the beginning of the earliest comparative period presented.

Amendments to IAS 16 Material fixed assets – Proceeds before intended use
The amendments prohibit entities deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

Companies are required to apply the amendment to annual reporting periods beginning on or after 1 January 2022. The amendment must be applied retrospectively but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. Earlier application is permitted.

Amendments to IAS 37 Provisions, contingent liabilities and contingent assets – onerous contracts—cost of fulfilling a contract
The amendments specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a “directly related cost approach”. The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

Companies are required to apply the amendments to annual reporting period beginning on or after 1 January 2022. Earlier application is permitted. An entity shall apply the amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). The entity shall not restate comparative information. The amendments had no impact on Montea’s consolidated financial statements.

Amendments to IFRS 3 Business combinations – References to the conceptual framework
The amendments replaced the reference to an old version of the IASB’s Conceptual Framework (the 1989 Framework) with a reference to the current version issued in March 2018 (the Conceptual Framework). The amendments further added an exception to the recognition principle in IFRS 3. That is, for liabilities and contingent liabilities that would be within the scope of IAS 37 or IFRIC 21, if incurred separately, an acquirer would apply IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to identify the obligations it has assumed in a business combination. The amendment further added an explicit statement in the standard that an acquirer cannot recognise contingent assets acquired in a business combination.

Companies are required to apply the amendments business acquisitions on or after the beginning of annual reporting period beginning on or after 1 January 2022.

Earlier application is permitted if at the same time or earlier an entity also applies all the amendments made by Amendments to References to the Conceptual Framework in IFRS Standards, issued in March 2018.

Since Montea’s current practice is in line with the amendments, the amendments are expected to have no impact on Montea’s consolidated financial statements.

Amendments to IFRS 17 Insurance Contracts: Initial Application of IFRS 17 and IFRS 9 - Comparative Information, effective 1 January 2023
The amendment added a transitional option for a "classification overlay" to address potential accounting mismatches between financial assets and liabilities under insurance contracts in the comparative information presented upon initial application of IFRS 17. If an entity chooses to apply the 'classification overlay', it can do so only for comparative periods for which it applies IFRS 17 (i.e., from the effective date to the date of first application of IFRS 17). No changes were made to the entry requirements of IFRS 9 Financial Instruments. This standard does not apply to Montea.

Amendments to IFRS 17 Insurance contracts
IFRS 17 is a new standard for insurance contracts, which deals with recognition and measurement, presentation, and explanation. Once effective, IFRS 17 will replace IFRS 4 - Insurance contracts (IFRS 4), which was published in 2005. IFRS 17 applies to all types of insurance contracts (i.e. life insurance, non-life insurance, direct insurance, and reinsurance), regardless of the type of entity issuing them, as well as to certain guarantees and financial instruments with discretionary participation features. Some exceptions to the scope apply. IFRS 17 introduces new accounting requirements for banking products with insurance features that affect the determination of which instruments or which components thereof fall within the scope of IFRS 9 or IFRS 17.

Credit cards and similar products that provide insurance coverage: most issuers of these products will be able to continue their existing accounting as a financial instrument under IFRS 9. IFRS 17 excludes from its scope contracts for credit cards (and other similar contracts that provide credit or payment arrangements) that meet the definition of an insurance contract if, and only if, the entity does not have an assessment of the insurance risk associated with an individual customer when pricing the contract with that customer. Where insurance cover is provided as part of the contractual terms of the credit card, the issuer is required to:

- Separate the insurance coverage component and apply IFRS 17 to it;
- Apply other applicable standards (such as IFRS 9, IFRS 15 Revenue from Contracts with Customers or IAS 37 Provisions, Contingent Liabilities and Contingent Assets) to the other components

Loan contracts that meet the definition of insurance but limit compensation for insured events to the amount otherwise required to meet the obligation created by the contract: issuers of these types of loans, e.g. a loan waived at death, have the option of applying either IFRS 9 or IFRS 17. The choice has to be made at a portfolio level and is irrevocable.

IFRS 17 applies to financial years commencing on or after 1 January 2023. Adjustment of previous financial years is mandatory. Earlier application is permitted provided IFRS 9 and IFRS 15 are applied on or before the date of first application of IFRS 17.

This standard does not apply to Montea.

Annual improvement cycle - 2018-2020
The IASB published the annual improvements cycle 2018 - 2020 to its standards and interpretations. These improvements include:

- IFRS 9 Financial Instruments - The amendment clarifies the fees that an entity recognises when estimating whether the terms of a new or amended financial liability are substantially different from the terms of the original financial liability. These include only fees paid or received between the borrower and lender, including fees paid or received by either the borrower or lender on behalf of the counterparty. An entity applies the amendment to financial liabilities modified or exchanged on or after the beginning of the financial year in which the entity first applies the amendment. An entity applies the amendment for annual periods beginning on or after 1 January 2022. An entity applies the amendments to financial liabilities modified or exchanged on or after the beginning of the financial year in which it first applies the amendment. Early application is permitted. These amendments are not expected to have an impact on Montea's consolidated financial statements.

- Illustrative Examples to IFRS 16 Leases - The amendment removes the example of payments by the lessor related to leasehold improvements in Illustrative Example 13 to IFRS 16. This removes potential confusion about the treatment of leasehold improvements when applying IFRS 16. These amendments will have no impact on Montea's consolidated financial statements.

- IAS 41 Agriculture - The amendments remove the requirement to exclude cash flows relating to taxes from fair value measurements. An entity applies the amendments for annual periods beginning on or after 1 January 2022. Early application is permitted. These amendments will have no impact on Montea's consolidated financial statements.

17.8. Financial annexes to the consolidated financial statements as at 31 December 2021

17.8.1. Notes to the consolidated balance sheet and income statement

Note 1: Rental income

Montea rents out its investment properties under lease agreements. This income is gross rental income generated by these leases and appears under this heading.

The table below gives an overview of the rental income for the full year:

RENTAL INCOME (EUR x 1.000)	31/12/2021 12 months	31/12/2020 12 months	31/12/2019 12 months
Rent	75.235	69.521	65.527
Guaranteed rental income	0	0	0
Rental discounts	336	540	-464
Rental incentives	0	0	0
Compensation for early breach rental contracts	0	0	0
Compensation financial leasing	0	0	0
TOTAL	75.571	70.061	65.063

Rental income increased by 7.9% (€5.5 million) in 2021 compared to 2020 to €75.6 million. This increase in rental income of €5.5 million is mainly driven by:

- Volume effects: acquisitions or completions of new sites (€5.2 million), partially offset by sales (€-0.6 million)
- Indexation of leases and other adjustments (€0.6 million)
- Lease activity or renegotiation of contracts (€0.3 million) in the sites at Le Mesnil Amelot (FR), Aalst (BE) and Willebroek (BE).

Details of the rental income per site are provided below:

RENTAL INCOME (EUR x 1.000)		31/12/2021 12 months	31/12/2020 12 months	31/12/2019 12 months
Belgium		**35.462**	**35.033**	**33.930**
Aalst	Tragel 48-58	1.722	2.212	2.181
Bornem	Industrieweg 4-24	575	616	613
Grimbergen	Eppegemsestwg 31-33	1.259	1.247	1.235
Hoboken	Smallandlaan 7	137	135	132
Puurs	Rijksweg 85-89	261	257	256
Nivelles	Rue de la Technique 11	508	508	542
Puurs	Schoonmansveld 18	470	405	461
Erembodegem	Industrielaan 27	890	881	865
Mechelen	Zandvoortstraat 16	1.089	1.072	1.036
Vorst	Humaniteitslaan 292	1.654	2.153	2.136
Milmort	Avenue du Parc Industriel	983	971	843
Heppignies	Rue Brigade Piron	714	860	839
Zaventem	Brucargo 830	2.318	2.311	2.280
Zaventem	Brucargo 763	344	341	336
Zaventem	Brucargo 831	672	666	660
Gent	Evenstuk	1.840	1.823	1.800
Gent	Korte Mate	582	601	568
Zaventem	Brucargo 738-1	512	506	504
Willebroek	De Hulst Triton	844	887	870
Willebroek	De Hulst Dachser	1.133	1.093	1.057
Willebroek	De Hulst Federal Mogul	1.540	1.535	1.493
Erembodegem	Waterkeringstraat 1	1.104	1.096	1.381
Bornem	Industrieweg 3	770	766	727
Zaventem	Brucargo	3.450	3.382	3.316
Willebroek	De Hulst Metro	666	667	677
Willebroek	De Hulst Decathlon	2.093	2.076	2.040
Genk	Mainfreight	544	546	523
Zaventem	Brucargo - Saco	361	379	339
Bilzen	Kruisbosstraat 5	1.989	1.951	1.913
Zaventem	Brucargo 832	719	715	689
Liège	Rue Saint Exupéry	1.171	1.173	1.046
Saintes	Amtoys / Noukies	361	359	360
Lummen	Dellestraat	391	387	213
Vilvoorde	Tyraslaan	604	453	0
Brussel	Vilvoordselaan 140	587	0	0
Antwerpen	Blue Gate, Olieweg	569	0	0
Gent	Ottergemsesteenweg-Zuid 717	13	0	0
Tongeren	Michielenweg	24	0	0
Severance payments		0	0	0
France		**11.253**	**10.458**	**9.126**
Roissy	Rue de la Belle Etoile 280+ 383	324	320	905
Décines	Rue a Rimbaud 1	360	363	375
Le Mesnil Amelot	Rue du Gué 4, Rue de la Grande Borne	686	378	565
Alfortville	Le Techniparc	240	238	233
Le Mesnil Amelot	Rue du Gué 1-3	590	497	511
Saint-Priest	Chemin de la Fouilousse	649	649	635
Marennes	La Donnière	913	913	894
Saint-Laurent-Blangy	Actiparc	119	591	663
Saint-Martin-de-Crau	Ecopole	732	883	860
Saint-Priest	Parc des Lumières	528	531	522
Camphin	Rue des Blattiers	2.347	2.347	2.307
Lesquin	Rue des Saules	282	281	277
Le Mesnil Amelot	Rue de la Grande Borne	151	232	196
Alfortville	Rue Félix Mothiron 8	172	173	169
Le Mesnil Amelot	Rue de Guivry	82	89	14
Sevigne Roissy-en-Franc	Rue de la Belle Etoile	652	659	0
Lyon - Meyzieu	Avenue Lionel Terray	955	520	0
Athies	Actiparc	1.470	793	0
Severance payments		0	0	0
The Netherlands		**28.297**	**24.571**	**22.007**
Almere	Stichtse Kant	1.207	1.193	1.160
Waddinxveen	Exportweg	1.292	1.271	1.232
Oss	Vollenhovermeer	1.344	1.261	1.246
Beuningen	Zilverwerf	1.172	1.117	1.074
's Heerenberg	Distributieweg	0	0	739
Heerlen	Business Park Aventis	2.830	2.785	1.853
Apeldoorn	Ijseldijk	601	591	579
Tilburg	Gesworenhoekseweg	1.127	1.067	1.039
Aalsmeer	Japanlaan - Borgesius	1.837	1.808	1.772
Aalsmeer	Japanlaan - Scotch & Soda	737	666	631
Eindhoven	De Keten - Jan De Rijk	1.359	1.330	1.248
Tilburg	Brakman - NSK	1.051	1.032	1.023
Etten-Leur	Parallelweg - BAS Logistics	880	875	842
Hoofddorp	Willem Brocadesdreef	682	681	654
Rozenburg	Hanedaweg 10	581	571	560
Tiel	Panovenweg	3.532	3.600	3.525
Born	Verloren van Themaatweg	2.076	2.048	1.750
Oss	Kantsingel	716	704	520
Waddinxveen	Dirk Verheulweg	1.421	1.349	483
Tiel	De Geer	351	345	77
Amsterdam	Schiphol	976	203	0
Amsterdam	Schiphol	1.005	65	0
Echt	Havenweg 18	1.193	13	0
Ridderkerk	Handelsweg 180	328	0	0
Severance payments		0	0	0
Germany		**558**	**0**	**0**
Leverkusen	Schlebuscherstraße 99	125	0	0
Mannheim	Eisenbahnstraße 6-8	433	0	0
Severance payments		0	0	0
TOTAL		**75.571**	**70.061**	**65.063**

If all the properties that were part of the property portfolio for a full year in the last three years are taken into account (exclusive of acquisition of new sites or divestments - total of 56 sites), the rental income is as follows (see also table on next page):

- 2019: €57,618 K
- 2020: €58,017 K
- 2021: €57,862 K

The 2.4% decrease in rental income for Belgium in 2021 compared to 2020 is mainly due to the partial redevelopment of the sites in Aalst and Vorst, partially offset by the annual indexation.

Rental income for France increased by 3.4% in 2021 compared to 2020, mainly due to the annual indexation and temporary vacancy in the Le Mesnil Amelot site in 2020. This increase is partly compensated by the partial redevelopment of the site in Saint-Martin-De-Crau.

In the Netherlands, rental income increased by 2.0% in 2021 compared to 2020, mainly as a result of the annual indexation.

RENTAL INCOME (EUR x 1.000)		31/12/2021 12 months	31/12/2020 12 months	31/12/2019 12 months
Belgium		**31.389**	**32.159**	**31.832**
Aalst	Tragel 48-58	1.722	2.212	2.181
Bornem	Industrieweg 4-24	575	616	613
Grimbergen	Eppegemsestwg 31-33	1.259	1.247	1.235
Hoboken	Smallandlaan 7	137	135	132
Puurs	Rijksweg 85-89	261	257	256
Nivelles	Rue de la Technique 11	508	508	542
Puurs	Schoonmansveld 18	470	405	461
Erembodegem	Industrielaan 27	890	881	865
Mechelen	Zandvoortstraat 16	1.089	1.072	1.036
Vorst	Humaniteitslaan 292	1.654	2.153	2.136
Milmort	Avenue du Parc Industriel	983	971	843
Zaventem	Brucargo 830	2.318	2.311	2.280
Zaventem	Brucargo 763	344	341	336
Zaventem	Brucargo 831	672	666	660
Gent	Evenstuk	1.840	1.823	1.800
Gent	Korte Mate	582	601	568
Zaventem	Brucargo 738-1	512	506	504
Willebroek	De Hulst Triton	844	887	870
Willebroek	De Hulst Dachser	1.133	1.093	1.057
Willebroek	De Hulst Federal Mogul	1.540	1.535	1.493
Erembodegem	Waterkeringstraat 1	1.104	1.096	1.381
Bornem	Industrieweg 3	770	766	727
Zaventem	Brucargo	3.450	3.382	3.316
Willebroek	De Hulst Metro	666	667	677
Willebroek	De Hulst Decathlon	2.093	2.076	2.040
Genk	Mainfreight	544	546	523
Zaventem	Brucargo - Saco	361	379	339
Bilzen	Kruisbosstraat 5	1.989	1.951	1.913
Zaventem	Brucargo 832	719	715	689
Saintes	Amtoys / Noukies	361	359	360
France		**7.501**	**7.254**	**7.348**
Décines	Rue a Rimbaud 1	360	363	375
Le Mesnil Amelot	Rue du Gué 4, Rue de la Grande Borne	686	378	565
Alfortville	Le Techniparc	240	238	233
Le Mesnil Amelot	Rue du Gué 1-3	590	497	511
Saint-Priest	Chemin de la Fouilousse	649	649	635
Marennes	La Donnière	913	913	894
Saint-Martin-de-Crau	Ecopole	732	883	860
Saint-Priest	Parc des Lumières	528	531	522
Camphin	Rue des Blattiers	2.347	2.347	2.307
Lesquin	Rue des Saules	282	281	277
Alfortville	Rue Félix Mothiron 8	172	173	169
The Netherlands		**18.972**	**18.603**	**18.438**
Almere	Stichtse Kant	1.207	1.193	1.160
Waddinxveen	Exportweg	1.292	1.271	1.232
Oss	Vollenhovermeer	1.344	1.261	1.246
Beuningen	Zilverwerf	1.172	1.117	1.074
Heerlen	Business Park Aventis	1.570	1.543	1.853
Apeldoorn	Ijseldijk	601	591	579
Tilburg	Gesworenhoekseweg	1.127	1.067	1.039
Aalsmeer	Japanlaan - Borgesius	1.837	1.808	1.772
Aalsmeer	Japanlaan - Scotch & Soda	737	666	631
Eindhoven	De Keten - Jan De Rijk	1.359	1.330	1.248
Tilburg	Brakman - NSK	1.051	1.032	1.023
Etten-Leur	Parallelweg - BAS Logistics	880	875	842
Hoofddorp	Willem Brocadesdreef	682	681	654
Rozenburg	Hanedaweg 10	581	571	560
Tiel	Panovenweg	3.532	3.600	3.525
TOTAL		**57.862**	**58.017**	**57.618**

Note 2: Rental-related costs

RENTAL-RELATED EXPENSES (EUR x 1.000)	31/12/2021 12 months	31/12/2020 12 months	31/12/2019 12 months
Rent to pay on leased assets	0	0	0
Depreciations on trade receivables	-766	-465	0
Reversal of write-downs on trade receivables	340	0	0
TOTAL	**-426**	**-465**	**0**

Montea applies IFRS 16 to financial years starting on or after 1 January 2019 and implies that lease obligations (such as rental agreements and concession agreements) must be expressed on the lessee's balance sheet by including a right of use as investment property and an associated lease obligation as long-term debt. For Montea, as owner of the property and therefore lessee, there are no changes as regards the valuation of the property portfolio. Montea will continue to value its property portfolio at fair value in accordance with IAS 40. For these concession agreements, Montea, as lessor, will include the right of use as investment property and the associated leasing liability in the balance sheet as long-term debt and, as a result, the recurrent concession fees will be processed via the financial result instead of via the net rental result from 2019 onwards.

Montea also applies IFRS 9. If Montea avails itself of external legal advice to collect the rental and/or other funds, a write-down will be entered if the collection is uncertain. When the funds are received, a reversal of the impairment is recorded. The method of determining the impairment has not been adjusted. In 2020, in the context of the COVID-19 crisis, requests from tenants to spread rent payments over time were considered on a case-by-case basis in order to find a balanced solution. No rent reductions or waivers were granted by Montea. In 2020, as a precautionary measure, a provision was made for staggered rents as a result of the agreements reached for an amount of €465 K, which could be collected in the course of 2021. In 2021, such a provision is not needed since there is no longer a deferral of payment in the context of COVID-19. The impairment that was made in 2021 is a consequence of the judicial liquidation of Office Dépot.

Note 3: Rental charges and taxes normally payable by the tenant on let properties and recovery of such rental charges and taxes

RENTAL CHARGES AND TAXES NORMALLY BORNE BY TENANTS ON LET PROPERTIES (EUR x 1.000)	31/12/2021 12 months	31/12/2020 12 months	31/12/2019 12 months
Recovery of charges and taxes normally borne by tenants on let properties	**8.780**	**7.466**	**6.986**
Reinvoicing of rental charges borne by tenants	4.391	3.471	3.701
Reinvoicing of taxes on let properties	4.389	3.995	3.286
Rental charges and taxes normally borne by tenants on let properties	**-9.262**	**-7.762**	**-7.371**
Rental charges borne by tenants	-4.669	-3.508	-3.867
Taxes on let properties	-4.593	-4.254	-3.504
TOTAL	**-482**	**-296**	**-385**

The increase in the net impact to €482 K is largely due to the extra rent on the various sites owned by the Montea group.

For vacant premises, the biggest cost is property tax and insurance, whether or not passed on. The property taxes and withholding taxes on leased buildings amounted to € 4,593 K (6.1% of the rental income, which is € 75,235 K on 31 December 2021).

Note 4: Other rental-related income and expenses

OTHER RENTAL-RELATED INCOME AND EXPENSES (EUR x 1.000)	31/12/2021 12 months	31/12/2020 12 months	31/12/2019 12 months
Property management fee	406	394	365
Solar panel income	4.837	3.128	2.264
Other	4.837	1.552	828
TOTAL	10.080	5.074	3.457

The Property management fee is the contractually agreed amount, which in the majority of contracts is a percentage of the annual rent.

The income from the solar panels consists of the generated electricity that is passed on to the tenants and the network manager (30.2%) and of the income from the green certificates (69.8%).

The revenues are recognized at the time of receipt of these revenues, in accordance with IFRS15. There are no green energy certificates that have not been sold at the end of the financial year. These green certificates are paid for by the government and not by the energy suppliers.

The item "Other" mainly comprises re-invoicing of additional work to customers. Furthermore, this item also includes other income, such as the insurer's interventions in connection with claims covered by our insurance policy.

Note 5: Technical costs

TECHNICAL COSTS (EUR x 1.000)	31/12/2021 12 months	31/12/2020 12 months	31/12/2019 12 months
Recurring technical costs	**-1**	**-17**	**-10**
Repairs	*-1*	-17	-10
Compensation for overall guarantees	*0*	0	0
Insurance premiums	*0*	0	0
Non-recurring technical costs	**0**	**0**	**-12**
Major repairs	*0*	0	0
Claims	*0*	0	-12
TOTAL	-1	-17	-22

The technical costs in 2021 are mainly minor repair and maintenance works on the property portfolio.

Note 6: Commercial costs

COMMERCIAL COSTS (EUR x 1.000)	31/12/2021 12 months	31/12/2020 12 months	31/12/2019 12 months
Brokers' fees	-77	-62	-41
Publicity	-5	0	0
Lawyer fees and legal expenses	-140	-34	-17
TOTAL	-222	-95	-58

The commercial costs include the brokerage commissions payable after signing the new lease of the previously vacant units in the building in Le Mesnil Amelot. Also included are costs for lawyers' fees and legal costs resulting from the judicial liquidation of Office Dépot.

Note 7: Costs of unlet buildings

CHARGES AND TAXES OF NON-LET PROPERTIES (EUR x 1.000)	31/12/2021 12 months	31/12/2020 12 months	31/12/2019 12 months
Charges	-102	-72	-63
Property tax	-212	-83	-103
Insurances	0	0	0
TOTAL	**-314**	**-156**	**-166**

The cost of unlet buildings increased by €158 K, mainly due to property taxes payable on the sites in Vorst and Aalst where part of the site is being redeveloped.

Note 8: Property management costs

PROPERTY MANAGEMENT COSTS (EUR x 1.000)	31/12/2021 12 months	31/12/2020 12 months	31/12/2019 12 months
Internal property management costs	-1.985	-1.913	-1.794
External property management costs	0	0	0
TOTAL	**-1.985**	**-1.913**	**-1.794**

These costs include the costs relating to the internal team responsible for managing and marketing the property and on the costs directly attributable to management.

Note 9: Other property expenses

OTHER PROPERTY CHARGES (EUR x 1.000)	31/12/2021 12 months	31/12/2020 12 months	31/12/2019 12 months
Other property charges	-52	-48	-8
TOTAL	**-52**	**-48**	**-8**

“Other property expenses" in 2021 mainly include the costs related to the maintenance of the solar panels.

Note 10: Company general overheads

GENERAL CORPORATE EXPENSES (EUR x 1.000)	31/12/2021 12 months	31/12/2020 12 months	31/12/2019 12 months
Office costs	-251	-245	-475
Representation costs	-73	-107	-185
Fees	-1.136	-889	-876
Real estate expert	*-156*	*-160*	*-135*
Auditor	*-138*	*-73*	*-70*
Legal advisors	*-181*	*-226*	*-212*
Accounting and financial advisors	*-354*	*-176*	*-301*
Other	*-307*	*-254*	*-158*
Listing fees	-878	-741	-465
Marketing and communication	-372	-247	-355
Personnel costs and manager's fees	-1.997	-1.871	-1.596
Amortizations	-346	-278	-256
TOTAL	**-5.052**	**-4.378**	**-4.207**

The general overheads mainly comprise the costs for the day-to-day management and the costs incurred within the framework of the obligations for listed companies.
A total of €9,883 K was incurred in general expenses. Of this

- 2,846 K (28.8%) were capitalised on the existing sites and new ongoing projects. These are project management costs;

- €1,985 K (20.1%) were transferred to property expenses (included in property expenses, included in Note 8). These costs include on the one hand the costs related to the internal team responsible for managing and marketing the property and on the other hand the costs directly attributable to management.

Thus, 51.1% of these costs (€5,052K) are retained as general overheads of the company.

The fee of the auditor, EY Bedrijfsrevisoren, represented by Joeri Klaykens, acting in the name of a private limited company, with regard to the remuneration within the framework of its legal assignment to audit and revise the statutory and consolidated accounts amounts to €50,588.85 (excl. VAT). In addition to the above-mentioned fee, the statutory auditor performed the following other auditing activities

- Assignment to audit subsidiaries: €20,780;
- Statutory assignments: €11,900.00;
- Tax advice: €2,000.00;
- Other: €22,500.00.

These audit activities were approved in the deliberation of the audit committee.

Apart from the fees for the statutory auditor, the real estate experts and the Sole Director, no other significant fees were due in 2021.

The average staff numbers and breakdown of staff costs can be presented as follows:

	31/12/2021 12 months	31/12/2020 12 months	31/12/2019 12 months
Average workforce (in FTE)	**25**	**23**	**22**
a) Workers	0	0	0
b) Employees	*25*	*23*	*22*
Administrative employees	*13*	*13*	*12*
Technical employees	*11*	*10*	*10*
Geografical location workforce (in FTE)	***25***	***23***	***22***
West-Europe	*25*	*23*	*22*
Belgium	*17*	*16*	*15*
France	*4*	*4*	*4*
The Netherlands	*4*	*3*	*3*
Central- and Eastern-Europe	*0*	*0*	*0*
Personnel costs (in EUR x 1000)	**2.822**	**2.923**	**2.582**
a) Salaries and direct social benefits	*2.308*	*2.153*	*1.921*
b) Employer contributions to social security	*431*	*657*	*549*
c) Employer premiums for non-statutory insurances	*35*	*66*	*48*
d) Other personnel costs	*48*	*48*	*64*

(*) FTE means Full-Time Equivalents

The personnel costs included above can be found in the section of general overheads (see above) and in the section of administrative costs (see Note 8). The difference between the two amounts corresponds to the remuneration of the sole director.

Montea has taken out a group insurance contract (defined contribution plan) with an external insurance company for its permanent employees. The contributions to the insurance plan are paid by Montea. The insurance company has confirmed that on 31 December 2021 the deficit to guarantee the legal minimum return is not material.

As regards the executive management's remuneration, reference is made to section 13.

Note 11: Other operating income and expenses

OTHER OPERATING INCOME AND EXPENSES (EUR x 1.000)	31/12/2021 12 months	31/12/2020 12 months	31/12/2019 12 months
Other operating income	238	38	34
Other operating expenses	-80	-171	-205
TOTAL	**158**	**-133**	**-172**

The other operating income consists mainly of:
- indemnities received;
- non-recurring revenues.

The other operating expenses consist mainly of:
- costs of registrations and legal formalities
- company contributions;
- Costs incurred for projects that were not retained

Note 12: Result on disposals of investment property

RESULT ON DISPOSAL OF INVESTMENT PROPERTIES (EUR x 1.000)	31/12/2021 12 months	31/12/2020 12 months	31/12/2019 12 months
Net sale of investment property (sales price - transaction costs)	15.395	0	27.046
Fair value of sold real estate	-14.942	0	-26.612
TOTAL	**453**	**0**	**434**

The capital gains of €453K is the combined result of the divestments of buildings in Saint-Laurent-Blangy (FR) and Heppignies (BE).

Note 13: Changes in the fair value of investment properties

CHANGES IN FAIR VALUE OF INVESTMENT PROPERTIES (EUR x 1.000)	31/12/2021 12 months	31/12/2020 12 months	31/12/2019 12 months
Positive changes in fair value of investment properties	192.709	123.211	83.994
Negative changes in fair value of investment properties	-17.317	-15.903	-13.221
TOTAL	**175.392**	**107.308**	**70.773**

When the balance of all positive and negative variations is considered in aggregate, the result on the property portfolio amounts to €175,392K at 31 December 2021. Positive changes in the fair value of investment properties are largely due to the decrease in investment returns for projects with long-term leases. Negative changes in the fair value of investment properties are largely the result of write-downs recorded as a result of leases coming to an end or being discontinued, the entry in the income statement of initial transaction costs for the acquisition or development of new properties (see section 17.7.2.1) and the exit through the result of the remaining rent-free periods.

When Montea invests in a building (major renovation works), these investments are booked as an asset on the balance sheet. When the property expert does not value or does not value fully these additional works according to the cost price of these works, Montea enters a negative change in the valuation of the property.

See also Note 20 in relation to the valuation methodology and the sensitivity of valuations.

Note 14: Financial income

FINANCIAL INCOME (EUR x 1.000)	31/12/2021 12 months	31/12/2020 12 months	31/12/2019 12 months
Interests and dividends received	0	0	0
Compensation financial leasing	0	0	0
Net realized gains on sale of financial assets	0	0	0
Net realized gains on sale of financial leasing receivables and similar receivables	0	0	0
Other	21	94	57
TOTAL	**21**	**94**	**57**

"Other" financial income mainly pertains to interest received as a result of late payments by customers.

Note 15: Net interest charges

NET INTEREST CHARGES (EUR x 1.000)	31/12/2021 12 months	31/12/2020 12 months	31/12/2019 12 months
Nominal interest charges on loans	-8.221	-8.149	-8.333
Reinstatement of the nominal amount for financial debts	2	0	0
Costs from authorized hedges	-3.258	-2.773	-2.967
Income from authorized hedges	0	0	0
Other interest charges	-11	-16	-9
TOTAL	**-11.487**	**-10.938**	**-11.309**

The net interest charges increased by €549K or 5.0%.

Nominal interest charges on loans remain stable compared to 2021. These include since 1 January 2019 the IFRS 16 impact (€2,046K): interest charges relating to leasing obligations that Montea has under the contracted concession agreements.

The cost of hedging instruments rose by €485K compared to 2020 mainly due to the increase in financial debt for which IRS (Interest Rate Swap) type interest rate hedging contracts are concluded and due to a higher hedging ratio during 2021 (92.7% at the end of 2021) compared to 2020 (85.3% at the end of 2020). The average financing cost fell compared to last year, from 1.9% in 2020 to 1.8%[90] for financial year 2021.

The impact of the hedging instruments on the average financing cost amounts to 0.5%. This means that the average financial cost without the hedging instruments would be 1.3%.

Note 16: Other financial charges

OTHER FINANCIAL CHARGES (EUR x 1.000)	31/12/2021 12 months	31/12/2020 12 months	31/12/2019 12 months
Bank charges and other commissions	-90	-91	-105
Net realized losses on sale of financial assets	0	0	0
Net realized losses on sale of financial leasing receivables and similar receivables	0	0	0
Other	-4	-15	0
TOTAL	**-94**	**-107**	**-105**

The bank charges are mainly administrative expenses for closing new credit lines.

[90] This financial cost is a full-year average, including leases, and was calculated based on the total financial result compared to the average of the opening and closing balance of financial debt for 2018, without taking into account the valuation of hedging instruments and the impact of IFRS 16.

Note 17: Changes in the fair value of financial assets and liabilities

The positive change in the fair value of financial assets and liabilities amounts to €12,967K consisting of

- the positive change in the fair value of financial assets and liabilities amounting to €13,058;
- the negative change due to IFRS 13 whereby the DVA (Debit Value Adjustment) fluctuates with €92K over financial year 2021 compared to end of 2020.

CHANGES IN FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES (EUR x 1.000)	31/12/2021 12 months	31/12/2020 12 months	31/12/2019 12 months
Authorized hedges	12.967	-8.077	-12.739
Authorized hedges qualifying for hedge accounting according to IFRS	*0*	0	0
Authorized hedges not qualifying for hedge accounting according to IFRS	12.967	-8.077	-12.739
Other	0	0	0
TOTAL	**12.967**	**-8.077**	**-12.739**

The debt position of Montea within the framework of the hedging instruments amounts to €18.8 million.

FAIR VALUE OF HEDGING INSTRUMENTS (EUR x 1.000)	Start date	Maturity date	Notional amount	Amount taken 31/12/2021	Interest rate	Hedged interest rate	Fair value 2021 (*)	Fair value 2020 (*)	Fair value 2019 (*)	Change in fair value 2021 vs. 2020
IRS	29/12/2017	31/12/2020	0	0	0,61%	EURIBOR 3M	0	0	-538	0
IRS	3/10/2016	2/01/2020	0	0	1,71%	EURIBOR 3M	0	0	-137	0
IRS	29/12/2017	29/12/2025	10.000	10.000	0,61%	EURIBOR 3M	-285	-563	-462	278
IRS	29/12/2017	29/12/2026	10.000	10.000	0,72%	EURIBOR 3M	-380	-726	-572	346
IRS	29/12/2017	29/12/2027	25.000	25.000	0,82%	EURIBOR 3M	-1.212	-2.241	-1.707	1.029
IRS	30/12/2016	31/12/2027	2.500	2.500	0,78%	EURIBOR 3M	-114	-218	-162	104
IRS	30/12/2016	31/12/2020	0	0	0,00%	EURIBOR 3M	0	0	-334	0
IRS	30/12/2016	31/12/2026	50.000	50.000	0,68%	EURIBOR 3M	-1.803	-3.533	-2.719	1.730
IRS	31/12/2016	31/12/2025	25.000	25.000	0,56%	EURIBOR 3M	-662	-1.343	-1.076	681
IRS	1/04/2018	31/03/2028	25.000	25.000	1,07%	EURIBOR 3M	-1.740	-2.869	-2.344	1.129
IRS	1/04/2018	1/04/2028	10.000	10.000	1,02%	EURIBOR 3M	-663	-1.109	-895	446
IRS	3/04/2018	1/04/2028	10.000	10.000	1,04%	EURIBOR 3M	-670	-1.125	-904	455
IRS	31/12/2018	31/12/2027	25.000	25.000	0,72%	EURIBOR 3M	-1.053	-2.053	-1.495	1.000
IRS '	31/12/2020	7/06/2021	0	0	0,00%	EURIBOR 3M	0	-4.450	-3.406	4.450
IRS '	31/12/2020	4/06/2021	0	0	0,00%	EURIBOR 3M	0	-1.694	-1.269	1.694
IRS	31/12/2021	31/12/2029	10.000	10.000	2,04%	EURIBOR 3M	-1.546	-1.960	-1.712	414
IRS '	1/01/2021	25/05/2021	0	0	0,00%	EURIBOR 3M	0	-5.137	-3.446	5.137
FORWARD START IRS	29/12/2023	31/12/2027	50.000	0	0,48%	EURIBOR 3M	-546	-1.720	-492	1.174
IRS	31/12/2021	31/12/2029	15.000	15.000	0,28%	EURIBOR 3M	-162	-725	0	563
IRS	31/12/2021	31/12/2029	10.000	10.000	0,29%	EURIBOR 3M	-112	-496	0	384
FORWARD START IRS "	31/03/2022	31/03/2030	50.000	0	1,14%	EURIBOR 3M	-3.905	0	0	-3.905
FORWARD START IRS "	30/06/2022	30/09/2030	10.000	0	1,85%	EURIBOR 3M	-1.360	0	0	-1.360
FORWARD START IRS "	30/12/2022	31/03/2031	25.000	0	2,08%	EURIBOR 3M	-3.722	0	0	-3.722
CAP	31/12/2019	31/12/2023	50.000	50.000	0,25%	EURIBOR 3M	86	22	107	64
CAP	1/01/2020	1/01/2021	0	0	0,00%	EURIBOR 3M	0	0	0	0
CAP	31/12/2019	31/12/2020	0	0	0,00%	EURIBOR 3M	0	0	0	0
CAP	31/12/2020	31/12/2024	25.000	25.000	0,00%	EURIBOR 3M	167	42	-	125
CAP	30/06/2020	31/12/2021	0	0	0,00%	EURIBOR 3M	0	0	-	0
CAP	30/06/2020	30/12/2020	0	0	0,25%	EURIBOR 3M	0	0	-	0
FORWARD START CAP	31/12/2022	31/12/2024	35.000	0	0,00%	EURIBOR 3M	229	0	-	229
FORWARD START CAP	31/12/2023	31/12/2024	55.000	0	0,25%	EURIBOR 3M	209	0	-	209
FORWARD START CAP	31/12/2022	31/12/2024	30.000	0	0,00%	EURIBOR 3M	196	0	-	196
FORWARD START CAP	31/12/2023	31/12/2024	55.000	0	0,25%	EURIBOR 3M	209	0	-	209
TOTAL			**612.500**	**302.500**			**-18.840**	**-31.899**	**-23.565**	**13.058**

A schematic representation of when the current IRS contracts for a total of €302.5 million will expire is provided below:

2023: €50 million
2024: €25 million
2025: €35 million
2026: €60 million
2027: €52,5 million
2028: €45 million
2029: €35 million

In 2021, Montea recorded a negative change in the valuation of the hedging instruments of €92K as a result of the adjustments in accordance with IFRS 13 (concerning what is known as "Debit Value Adjustment"). This brings Montea's net debt position within the framework of the hedging instruments to €18,840K million. The negative adjustment of the nominal amount to the fair value of the hedging instruments can be found with the other long-term financial debts on the liabilities side of the balance sheet and the positive adjustment of the nominal amount to the fair value with the other financial fixed assets - hedging instruments on the assets side of the balance sheet.
Montea contracted hedging instruments for a nominal amount of €612,500 K at the end of 2021.

The undiscounted net cash flows of the existing IRS contracts are shown in the table below:

Non-discounted cashflows (EUR x 1000)	<1 year	1 year < x < 2 year	2 year < x < 3 year	3 year < x < 4 year	4 year < x < 5 year	5 year < x < 6 year	6 year < x < 7 year	7 year < x < 8 year	8 year < x < 9 year	9 year < x < 10 year	> 10 year
Hedging cost	4.116	5.113	5.568	5.358	4.956	4.199	2.418	2.235	1.058	165	0

Note 18: Corporate income tax

INCOME TAXES (EUR x 1.000)	31/12/2021 12 months	31/12/2020 12 months	31/12/2019 12 months
Withholding tax	0	0	0
Actual income tax	-5.281	-906	-357
Deferred taxes	-21.397	0	0
TOTAL	**-26.678**	**-906**	**-357**

The total corporate income tax recognized consists of a provision for:

- tax to be paid on rejected expenditure by Montea NV;
- corporate tax payable by Belgian companies that do not enjoy the RREC status;
- exit tax adjustments;
- dividend tax payable by Montea SA;
- corporate income tax payable by Montea Nederland and its subsidiaries;
- deferred taxes, mainly in Montea Netherlands.

The increase compared to 2020 is twofold: there is the increase in actual income tax, and there are also deferred taxes as of 2021. The increase in actual income tax mainly originates in the Netherlands, where 25% corporate income tax is now applied instead of the 5% dividend tax, given the developments in obtaining the FBI status (see section 3.2.3). We should also situate the construction of deferred taxes in this context.

Note 19: Intangible fixed assets

INTANGIBLE ASSETS	(x EUR 1.000)
ON 31/12/2019	**419**
Acquisitions	327
Depreciations	-156
ON 31/12/2020	**589**
Acquisitions	363
Depreciations	-226
ON 31/12/2021	**727**

This section lists the amounts of intangible fixed assets for own use. These intangible assets mainly include licensing and development costs for property management, facility and accounting software.

Note 20: Investment property

An increase in investment properties and developments in 2021 of €333.7 million is explained by:

PROPERTY INVESTMENTS & PROJECT DEVELOPMENT	(X EUR 1.000) Property investments	(X EUR 1.000) Project developments	(X EUR 1.000) TOTAL
At 31/12/2014	397.710	16.295	414.005
At 31/12/2015	481.295	25.640	506.935
At 31/12/2016	524.855	10.281	535.136
At 31/12/2017	657.991	48.440	706.431
At 31/12/2018	868.478	28.395	896.873
At 31/12/2019	1.095.666	64.004	1.159.671
At 31/12/2020	1.309.863	54.589	1.364.452
Investments	114.565		114.565
New acquisitions	*33.024*		33.024
Ridderkerk (NL)	*10.970*		*10.970*
Leverkusen (DE)	*9.769*		*9.769*
Brussel (BE)	*7.117*		*7.117*
Other acquisitions	*5.170*		*5.170*
			-
			-
Investments in the existing portfolio	*4.298*		*4.298*
IFRS 16 recognition of concessions	*2.159*		*2.159*
Acquisition through share transactions	*71.172*		*71.172*
Completion of built-to-suit projects	*3.912*		*3.912*
			-
Completed development projects		*-3.912*	*-3.912*
Development projects		*62.821*	*62.821*
- Bornem (BE)		*1*	*1*
- Lumineus, Lummen (BE)		*148*	*148*
- Blue Gate, Antwerpen (BE)		*9.632*	*9.632*
- Tongeren - IIA (BE)		*5.385*	*5.385*
- Tongeren - IIB (BE)		*11.689*	*11.689*
- Tiel (NL)		*3.632*	*3.632*
- Vosdonk, Etten-Leur (NL)		*3.722*	*3.722*
- Waddinxveen, fase 1 (NL)		*22.883*	*22.883*
- Waddinxveen, fase 2 (NL)		*331*	*331*
- Senlis (FR)		*1.404*	*1.404*
			-
- Solar panels (BE)		*1.072*	*1.072*
- Solar panesls (NL)		*658*	*658*
- Solar panels (FR)		*2.265*	*2.265*
			-
Divestments	-13.859		*-13.859*
Sale of Assets			-
Assets available for sale	*-13.859*		*-13.859*
			-
Increase/(decrease) in fair value	172.721	1.336	174.056
At 31/12/2021	1.583.289	114.834	1.698.123

The property portfolio is valued at fair value. The fair value is based on non-observable inputs and therefore these investment properties belong to level 3 of the fair value hierarchy as defined under IFRS. See Note 39 for more information. The positive change in the valuation of the investment properties can be explained by the tightening of returns on logistics properties in the investment market.

Valuation methodology

The valuation of a site consists of determining its value on a given date, determining the price at which the site could potentially be traded between buyers and sellers who are sufficiently informed without information asymmetries and who wish to carry out such a transaction. This value is the investment value or the price to be paid plus any transfer taxes (registration duties or VAT). The fair value, within the meaning of the IAS/IFRS reference framework, can be obtained by deducting the theoretical local registration duties from the investment value.

Sensitivity of valuations

The sensitivity of the fair value depending on changes in the significant non-observable inputs, used in the determination of the fair value of properties classified in level 3 according to the IFRS fair value hierarchy is as follows:

Non-observable inputs	Calculated in	Impact on fair value	
		Increase	Decrease
Estimated rental value	€/m²	+	-
Discount rate	%	-	+
Required yield		-	+
Remaining lease term	years	+	-
Occupancy rate		+	-
Inflation		+	-

In addition, a long (short) remaining term of the lease often gives rise to a decrease (increase) in the discount rate.

The sensitivity of the fair value of the portfolio can be estimated as follows:

- an increase (decrease) of 1% in the rental income will cause the fair value of the portfolio to increase (decrease) by approximately €15.2 million;
- a 0.25% decrease (increase) in the discount rate will cause the portfolio's fair value to increase (decrease) by approximately €78.9 million.

Note 21: Other tangible fixed assets

OTHER TANGIBLE NON-CURRENT ASSETS (x EUR 1.000)	Total	Own use	Other
ON 31/12/2019	**13.730**	**387**	**13.344**
Acquisition value 01/01/2019	**15.044**	**786**	**14.258**
Acquisitions	15	0	15
Solar panels	17.560	0	17.560
- Acquisitions solar panels	*15.737*	*0*	*15.737*
- Added value/less value of existing solar panels	*1.823*	*0*	*1.823*
Acquisition value 31/12/2020	**32.619**	**786**	**31.833**
Depreciations 01/01/2019	**-1.313**	**-399**	**-914**
Depreciations	-119	-41	-78
Depreciations 31/12/2020	**-1.432**	**-440**	**-992**
ON 31/12/2020	**31.187**	**346**	**30.841**
Acquisition value 01/01/2020	**32.619**	**786**	**31.833**
Acquisitions	2.188	2.074	113
Solar panels	5.229	0	5.229
- Acquisitions solar panels	*5.713*	*0*	*5.713*
- Added value/less value of existing solar panels	*-484*	*0*	*-484*
Acquisition value 31/12/2021	**40.036**	**2.860**	**37.175**
Depreciations 01/01/2020	**-1.432**	**-440**	**-992**
Depreciations	-119	-38	-80
Depreciations 31/12/2021	**-1.550**	**-478**	**-1.072**
ON 31/12/2021	**38.485**	**2.382**	**36.103**

The evolution of the other tangible assets mainly includes the expansion of the solar parks through new installations on various sites in Belgium and the Netherlands and the purchase of a new future office, which is still under development.

The surplus values relating to the solar panel farms are recognized directly in equity (see also section 17.7.2 valuation rules).

Solar panels are valued on the basis of the revaluation model in accordance with IAS 16 - Property, plant, and equipment. After initial recognition, an asset whose fair value can be measured reliably shall be carried at revalued amount, i.e. its fair value at the time of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. If these solar panels were valued at cost, this would amount to €34,110. The solar panels have been valued by an independent real estate expert since 2018.

The fair value is based on the discounting method of future revenues.

The net gains from the valuation of the solar panels were recognized in a separate component of equity. See also Note 30.1.

Note 22: Financial fixed assets

FINANCIAL ASSETS	(x EUR 1.000)
ON 31/12/2019	**107**
Assets held for sale till maturity	**0**
interest	0
Assets at fair value through result	**64**
Hedging instruments	64
ON 31/12/2020	**64**
Assets held for sale till maturity	**11**
Participations in associated companies or companies with a participating interest	0
Amounts receivable after more than one year	11
Assets at fair value through result	**1.096**
Hedging instruments	1.096
ON 31/12/2021	**1.106**

The financial fixed assets concern only the positive valuation of the hedging instruments. The negative valuation of the hedging instruments for 2021 can be found in note 17.

Note 23: Trade receivables and other non-current assets

TRADE RECEIVABLES AND OTHER NON-CURRENT ASSETS	(x EUR 1.000)
ON 31/12/2019	**35**
Guarantees paid in cash	186
ON 31/12/2020	**221**
Guarantees paid in cash	0
ON 31/12/2021	**221**

This amount relates to a guarantee paid in cash.

Note 24: Assets held for sale

ASSETS HELD FOR SALE	(x EUR 1.000)
AT 31/12/2019	**0**
Accounting value of the investment properties held for sale	6.221
Real Estate certificates	0
Other	0
AT 31/12/2020	**6.221**
Accounting value of the investment properties held for sale	-6.221
Real Estate certificates	0
Other	0
AT 31/12/2021	**0**

During 2021 the assets held for sale, which were identified as such in 2020, were sold.

Note 25: Current trade receivables

TRADE RECEIVABLES (EUR x 1.000)	31/12/2021	31/12/2020	31/12/2019
Trade receivables - gross	17.999	14.476	14.042
Provisions for doubtful receivables	-1.530	-1.102	-638
TOTAL	**16.469**	**13.374**	**13.405**

Gross trade receivables as at 31 December 2021 amounted to €18 million of which:

- €12,981 K trade receivables;
- €639 K doubtful debtors;
- €4,378 K other receivables
- €1,530 K in write-downs for doubtful debts.

The table below provides an age analysis of the trade receivables.

AGEING OF TRADE RECEIVABLES	(x EUR 1.000)
Trade receivables, not due	10.441
Trade receivables, due 1 -30 days	1.687
Trade receivables, due 31 - 60 days	31
Trade receivables, due 61 - 90 days	-186
Trade receivables, due > 90 days	1.008
TOTAL	**12.981**

No general write-downs were entered on the total amount of €12,981 K, since an individual analysis is made per file which shows that there is no recovery risk with respect to the claims that are more than 90 days overdue. Despite this requirement, Montea is convinced, on the basis of historical data, that at the time the 90 days were exceeded, there was no risk of collectability.

Montea manages its customer base efficiently in order to minimize the impact of overdue receivables on its results. Montea subjects its customers to a credit analysis on a regular basis. It will also subject potential customers to a preliminary credit analysis before entering into new contracts. The table below gives an overview of the recorded doubtful debtors:

DOUBTFUL DEBTORS	(x EUR 1.000)
ON 31/12/2019	**638**
Amount current financial year	0
Reversal amount current financial year	0
ON 31/12/2020	**638**
Amount current financial year	2
Reversal amount current financial year	0
ON 31/12/2021	**639**

WRITE-DOWNS ON DOUBTFUL RECEIVABLES	(x EUR 1.000)
ON 31/12/2019	**638**
Provisions current financial year	465
Reversal losses doubtful receivables	0
ON 31/12/2020	**1.102**
Provisions current financial year	428
Reversal losses doubtful receivables	0
ON 31/12/2021	**1.530**

The table below provides an overview of the other receivables:

OTHER RECEIVABLES	(x EUR 1.000)
Trade receivables	29
Trade payables - debit balance	152
Invoices to be issued	4.192
Creditnotes to receive	5
TOTAL	**4.378**

Montea has made the necessary efforts to ensure that most of the outstanding trade receivables were collected after the end of the year.

Montea did not obtain any guarantees to limit its credit risk, nor did it obtain any credit hedging instruments.

Note 26: Tax receivables and other current assets

TAX RECEIVABLES AND OTHER CURRENT ASSETS (EUR x 1.000)	31/12/2021	31/12/2020	31/12/2019
TAXES	**13.069**	**9.644**	**8.402**
Value added taxes (VAT)	1.222	620	2.909
Corporate tax	11.846	9.023	5.493
OTHER CURRENT ASSETS	**36**	**3**	**784**
TOTAL	**13.104**	**9.646**	**9.186**

The recoverable amount of VAT is due to a number of large invoices issued at year-end concerning ongoing developments and purchases under VAT in the Netherlands. The outstanding tax receivable pertains to the Dutch corporate income tax of the fiscal entity whose FBI status is being applied for but has not yet been obtained. See Note 37 and section 3.2.3.

Note 27: Cash and cash equivalents

CASH AND CASH EQUIVALENTS (EUR x 1.000)	31/12/2021	31/12/2020	31/12/2019
Cash at banks	15.172	5.057	7.690
Term deposits	0	0	0
Cheques to be cashed	0	0	0
TOTAL	**15.172**	**5.057**	**7.690**

A cash flow statement is provided in section 8.2.

Note 28: Deferred charges and accrued income

DEFERRED CHARGES AND ACCRUED INCOME - ASSETS (EUR x 1.000)	31/12/2021	31/12/2020	31/12/2019
Accrued and not due rental income	551	478	64
Rental discounts and rental incentives to be allocated	0	0	0
Prepaid property charges			
- Costs for future projects / Provisions construction costs	2.112	2.974	1.398
- Autres	0	0	0
Prepaid interests and other financial charges	94	105	0
Other	1.736	526	575
TOTAL	**4.492**	**4.085**	**2.037**

Note 29: Capital and shares

SHARE CAPITAL AND SHARE PREMIUMS (x EUR 1.000)	Capital	Costs capital increase	Capital shares options staff	Subscription premium	Number of shares
ON 31/12/2019	**321.648**	**-5.871**	**-794**	**209.184**	**15.782.594**
Cash contribution + optional dividend	4.914	-85	0	13.091	241.100
ON 31/12/2020	**326.562**	**-5.956**	**-794**	**222.274**	**16.023.694**
Optional dividend	3.908	-94	151	12.419	191.762
ON 31/12/2021	**330.470**	**-6.050**	**-643**	**234.693**	**16.215.456**

Note 30: Reserves

(EUR x 1.000)	31/12/2021	31/12/2020	31/12/2019
Reserves	**228.780**	**118.216**	**47.398**
Legal reserves	835	835	835
Reserve for the balance of the changes in fair value of investment properties	158.506	54.378	-20.626
Reserve for the impact on the fair value of the estimated transfer rights and costs resulting from hypothetical disposal of investment properties	0	0	0
Reserve for the balance of the changes in fair value of authorized hedges qualifying for hedge accounting as defined by IFRS	0	0	0
Reserve for the balance of the changes in fair value of authorized hedges not qualified for hedge accounting as defined by IFRS	-28.149	-20.072	-7.333
Reserve for the balance of exchange rate differences on monetary assets and liabilities	0	0	0
Reserve for the conversion differences coming from the conversion of activities abroad	0	0	0
Reserve for treasury shares	0	0	0
Reserve for the balance of the changes in fair value of financial assets held for sale	0	0	0
Reserve for actuarial gains and losses on defined benefit pension plans	0	0	0
Reserve for deferred taxes on investment properties located abroad	0	0	0
Reserve for received dividends, used for the reimbursement of financial debts	0	0	0
Other reserves	97.587	83.074	74.522

A share purchase plan was approved for certain management employees at the meeting of the board of directors on 18 December 2020. For the possibility of purchase with application of the stipulated modalities in the plan, treasury shares were purchased. On 21 September 2018, Montea purchased 120,629 shares of which 100,000 shares were already sold on 24 September 2018. On 14 March 2019, another 5,280 shares were sold. Finally, another 1,400 shares were sold in April 2021 and 1,527 shares in September 2021, or a total of 2,927 shares in 2021. The board of directors' meeting of 28 October 2021 also approved Stock Option Plan 2021, which grants stock options to employees, management and commercial managers. See section 13.2.3 for more information.

MUTATION OWN SHARES (EUR x1000)		Number of shares
ON 31.12.2019	**794**	**15.349**
Changes in financial year 2020	0	0
ON 31.12.2020	**794**	**15.349**
Changes in financial year 2021	-151	-2.927
ON 31.12.2021	**643**	**12.422**

Compared to last year, the difference in the item "reserve for the balance of changes in the fair value of properties" amounts to €104,128K, largely due to the positive change in value of the properties as a result of the change in valuation rules regarding the movement costs (see section 17.7.2.1) which means that at acquisition, the mutation costs are expensed directly. The reserve for the balance of changes in fair value of real estate and the reserve for the balance of hedging instruments are the main components that have a major impact on the reserves.

Note 30.1: Reserve for the balance of changes in the fair value of properties

RESERVE FOR THE BALANCE OF THE CHANGES IN FAIR VALUE OF PROPERTY	(x EUR 1.000)
Changes in fair value of investment properties 2007 (15 months)	5.629
Changes in fair value of investment properties 2008 (12 months)	-10.046
Changes in fair value of investment properties 2009 (12 months)	-16.034
Changes in fair value of investment properties 2010 (12 months)	-1.906
Changes in fair value of investment properties 2011 (12 months)	-4.420
Changes in fair value of investment properties 2012 (12 months)	-6.692
Changes in fair value of investment properties 2013 (12 months)	-3.658
Changes in fair value of investment properties 2014 (12 months)	1.457
Changes in fair value of investment properties 2015 (12 months)	2.470
Changes in fair value of investment properties 2016 (12 months)	-23.534
Changes in fair value of investment properties 2017 (12 months)	3.204
Changes in fair value of investment properties 2018 (12 months)	33.814
Changes in fair value of investment properties 2019 (12 months)	70.773
Changes in fair value of investment properties 2020 (12 months)	103.901
Revaluation gains solar panels 2011 (12 months)	1.566
Revaluation gains solar panels 2012 (12 months)	-128
Revaluation gains solar panels 2013 (12 months)	-192
Revaluation gains solar panels 2014 (12 months)	-63
Revaluation gains solar panels 2015 (12 months)	213
Revaluation gains solar panels 2016 (12 months)	-720
Revaluation gains solar panels 2017 (12 months)	484
Revaluation gains solar panels 2018 (12 months)	-242
Revaluation gains solar panels 2019 (12 months)	2.402
Revaluation gains solar panels 2020 (12 months)	227
ON 31/12/2021	**158.506**

Note 30.2: Reserve for the balance of changes in the fair value of authorized hedging instruments that are not subject to hedge accounting as defined in IFRS

RESERVE FOR THE BALANCE OF THE CHANGES IN FAIR VALUE OF AUTHORIZED HEDGES NOT SUBJECT TO HEDGE ACCOUNTING AS DEFINED IN IFRS	(x EUR 1.000)
changes in fair value of authorized hedges 2007 (15 months)	0
changes in fair value of authorized hedges 2008 (12 months)	861
changes in fair value of authorized hedges 2009 (12 months)	-6.792
changes in fair value of authorized hedges 2010 (12 months)	-2.089
changes in fair value of authorized hedges 2011 (12 months)	1.643
changes in fair value of authorized hedges 2012 (12 months)	-4.917
changes in fair value of authorized hedges 2013 (12 months)	-8.033
changes in fair value of authorized hedges 2014 (12 months)	5.497
changes in fair value of authorized hedges 2015 (12 months)	-10.358
changes in fair value of authorized hedges 2016 (12 months)	-616
Unwinding SWAP 2017	9.865
changes in fair value of authorized hedges 2018 (12 months)	5.791
Unwinding SWAP 2018	4.943
changes in fair value of authorized hedges 2019 (12 months)	-3.128
changes in fair value of authorized hedges 2020 (12 months)	-12.739
changes in fair value of authorized hedges 2021 (12 months)	-8.077
ON 31/12/2021	**-28.149**

The change in fair value of the hedging instruments, in 2021 for an amount of €8.1 million, is fully recognised in the income statement.

Note 31: Result

For more information on the result, we refer to section 17.6 "Summary of changes in consolidated equity and reserves as at 31 December 2021".

The table below gives an overview of the net result per share and the EPRA result per share based on the weighted average number of shares and based on the number of shares entitled to dividend at year-end of Montea. The EPRA result is equal to the net result excluding the result on the portfolio[91] (XVI to XIX of the consolidated statement of realized and unrealized results before allocation of profit) and excluding the variation in the fair value of the financial assets and liabilities (see XXIII of the consolidated statement of realized and unrealized results before allocation of profit).

It should be noted that the number of shares entitled to share in the result of Montea is equal to the number of shares at the end of the period. In addition, Montea has no subscription rights and/or convertible bonds.

DETAIL RESULTS PER SHARE (EUR x 1.000)	31/12/2021 12 months	31/12/2020 12 months	31/12/2019 12 months
NET RESULT	227.848	155.009	108.465
Attributable to:			
Shareholders of the parent company	227.685	155.009	108.465
Minority interests	162	0	0
EPRA result (K€)	60.433	55.778	49.997
Number of weighted average number of shares for the period	16.130.871	15.916.319	15.229.606
Number of shares in circulation at the end of the period	16.215.456	16.023.694	15.782.594
NET (ordinary/diluted) RESULT PER SHARE / weighted number average of shares (€)	14,12	9,74	7,12
EPRA RESULT (ordinary/diluted) PER SHARE / weighted number average of shares (€)	3,75	3,50	3,28

DETAIL RECONCILIATION FROM NET RESULT TO EPRA RESULT (EUR X 1.000)	31/12/2021 12 months	31/12/2020 12 maanden	31/12/2019 12 maanden
NET RESULT	227.848	155.009	108.465
- Result on sale of investment properties	-453	0	-434
- Changes in fair value of investment properties	-175.392	-107.308	-70.773
- Changes in fair value of the financial assets and liabilities	-12.967	8.077	12.739
+ Deferred taxes	21.397	0	0
EPRA RESULT (K€)	60.433	55.778	49.997

Note 32: Minority interest

MINORITY INTEREST	(x EUR 1.000)
ON 31/12/2019	**0**
Minority intrests 2020	0
ON 31/12/2020	**0**
Minority intrests 2021	1.183
ON 31/12/2021	**1.183**

91 See section 17.11.

At the end of 2021 Montea entered into a new structural collaboration with the Cordeel construction group in Belgium. [92] This minority interest is due to the set-up of the cooperation with the Cordeel Group, which was not in place in 2020.

Note 33: Non-current provisions

PROVISIONS (EUR x 1.000)	31/12/2021	31/12/2020	31/12/2019
Pensions	0	0	0
Other	0	0	0
TOTAL	**0**	**0**	**0**

Note 34: Financial debts

FINANCIAL DEBTS (EUR x 1.000)	31/12/2021	31/12/2020	31/12/2019
NON-CURRENT FINANCIAL DEBTS	**556.509**	**446.742**	**389.741**
Credit institutions	310.833	350.167	261.667
Bonds	198.758	49.787	79.648
Securities and bank guarantees deposited	1.588	1.707	1.641
Financial leasing	718	833	943
Other (*)	44.612	44.247	45.844
CURRENT FINANCIAL DEBTS	**92.940**	**61.794**	**61.340**
Credit institutions	90.833	30.000	29.600
Bonds	0	29.975	30.000
Financial leasing	104	98	92
Other (*)	2.003	1.721	1.648
TOTAL	**649.449**	**508.535**	**451.082**

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

The financial debts concern nominal amounts and do not include interest.

The company has a total amount of drawn credit lines of € 401.7 million. On 31 December 2021 Montea had a total amount of confirmed bilateral credit lines of €551.7 million with 8 financial institutions. There is still an undrawn capacity of €150.0 million, which means that 72.8% of credit lines have been drawn.

In 2022, 22.6% (or €90.8 million) of the total drawn debt of the credit lines (€401.7 million) or 20.4% (€112.5 million) of the contracted credit lines (€551.7 million) will expire.
Furthermore, Montea also has a total amount of €200 million in bond loans, of which €150 million in Green Bonds that Montea concluded in 2021 (US Private Placement). In addition, an amount of €85.0 million was drawn in January 2022, bringing the total amount of bonds after this transaction to €285 million.

Moreover, there is a total amount of lease payables of €47.3 million, divided into long and short term, of which €46.6 million mainly relates to the recognition of the lease obligations on the concession land (as a result of IFRS 16) and to the financing of the solar panels on the site in Aalst.

The total financial debt (including bond loans and lease debt) on 31 December 2021 is covered for 92.7% by means of interest rate hedging contracts of the type of Interest Rate Swaps and Interest Caps. All bond loans have a fixed interest rate. The credit lines have a variable interest rate.

The tables below show the maturity analysis of the credit lines, bond loans and hedging instruments. The last

[92] For more information, see press release of 04/01/2022 or www.montea.com.

column shows the expected interest charges based on the situation on 31 December 2021, taking into account a stable EURIBOR.

CREDIT INSTITUTIONS	Contracted credit lines	Withdrawn credit lines	Withdrawn credit lines + interest
Credit lines, maturing within < 1 year	112.500	90.833	3.471
Credit lines, maturing within 1 - 2 year	110.833	81.167	3.177
Credit lines, maturing within 2 - 3 year	93.333	61.667	1.196
Credit lines, maturing within > 3 year	235.000	168.000	1.412
TOTAL	551.667	401.667	9.256

HEDGING INSTRUMENTS (x EUR 1000)	Notional amount	Interest cost hedgings
Hedging instruments, maturing within < 1 year	-	4.116
Hedging instruments, maturing within 1 - 2 years	50.000	5.113
Hedging instruments, maturing within 2 - 3 years	200.000	5.568
Hedging instruments, maturing within > 3 years	362.500	20.389
TOTAL	612.500	35.187

BONDS (EUR x 1000)	Contracted bonds	Withdrawn bonds	Interes costs bonds
Bonds, maturing within < 1 year	-	-	4.464
Bonds, maturing within 1 - 2 year	-	-	1.225
Bonds, maturing within 2 - 3 year	-	-	1.225
Bonds, maturing within > 3 year	285.000	200.000	1.351
TOTAL	285.000	200.000 €	8.264

The table below gives an overview of the current bonds:

BONDS						
Nominal amount (x1000 EUR)	Effective date	Termination date	Interest	Interest rate	Refund capital	Interest repayment
25.000	30/06/2015	30/06/2025	Fixed	3,42%	2025	Annualy
25.000	30/06/2015	30/06/2027	Floating	EURIBOR 3M + 205 bps	2027	Quarterly
50.000	27/04/2021	27/04/2031	Fixed	1,28%	2031	Biannually
30.000	23/06/2021	23/06/2031	Fixed	1,28%	2031	Biannually
70.000	23/06/2021	23/06/2036	Fixed	1,44%	2036	Biannually
200.000						

Note 35: Other non-current financial liabilities

OTHER NON-CURRENT FINANCIAL LIABILITIES (EUR x 1.000)	31/12/2021	31/12/2020	31/12/2019
Authorized hedges	19.130	31.065	23.031
TOTAL	**19.130**	**31.065**	**23.031**

The other non-current financial liabilities only include the negative valuation of the interest hedging instruments on 31 December 2021. Note 22, under financial fixed assets, contains the positive changes in value of the interest hedging instruments. The interest hedging instruments have a negative value of €19.9 million and a positive DVA value of €0.8 million on 31 December 2021, which brings the net value to a negative value of €19.1 million. For a comparison of the fair values with the carrying amounts, reference is made to note 17.

Note 36: Other non-current liabilities

OTHER NON-CURRENT LIABILITIES (EUR x 1.000)	31/12/2021	31/12/2020	31/12/2019
Guarantees	0	0	0
TOTAL	**0**	**0**	**0**

Note 37: Trade payables and other current liabilities

TRADE DEBTS AND OTHER CURRENT DEBTS (EUR x 1.000)	31/12/2021	31/12/2020	31/12/2019
Exit Tax	**4.194**	**147**	**274**
Other	**21.920**	**17.819**	**13.940**
Suppliers	12.731	12.291	10.712
Tenants	3.250	1.649	150
Taxes, salaries and social security	5.940	3.879	3.078
TOTAL	**26.113**	**17.966**	**14.214**

OTHER CURRENT LIABILITIES (EUR x 1.000)	31/12/2021	31/12/2020	31/12/2019
Dividends	28	24	24
Other	315	4.754	4.784
TOTAL	**342**	**4.778**	**4.809**

The section 'Exit tax' consists mainly of provisions created at the occasion of the acquisitions of the various real estate companies: Blue Gate Antwerp Invest (BGAI) NV, Gula NV, Hoecor NV (see Note 20).

The item "Suppliers" still has an outstanding balance of €12.7 million. This mainly relates to the unpaid invoices in the Netherlands, mainly related to the investments in solar panels. The remaining amount is still owed to third parties as a result of other ongoing developments in Belgium, the Netherlands and France.

The section "Taxes, remuneration and social security charges" consists mainly of the provision set up for the receipt of the provisional tax assessment notice by the Dutch fiscal unity whose FBI status is being applied for but has not yet been obtained. See note 26 and section 3.2.3.

The section "Other current liabilities" consists mainly of some costs relating to settlement where Montea has waived the right of first refusal on a site in Tilburg. The amount under the heading "Other current liabilities" at the end of 2020 consisted of an outstanding debt to Kellen BV, amounting to €4.7 million as a result of the acquisition of the site in Tiel in Q3 2018 and relates to ongoing archaeological investigations. This was offset during 2021 with a bank guarantee and security as part of the initial purchase price.

Note 38: Accruals and deferred income

ACCRUED CHARGES AND DEFERRED INCOME - LIABILITIES (EUR x 1.000)	31/12/2021	31/12/2020	31/12/2019
Property income received in advance	18.129	17.652	16.388
Interests and other charges accrued and not due	1.894	3.614	4.146
Other	0	0	0
TOTAL	**20.023**	**21.266**	**18.819**

Accrued charges and deferred income mainly consist of pre-invoiced rental income and the allocation of as yet unsettled interest on the bond loans and credit lines.

Note 39: Fair value hierarchy

		Fair value hierarchy (EUR x 1.000)	31/12/2021 Book value	31/12/2021 Level 1 (1)	31/12/2021 Level 2 (2)	31/12/2021 Level 3 (3)
I.		**NON-CURRENT ASSETS**	**1.703.680**	**0**	**2.055**	**1.701.625**
	A.	Goodwill	0	0	0	0
	B.	Intangible assets	727	0	727	0
	C.	Investment properties	1.665.521	0	0	1.665.521
	D.	Other tangible assets	36.103	0	0	36.103
	E.	Non-current financial assets	1.106	0	1.106	0
	F.	Finance lease receivables	0	0	0	0
	G.	Trade receivables and other non-current assets	221	0	221	0
	H.	Deferred taxes (assets)	0	0	0	0
	I.	Participations in associates and joint ventures according to the equity method	0	0	0	0
II.		**CURRENT ASSETS**	**49.237**	**15.172**	**34.065**	**0**
	A.	Assets held for sale	0	0	0	0
	B.	Current financial assets	0	0	0	0
	C.	Finance lease receivables	0	0	0	0
	D.	Trade receivables	16.469	0	16.469	0
	E.	Tax receivables and other current assets	13.104	0	13.104	0
	F.	Cash and cash equivalents	15.172	15.172	0	0
	G.	Deferred charges and accrued income	4.492	0	4.492	0
		TOTAL ASSETS	**1.752.917**	**15.172**	**36.120**	**1.701.625**
		LIABILITIES	**736.637**	**0**	**734.810**	**0**
I.		**Non-current liabilities**	**597.218**	**0**	**595.391**	**0**
	A.	Provisions	0	0	0	0
	B.	Non-current financial debts	556.509	0	554.682	0
		1. Credit institutions	312.421	0	312.421	0
		2. Bonds	243.370	0	241.543	0
		3. Various non-current liabilities (surety bonds, guarantees)	718	0	718	0
	C.	Other non-current financial liabilities	19.130	0	19.130	0
	D.	Trade debts and other non-current debts	0	0	0	0
	E.	Other non-current liabilities	0	0	0	0
	F.	Deferred taxes - liabilities	21.579	0	21.579	0
II.		**Current liabilities**	**139.419**	**0**	**139.419**	**0**
	A.	Provisions	0	0	0	0
	B.	Current financial debts	92.940	0	92.940	0
		1. Credit institutions	90.833	0	90.833	0
		2. Financial leasings	104	0	104	0
		3. Other	2.003	0	2.003	0
	C.	Other current financial liabilities	0	0	0	0
	D.	Trade debts and other current debts	26.113	0	26.113	0
	E.	Other current liabilities	342	0	342	0
	F.	Accrued charges and deferred income	20.023	0	20.023	0
		TOTAL LIABILITIES	**736.637**	**0**	**734.810**	**0**

Level 1: valuations of the fair value are determined by the (unadjusted) quoted market prices in active markets for identical assets and liabilities;

Level 2: valuations of the fair value are determined based on data other than quoted prices specified in 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: valuations of the fair values are determined using valuation techniques that data for the asset or liability cover that are not based on observable market data (unobservable data).

No transfers took place between the different levels of the fair value hierarchy in financial year 2021.

		Fair value hierarchy (EUR x 1.000)	31/12/2020 Book value	31/12/2020 Level 1 (1)	31/12/2020 Level 2 (2)	31/12/2020 Level 3 (3)
I.		**NON-CURRENT ASSETS**	**1.360.539**	**0**	**874**	**1.359.664**
	A.	Goodwill	0	0	0	0
	B.	Intangible assets	589	0	589	0
	C.	Investment properties	1.328.823	0	0	1.328.823
	D.	Other tangible assets	30.842	0	0	30.842
	E.	Non-current financial assets	64	0	64	0
	F.	Finance lease receivables	0	0	0	0
	G.	Trade receivables and other non-current assets	221	0	221	0
	H.	Deferred taxes (assets)	0	0	0	0
	I.	Participations in associates and joint ventures according to the equity method	0	0	0	0
II.		**CURRENT ASSETS**	**38.382**	**5.057**	**27.104**	**6.221**
	A.	Assets held for sale	6.221	0	0	6.221
	B.	Current financial assets	0	0	0	0
	C.	Finance lease receivables	0	0	0	0
	D.	Trade receivables	13.374	0	13.374	0
	E.	Tax receivables and other current assets	9.646	0	9.646	0
	F.	Cash and cash equivalents	5.057	5.057	0	0
	G.	Deferred charges and accrued income	4.085	0	4.085	0
		TOTAL ASSETS	**1.398.921**	**5.057**	**27.979**	**1.365.885**
		LIABILITIES	**583.610**	**0**	**586.120**	**0**
I.		**Non-current liabilities**	**477.807**	**0**	**480.316**	**0**
	A.	Provisions	0	0	0	0
	B.	Non-current financial debts	446.742	0	449.252	0
		1. Credit institutions	351.874	0	351.874	0
		2. Bonds	94.035	0	96.545	0
		3. Various non-current liabilities (surety bonds, guarantees)	833	0	833	0
	C.	Other non-current financial liabilities	31.065	0	31.065	0
	D.	Trade debts and other non-current debts	0	0	0	0
	E.	Other non-current liabilities	0	0	0	0
	F.	Deferred taxes - liabilities	0	0	0	0
II.		**Current liabilities**	**105.803**	**0**	**105.803**	**0**
	A.	Provisions	0	0	0	0
	B.	Current financial debts	61.794	0	61.794	0
		1. Credit institutions	30.000	0	30.000	0
		2. Financial leasings	98	0	98	0
		3. Other	31.696	0	31.696	0
	C.	Other current financial liabilities	0	0	0	0
	D.	Trade debts and other current debts	17.966	0	17.966	0
	E.	Other current liabilities	4.778	0	4.778	0
	F.	Accrued charges and deferred income	21.266	0	21.266	0
		TOTAL LIABILITIES	**583.610**	**0**	**586.120**	**0**

IFRS 13 deals with the practical application of determining the fair value when this is required or permitted by a different standard. This was also applied with regard to the valuation of the property investment, solar panels, and financial instruments.

1. Property investments

The fair value of property investments was determined in practice by relying on the external real estate expert, based mainly on the capitalization method.

The practical application of determining the fair value when valuing the property investments, based on the capitalisation method, was carried out on the basis of the external valuer who determined the market rent values and market yields at all of the individual sites. Some adjustments have been added to these market rent values and market yields, depending on the specific situation (e.g. the difference between the actual rent and the market rental value, the actual value of the future investments, as well as the estimate of future vacancies).

As stated above, the fair value of the property investments is determined mainly using the market rental value (€ per m²), equivalent yield (net yield based on an equivalent product at this location). The table below shows a summary of these two parameters per geographical region, with a minimum, maximum and weighted average. The fair value of the property investments is also determined by the difference between the actual rent and the market rental value.

Valuation fair value of investment properties	BE	FR	NL	DE
Rental Capitalization Method				
Market rental value (Min - Max.) (EURO /m²)	25-130	30-150	28-130	NVT
Market rental value - Weighted Average (EURO /m²)	48,47	55,49	49,12	NVT
Equivalent Yield (Min - Max.) (%)	3,40%-8,00%	4,20%-6,25%	3,27%-7,73%	NVT
Equivalent Yield - Weighted Average (%)	4,94%	4,94%	4,50%	NVT
Average inflation (%)	6,59%	3,39%	6,41%	5,7%
Actual rent compared to market rental value (%)	99,24%	90,29%	106,46%	NVT

The table above shows that the minimum and maximum market rent values are a long way apart. This is due mainly to:

- type of logistics: (e.g. refrigerated warehouse / cross-dock warehouses compared with standard warehouses);
- location of the property;
- proportion of offices compared with the whole site.

The cash flow method is no longer used because it does not create added value to the existing capitalization method. This cash flow method will only in very specific cases be applied to support the capitalization method.

The table below shows the main parameters for 2020:

Valuation Fair Value of Investment properties	BE	FR	NL
Rental Capitalization Method			
Market rental value (Min - Max.) (EURO /m²)	10-130	30-150	15-130
Market rental value - Weighted Average (EURO /m²)	47,04	52,13	49,78
Equivalent Yield (Min - Max.) (%)	3,75%-8,00%	4,70%-7,30%	4,61%-7,54%
Equivalent Yield - Weighted Average (%)	5,58%	5,50%	5,19%
Average inflation (%)	0,35%	-0,03%	0,92%
Actual rent compared to market rental value (%)	105,05%	92,16%	102,59%

2. Solar panels

The practical application of the fair value measurement in the valuation of the solar panels is determined based on a calculation of the net present value over the remaining term of the green certificates.

Solar panels are valued based on the revaluation model in accordance with IAS 16 – Tangible non-current assets. After initial recognition, an asset whose fair value can be reliably measured shall be carried at revalued amount, being its fair value at the time of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value is determined on the basis of the discounted cash flow method.

The following elements are taken into account when determining the discounting method:

- The useful life of the solar panels is estimated at 20 years.
- The green certificates amount to between €23.72 and €330 per certificate; the payments for these certificates are time-limited, i.e. as soon as the solar panels are operational, an application for a certificate is submitted. At a certain capacity, you are then entitled to compensation as the owner. However, these fees decreased year after year (in 2011 they were 330€ per certificate, in 2021 they were €23.72 per certificate).
- The income concerning the sold power to the customers is based on the existing contracts;
- The income relating to surplus electricity is sold back to the energy suppliers on the basis of existing contracts;
- Insurance and maintenance costs for these solar panels are taken into account.
- A discount rate is taken into account that is determined per project and amounts to 4.9%;
- It takes into account a decrease in return during the 20-year period due to wear and tear of approximately 0.2% per year;
- The residual value is zero at the end of the green certificate period.

The solar panels are valued on a quarterly basis by the property appraiser.

The surplus value when starting up a new site in terms of solar panels is included in a separate component of equity, as a result of the application of the discounting method of future revenues, which leads to a higher market value than the original cost price of the solar panels. Losses are also recognized in this component unless they are realized or unless the fair value falls below the original cost. In the latter cases, they are recognized in the income statement.

3. Derivative instruments

In determining the fair value of the derivative instruments, account was taken of the fair value that was made available to Montea by the financial institutions, based on the swap rate of similar products concerning contracted hedging instruments on 31 December 2021. The fair value of the derivative instruments as at 31 December 2021 amounts to €-18,840 K. This should normally be classified under level II. In addition, the company should also value the 'non-performance risk'. Montea has a negative fair value on its hedging instruments.

Based on estimates (credit default swaps as of 31 December 2021, the average age of the outstanding swaps), Montea has calculated a "non-performance risk" amounting to €806 K, which is a decrease of €92 K compared to 31 December 2020. This non-performance risk has a positive effect on the fair value of the derivatives. Due to the fact of expressing this non-performance risk, the full fair value of €19,646 K is included in level II. The decrease in the non-performance risk is largely due to the evolution of the market value of the derivative instruments during the past financial year.

The non-performance risk amounted to 898 K as at 31 December 2020.

4. Financial liabilities

The financial liabilities consist of bond loans, drawn credit lines and other debts. The fair value measurement in valuing the bonds was in practice applied on the basis of the indicative pricing in the active market. Since it was not traded as of 31 December 2021, the bonds are classified in level 2 (market valuation in the active market for a similar product). The fair value of the fixed rate bonds is different from the current book value, given the evolution of the EURIBOR interest rate. 76% of all credit lines were concluded at variable interest rates (bilateral credit lines at EURIBOR 3 or 6 months, flown + margin). The fair value of the outstanding credit lines and the fair value of the variable rate bond is therefore almost equal to the carrying amount of these credit lines and bond. The classification as level 2 is justifiable since the market valuation is available in an active market for similar products.

5. Current assets and current (non-financial) liabilities

The valuation techniques and inputs used in the fair value measurement are the fact that current assets and current liabilities are measured at nominal value, given that these receivables and payables are short term and therefore the credit risk is limited.

Note 40: Segment information

Montea applies IFRS 8 with respect to the obligation for segment information.

Geographically the current portfolio is located in Belgium, the Netherlands, France, and Germany. The Company manages and coordinates its business on a geographical basis and thus reports according to this geographical segmentation. The following tables present the balance sheet and income statement according to the geographical segmentation.

Note 40.1: Segmental balance sheet for the year 2021

		(EUR x 1.000)	31/12/2021 BE	31/12/2021 FR	31/12/2021 NL	31/12/2021 DE	31/12/2021 Elim.	31/12/2021 Conso
I.		**NON-CURRENT ASSETS**	**1.056.640**	**210.147**	**576.573**	**41.613**	**-181.294**	**1.703.680**
	A.	Goodwill	0	0	0	0	0	0
	B.	Intangible assets	727	0	0	0	0	727
	C.	Investment properties	846.633	209.567	567.708	41.613	0	1.665.521
	D.	Other tangible assets	26.692	547	8.865	0	0	36.103
	E.	Non-current financial assets	182.401	0	0	0	-181.294	1.106
	F.	Finance lease receivables	0	0	0	0	0	0
	G.	Trade receivables and other non-current assets	188	33	0	0	0	221
	H.	Deferred taxes (assets)	0	0	0	0	0	0
	I.	Participations in associates and joint ventures according to the equity method	0	0	0	0	0	0
II.		**CURRENT ASSETS**	**343.587**	**4.136**	**18.289**	**1.937**	**-318.712**	**49.237**
	A.	Assets held for sale	0	0	0	0	0	0
	B.	Current financial assets	0	0	0	0	0	0
	C.	Finance lease receivables	0	0	0	0	0	0
	D.	Trade receivables	10.993	2.366	5.616	444	-2.951	16.469
	E.	Tax receivables and other current assets	316.930	13	11.785	138	-315.761	13.104
	F.	Cash and cash equivalents	12.651	473	805	1.244	0	15.172
	G.	Deferred charges and accrued income	3.013	1.283	84	111	0	4.492
		TOTAL ASSETS	**1.400.227**	**214.282**	**594.863**	**43.551**	**-500.006**	**1.752.917**
		TOTAL SHAREHOLDERS' EQUITY	**702.674**	**116.255**	**360.226**	**14.904**	**-177.778**	**1.016.280**
I.		**Shareholders' equity attributable to the shareholders of the parent company**	**701.491**	**116.255**	**360.226**	**14.904**	**-177.778**	**1.015.097**
	A.	Share capital	323.777	0	117.045	87	-117.131	323.777
	B.	Share premiums	234.693	0	0	0	0	234.693
	C.	Reserves	12.458	98.585	162.313	453	-45.029	228.780
	D.	Net result of the financial year	130.563	17.670	80.868	14.364	-15.618	227.848
II.		**Minority interests**	**1.183**	**0**	**0**	**0**	**0**	1.183
		LIABILITIES	**697.553**	**98.028**	**234.637**	**28.647**	**-322.228**	**736.637**
I.		**Non-current liabilities**	**574.315**	**1.488**	**21.415**	**0**	**0**	**597.218**
	A.	Provisions	0	0	0	0	0	0
	B.	Non-current financial debts	555.003	1.488	18	0	0	556.509
	C.	Other non-current financial liabilities	19.130	0	0	0	0	19.130
	D.	Trade debts and other non-currents debts	0	0	0	0	0	0
	E.	Other non-current liabilities	0	0	0	0	0	0
	F.	Deferred taxes - liabilities	182	0	21.397	0	0	21.579
II.		**Current liabilities**	**123.238**	**96.540**	**213.222**	**28.647**	**-322.228**	**139.419**
	A.	Provisions	0	0	0	0	0	0
	B.	Current financial debts	92.827	79	35	0	0	92.940
	C.	Other current financial liabilities	0	0	0	0	0	0
	D.	Trade debts and other current debts	19.419	2.351	8.026	1.159	-4.842	26.113
	E.	Other current liabilities	342	91.220	199.227	27.158	-317.605	342
	F.	Accrued charges and deferred income	10.651	2.890	5.934	329	219	20.023
		TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**1.400.227**	**214.282**	**594.863**	**43.551**	**-500.006**	**1.752.917**

The fair value of the investment properties in Belgium amounts to €846.6 million for 2021, €187.9 million higher than the fair value of the investment properties in Belgium in 2020. This increase is mainly due to:

- Acquisitions through share transactions;
- The acquisition of a building in the Vilvoordselaan;
- The continuation of the developments in Lummen, Antwerp and Tongeren;
- The delivery of solar panels on various sites;
- The divestment of a building in Heppignies;
- The increase in fair value of the existing portfolio.

The fair value of the investment properties including assets held for sale in France amounts to €209.6 million for 2021, €14.6 million higher than the fair value of the investment properties France in 2020 mainly as a result of:

- The continuation of developments in Senlis;
- Completions of solar panels on various sites;
- The divestment of building in Sint-Laurent-Blangy;
- The increase in fair value of the existing portfolio.

The fair value of the investment properties in the Netherlands amounts to €567.7 million for 2021, €92.6 million higher than the fair value of the investment properties in the Netherlands in 2020. This increase is mainly due to:

- The acquisition of a building in Ridderkerk;
- The continuation of the developments in Tiel, Etten-Leur and Waddinxveen;
- Completions of solar panels at various sites;

- The increase in the fair value of the existing portfolio.

The fair value of the investment property in Germany amounts to €41.6 million for 2021, where there was no investment property in 2020 due to the entry into the German market in the course of 2021. The investment properties in Germany mainly consist of:

- The sale & lease back of a logistics building with redevelopment potential in Leverkusen;
- The acquisition through share transactions of a greyfield site in Mannheim.

Note 40.2: Segment balance sheet for the year 2020

		(EUR x 1.000)	31/12/2020 BE	31/12/2020 FR	31/12/2020 NL	31/12/2020 Elim.	31/12/2020 Conso
I.		**NON-CURRENT ASSETS**	**860.509**	**195.691**	**480.514**	**-176.175**	**1.360.539**
	A.	Goodwill	0	0	0	0	0
	B.	Intangible assets	589	0	0	0	589
	C.	Investment properties	658.762	194.986	475.075	0	1.328.823
	D.	Other tangible assets	24.731	672	5.439	0	30.842
	E.	Non-current financial assets	176.238	0	0	-176.175	64
	F.	Finance lease receivables	0	0	0	0	0
	G.	Trade receivables and other non-current assets	188	33	0	0	221
	H.	Deffered taxes (assets)	0	0	0	0	0
	I.	Participations in associates and joint ventures according to the equity method	0	0	0	0	0
II.		**CURRENT ASSETS**	**278.235**	**11.488**	**12.547**	**-263.889**	**38.382**
	A.	Assets held for sale	0	6.221	0	0	6.221
	B.	Current financial assets	0	0	0	0	0
	C.	Finance lease receivables	0	0	0	0	0
	D.	Trade receivables	6.826	2.592	4.171	-215	13.374
	E.	Tax receivables and other current assets	264.539	620	8.161	-263.674	9.646
	F.	Cash and cash equivalents	3.781	1.114	162	0	5.057
	G.	Deffered charges and accrued income	3.089	942	54	0	4.085
		TOTAL ASSETS	**1.138.744**	**207.179**	**493.061**	**-440.064**	**1.398.921**
		TOTAL SHAREHOLDERS' EQUITY	**583.263**	**98.835**	**305.870**	**-172.658**	**815.311**
I.		**Shareholders' equity attributable to the shareholders of the parent**	**583.263**	**98.835**	**305.870**	**-172.658**	**815.311**
	A.	Share capital	319.812	0	112.745	-112.745	319.812
	B.	Share premiums	222.274	0	0	0	222.274
	C.	Reserves	-53.032	79.978	151.182	-59.914	118.216
	D.	Net result of the financial year	94.209	18.857	41.943	0	155.009
II.		**Minority interests**	**0**	**0**	**0**	**0**	0
		LIABILITIES	**555.481**	**108.344**	**187.191**	**-267.405**	**583.610**
I.		**Non-current liabilities**	**476.068**	**1.686**	**53**	**0**	**477.807**
	A.	Provisions	0	0	0	0	0
	B.	Non-current financial debts	445.003	1.686	53	0	446.742
	C.	Other non-current financial liabilities	31.065	0	0	0	31.065
	D.	Trade debts and other non-current debts	0	0	0	0	0
	E.	Other non-current liabilities	0	0	0	0	0
	F.	Deferred taxes - liabilities	0	0	0	0	0
II.		**Current liabilities**	**79.413**	**106.658**	**187.138**	**-267.405**	**105.803**
	A.	Provisions	0	0	0	0	0
	B.	Current financial debts	61.669	91	34	0	61.794
	C.	Other current financial liabilities	0	0	0	0	0
	D.	Trade debts and other current debts	5.288	3.004	10.068	-394	17.966
	E.	Other current liabilities	102	100.436	171.450	-267.209	4.778
	F.	Accrued charges and deferred income	12.355	3.127	5.586	198	21.266
		TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**1.138.744**	**207.179**	**493.061**	**-440.064**	**1.398.921**

Note 40.3: Segment income statement for the year 2021

	(EUR x 1.000)	31/12/2021 BE	31/12/2021 FR	31/12/2021 NL	31/12/2021 DE	31/12/2021 Elim.	31/12/2021 12 maanden
I.	Rental income	35.469	11.253	28.290	558	0	75.571
II.	Reversal of lease payments sold and discounted	0	0	0	0	0	0
III.	Rental-related expenses	163	-713	124	0	0	-426
	NET RENTAL INCOME	**35.632**	**10.540**	**28.415**	**558**	**0**	**75.145**
IV.	Recovery of property charges	0	0	0	0	0	0
V.	Recovery of rental charges and taxes normally borne by tenants on let properties	5.504	2.342	877	56	0	8.780
VI.	Costs payable by tenants and borne by the landlord for rental damage and refurbishment at end of lease	0	0	0	0	0	0
VII.	Rental charges and taxes normally borne by tenants on let properties	-5.660	-2.351	-1.195	-56	0	-9.262
VIII.	Other rental-related income and expenses	8.699	56	2.889	0	-1.564	10.080
	PROPERTY RESULT	**44.176**	**10.587**	**30.985**	**558**	**-1.564**	**84.743**
IX.	Technical costs	0	-1	0	0	0	-1
X.	Commercial costs	-58	-117	-48	0	0	-222
XI.	Charges and taxes of non-let properties	-160	-154	0	0	0	-314
XII.	Property management costs	-1.307	-678	0	0	0	-1.985
XIII.	Other property charges	-52	-1	0	0	0	-52
	PROPERTY CHARGES	**-1.576**	**-950**	**-48**	**0**	**0**	**-2.574**
	PROPERTY OPERATING RESULT	**42.600**	**9.637**	**30.938**	**558**	**-1.564**	**82.169**
XIV.	General corporate expenses	-5.531	-364	-675	-46	1.564	-5.052
XV.	Other operating income and expenses	233	-72	-3	-1	0	158
	OPERATING RESULT BEFORE RESULT ON THE PORTFOLIO	**37.302**	**9.202**	**30.260**	**511**	**0**	**77.275**
XVI.	Result on disposal of investment properties	-658	1.110	0	0	0	453
XVII.	Result on disposal of other non-financial assets	0	0	0	0	0	0
XVIII.	Changes in fair value of investment properties	87.355	9.840	79.735	14.080	-15.618	175.392
XIX.	Other portfolio result	0	0	0	0	0	0
	OPERATING RESULT	**124.000**	**20.152**	**109.995**	**14.591**	**-15.618**	**253.120**
XX.	Financial income	6.693	8	0	0	-6.680	21
XXI.	Net interest charges	-11.474	-2.263	-4.215	-214	6.680	-11.487
XXII.	Other financial charges	-69	-21	-4	-1	0	-94
XXIII.	Changes in fair value of financial assets and liabilites	12.967	0	0	0	0	12.967
	FINANCIAL RESULT	**8.117**	**-2.276**	**-4.219**	**-215**	**0**	**1.406**
XXIV.	Share in the result of associates and joint ventures	0	0	0	0	0	0
	PRE-TAX RESULT	**132.117**	**17.875**	**105.775**	**14.376**	**-15.618**	**254.526**
XXV.	Income taxes	-1.554	-205	-24.907	-12	0	-26.678
XXVI.	Exit tax	0	0	0	0	0	0
	TAXES	**-1.554**	**-205**	**-24.907**	**-12**	**0**	**-26.678**
	NET RESULT	**130.563**	**17.670**	**80.868**	**14.364**	**-15.618**	**227.848**
	EPRA RESULT	**30.899**	**6.720**	**22.530**	**284**	**0**	**60.433**
	Weighted average of number of shares for the period	16.130.871	16.130.871	16.130.871	16.130.871	16.130.871	16.130.871
	NET RESULT PER SHARE	**8,09**	**1,10**	**5,01**	**0,89**	**-0,97**	**14,12**
	EPRA RESULT PER SHARE	**1,92**	**0,42**	**1,40**	**0,02**	**0,00**	**3,75**

The change in the fair value of investment properties of €175.4 million is due to the positive change in Belgium, France, the Netherlands and Germany.

Note 40.4: Segment income statement for the year 2020

	(EUR x 1.000)	31/12/2020 BE	31/12/2020 FR	31/12/2020 NL	31/12/2020 Elim.	31/12/2020 12 maanden
I.	Rental income	35.118	10.458	24.486	0	70.061
II.	Reversal of lease payments sold and discounted	0	0	0	0	0
III.	Rental-related expenses	-187	-153	-124	0	-465
	NET RENTAL INCOME	34.930	10.305	24.362	0	69.597
IV.	Recovery of property charges	0	0	0	0	0
V.	Recovery of rental charges and taxes normally borne by tenants on let properties	4.881	1.830	755	0	7.466
VI.	Costs payable by tenants and borne by the landlord for rental damage and refurbishment at end of lease	0	0	0	0	0
VII.	Rental charges and taxes normally borne by tenants on let properties	-4.823	-1.879	-1.060	0	-7.762
VIII.	Other rental-related income and expenses	4.249	224	600	0	5.074
	PROPERTY RESULT	39.238	10.479	24.657	0	74.374
IX.	Technical costs	0	-17	0	0	-17
X.	Commercial costs	-22	-74	0	0	-95
XI.	Charges and taxes of non-let properties	-5	-146	-5	0	-156
XII.	Property management costs	-1.319	-594	0	0	-1.913
XIII.	Other property charges	-47	-1	0	0	-48
	PROPERTY CHARGES	**-1.393**	**-831**	**-5**	**0**	**-2.229**
	PROPERTY OPERATING RESULT	37.845	9.648	24.653	0	72.145
XIV.	General corporate expenses	-3.797	-501	-80	0	-4.378
XV.	Other operating income and expenses	-2	-130	0	0	-133
	OPERATING RESULT BEFORE RESULT ON THE PORTFOLIO	34.045	9.018	24.572	0	67.635
XVI.	Result on disposal of investment properties	0	0	0	0	0
XVII.	Result on disposal of other non-financial assets	0	0	0	0	0
XVIII.	Changes in fair value of investment properties	72.839	12.306	22.164	0	107.308
XIX.	Other portfolio result	0	0	0	0	0
	OPERATING RESULT	106.884	21.323	46.736	0	174.943
XX.	Financial income	6.920	0	4	-6.830	94
XXI.	Net interest charges	-11.370	-2.325	-4.073	6.830	-10.938
XXII.	Other financial charges	-79	-19	-9	0	-107
XXIII.	Changes in fair value of financial assets and liabilites	-8.077	0	0	0	-8.077
	FINANCIAL RESULT	**-12.606**	**-2.343**	**-4.078**	**0**	**-19.027**
XXIV.	Share in the result of associates and joint ventures	0	0	0	0	0
	PRE-TAX RESULT	94.278	18.980	42.657	0	155.915
XXV.	Income taxes	-69	-124	-714	0	-906
XXVI.	Exit tax	0	0	0	0	0
	TAXES	**-69**	**-124**	**-714**	**0**	**-906**
	NET RESULT	94.209	18.857	41.943	0	155.009
	EPRA RESULT	29.447	6.551	19.779	0	55.778
	Weighted average of number of shares for the period	15.916	15.916	15.916	0	15.916
	NET RESULT PER SHARE	5,92	1,18	2,64	0,00	9,74
	EPRA RESULT PER SHARE	1,85	0,41	1,24	0,00	3,50

The column "eliminations" concerns the consolidation entries that must be made for the consolidation and have no impact on the consolidated result.

In addition to the geographical segmentation, the Company also uses the sectoral segmentation in terms of customer base in order to spread the risk profile.

Note 41: Financial risk management

Exposure to exchange rate, interest rate, liquidity and credit risks may arise in the normal course of Montea's business. The company analyses and reviews each risk and defines strategies to manage the economic impact on the company's performance. The results of these analyses and proposed strategies are reviewed and approved by the board of directors on a regular basis.

The sensitivity analysis for the interest rate risk must be carried out on both the net result and on equity. As no hedging is applied, the impact will not differ.

A. Interest rate risk

Just over half (56%) of the Company's long-term and short-term financial debts are debts with floating interest rates. The Company uses financial hedging instruments of the IRS and CAP type to hedge the interest rate risk.

As of 31 December 2021, 92.7% of the interest rate risk is covered by concluding contracts at a fixed interest rate or by concluding hedging instruments so that an increase/decrease of the interest rates has a limited impact on the result of the Company.

An increase of 100 basis points in short-term interest rates, calculated as at 31 December 2021, would cause a decrease in the total financial expense by €0.7 million (€1.1 million positive impact offset by €0.4 million negative impact). The positive impact (€1.1 million) can be explained by the fact that concluded credit lines at a variable interest rate are often floored (0%) while the hedging instruments often do not contain a floor. This creates a negative mismatch effect between credit lines and hedging instruments as long as the short-term interest rate is negative. The negative effect (€0.4 million) is explained by a hedging ratio of 92.7%.

B. Credit risk

The credit risk pertains to financial loss to the Company if a customer or counterparty fails to meet its contractual obligations. Management has a credit policy in place and the exposure to credit risk is managed on an ongoing basis. Each new tenant is individually examined for creditworthiness before the Company offers a lease, taking into account a rental guarantee of 3 or 6 months.

C. Foreign exchange risk

The Company's property portfolio consisted solely of properties in Belgium, France, the Netherlands and Germany and all leases were in euros. Consequently, the Company is not exposed to any exchange rate risk.

D. Liquidity risk

Note 34 provides an overview of the financial liabilities with their respective maturities. The company manages its liquidity risk by having sufficient available credit facilities[93] and by matching its receipts and payments as closely as possible.

Note 42: Related party transactions

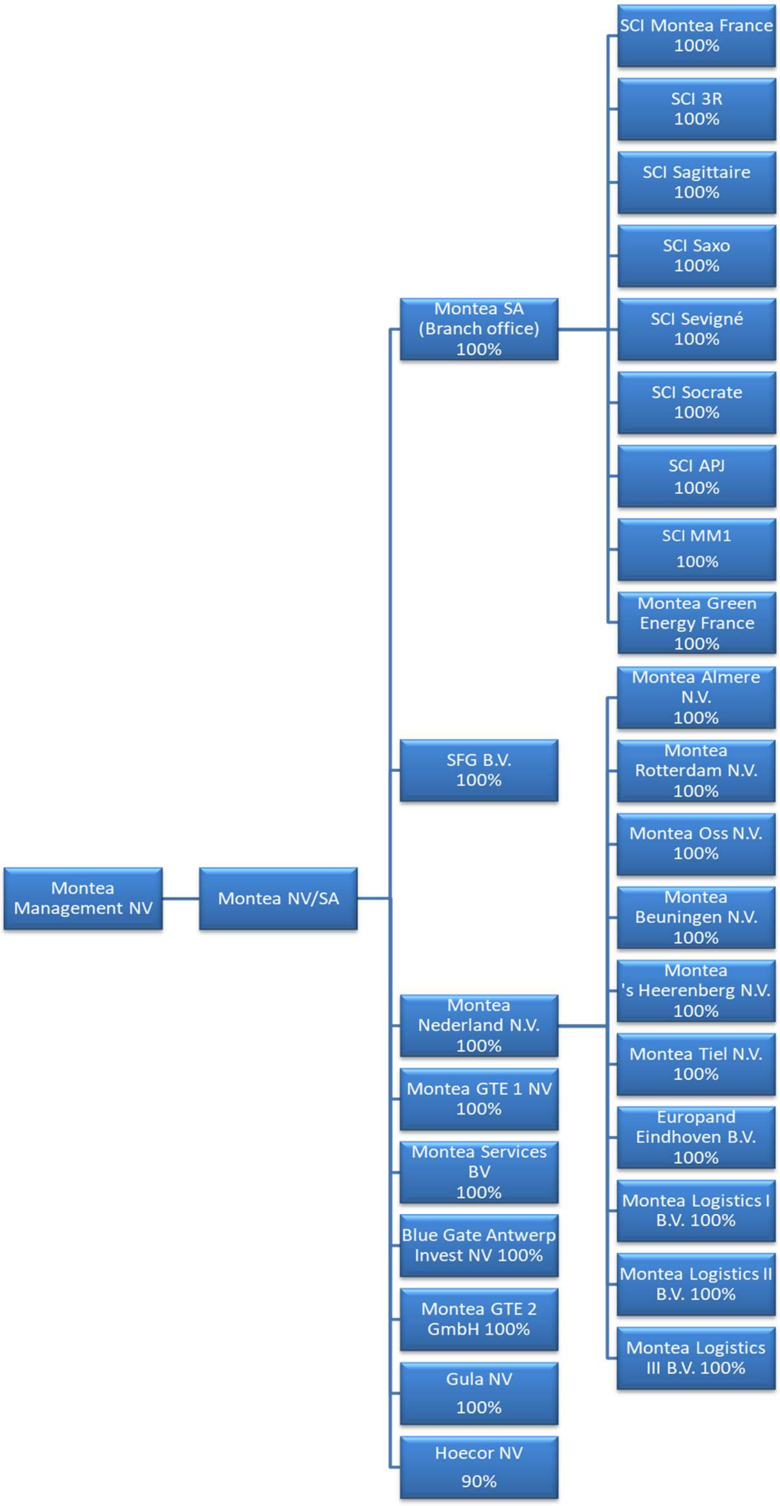
The transactions with affiliated companies are limited to the management fee between the Sole Director Montea Management NV and Montea NV. Furthermore, Montea confirms that there are no transactions at non-market conditions with related parties.

At the end of the financial year 2021, the following items were included in the financial statements:

Operating result - Fees Sole Director:	€964 K
Liabilities - Current account Montea Management NV:	€0

[93] On 31/12/2021 Montea has €551.7 million of credit lines, of which €401.7 million taken. This means that Montea still has €150 million at its disposal.

The group structure on 31 December 2021 is shown below in table form:



Note 43: Off-balance sheet obligations

There are a number of off-balance sheet obligations for the 2021 financial year:

- A bank guarantee in the amount of €333,673.23, in favour of De Scheepvaart NV, under the terms of the concession agreement in Bilzen concluded with De Scheepvaart NV. This bank guarantee is valid until 30/12/2042;
- a bank guarantee in the amount of €4,211.25, in favour of the Flemish Energy and Climate Agency. This bank guarantee is valid until 31/12/2999;
- a guarantee credit in the amount of €145,780.34, in the favour of Ghent Port Company GAB, which has an expiry date of 31/12/2999;
- a guarantee credit in the amount of € 129,409.00 in favour of De Haven Brussel, which has an expiry date on 31/10/2051.

Note 44: Events after 31 December 2021

For a discussion of events after 31 December 2021, please refer to section 6.4.5.

17.9. Auditor's report to the general meeting of Montea NV for the financial year ending on 31 December 2021

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Independent auditor's report to the general meeting of Montea NV for the year ended 31 December 2021

As required by law and the Company's articles of association, we report to you as statutory auditor of Montea NV (the "Company") and its subsidiaries (together the "Group"). This report includes our opinion on the consolidated balance sheet as at 31 December 2021, the consolidated statement of comprehensive income before appropriation of profits, the consolidated result before appropriation of profits, the consolidated cash flow statement and the summary of changes in consolidated equity and reserves for the year ended 31 December 2021 and the disclosures (all elements together the "Consolidated Financial Statements") as well as our report on other legal and regulatory requirements. These two reports are considered one report and are inseparable.

We have been appointed as statutory auditor by the shareholders' meeting of 21 May 2019, in accordance with the proposition by the Board of Directors following recommendation of the Audit Committee. Our mandate expires at the shareholders' meeting that will deliberate on the Consolidated Financial Statements for the year ending 31 December 2021. We performed the audit of the Consolidated Financial Statements of the Group during 12 consecutive years.

Report on the audit of the Consolidated Financial Statements

Unqualified opinion

We have audited the Consolidated Financial Statements of Montea NV, that comprise of the consolidated balance sheet on 31 December 2021, the consolidated statement of comprehensive income before appropriation of profits, the consolidated result before appropriation of profits, the consolidated cash flow statement and the summary of changes in consolidated equity and reserves of the year and the disclosures, which show a consolidated balance sheet total of € 1.752.917 thousand and of which the consolidated income statement shows a profit for the year of € 227.848 thousand.

In our opinion, the Consolidated Financial Statements give a true and fair view of the consolidated net equity and financial position as at 31 December 2021, and of its consolidated results for the year then ended, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union ("IFRS") and with applicable legal and regulatory requirements in Belgium.

Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the "Our responsibilities for the audit of the Consolidated Financial Statements" section of our report.

We have complied with all ethical requirements that are relevant to our audit of the Consolidated Financial Statements in Belgium, including those with respect to independence.

We have obtained from the Board of Directors and the officials of the Company the explanations and information necessary for the performance of our audit and we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current reporting period.

These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole and in forming our opinion thereon, and consequently we do not provide a separate opinion on these matters.

<u>Valuation of the Investment Properties</u>

Description of the key audit matter

Investment property amounts to a significant part (95%) of the assets of the Group.

In accordance with the accounting policies and IAS 40 standard "Investment property", investment property is valued at fair value, and the changes in the fair value of investment property are recognized in the income statement.

The fair value of investment properties belongs to the level 3 of the fair value hierarchy defined within the IFRS 13 standard "Fair Value Measurement", some parameters used for valuation purposes being based on unobservable data (discount rate, future occupancy rate, ...) and therefore require management judgement.

The audit risk appears in the valuation of these investment properties and is therefore a key audit matter.

Summary of the procedures performed

The Group uses external experts to make an estimate of the fair value of its buildings. We have assessed the valuation reports of the external experts (with the support of our internal experts). More precisely, we have:

- assessed the objectivity, the independence and the competence of the external appraisers;
- gained insight into the underlying processes and the design of the internal control environment;
- tested the integrity of source data (contractual rentals, maturities of the rental contracts, ...) used in their calculations;
- and reviewed the models, assumptions and parameters used in their reports (discount rates, future occupancy rates, ...).

Finally, we have assessed the appropriateness of the information on the fair value of the investment properties disclosed in note 20 of the Consolidated Financial Statements.

Responsibilities of the Board of Directors for the preparation of the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of the Consolidated Financial Statements that give a true and fair view in accordance with IFRS and with applicable legal and regulatory requirements in Belgium and for such internal controls relevant to the preparation of the Consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of Consolidated Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, and provide, if applicable, information on matters impacting going concern, The Board of Directors should prepare the financial statements using the going concern basis of accounting, unless the Board of Directors either intends to liquidate the Company or to cease business operations, or has no realistic alternative but to do so.

Our responsibilities for the audit of the Consolidated Financial Statements

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

In performing our audit, we comply with the legal, regulatory and normative framework that applies to the audit of the Consolidated Financial Statements in Belgium. However, a statutory audit does not provide assurance about the future viability of the Company and the Group, nor about the efficiency or effectiveness with which the board of directors has taken or will undertake the Company's and the Group's business operations. Our responsibilities with regards to the going concern assumption used by the board of directors are described below.

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

- identification and assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, the planning and execution of audit procedures to respond to these risks and obtain audit evidence which is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material misstatements resulting from fraud is higher than when such misstatements result from errors, since fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining insight in the system of internal controls that are relevant for the audit and with the objective to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluating the selected and applied accounting policies, and evaluating the reasonability of the accounting estimates and related disclosures made by the Board of Directors as well as the underlying information given by the Board of Directors;
- conclude on the appropriateness of the Board of Directors' use of the going-concern basis of accounting, and based on the audit evidence obtained, whether or not a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's or Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going-concern;
- evaluating the overall presentation, structure and content of the Consolidated Financial Statements, and evaluating whether the Consolidated Financial Statements reflect a true and fair view of the underlying transactions and events.

We communicate with the Audit Committee within the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the audits of the subsidiaries. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities.

We provide the Audit Committee within the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee within the Board of Directors, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our report, unless the law or regulations prohibit this.

Report on other legal and regulatory requirements

Responsibilities of the Board of Directors

The Board of Directors is responsible for the preparation and the content of the Board of Directors' report on the Consolidated Financial Statements, and other information included in the annual report.

Responsibilities of the auditor

In the context of our mandate and in accordance with the additional standard to the ISAs applicable in Belgium, it is our responsibility to verify, in all material respects, the Board of Directors' report on the Consolidated Financial Statements, and other information included in the annual report, as well as to report on these matters.

Aspects relating to Board of Directors' report and other information included in the annual report

In our opinion, after carrying out specific procedures on the Board of Directors' report, the Board of Directors' report is consistent with the Consolidated Financial Statements and has been prepared in accordance with article 3:32 of the Code of companies and associations.

In the context of our audit of the Consolidated Financial Statements, we are also responsible to consider whether, based on the information that we became aware of during the performance of our audit, the Board of Directors' report and other information included in the annual report, being:

- Synthesis of the financial results
- EPRA Performance Measures
- Detail of the calculation of the APMs used by Montea NV

contain any material inconsistencies or contains information that is inaccurate or otherwise misleading. In light of the work performed, there are no material inconsistencies to be reported.

Independence matters

Our audit firm and our network have not performed any services that are not compatible with the audit of the Consolidated Financial Statements and have remained independent of the Company during the course of our mandate.

The fees related to additional services which are compatible with the audit of the Consolidated Financial Statements as referred to in article 3:65 of the Code of companies and associations were duly itemized and valued in the notes to the Consolidated Financial Statements.

European single electronic format ("ESEF")

In accordance with the standard on the audit of the conformity of the financial statements with the European single electronic format (hereinafter "ESEF"), we have carried out the audit of the compliance of the ESEF format with the regulatory technical standards set by the European Delegated Regulation No 2019/815 of 17 December 2018 (hereinafter: "Delegated Regulation").

The board of directors is responsible for the preparation, in accordance with the ESEF requirements, of the consolidated financial statements in the form of an electronic file in ESEF format in the official Dutch language as well as the free translation into English (hereinafter 'the digital consolidated financial statements') included in the annual financial report available on the portal of the FSMA (https://www.fsma.be/en/data-portal) in the official Dutch language as well as the free translation into English.

It is our responsibility to obtain sufficient and appropriate supporting evidence to conclude that the format and markup language of the digital consolidated financial statements comply in all material respects with the ESEF requirements under the Delegated Regulation.

Based on the work performed by us, we conclude that the format and tagging of information in the digital consolidated financial statements of Montea NV per 31 December 2021 included in the annual financial report available on the portal of the FSMA (https://www.fsma.be/en/data-portal) in the official Dutch language are, in all material respects, in accordance with the ESEF requirements under the Delegated Regulation, and we conclude that the format of the free translation of the digital consolidated financial statements included in annual report in English corresponds to the digital consolidated financial statements included in the annual financial report in the official Dutch language.

Other communications.

- This report is consistent with our supplementary declaration to the Audit Committee as specified in article 11 of the regulation (EU) nr. 537/2014.

Brussels, 14 April 2022

EY Bedrijfsrevisoren BV
Statutory auditor
Represented by

Joeri Klaykens (Signature)

Joeri Klaykens *
Partner
*Acting on behalf of a BV/SRL

22JK0256

17.10. Condensed statutory financial statements of Montea as at 31 December 2021

In accordance with the provisions in article 3:17 of the Code of Companies and Associations, the financial statements of Montea NV are presented as follows in shortened format. The statutory annual accounts have not yet been deposited with the National Bank of Belgium. The statutory auditor has delivered an unqualified opinion regarding to the statutory annual accounts.

17.10.1. Condenses statutory balance sheet as at 31 December 2021 (x 1,000 EUR)

BALANCE SHEET EUR (x 1.000)	IFRS 31/12/2021 12 months	IFRS 31/12/2020 12 months	IFRS 31/12/2019 12 months	IFRS 31/12/2018 12 months
ASSETS				
NON-CURRENT ASSETS	**1.348.953**	**1.122.872**	**965.239**	**720.107**
A. Goodwill	0	0	0	0
B. Intangible assets	727	589	419	374
C. Investment properties	832.169	723.698	646.819	493.476
D. Other tangible assets	26.766	25.362	13.174	11.141
E. Non-current financial assets	489.080	373.012	304.802	215.097
F. Finance lease receivables	0	0	0	0
G. Trade receivables and other non-current assets	211	211	25	19
H. Deferred taxes - Assets	0	0	0	0
CURRENT ASSETS	**351.517**	**250.577**	**206.198**	**200.259**
A. Assets held for sale	0	6.589	368	0
B. Current financial assets	0	0	0	0
C. Finance lease receivables	0	0	0	0
D. Trade receivables	11.708	10.185	8.640	10.024
E. Tax receivables and other current assets	323.905	226.166	190.141	185.795
F. Cash and cash equivalents	11.997	4.139	5.688	2.779
G. Deferred charges and accrued income	3.907	3.499	1.361	1.661
TOTAL ASSETS	**1.700.470**	**1.373.449**	**1.171.437**	**920.366**

LIABILITIES				
SHAREHOLDERS' EQUITY	**1.015.315**	**815.691**	**680.409**	**433.098**
SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT COMPANY	**1.015.315**	**815.691**	**680.409**	**433.079**
A. Share capital	323.777	319.812	314.983	256.063
B. Share premium	234.693	222.274	209.184	100.891
C. Reserves	229.160	118.596	47.690	11.550
D. Net result of the financial year	227.685	155.009	108.552	64.575
MINORITY INTERESTS	**0**			
LIABILITIES	**685.155**	**557.759**	**491.028**	**487.268**
NON-CURRENT LIABILITIES	**574.719**	**477.122**	**412.160**	**425.431**
A. Provisions	0	0	0	0
B. Non-current financial debts	555.589	446.057	389.129	415.244
,	19.130	31.065	23.031	10.186
D. Trade debts and other non-current debts	0	0	0	0
E. Other non-current liabilities	0	0	0	0
F. Deferred taxes - liabilities	0	0	0	0
CURRENT LIABILITIES	**110.436**	**80.637**	**78.868**	**61.838**
A. Provisions	0	0	0	0
B. Current financial debts	92.851	61.740	61.300	45.000
C. Other current financial liabilities	0	0	0	0
D. Trade debts and other current debts	5.668	5.558	3.739	3.931
E. Other current liabilities	342	87	87	0
F. Accrued charges and deferred income	11.574	13.252	13.742	12.907
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**1.700.470**	**1.373.449**	**1.171.437**	**920.366**

17.10.2. Statutory income statement as at 31 December 2021 (x 1,000 EURO)

PROFIT AND LOSS ACCOUNT EUR (x 1.000)	IFRS 31/12/2021 12 months	IFRS 31/12/2020 12 months	IFRS 31/12/2019 12 months
I. Rental income (+)	41.022	41.143	39.249
II. Reversal of lease payments sold and discounted (+)	0	0	0
III. Rental-related expenses (+/-)	-701	-187	1
NET RENTAL RESULT	**40.321**	**40.955**	**39.250**
IV. Recovery of property charges (+)	0	0	0
V. Recovery of rental charges and taxes normally borne by tenants on let properties (+)	6.530	5.868	5.438
VI. Costs payable by tenants and borne by the landlord for rental damage and refurbishment at end of lease (-)	0	0	0
VII. Rental charges and taxes normally borne by tenants on let properties (-)	-6.695	-5.836	-5.592
VIII. Other rental-related income and expenses (+/-)	8.833	5.688	3.300
PROPERTY RESULT	**48.989**	**46.675**	**42.397**
IX. Technical costs (-)	0	-7	-16
X. Commercial costs (-)	-72	-35	-46
XI. Charges and taxes of non-let properties (-)	-227	-17	-38
XII. Property management costs (-)	-1.985	-1.890	-1.537
XIII. Other property charges (-)	-52	-47	-8
PROPERTY CHARGES	**-2.335**	**-1.996**	**-1.645**
PROPERTY OPERATING RESULT	**46.654**	**44.680**	**40.752**
XIV. General corporate expenses (-)	-4.565	-4.065	-3.534
XV. Other operating income and expenses (+/-)	-194	81	-135
OPERATING RESULT BEFORE PORTFOLIO RESULT	**41.895**	**40.695**	**37.084**
XVI. Result on disposal of investment properties (+/-)	453	0	0
XVII. Result on disposal of other non-financial assets (+/-)	0	0	0
XVIII. Changes in fair value of investment properties (+/-)	89.363	78.782	40.478
XIX. Other portfolio result (+/-)	0	0	0
OPERATING RESULT	**131.711**	**119.477**	**77.561**
XX. Financial income (+)	6.726	5.506	6.048
XXI. Net interest charges (-)	-12.274	-11.455	-12.016
XXII. Other financial charges (-)	-77	-86	-91
XXIII. Changes in fair value of financial assets and liabilities (+/-)	103.360	41.754	36.700
FINANCIAL RESULT	**97.736**	**35.719**	**30.641**
PRE-TAX RESULT	**229.448**	**155.196**	**108.202**
XXV. Income tax (-)	-1.762	-187	350
XXVI. Exit tax (-)	0	0	0
TAXES	**-1.762**	**-187**	**350**
NET RESULT	**227.685**	**155.009**	**108.552**
Average Number of shares in the period	16.131	15.916	15.230
NET RESULT (normal / diluted) PER SHARE in euro	**14,11**	**9,74**	**7,13**

17.10.3. Condensed statutory income before appropration as at 31 December 2021 (x 1,000 EUR)

CONDENSED STATUTORY COMPREHENSIVE INCOME (EUR x 1.000°	31/12/2021 12 months	31/12/2020 12 months	31/12/2019 12 months	31/12/2018 12 months
Net result	**227.685**	**155.009**	**108.552**	**64.575**
Other elements of the global result	**227**	**2.402**	**-242**	**10**
Items taken in the result:	**0**	**0**	**0**	**0**
Impact on fair value of estimated transfer rights and costs resulting from hypothetical disposal of investments properties	0	0	0	0
Changes in the effective part of the fair value of authorized cash flow hedges	0	0	0	0
Items not taken in the result:	**227**	**2.402**	**-242**	**10**
Impact of changes in fair value of solar panels	227	2.402	-242	10
Comprehensive income	**227.912**	**157.411**	**108.310**	**64.585**
Attributable to:				
Shareholders of the parent company	227.749	157.411	108.310	64.585
Minority interests*	162	0	0	0

* The figures provided for "Minority interests" have slightly changed compared to the press release and corporate presentation, due to an update in the calculation method.

17.10.4. Processing of results as at 31 December 2021 (x 1,000 EUR)

	APPROPRIATION OF RESULTS *EUR (x 1.000)*	IFRS 31/12/2021 12 months	IFRS 31/12/2020 12 months	IFRS 31/12/2019 12 months
A.	**NET RESULT**	**227.685**	**155.009**	**108.552**
B.	**ADDITION TO / WITHDRAWAL FROM RESERVES (-/+)**	**-178.590**	**-109.705**	**-68.465**
1.	**Addition to / withdrawal from the reserve for the (positive or negative) balance of the changes in fair value of investment properties (-**	**-175.392**	**-107.308**	**-70.773**
1a.	financial year	-175.392	-107.308	-70.773
1b.	previous financial years	0	0	0
1c.	realisation of investment properties			
2.	**Addition to / withdrawal from the reserve from the estimated transfer rights and costs resulting from hypothetical disposal of**	**0**	**0**	**0**
3.	**Addition to the reserve for the balance of the changes in fair value of authorized hedges qualifying for hedge accounting according to IFRS (-)**	**0**	**0**	**0**
3a.	financial year	0	0	0
3b.	previous financial years	0	0	0
4.	**Withdrawal from the reserve for the balance of the changes in fair value of authorized hedges qualifying for hedge accounting according to IFRS (-)**	**0**	**0**	**0**
4a.	financial year			
4b.	previous financial years	0	0	0
5.	**Addition to the reserve for the balance of the changes in fair value of authorized hedges not qualifying for hedge accounting according to IFRS (-)**	**-12.967**	**8.077**	**12.739**
5a.	financial year	-12.967	8.077	12.739
5b.	previous financial years	0	0	0
6.	**Withdrawal from the reserve for the balance of the changes in fair value of authorized hedges not qualifying for hedge accounting according to IFRS (-)**	**0**	**0**	**0**
6a.	financial year	0	0	0
6b.	previous financial years	0	0	0
7.	**Addition to / withdrawal from reserves for the balance of exchange rate differences on monetary assets and liabilities (-/+)**	**0**	**0**	**0**
8.	**Addition to / withdrawal from deferred tax reserves related to investment properties located abroad (-/+)**	**0**	**0**	**0**
9.	**Addition to / withdrawal from reserves for the dividends received, used for the reimbursement of the financial debts (-/+)**	**0**	**0**	**0**
10.	**Addition to / withdrawal from other reserves (-/+)**	**9.769**	**-10.474**	**-10.430**
11.	**Addition to / withdrawal from results carried forward from previous financial years (-/+)**	**0**	**0**	**0**
C.	**REMUNERATION OF THE CAPITAL IN ACCORDANCE WITH ART. 13**	**48.704**	**45.217**	**30.352**
D.	**REMUNERATION OF THE CAPITAL, - OTHER THAN C**	**391**	**87**	**9.736**

17.10.5. Pay-out obligation as at 31 December 2021 (x 1,000 EUR)

According to article 13 of the RREC RD Montea must pay out, as remuneration of the capital, at least the positive difference between the following amounts and for the amount of the positive net result of the financial year and after discharging the losses carried forward and the additives/extractions to/of the reserves as meant in "Point B. Additives/extractions reserves" as defined in section 4 of part 1 of chapter 1 of Appendix C of the RREC RD, distribute at least the positive difference between the following amounts as a return of capital: 80% of the amount stipulated in the schedule of chapter III of Appendix C; and the net decrease of the debt of the public RREC during the financial year.

ARTICLE 27 MANDATORY DISTRIBUTION EUR (x 1.000)	IFRS 31/12/2021 12 months
Positive difference (1) - (2)	**48.704**
80% of the amount defined by the scheme in Annex C of Chapter III (1)	**48.704**
Corrected result (A) + net gains (B)	60.880
Corrected Result + net realized gains on property not exempt from the mandatory distribution (A)	**60.880**
Net result	227.685
+ Amortizations	346
+ Depreciations	766
- Reversal of depreciations	-340
- Reversal of transferred and discounted rents	0
+/- Other non-monetary components	-77.598
+/- Result on disposal of property	-453
+/- Changes in fair value of property	-89.363
+/- Deferred taxes	0
- Minority interest	-162
Realised net gains on property assets not exempt from the mandatory distribution (B)	**0**
+/- realized net gains and losses of the financial year	0
- realized net gains on property assets during the year, exempt from mandatory distribution if reinvested within 4 years	0
+ realized net gains on property assets previously exempt from mandatory distribution, that were not reinvested within 4 years	0
Net decrease of the debt (2)	**0**
The changes in debt in function of the calculation of the debt ratio	141.008
Total Liabilities	127.396
Non-current liabilities - authorized hedging instruments	-11.934
Non-current liabilities - provisions	0
Non-current liabilities - deferred taxes	0
Current liabilities - authorized hedging instruments	0
Current liabilities - provisions	0
Current liabilities - accrued charges and deferred income	-1.677

According to this calculation, Montea is required to pay a dividend of €48,834 K. Taking into account the number of treasury shares at the date of this annual report, a total of 49,109 K€ will need to be paid.

17.10.6. Art. 7:212 of the Code of Companies and Associations

As a company Montea must also comply with article 7:212 of the Code of Companies and Associations whereby the net assets, by means of dividend distribution, may not fall below the amount of the capital and the unavailable reserves.

According to the table below Montea still has a buffer of €249,175 K, after payment of the proposed dividend of €3.03 per share.

ARTICLE 7:212 OF THE COMPANIES AND ASSOCIATIONS CODE EUR (x 1.000)	IFRS 31/12/2021 12 months	IFRS 31/12/2020 12 months	IFRS 31/12/2019 12 months
Paid-up capital or, if it is larger, called-up capital (+)	323.777	319.812	314.983
Share premium unavailable for distribution according to the articles of association (+)	234.693	222.274	209.184
Reserve for the positive balance of the changes in fair value of investment properties (+) (*)	185.720	81.699	9.588
Reserve for the impact of the estimated transfer rights and costs resulting from hypothetical disposal of investment properties (-)	0	0	0
Reserve for the balance of the changes in fair value of authorized hedges qualifying for hedge accounting according to IFRS (+/-)	0	0	0
Reserve for the balance of the changes in fair value of authorized hedges not qualified for hedge accounting according to IFRS (+/-)	-27.971	-19.894	-7.155
Reserve for the balance of exchange rate differences on monetary assets and liabilities (+)	0	0	0
Reserve for the translation differences, coming from activities abroad (+/-)	0	0	0
Reserve for own shares	0	0	0
Reserve for the balance of the changes in fair value of financial assets held for sale (+/-)	0	0	0
Reserve for actuarial gains and losses on defined benefit pension plans (+)	0	0	0
Reserve for deferred taxes on investment properties located abroad (+)	0	0	0
Reserve for received dividends used for the reimbursement of financial debts (+)	0	0	0
Other reserves (+)	0	0	0
Legal reserve (+)	835	835	835
Non-distributable shareholders' equity in accordance with Article 7:212 of the companies and associations code	**717.054**	**604.726**	**527.435**
Net assets before distribution of dividends	1.015.315	815.691	680.409
Proposed dividend payments	49.095	45.304	40.088
Net assets after distribution of dividends	**966.220**	**770.387**	**640.321**
Remaining margin after dividend distribution	**249.165**	**165.661**	**112.887**

The amounts indicated in grey in the table above were updated as a result of an erroneous presentation in the past. As a result, these amounts do not correspond to the published amounts in the annual reports for the financial years closing on 31/12/2020 and 31/12/2019. We note that this in no way affects the dividend paid. It only concerns the remaining margin after dividend payment.

The remaining margin, after dividend payment, amounts to €249,175 K at the end of 2021 because the net assets of the RRECs have increased relatively more than the amount of non-distributable equity (both calculated in accordance with article 7:212 of the Code of Companies and Associations).

17.10.7. Overview of changes in statutory equity and reserves as at 31 December 2021

CHANGES IN SHAREHOLDERS' EQUITY (EUR x 1,000)	Share capital	Share premiums	Reserves	Result	Shareholders' equity
ON 31/12/2019	**314.983**	**209.183**	**47.690**	**108.552**	**680.409**
Elements directly recognized as equity	**4.829**	**13.091**	**2.402**	**0**	**20.322**
Capital increase	4.829	13.091	0	0	17.919
Impact on fair value of estimated transfer rights and costs resulting from hypothetical disposal of investment properties	0	0	0	0	0
Positive change in value of solar panels (IAS 16)	0	0	2.402	0	2.402
Own shares	0	0	0	0	0
Own shares held for employee option plan	0	0	0	0	0
Corrections	0	0	0	0	0
Dividends	0	0	-40.049	0	-40.049
Result carried forward	0	0	108.552	-108.552	0
Result for the financial year	0	0	0	155.009	155.009
ON 31/12/2020	**319.812**	**222.274**	**118.596**	**155.009**	**815.691**
Elements directly recognized as equity	**3.965**	**12.419**	**863**	**0**	**17.246**
Capital increase	3.814	12.419	0	0	16.232
Impact on fair value of estimated transfer rights and costs resulting from hypothetical disposal of investment properties	0	0	0	0	0
Positive change in value of solar panels (IAS 16)	0	0	227	0	227
Own shares	0	0	0	0	0
Own shares held for employee option plan	151	0	171	0	323
Corrections	0	0	465	0	465
Dividends	0	0	-45.308	0	-45.308
Result carried forward	0	0	155.009	-155.009	0
Result for the financial year	0	0	0	227.685	227.685
ON 31/12/2021	**323.777**	**234.693**	**229.160**	**227.685**	**1.015.315**

17.10.8. Allocation of the result to equity

CHANGES IN SHAREHOLDERS EQUITY (EUR x 1,000)	31/12/2021	Result allocation	Shareholders equity before dividend distribution but after result allocation
A. Paid-up capital or, if it is larger, called-up capital (+)	**323.777**		**323.777**
B. Share premium unavailable for distribution according to the articles of association (+)	**234.693**		**234.693**
C. Reserves	**229.160**	**178.590**	**407.750**
Legal reserves (+)	835		835
Reserve for the positive balance of the changes in fair value of investment properties (+) (*)	185.720	175.392	361.112
Reserve for the impact of the estimated transfer rights and costs resulting from hypothetical disposal of investment properties (-)	0	0	0
Reserve for the balance of the changes in fair value of authorized hedges qualifying for hedge accounting according to IFRS (+/-)	0	0	0
Reserve for the balance of the changes in fair value of authorized hedges not qualifying for hedge accounting according to IFRS (+/-)	-27.971	12.967	-15.004
Reserve for the balance of exchange rate differences on monetary assets and liabilities (+)	0	0	0
Reserve for the exchange rate differences, coming from activities abroad (+/-)	0	0	0
Reserve for own shares	0	0	0
Reserve for the balance of the changes in fair value of financial assets held for sale (+/-)	0	0	0
Reserve for actuarial gains and losses on defined benefit pension plans (+)	0		0
Reserve for deferred taxes on investment properties located abroad (+)	0	0	0
Reserve for received dividends used for the reimbursement of financial debts (+)	0	0	0
Other reserves (+)	177.599	-9.769	167.831
Results carried forward from previous financial years (+/-)	-107.024		-107.024
Proposed remuneration to the capital		**49.095**	**49.095**
TOTAL		**227.685**	**1.015.315**

17.10.9. Status of personnel

STATEMENT EMPLOYED STAFF

Workers for whom the company has submitted a Dimona declaration or who are registered in the general personnel register

During the FY	**Codes**	**Total**	**1. Men**	**2. Women**
Average number of employees				
Full time	1001	15.3	6.8	8.5
Part time	1002	2.1	1.1	1.0
Total in full time equivalents	1003	17.0	7.6	9.4
Numbers of actuel hours worked				
Full time	1011	24,383.0	11,298.0	13,085.0
Part time	1012	3,160.6	1,564.1	1,596.5
Total	1013	27,543.6	12,862.1	14,681.5
Employee costs				
Full time	1021	1,333,375	....	....
Part time	1022	258,925	....	....
Total	1023	1,592,300	813,864	778,436
Benefits on top of wages	1033	29,015	13,61	15,404

During the previous FY	**Codes**	**Total**	**1. Men**	**2. Women**
Average number of employees	1003	15.0	6.3	8.7
Numbers of actuel hours worked	1013	25,768.6	11,615.0	14,153.6
Employee costs	1023	1,380,269	700,567	679,702
Benefits on top of wages	1033	27,028	12,437	14,591

Workers for whom the company has submitted a Dimona declaration or who are registered in the general personnel register (continued)

At the closing of the financial year	Codes	1. Full time	2. Part time	3. Total in full time equivalents
Number of employees in the staff register	105	14	2	15.7
According to the nature of the employment contract				
Agreement for an indefinite period	110	14	2	15.7
Agreement for an definite period	111	....	....	....
Agreement for an definied job	112	....	....	....
Replacement agreement	113	....	....	....
According to gender and study lever				
Men:	120	6	1	6.8
Primary education	1200	....	....	....
Secundary education	1201	1	....	1.0
Higher non-university	1202	1	....	1.0
University	1203	4	1	4.8
Women:	121	8	1	8.9
Primary education	1210	....	....	....
Secundary education	1211	2	1	2.9
Higher non-university	1212	3	....	3.0
University	1213	3	....	3.0
According to profession level				
Management	130	....	....	....
Non-management	134	14	2	15.7
Laborer	132	....	....	....
Other	133	....	....	....

Temporary workers and persons placed at the disposal of the company

During the FY	Codes	1. Temporary workers	2. Persons placed at the disposal of the company
Average number of persons employed	150	....	....
Number of actual hours worked	151	....	....
Costs for the company	152	....	....

Statement of staff movement's during the financial year

ASSIGNED	Codes	1. Full time	2. Part time	3. Total in full time equivalents
Number of employees in the staff register	205	12	7	16.0
According the type of agreement				
Agreement for an indefinite period	210	5	....	5.0
Agreement for an definite period	211	7	7	11.0
Agreement for an definied job	212	....	....	....
Replacement agreement	213	....	....	....

RESIGNED	Codes	1. Full time	2. Part time	3. Total in full time equivalents
Number of employees in the staff register	305	13	7	17.0
According the type of agreement				
Agreement for an indefinite period	310	5	....	5.0
Agreement for an definite period	311	8	7	12.0
Agreement for an definied job	312	....	....	....
Replacement agreement	313	....	....	....
According the reason of ending the agreement				
Retirement	340	....	....	....
Unemployment with single payment	341	....	....	....
Dismissal	342	3	....	3.0
Other reason	343	10	7	14.0
of which: the number of employees who continue to provide services to the company as a self-employed person at least on a half-time basis	350	....	....	....

Information on employee training during the financial year

	Codes	Men	Codes	Women
Total of formal continuing vocational training initiatives at the expense of the employer				
Number of employees involved	5801	....	5811	....
Number of training hours followed	5802	....	5812	....
Net costs for the company	5803	....	5813	....
Of which gross costs directly related to training	58031	....	58131	....
Of which paid contributions and deposits to collective funds	58032	....	58132	....
Of which received (deduction)	58033	....	58133	....
Total of less formal and informal continuing vocational training initiatives at the expense of the employer				
Number of employees involved	5821	....	5831	....
Number of training hours followed	5822	....	5832	....
Net costs for the company	5823	....	5833	....
Total of initial vocational training initiatives at the expense of the employer				
Number of employees involved	5841	....	5851	....
Number of training hours followed	5842	....	5852	....
Net costs for the company	5843	....	5853	....

17.11. EPRA[94]

EPRA (European Public Real Estate Association) is the voice of the European listed real estate sector with more than 280 members and more than € 690 billion real estate. The EPRA indices are a global benchmark and the most frequently used investment index for listed real estate. The indexes are composed of more than 100 companies. The criteria for inclusion in the indexes are published on the EPRA website (www.epra.com). Montea is not yet included in the European and the Belgian EPRA index.

Recommendations regarding the reporting and the definition of the most important financial performance criteria for listed real estate companies are also shown on the EPRA website (see EPRA Reporting: Best Practices Recommendations Guidelines). Montea makes the majority of the performance measures recommended by EPRA available to the investors with the aim of standardizing the reporting with a view to improving the quality and comparability of information.

[94] The statutory auditor has performed an audit (ISRE 2410) of the measures listed in this table. The publication of the data is not required by the RECC regulations and is not subject to review by public authorities.

- Summary table of the EPRA Performance measures[95]

	Definition	Purpose	31/12/2021	31/12/2020
A) EPRA earnings	Recurring earnings from the core operational activities.	A key measure of a company's underlying operating results from its property rental business and an indicator of the extent to which current dividend payments are supported by earnings.	€ x 1000: 60.433 € / share: 3,75	€ x 1000: 55.778 € / share: 3,50
B) EPRA Net Reinstatement Value	The Net Reinstatement Value assumes that entities never sell assets and aims to represent the value required to rebuild the entity.	The objective of the EPRA NRV measure is to also reflect what would be needed to recreate the company through the investment markets based on its current capital and financing structure, related costs such as real estate transfer taxes should be included.	€ x 1000: 1.144.202 € / share: 70,56	€ x 1000: 911.747 € / share: 56,90
C) EPRA Net Tangible Assets	The Net Tangible Assets assumes that entities buy and sell assets, thereby crystallising certain levels of unavoidable deferred tax.	This scenario assumes a business model with long-term investment properties, with property and other investments at fair value and excluding certain items that are not expected to materialize.	€ x 1000: 1.053.984 € / share: 65,00	€ x 1000: 845.722 € / share: 52,78
D) EPRA Net Disposal Value	The Net Disposal Value represents the shareholders' value under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax.	This scenario assumes that the company sells the assets, leading to the realization of deferred taxes and the liquidation of debt and financial instruments. This measure should not be viewed as a "liquidation NAV" as, in many cases, the fair value is not equal to the liquidation value.	€ x 1000: 1.013.270 € / share: 62,49	€ x 1000: 817.356 € / share: 51,01
E) EPRA cost ratio (incl. vacancy charges)	Administrative & operating costs (including costs of direct vacancy) divided by gross rental income.	A key measure to enable meaningful measurement of the changes in a company's operating costs.	8,8%	8,3%
F) EPRA cost ratio (excl. vacancy charges)	Administrative & operating costs (excluding costs of direct vacancy) divided by gross rental income.	A key measure to enable meaningful measurement of the changes in a company's operating costs.	8,4%	8,1%
	Definition	**Purpose**	**31/12/2021**	**31/12/2020**
G) EPRA Vacancy Rate	Estimated rental value (ERV) of vacant space, divided by the ERV of the entire portfolio.	A 'pure' (%) measure of investment property space that is vacant, based on ERV.	0,4%	1,4%
H) EPRA Net Initial Yield	Annualized rental income based on the steady rent collected on the balance sheet date, minus the non-recoverable property operating costs, divided by the market value of the property, plus the (estimated) acquisition costs.	A comparable benchmark for portfolio valuations in Europe	4,9%	5,5%
I) EPRA "Topped-up" Net Initial Yield	This benchmark integrates an adjustment of the EPRA NIY before the expiry of rent-free periods (or other non-due rental incentives such as discounted and tiered rent).	A comparable benchmark for portfolio valuations in Europe	4,9%	5,5%

[95] The auditor has performed an assessment (ISRE 2410) of the measures listed in this table.

A) EPRA result – EPRA earnings per share

Definition: The EPRA earnings concern the net earnings (after processing of the operating result before the result on the portfolio, minus the financial results and corporate tax, excluding deferred taxes), minus the changes in the fair value of property investments and real estate intended for sale, minus the result from the sale of investment properties, plus changes in the fair value of the financial assets and liabilities. The EPRA earnings per share are the EPRA earnings divided by the weighted average number of shares for the financial year.

Purpose: The EPRA earnings measure the operational profitability of the company after the financial result and after taxes on the operational result. The EPRA earnings measure the net result from the core activities per share.

Calculation:

(in EUR X 1 000)	31/12/2021	31/12/2020
Net result (IFRS)	**227.848**	**155.009**
Changes for calculation of the EPRA earnings		
To exclude:		
Changes in fair value of the investment properties and properties for sale	-175.392	-107.308
Result on sale of investment properties	-453	0
Changes in fair value of the financial assets and liabilities	-12.967	8.077
Deferred taxes related to EPRA changes	21.397	0
Minority interests with regard to changes above	0	0
EPRA earnings	**60.433**	**55.778**
Weighted average number of shares	16.130.871	15.916.319
EPRA earnings per share (€/share)	**3,75**	**3,50**

B) EPRA NAVs – EPRA NAVs per share

In October 2019, EPRA published its new Best Practice Recommendations which set out the financial indicators listed real estate companies should disclose so as to provide more transparency across the European listed sector. For example, the EPRA NAV and EPRA NNNAV were consequently replaced by three new Net Asset Value indicators: Net Reinstatement Value (NRV), Net Tangible Assets (NTA) and Net Disposal Value (NDV).

The EPRA NAV indicators are obtained by correcting the IFRS NAV in such a way that stakeholders get the most relevant information about the fair value of assets and liabilities. De EPRA NAV indicators per share are calculated based on the number of shares in circulation on the balance sheet date. The three different EPRA NAV indicators are calculated on the basis of the following scenarios:

Net Reinstatement Value: based on the assumption that entities never sell assets and aims to reflect the value needed to rebuild the entity. The purpose of this indicator is to reflect what would be required to reconstitute the company through the investment markets based on the current capital and financing structure, including Real Estate Transfer Taxes.

(in EUR X 1 000)	31/12/2021	31/12/2020
IFRS Equity attributable to shareholders of the parent company	**1.015.097**	**815.311**
NAV per share (€/share)	**62,60**	**50,88**
I) Hybrid instruments		
Diluted NAV at fair value	**1.015.097**	**815.311**
To exclude:		
V. Deferred tax in relation to fair value gains of investment property	21.579	-
VI. Fair value of financial instruments	18.035	31.001
To include:		
XI. Real estate transfer tax	89.492	65.436
NRV	**1.144.202**	**911.747**
Fully diluted number of shares	16.215.456	16.023.694
NRV per share (€/share)	**70,56**	**56,90**

Net Tangible Assets: assumes that entities buy and sell assets, thereby realising certain levels of deferred taxation. This pertains to the NAV adjusted to include property and other investments at fair value and to exclude certain items that are not expected to be firmly established in a business model with long-term investment properties.

(in EUR X 1 000)	31/12/2021	31/12/2020
IFRS Equity attributable to shareholders of the parent company	**1.015.097**	**815.311**
NAV per share (€/share)	**62,60**	**50,88**
I) Hybrid instruments		
Diluted NAV at fair value	**1.015.097**	**815.311**
To exclude:		
V. Deferred tax in relation to fair value gains of investment property	21.579	-
VI. Fair value of financial instruments	18.035	31.001
VIII.b) Intangible fixed assets as per the IFRS balance sheet	-727	-589
NTA	**1.053.984**	**845.722**
Fully diluted number of shares	16.215.456	16.023.694
NTA per share (€/share)	**65,00**	**52,78**

Net Disposal Value: provides the reader with a scenario of the sale of the company's assets leading to the realization of deferred taxes, financial instruments, and certain other adjustments. This NAV should not be considered a liquidation NAV as in many cases the fair value is not equal to the liquidation value.

(in EUR X 1 000)	31/12/2021	31/12/2020
IFRS Equity attributable to shareholders of the parent company	**1.015.097**	**815.311**
NAV per share (€/share)	**62,60**	**50,88**
I) Hybrid instruments		
Diluted NAV at fair value	**1.015.097**	**815.311**
To include:		
IX. Remeasurements of the fair value of fixed-rate financing	-1.827	2.046
NDV	**1.013.270**	**817.356**
Fully diluted number of shares	16.215.456	16.023.694
NDV per share (€/share)	**62,49**	**51,01**

C) EPRA NIY & EPRA 'topped-up' NIY

Definition: The EPRA NIY is an annualised rental income based on the cash rents passing at the balance sheet date, minus non-recoverable property operating expenses, divided by the market value of the property, increased with (estimated) purchase costs.

Purpose: Introduce a comparable benchmark for portfolio valuations within Europe.

Calculation:

EPRA NIY *(in EUR x 1000)*		**31/12/2021** TOTAL	**31/12/2020** TOTAL
Investment property – 100% ownership		1.623.701	1.301.836
Investment property – share of JVs/Funds		0	0
Assets for sale		0	0
Minus development projects		-114.834	-54.590
Completed real estate portfolio		**1.508.867**	**1.247.246**
Allowance for estimated purchase costs		84.912	70.154
Gross up completed real estate portfolio valuation	**B**	**1.593.779**	**1.317.400**
Annualised cash passing rental income		81.996	76.049
Property outgoings (incl. concessions)		-4.038	-3.718
Annualised net rents	**A**	**77.958**	**72.331**
Rent free periods or other lease incentives		348	29
"topped-up" net annualised rent	**C**	**78.306**	**72.360**
EPRA NIY	**A/B**	**4,9%**	**5,5%**
EPRA "topped-up" NIY	**C/B**	**4,9%**	**5,5%**

D) EPRA rental vacancy rate

Definition: The EPRA vacancy corresponds to the complement of "Occupancy rate" with the difference that the occupancy rate used by Montea is calculated on the basis of square metres whereas the EPRA vacancy is calculated on the basis of the estimated rental value.

Purpose: The EPRA vacancy measures the vacancy percentage as a function of the estimated value without taking account of non-rentable m², intended for redevelopment, and of the land bank.

Calculation:

(in EUR X 1 000)	31/12/2021 (A) Estimated rental value (ERV) for vacancy	(B) Estimated rental value portfolio (ERV)	(A/B) ERPA Vacancy rate (in %)	31/12/2020 (A) Estimated rental value (ERV) for vacancy	(B) Estimated rental value portfolio (ERV)	(A/B) ERPA Vacancy rate (in %)
Belgium	279	36.873	0,8%	177	33.760	0,5%
France	-	11.140	0,0%	826	11.494	7,2%
The Netherlands	-	26.903	0,0%	-	26.132	0,0%
Germany	-	-	0,0%			
TOTAL	**279**	**74.916**	**0,4%**	**1.003**	**71.386**	**1,4%**

- EPRA cost ratio

Definition: The EPRA Cost ratio are administrative and operational charges (including vacancy charges), divided by gross rental income

Purpose: The EPRA Cost ratios are intended to provide a consistent basis from which companies can provide more information about the costs where necessary.

Calculation:

EPRA Cost Ratio (in EUR x 1000)		31/12/2021	31/12/2020	31/12/2019
(i) Administrative/operating expense line per IFRS income statement		**7.588**	**6.557**	**6.656**
(iii) Management fees less actual/estimated profit element		-406	-394	-365
EPRA Costs (including direct vacancy costs)	**A**	**7.182**	**6.163**	**6.290**
(ix) Direct vacancy costs		-314	-156	-166
EPRA Costs (excluding direct vacancy costs)	**B**	**6.868**	**6.007**	**6.125**
(x) Gross Rental Income less ground rents – per IFRS		81.748	74.224	67.985
Gross Rental Income	**C**	**81.748**	**74.224**	**67.985**
EPRA Cost Ratio (including direct vacancy costs)	**A/C**	**8,8%**	**8,3%**	**9,3%**
EPRA Cost Ratio (excluding direct vacancy costs)	**B/C**	**8,4%**	**8,1%**	**9,0%**

- Investment Assets

Overview of the main operational indicators of the property portfolio, by country:

	BE	FR	NL	DE	31/12/2021
Rentable area	764.721 m²	201.955 m²	549.000 m²	35.965 m²	**1.551.641 m²**
Avg. Rent / m²	47,8 €/m²	49,8 €/m²	52,2 €/m²	51,2 €/m²	**49,7 €/m²**
Annualized contractual rent passing	36.592 k€	10.058 k€	28.641 k€	1.842 k€	**77.133 k€**
ERV	36.873 k€	11.140 k€	26.903 k€	NVT	**74.916 k€**
Net Rental Income	35.314 k€	11.245 k€	27.972 k€	558 k€	**75.089 k€**
Fair Market Value - Investment Assets	661.645 k€	202.958 k€	567.667 k€	41.613 k€	**1.473.883 k€**
Fair Market Value - Solar Panels	26.181 k€	0 k€	8.803 k€	0 k€	**34.983 k€**
EPRA Vacancy (based on ERV)	0,6%	0,0%	0,0%	0,0%	**0,3%**
Lease Term till break	5,9 y	4,1 y	10,3 y	6,0 y	**7,3 y**
Lease Term till end	7,6 y	6,7 y	10,4 y	6,0 y	**8,5 y**

Overview of the rents, broken down by country and by tenant activity:

Tenant business sector (k€)	BE	FR	NL	DE	31/12/2021
Industrial	7.467	2.351	3.466	1.842	**15.126**
Consumer goods	5.698	5.454	8.513	0	**19.665**
Primary goods	2.616	0	6.493	0	**9.108**
Logistics	19.078	1.466	10.169	0	**30.712**
Services	1.733	559	0	0	**2.292**
Vacancy	0	229	0	0	**229**
TOTAL Current Rent	**36.592**	**10.058**	**28.641**	**1.842**	**77.133**

Tenant business sector (%)	BE	FR	NL	DE	31/12/2021
Industrial	20%	23%	12%	100%	**20%**
Consumer goods	16%	54%	30%	0%	**25%**
Primary goods	7%	0%	23%	0%	**12%**
Logistics	52%	15%	36%	0%	**40%**
Services	5%	6%	0%	0%	**3%**
Vacancy	0%	2%	0%	0%	**0%**
TOTAL Current Rent	**100%**	**100%**	**100%**	**100%**	**100%**

Overview of the largest tenants in the portfolio, including their share in the total rent:

	Tenant	Current Rent	
1	DHL aviation	[>3M€]	
2	Doc Morris b	[2,75 - 3M€]	
3	Recycling REKO	[2,5 - 2,75M€]	
4	DHL Global Forwarding	[2,25 - 2,5M€]	
5	Decathlon	[2 - 2,25M€]	
6	Amazon Transport Netherlands B.V.	[2 - 2,25M€]	
7	Koopman	[2 - 2,25M€]	
8	BELRON - Carglass	[2 - 2,25M€]	
9	Borgesius Aalsmeer B.V.	[1,75 - 2M€]	
10	DSV Solutions I & II	[1,75 - 2M€]	
11	Federal Mogul	[1,5 - 1,75M€]	
12	Dachser	[1,25 - 1,5M€]	
13	Vos Logistics	[1,25 - 1,5M€]	
14	Jan De Rijk	[1,25 - 1,5M€]	
15	Delta Wines	[1,25 - 1,5M€]	
16	Aware Food Group	[1,25 - 1,5M€]	
17	Caterpillar	[1,25 - 1,5M€]	
18	FDT Flachdachtechnologie GmbH	[1 - 1,25M€]	
19	Atoutime	[1 - 1,25M€]	
20	Michel Oprey & Beisterveld Natuuursteen BV	[1 - 1,25M€]	
21	XPO	[1 - 1,25M€]	
22	Paardekoper B.V	[1 - 1,25M€]	
23	Movianto	[1 - 1,25M€]	
24	GVT	[1 - 1,25M€]	
25	NSK	[1 - 1,25M€]	
Tenants > 1mio€		**42.128**	**55%**
Tenants < 1mio€		**35.004**	**45%**
TOTAL		**77.133**	**100%**

Overview of the largest (in market value) investment properties within the investment portfolio:

		Location	Tenants	Market Value	Market Value Range	Lettable surface (m²)	Type of Property	Type of Property	Ownership	Form of ownership	Acquisition Year	Year of construction / refurbishment
1	NL	**Tiel** Panovenweg	- REKO Recycling - CRH Struyk	**94.000**	**> 30 mio €**	89.445	Land	Land	100%	Full ownership	2018	n.a.
2	BE	**Willebroek** De Hulst	- Decathlon	**57.044**	**> 30 mio €**	67.480	Single tenant	Logistics	100%	Full ownership	2017	2017
3	NL	**Heerlen** **Business park Aventis**	- Doc Morris	**54.200**	**> 30 mio €**	39.195	Single tenant	Logistics	100%	Full ownership	2015	2019
4	NL	**Aalsmeer** Japanlaan & Thailandlaan	- Bakkersland - Scotch & Soda	**54.100**	**> 30 mio €**	46.739	Multi tenant	Logistics	100%	Full ownership	2017	2016 - 2017
5	BE	**Zaventem** Brucargo	- DHL Aviation	**42.720**	**> 30 mio €**	66.735	Single tenant	Logistics	100%	Long Term superficies	2017	2016
6	FR	**Camphin** Chemin des Blatiers	- Danone - GBS - DSM - XPO	**42.688**	**> 30 mio €**	43.432	Multi tenant	Logistics	100%	Full ownership	2018	2018
7	NL	**Born** Verloren van Themaatweg	- Koopman Logistics Group	**39.400**	**> 30 mio €**	56.302	Single tenant	Logistics	100%	Full ownership	2019	n.a.
8	BE	**Vorst** Humaniteitslaan 292	- Unilever - Makro - CDS - Stylelabs	**34.482**	**> 30 mio €**	29.235	Multi tenant	Logistics & Light Industrial	100%	Full ownership	2009	1966 - 2014 - 2015 - 2016 - 2017
9	BE	**Genk** Kruisbosstraat	- Carglass (Belron)	**34.465**	**> 30 mio €**	46.232	Single tenant	Logistics	100%	Long Term superficies	2018	2018
10	BE	**De Hulst - Willebroek** Schoondonkweg	- Federal Mogul	**33.658**	**> 30 mio €**	29.275	Single tenant	Logistics	100%	Full ownership	2016	2016

- Project developments

Overview of the main operational indicators of the Project developments, by country and by individual project:

Site & Location	Country	Development Costs until 31/12/2021	Revaluation	31/12/2021	Estimated costs to completion	Value on completion	Expected completion date	Status
Bornem	**BE**	2.524	-34	**2.490**	Unknown	**2.490**	Unknown	Commercialization
Lummen	**BE**	7.586	438	**8.024**	Unknown	**8.024**	Unknown	Commercialization
Antwerpen	**BE**	9.632	971	**10.603**	29.956	**40.560**	Q3 2022	Under construction
Tongeren - IIA	**BE**	5.385	-175	**5.210**	18.849	**24.059**	Q4 2022	Under construction
Tongeren - IIB	**BE**	11.689	0	**11.689**	Unknown	**11.689**	Unknown	Commercialization
Solar Panels BE	**BE**	1.072		**1.072**	53	**1.125**	2022	Under construction
	BE	**37.888**	**1.200**	**39.088**	**48.858**	**87.946**		
Tiel	**NL**	11.222	-458	**10.764**	1.403	**12.167**	Q1 2022	Under construction
Etten-Leur	**NL**	9.252	192	**9.444**	10.539	**19.983**	Q3 2022	Under construction
Waddinxveen - fase 1	**NL**	36.007	264	**36.271**	4.162	**40.433**	Q1 2022	Under construction
Waddinxveen - fase 2	**NL**	12.387	235	**12.622**	Unknown	**12.622**	Unknown	Commercialization
Solar Panels NL	**NL**	42		**42**	8.984	**9.026**	2022	Under construction
	NL	**68.909**	**233**	**69.143**	**25.089**	**94.231**		
Senlis	**FR**	3.687	-62	**3.624**	Unknown	**3.624**	Unknown	Commercialization
Solar Panels FR	**FR**	2.979		**2.979**	1.021	**4.000**	2022	Under construction
	FR	**6.666**	**-62**	**6.604**	**1.021**	**3.624**		
TOTAL		**113.463**	**1.371**	**114.834**	**74.967**	**185.802**		

Site & Location	Country	Type of Property	% of ownership	Pre-let (%)	Office (m²)	Warehouse (m²)	Mezzanine (m²)	Other (m²)	Total (m²)	Undeveloped Land (m²)	ERV at completion (K€)
Bornem	BE	Unknown	100%							18.447	Unknown
Lummen	BE	Unknown	100%							53.518	Unknown
Antwerpen	BE	Distribution centre	100%	100%	2.674	5.764		2.525	10.963	n.a.	2.815
Tongeren - IIA	BE	Logistics	100%			22.700			22.700	n.a.	1.109
Tongeren - IIB	BE	Unknown	100%							95.117	Unknown
Solar Panels BE	BE	n.a.	100%	n.a						n.a.	n.a.
	BE				2.674	28.464	0	2.525	33.663	167.083	3.924
Tiel	NL	Distribution centre	100%	100%	500	8.519	664		9.683	n.a.	873
Etten-Leur	NL	Distribution centre	100%	100%	620	23.845	1.968		26.433	n.a.	1.248
Waddinxveen	NL	Logistics	100%	100%	1.812	40.074	7.715		49.601	n.a.	2.695
Waddinxveen	NL	Unknown	100%						0	60.000	Unknown
Solar Panels NL	NL	n.a.	100%	n.a					0	n.a.	n.a.
	NL				2.932	72.438	10.347	0	85.717	60.000	4.816
Senlis	FR	Unknown	100%						0	170.000	Unknown
Solar Panels FR	FR	n.a.	100%	n.a						n.a.	n.a.
	NL				0	0	0	0	0	170.000	0
TOTAL					5.606	100.902	10.347	2.525	119.380	397.083	8.740

- 'Like-for-Like' growth of the IFRS rents

(in EUR x 1000)	RENT 31/12/2020	LIKE FOR LIKE					NON COMPARABLE				RENT 31/12/2021
		Rerented vacancy	New vacancy	Renegotiation	Indexation	Other	New Site	Indexation	Sold Site	Other	
Belgium	30.574	75	-103	34	282	-24					30.838
France	7.671	298	-7	10	6	0					7.978
The Netherlands	23.970	0	0	42	287	0					24.303
Germany	0	0	0	0	0	0					0
LIKE for LIKE	62.215	373	-110	86	575	-24					63.119
Belgium	4.448						1.377	14	-144	-1.071	4.624
France	2.787						1.119	8	-472	-167	3.275
The Netherlands	517						3.214	7	0	-114	3.621
Germany	0						558	0	0	0	558
NON Comparable	7.752						6.269	28	-616	-1.351	12.079
TOTAL	69.967	373	-110	86	575	-24	6.269	28	-616	-1.351	75.197

Like for Like variation of the year **900**

Belgium	49,1%	0,1%	-0,2%	0,1%	0,5%	0,0%		49,6%
France	12,3%	0,5%	0,0%	0,0%	0,0%	0,0%		12,8%
The Netherlands	38,5%	0,0%	0,0%	0,1%	0,5%	0,0%		39,1%
Germany	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%		0,0%
LIKE for LIKE	100,0%	0,6%	-0,2%	0,1%	0,9%	0,0%		101,5%

Like for Like variation of the year **1,4%**

Please note:

- A building that has been in the investment portfolio for the last 2 full years (i.e. from 01/01/2020 to 31/12/2021) is considered to be a building that is fully comparable between these 2 years. The set of buildings meeting this condition is included in the 'Like-for-Like' analysis. All other buildings are not comparable.
- The scope used is the same as the one for the Roll Forward of the Investment Assets (see next)

- Roll Forward of the investment assets

(in EUR x 1000)	INVESTMENT ASSETS 31/12/2020	LIKE FOR LIKE		NON COMPARABLE					INVESTMENT ASSETS 31/12/2021
		CAPEX	Revaluation	Acquisitions	Sold Site	Transfer from/to Development	CAPEX	Revaluation	
Belgium	521.636	3.808	71.930						597.374
France	175.425	442	8.288						184.156
The Netherlands	393.070	137	40.552						433.759
Germany	0	0	0						0
LIKE for LIKE	1.090.131	4.388	120.770						1.215.289
Belgium	23.731			45.557	-7.698	0	95	2.586	64.272
France	23.413			0	-6.607	0	56	1.950	18.812
The Netherlands	80.221			14.375	0	-288	97	39.502	133.907
Germany	0			42.737	0	0	7	-1.131	41.613
NON COMPARABLE	127.366			102.668	-14.304	-288	254	42.907	258.603
TOTAL	1.217.497	4.388	120.770	102.668	-14.304	-288	254	42.907	1.473.893
Like-for-Like variation of the year		125.158							
Belgium	42,8%	0,3%	5,9%						49,1%
France	14,4%	0,0%	0,7%						15,1%
The Netherlands	32,3%	0,0%	3,3%						35,6%
Germany	0,0%	0,0%	0,0%						0,0%
LIKE for LIKE	89,5%	0,4%	9,9%						99,8%
Belgium	1,9%			3,7%	-0,6%	0,0%	0,0%	0,2%	5,3%
France	1,9%			0,0%	-0,5%	0,0%	0,0%	0,2%	1,5%
The Netherlands	6,6%			1,2%	0,0%	0,0%	0,0%	3,2%	11,0%
Germany	0,0%			3,5%	0,0%	0,0%	0,0%	-0,1%	3,4%
NON COMPARABLE	10,5%			8,4%	-1,2%	0,0%	0,0%	3,5%	21,2%
TOTAL	100,0%	0,4%	9,9%	8,4%	-1,2%	0,0%	0,0%	3,5%	121,1%
Like-for-Like variation of the year		10,3%							

Please note:

- A building that has been in the investment portfolio for the last 2 full years (i.e. from 1 January 2020 to 31 December 2021) is considered to be a building that is fully comparable between these 2 years. The set of buildings that meets this condition is included in the 'Like-for-Like' analysis. All other buildings are noncomparable. We also draw attention to the fact that only the 'standing investments' are included in this table, whereas the CAPEX table (cf. Infra) includes concessions, solar panels and developments in addition to the 'standing investments'.

- Analysis of remaining duration until 1st cancellation option

ANALYSIS REMAINING DURATION TILL 1st BREAK		BE	FR	NL	DE	TOTAL
	Average remaining duration till 1st break	**5,9 y**	**4,1 y**	**10,3 y**	**7,3 y**	**7,3 y**
ERV till 1st break	ERV which expires within 1st year	645	1.118	646	0	**2.408**
	ERV which expires within the 2nd year	1.323	1.935	0	0	**3.258**
	ERV which expires between 3rd & 5th year	9.507	2.531	617	0	**12.655**
	ERV which expires after the 5th year	25.399	5.556	25.639	0	**56.594**
	TOTAL	**36.873**	**11.140**	**26.903**	**0**	**74.916**
	ERV which expires within 1st year	0,9%	1,5%	0,9%	0,0%	**3,2%**
	ERV which expires within the 2nd year	1,8%	2,6%	0,0%	0,0%	**4,3%**
	ERV which expires between 3rd & 5th year	12,7%	3,4%	0,8%	0,0%	**16,9%**
	ERV which expires after the 5th year	33,9%	7,4%	34,2%	0,0%	**75,5%**
	TOTAL	**49,2%**	**14,9%**	**35,9%**	**0,0%**	**100,0%**
Current Rent till 1st break	Current Rent which expires within 1st year	-47	0	0	0	**-47**
	Current Rent which expires within the 2nd year	0	0	0	0	**0**
	Current Rent which expires between 3rd & 5th year	511	0	0	0	**511**
	Current Rent which expires after the 5th year	36.128	10.058	28.641	1.842	**76.669**
	TOTAL	**36.592**	**10.058**	**28.641**	**1.842**	**77.133**
	Current Rent which expires within 1st year	-0,1%	0,0%	0,0%	0,0%	**-0,1%**
	Current Rent which expires within the 2nd year	0,0%	0,0%	0,0%	0,0%	**0,0%**
	Current Rent which expires between 3rd & 5th year	0,7%	0,0%	0,0%	0,0%	**0,7%**
	Current Rent which expires after the 5th year	46,8%	13,0%	37,1%	2,4%	**99,4%**
	TOTAL	**47,4%**	**13,0%**	**37,1%**	**2,4%**	**100,0%**

- Analysis remaining time until end of contract

ANALYSIS REMAINING DURATION TILL END		BE	FR	NL	DE	TOTAL
	Average remaining duration till end of contract	**7,6 y**	**6,7 y**	**10,4 y**	**6,0 y**	**8,5 y**
ERV till end of contract	ERV which expires within 1st year	645	1.118	646	0	**2.408**
	ERV which expires within the 2nd year	967	571	0	0	**1.538**
	ERV which expires between 3rd & 5th year	5.970	1.635	617	0	**8.222**
	ERV which expires after the 5th year	29.292	7.816	25.639	0	**62.747**
	TOTAL	**36.873**	**11.140**	**26.903**	**0**	**74.916**
	ERV which expires within 1st year	0,9%	1,5%	0,9%	0,0%	**3,2%**
	ERV which expires within the 2nd year	1,3%	0,8%	0,0%	0,0%	**2,1%**
	ERV which expires between 3rd & 5th year	8,0%	2,2%	0,8%	0,0%	**11,0%**
	ERV which expires after the 5th year	39,1%	10,4%	34,2%	0,0%	**83,8%**
	TOTAL	**49,2%**	**14,9%**	**35,9%**	**0,0%**	**100,0%**
Current Rent till end of contract	Current Rent which expires within 1st year	246	229	685	0	**1.160**
	Current Rent which expires within the 2nd year	731	601	0	0	**1.332**
	Current Rent which expires between 3rd & 5th year	5.847	1.636	605	0	**8.088**
	Current Rent which expires after the 5th year	29.768	7.592	27.351	1.842	**66.553**
	TOTAL	**36.592**	**10.058**	**28.641**	**1.842**	**77.133**
	Current Rent which expires within 1st year	0,3%	0,3%	0,9%	0,0%	**1,5%**
	Current Rent which expires within the 2nd year	0,9%	0,8%	0,0%	0,0%	**1,7%**
	Current Rent which expires between 3rd & 5th year	7,6%	2,1%	0,8%	0,0%	**10,5%**
	Current Rent which expires after the 5th year	38,6%	9,8%	35,5%	2,4%	**86,3%**
	TOTAL	**47,4%**	**13,0%**	**37,1%**	**2,4%**	**100,0%**

- CAPEX

	(in EUR X 1 000)	31/12/2021						31/12/2020				
		Group (excl. Joint Ventures)				Joint Ventures (proportionate share)	TOTAL GROUP	Group (excl. Joint Ventures)			Joint Ventures (proportionate share)	TOTAL GROUP
		BE	FR	NL	DE			BE	FR	NL		
i)	**Acquisitions**	49.806	-	12.588	42.744	-	105.138	-	-	22.521	-	22.521
ii)	**Development**	26.590	3.689	32.214	-	-	62.493	3.384	13.595	49.902	-	66.880
iii)	**Disposal**	-7.745	-6.627	-	-	-	-14.372	-	-	-	-	-
iv)	**Investment properties**	4.002	498	495	-	-	4.995	2.530	912	986		4.428
iv.a)	**Incremental lettable space**	2.604	-	-	-	-	2.604	768	-	-	-	768
iv.b)	**No incremental lettable space**	1.318	498	495	-	-	2.311	1.642	912	986	-	3.540
iv.c)	Tenant incentives	80	-	-	-	-	80	120	-	-	-	120
iv.d)	Other material non-allocated types of expenditure	-	-	-	-	-	-	-	-	-	-	-
v)	**Capitalised interest**	1.337	-	16	-	-	1.352	474	333	119		926
	Total CapEx	**73.990**	**-2.440**	**45.313**	**42.744**	**-**	**159.607**	**6.387**	**14.839**	**73.528**	**-**	**94.754**

Montea invested €159.6 M in its property portfolio in 2021. The table above includes the investments in i) acquisition of new land and buildings, ii) further development of land and buildings, iii) divestments, iv) the existing real estate investments, and v) capitalized interest. The investments in the existing property portfolio are further broken down into iv.a) expenditures aimed at increasing the lettable area, iv.b) improving the existing lettable area without wanting to expand it, and iv.c) expenditures that serve as an incentive for the tenants.

Moreover, we also draw attention to the fact that this table includes concessions, solar panels and developments in addition to the 'standing investments'.

17.12. Details on the calculation of APMs used by Montea

Result on the portfolio

Definition: This concerns the positive and/or negative changes in the fair value of the property portfolio plus any capital gains or losses from the construction of properties.

Purpose: This APM indicates the positive and/or negative changes in the fair value of the property portfolio plus any capital gains or losses from the construction of properties.

Calculation:

RESULT ON PORTFOLIO *(in EUR X 1 000)*	**31/12/2021**	**31/12/2020**
Result on sale of investment properties	453	-
Changes in the fair value of investment properties	175.392	107.308
Deferred taxes on the portfolio result	-21.397	-
RESULT ON PORTFOLIO	**154.448**	**107.308**

Financial result exclusive of changes in the fair value of financial instruments

Definition: This is the financial result pursuant to the Royal Decree of 13 July 2014 on regulated real estate companies, exclusive of the change in the real value of the financial instruments.

Purpose: This APM indicates the actual financing cost of the company.

Calculation:

FINANCIAL RESULT excl. changes in fair value of financial instruments *(in EUR X 1 000)*	**31/12/2021**	**31/12/2020**
Financial result	1.406	-19.027
To exclude:		
Changes in fair value of financial assets & liabilities	-12.967	8.077
FINANCIAL RESULT excl. changes in fair value of financial instruments	**-11.561**	**-10.950**

Operating margin

Definition: This is the operating result before the result of the property portfolio, divided by the property result.

Purpose: This APM measures the operational profitability of the company as a percentage of the property result.

Calculation:

OPERATING MARGIN *(in EUR X 1 000)*	31/12/2021	31/12/2020
Property result	84.743	74.374
Operating result (before the portfolio result)	77.275	67.635
OPERATING MARGIN	**91,2%**	**90,9%**

Average cost of debt

Definition: Average financial cost over the entire year calculated on the basis of the total financial result with regard to the average of the initial balance and end balance of the financial debt burden without taking into account the valuation of the hedging instruments and interest charges of leasing debts in respect of IFRS 16.

Purpose: The company finances itself partially through debt financing. This APM measures the cost of this source of financing and the possible impact on the results.

Calculation:

AVERAGE COST OF DEBT *(in EUR X 1 000)*	31/12/2021	31/12/2020
Financial result	1.406	-19.027
To exclude:		
Other financial income and charges	73	-94
Changes in fair value of financial assets and liabilities	-12.967	8.077
Interest cost related to lease obligations (IFRS 16)	2.125	2.090
Activated interest charges	-1.352	-926
TOTAL FINANCIAL CHARGES (A)	-10.714	-9.880
AVERAGE OUTSTANDING FINANCIAL DEBTS (B)	589.371	511.633
AVERAGE COST OF DEBT (A/B) (*)	**1,8%**	**1,9%**

Interest Coverage Ratio

Definition: The interest coverage ratio is calculated by the sum of the operating result before the result on the portfolio, together with the financial income, divided by the net interest costs.

Purpose: This APM indicates how many times the company earns its interest charges.

Calculation:

INTEREST COVERAGE RATIO *(in EUR X 1 000)*	31/12/2021	31/12/2020
Operating result, before portfolio result	77.275	67.635
Financial income (+)	21	94
TOTAL (A)	**77.296**	**67.729**
Net financial charges (-)	11.487	10.938
TOTAL (B)	**11.487**	**10.938**
INTEREST COVERAGE RATIO (A/B)	**6,73**	**6,19**

Net debt/EBITDA

Definition: The Net Debt/EBITDA ratio is calculated by dividing the long-term and short-term financial liabilities (less cash) by the operating result (before result on portfolio).

Objective: This APM indicates how many years the company needs to repay its financial debts, assuming that the financial debt and EBITDA remain constant.

Calculation:

NET DEBT / EBITDA *(in EUR X 1 000)*		31/12/2021	31/12/2020
Non-current and current financial debt (IFRS)		649.449	508.535
- Cash and cash equivalents (IFRS)		-15.172	-5.057
Net debt (IFRS)	A	634.277	503.478
Operating result (before the portfolio result) (IFRS)	B	77.275	67.635
+ Depreciation		346	278
EBITDA (IFRS)	C	77.621	67.913
Net debt / EBITDA	**A/C**	**8,2**	**7,4**

17.13. Interim and other financial information

For the Company's interim financial information, reference is made to the interim reports of 31 March 2021, 30 June 2021 and 30 September 2021, which are included in this annual report by way of reference.

17.14. Statutory auditor's review of historical annual information

For the statutory auditor's review of the Company's historical information, reference is made to the annual financial reports (in particular the report of the statutory auditor as submitted to the general meeting of shareholders of Montea) for the financial years 2019 and 2020 which are included in this annual financial report by way of reference.

Annual financial report 2019	"Auditor's report to the general meeting of shareholders of Montea Comm.VA for the financial year ended on 31 December 2019" (p. 197)
Annual financial report 2020	"Auditor's report to the general meeting of shareholders of Montea NV for the financial year ended on 31 December 2020" (p. 208)
Annual financial report 2021	"Auditor's report to the general meeting of shareholders of Montea NV for the financial year ended on 31 December 2021" (p. 223)

17.15. Pro forma financial information

There was no significant gross change in financial year 2021. Therefore, no pro forma financial information needs to be included.

17.16. Dividend policy

Pursuant to Article 13 of the RREC RD, Montea must pay out, up to the amount of the net positive result for the financial year and after clearing the losses carried forward and after the entry/exit to/from the reserves referred to in 'Point B'. "Addition/withdrawal of reserves" as defined in Section 4 of Part 1 of Chapter 1 of Annex C of the RREC RD, at least the positive difference between the following amounts by way of remuneration for the capital:

- 80% of the amount determined in accordance with the schedule set out in Chapter III of Annex C; and
- the net reduction, during the financial year, of the public RREC's debt.

For the forecast of the dividend for the financial year 2022, reference is made to section 11.9 "Dividend forecast" of this annual financial report.

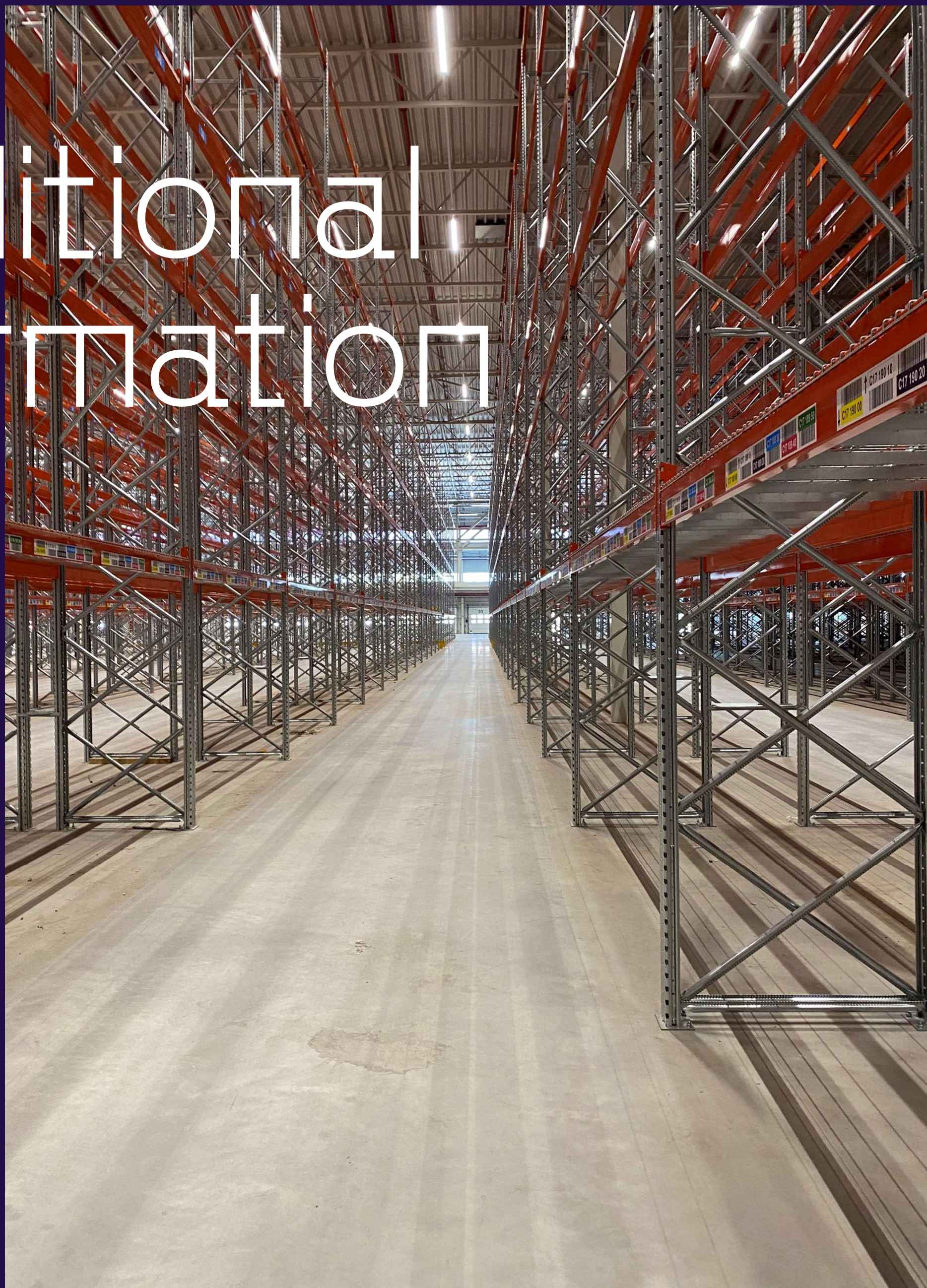
17.17. Litigation and arbitration

The board of directors of Montea Management NV declares that no government intervention, legal proceedings or arbitration proceedings have been initiated in the 12 months prior to the date of this annual financial report which could have a relevant impact on Montea's financial situation or profitability and that, to the best of its knowledge, there are no situations or facts which could give rise to such government intervention, legal proceedings or arbitration proceedings.

17.18. Significant change in Montea’s financial or trading position

Montea’s financial or trading position has not changed significantly as at 31 December 2021.

18. Additional information



18.1. Capital

The consolidated capital of Montea on 31 December 2021 amounted to € 330,469,920.07 including the costs of the capital increase and the changes in value of own shares.

SHARE CAPITAL AND SHARE PREMIUMS (x EUR 1.000)	Capital	Costs capital increase	Capital shares options staff	Subscription premium	Number of shares
ON 31/12/2019	**321.648**	**-5.871**	**-794**	**209.184**	**15.782.594**
Cash contribution + optional dividend	4.914	-85	0	13.091	241.100
ON 31/12/2020	**326.562**	**-5.956**	**-794**	**222.274**	**16.023.694**
Optional dividend	3.908	-94	151	12.419	191.762
ON 31/12/2021	**330.470**	**-6.050**	**-643**	**234.693**	**16.215.456**

The capital is represented by 16,215,456 fully paid ordinary shares without nominal value. There are no preference shares. Each of these shares confers the right to one vote (with the exception of the Company's own shares whose voting right is suspended) at the general meeting of shareholders and these shares therefore represent the denominator for purposes of notification if the statutory or legal thresholds under the Transparency Rules are reached, exceeded or fallen below.

18.2. Main provisions of the articles of association

The most recent version of the Montea articles of association is dated 10 June 2021, following the alteration for the capital increase under the authorized capital by a contribution in kind in the context of an optional dividend. Any amendment to the Montea articles of association must be done in accordance with the rules set out in the Companies and Associations Code, the RREC Act and the RREC Royal Decree.

18.2.1. Object

"Article 3 of the articles of association – Object
3.1 The Company's object is exclusively:

(a) to make real estate property available to users, directly or via a company in which it owns a holding, in accordance with the terms of the RREC and in execution of the decisions taken and regulations set under it; and
(b) within the boundaries of the RREC legislation, to own property within the meaning of the RREC legislation. If the RREC legislation changes in the future and designates other types of assets as real estate within the meaning of the RREC legislation, the Company will also be allowed to invest in these additional types of assets.
(c) in the long term, to conclude or join one or more contracts with a public client, directly or through a company in which it owns equity interest pursuant to the provisions of the RREC Act and the implementing decrees and regulations, if necessary in cooperation with third parties:
(i) "Design, Build, Finance" (DBF) agreements;
(ii) "Design, Build, (Finance) and Maintain" (DB(F)M) agreements;
(iii) "Design, Build, Finance, (Maintain) and Operate" (DEF(M)O agreements); and/or
(iv) public works concession agreements for buildings and/or other immovable infrastructure and services relating thereto, and on the basis of which:
(i) it ensures the provision, maintenance and/or operation for the benefit of a public entity and/or the citizen as end-user, in order to meet a social need and/or to provide a public service; and
(ii) it can bear all or part of the related financing, availability, demand and/or operating risk, in addition to any construction risk, without necessarily having rights in rem; or

(d) *in the long term, either directly or through a company in which it owns equity pursuant to the RREC Act and the resolutions and regulations adopted pursuant thereto, if necessary, in cooperation with third parties, develop, have developed, set up, manage, operate, run or make available to third parties:*

(i) facilities and repositories for the transport, distribution or storage of electricity, gas, fossil or non-fossil fuel and energy in general and related goods;

(ii) utilities for the transport, distribution, storage or purification of water and related goods;

(iii) installations for the generation, storage and transport of renewable or non-renewable energy and related goods; or

(iv) waste and incineration plants and related goods.

(e) the initial holding of less than 25% of the capital or, if the company concerned has no capital, less than 25% of the equity of a company in which the activities referred to in Article 4.1, (c) above are carried out, insofar as said equity interest is converted into an equity interest in accordance with the provisions of the RREC legislation within two years, or any longer period required by the public entity with which the contract is concluded in this respect, following the end of the construction phase of the PPP project (within the meaning of the RREC legislation) as a result of a transfer of shares.

If the RREC legislation should be amended in the future and authorize the Company to perform new activities, the Company will also be authorized to perform those additional activities.
For the provision of immovable property, the Company may, in particular, carry out all activities relating to the creation, reconstruction, renovation, development, acquisition, disposal, management and operation of immovable property.

3.2 The Company may invest, on an ancillary or temporary basis, in securities other than real estate within the meaning of the RREC legislation. Such investments shall be made in accordance with the risk management policy adopted by the Company and shall be diversified in order to ensure appropriate risk diversification. The Company may also hold unallocated liquid assets in any currency in the form of sight or term deposits or in the form of any other easily negotiable monetary instrument.

In addition, the Company may enter into transactions relating to hedging instruments for the sole purpose of hedging interest rate and exchange rate risks in the financing and management of the Company's activities as referred to in Article 4 of the RREC Act and excluding any transaction of a speculative nature.

3.3 The Company may acquire or lease one or more real estate properties. The activity of property leasing with a purchase option may be exercised only on an ancillary basis, unless such immovable property is intended for a general interest including social housing and education (in which case the activity may be exercised as the main activity).

3.4 The Company may, by means of a merger or in any other way, take an interest in all businesses, enterprises or companies with a similar or complementary purpose, and of such a nature as to promote the development of its business and, in general, it may carry out all operations directly or indirectly related to its corporate purpose as well as all acts that are relevant or necessary to attaining said corporate purpose".

18.2.2. Conditions relating to changes in capital – Rights, preferential subscription rights and restrictions for each category of existing shares

*"**Article 6 of the articles of association – Capital***
6.1. Registration and payment of the capital
The company share capital is set at € 330.469.920,07 (three hundred thirty million four hundred sixty-nine thousand nine hundred twenty euros and seven eurocents) and is represented by 16,215,456 (sixteen million two hundred fifteen thousand four hundred fifty-sixth) shares without par value, and which each represents 1/16,023,694 (one sixteen million two hundred fifteen thousand four hundred fifty-sixth) part of the capital.

6.2. Capital increase

Any capital increase will be made in accordance with the Code of Companies and Associations and the RREC legislation.

The Company is prohibited from directly or indirectly subscribing to its own capital increase.

On the occasion of any capital increase, the governing body shall determine the price, the possible issue premium and the conditions of issue of the new shares, unless the general meeting of shareholders itself would determine them.

If an issue premium is requested, it must be booked in one or more separate equity accounts in the liabilities section of the balance sheet. The governing body may freely decide to place any issue premiums, possibly after deduction of an amount equal at most to the cost of the capital increase within the meaning of the applicable IFRS rules, in an unavailable account which shall constitute the guarantee of third parties on the same footing as the capital and which may under no circumstances be reduced or abolished except by a decision of the general meeting decisive as regards the amendment of the articles of association, except for conversion into capital.

The contributions in kind may also relate to the dividend right within the framework of the distribution of an optional dividend, with or without an additional contribution in cash.

In the event of a capital increase by cash contribution by decision of the general meeting or within the framework of the authorized capital, the shareholders' preferential right can only be restricted or cancelled insofar as, to the extent required by the RREC legislation, an irreducible allocation right is granted to the existing shareholders when allocating new securities in accordance with the conditions provided for in the RREC legislation.

Capital increases by contribution in kind are subject to the provisions of the Code of Companies and Associations and must be carried out in accordance with the conditions set out in the RREC legislation.

6.3. Authorized capital

The governing body is authorized to increase the company capital on the dates and in accordance with the terms that the governing body will set, with a maximum of:

a) EUR 163,280,905.26 (one hundred and sixty-three million two hundred and eighty thousand nine hundred and five euros and twenty-six eurocents) for public capital increases by way of cash contribution whereby the shareholders of the Company may exercise the statutory preferential right or the irreducible allocation right;

b) EUR 163,280,905.26 (one hundred and sixty-three million two hundred and eighty thousand nine hundred and five euros and twenty-six eurocents) for capital increases in connection with the payment of an optional dividend; and

c) EUR 32,656,181.05 (thirty-two million six hundred and fifty-six thousand one hundred and eighty-one euros and five eurocents) (1) for capital increases by way of contribution in cash whereby it is not provided that the shareholders of the Company can exercise their statutory preferential right or irreducible allocation right, (2) for capital increases by way of contribution in kind (other than within the framework of the distribution of an optional dividend), or (3) any other form of capital increase

it being understood that the governing body may never increase the capital by more than the statutory maximum amount, i.e. EUR 326,561,810.51 (three hundred and twenty-six million five hundred and sixty-one thousand eight hundred and fifty-one euros and fifty-one eurocents).

In the event of a capital increase that is coupled with the deposit or registration of an issue premium, only the amount assigned to the capital will be subtracted from the residual available amount of the authorized capital.

This authorization is granted for a period of five (5) years, beginning from the publication of the minutes of the extraordinary general meeting on 18 May 2021.

Any capital increases decided on accordingly by the governing body may be conducted by subscription for cash or contribution that complies with statutory requirements, or by the incorporation of reserves or issue premiums, with or without the creation of new securities. Capital increases may result in the issue of shares with or without voting rights. These capital increases may also take place through the issue of convertible bonds or subscription rights – whether or not attached to another form of security – which may result in the creation of shares with or without voting rights.

The governing body is authorized to rescind or restrict the preference rights of shareholders, including in favor of specific individuals who are not members of the Company's staff or of its subsidiaries, on condition that, to

the extent this is required pursuant to the RREC Act, an irreducible allocation right is granted to the existing shareholders on the allocation of new securities. This irreducible allocation right complies with the terms set out in the RREC legislation and the articles of association.
Without prejudice to the application of the applicable regulations, the aforementioned restrictions in the context of the cancellation or restriction of the preferential subscription right do not apply to a contribution in cash with restriction or cancellation of the preferential subscription right, (i) in the context of the authorised capital where the cumulative amount of the capital increases carried out in accordance with article 26, §1, third paragraph of the RREC Act over a period of twelve (12) months, does not exceed ten percent (10%) of the amount of the capital at the time of the decision to increase the capital, or (ii) in addition to a contribution in kind within the framework of the distribution of an optional dividend, provided that it is effectively made payable to all shareholder
Capital increases through contributions in kind will be conducted in accordance with the terms set out in the RREC legislation and in accordance with the terms stated in the articles of association. Such contributions may also relate to the dividend right in the context of the payment of an optional dividend.
If the capital increases decided upon pursuant to these authorisations include an issue premium, the amount thereof must be booked in one or more separate equity accounts in the liabilities section of the balance sheet.
6.4. Acquiring, pledging and disposing of own shares
The Company may acquire, pledge or dispose of its own shares under the conditions stipulated by law.
The governing body is specifically authorized for a period of five (5) years from the publication in the Annexes to the Belgian Official Gazette of the decision of the extraordinary general meeting of 9 November 2020, to acquire or take in pledge (even outside the stock exchange) on behalf of the Company, the Company's own shares with a maximum of ten percent (10%) of the total number of issued shares at a unit price that may not be lower than seventy-five percent (75%) of the average closing price of the Montea share on the regulated market Euronext Brussels during the last twenty (20) trading days prior to the date of the transaction (acquisition and pledge) and that may not be higher than one hundred twenty-five (125%) of the average closing price of the Montea share on the regulated market Euronext Brussels during the last twenty (20) trading days prior to the date of the transaction (acquisition and pledge).
The governing body is also expressly authorized to dispose of the Company's own shares to, inter alia, one or more specified persons other than members of the personnel of the Company or its subsidiaries, subject to compliance with the Code of Companies and Associations.
The authorizations referred to above do not affect the possibilities, in accordance with the applicable legal provisions, for the board of directors to acquire, pledge or dispose of shares in the Company if no authorization is required by the articles of association or authorization from the general meeting of shareholders for this purpose, or if this is no longer required.
The authorizations referred to above extend to the acquisitions and disposals of shares of the Company by one or more direct subsidiaries of the Company, within the meaning of the legal provisions governing the acquisition of shares of their parent company by subsidiaries.
6.5. Capital reduction
The Company may proceed with capital reductions subject to compliance with the statutory requirements therein.
6.6. Mergers, splits and similar transactions
The mergers, demergers and similar transactions referred to in the Code of Companies and Associations must be carried out in accordance with the conditions provided for in the RREC legislation and the Code of Companies and Associations.

18.2.3. Amendment of the rights of shareholders

In accordance with articles 7:153 and 7:155 of the Code of Companies and Associations, the rights of the shareholders can only be modified by an extraordinary general meeting of shareholders. The document containing information on the shareholders' rights referred to in article 7:130 and 7:139 of the Code of Companies and Associations can be consulted on the Montea website (www.montea.com).

18.2.4. Procedure for convening annual and extraordinary general meeting of shareholders

*“**Article 19 of the articles of association – General meeting of shareholders***
The annual general meeting will convene on the third (3) Tuesday of May at ten (10.00) am.
If this day falls on a statutory public holiday, the meeting will be held on the previous working day at the same time (Saturdays and Sunday are not working days).
The ordinary or extraordinary general meeting of shareholders will be held at the Company’s registered office or at any other location stated in the letter of summons or in any other way.
The threshold from which one or more shareholders may demand the calling of a general meeting in order to present one or more proposals, and in accordance with the Code of Companies and Associations, is set at max. ten percent (10%) of the capital.
One or more shareholders, who together own at least three per cent (3%) of the capital, may in accordance with the terms of the Code of Company and Associations, request that the topics to be discussed be included on the agenda of any general meeting of shareholders and may propose items to be decided on in relation to the topics to be discussed that are on the agenda or that will be included on it.

Article 20 of the articles of association - Attendance at the meeting
The right to attend a general meeting of shareholders and to exercise a voting right depends on the accounting registration of the shareholder’s registered shares at midnight (Belgian time) (referred to below as the registration date), either by registering them in the Company’s registered shares register, or by registering them in the accounts of an accredited account holder or settlement institution, regardless of the number of shares owned by the shareholder in the day of the general meeting.
The owners of dematerialized shares who wish to take part in the meeting must submit a certificate issued by their financial intermediary or accredited account holder, stating the number of dematerialized shares registered on the registration date in their accounts in the name of the shareholder and for which the shareholder has indicated that he or she wishes to attend the general meeting. They shall notify the Company or the person designated by the Company for that purpose, as well as their wish to participate in the general meeting of shareholders, if applicable by sending a proxy, at the latest on the sixth day prior to the date of the general meeting via the Company's email address or via the email address specifically mentioned in the convocation. The owners of registered shares who wish to participate in the meeting must notify the Company, or the person it has designated for that purpose, of their intention no later than the sixth (6th) day preceding the date of the meeting, via the Company's email address or via the email address specifically mentioned in the convocation, or, as the case may be, by sending a proxy.

Article 23 of the articles of association – Number of votes
Each share entitles the holder to one (1) vote, without prejudice to cases where the voting right provided for in the Code of Companies and Associations or any other applicable law has been suspended.”

18.2.5. Change in control

The transfer of Montea’s shares is not subject to any legal or statutory restrictions.

18.2.6. Threshold above which shareholding has to be disclosed

*“**Article 9 of the articles of association - Listing on the stock exchange and disclosure of major holdings***
The Company’s shares must be allowed to trade on a Belgian regulated market, in accordance with the RREC legislation.
The thresholds which when exceeded will result in a notification obligation under the law in terms of the disclosure of major holdings in issuers whose shares are allowed to be traded on a regulated market, are set at 3%, 5% and any multiple of 5% of the total number of existing voting rights.
Subject to the exceptions provided for by law, no one may attend the Company’s general meeting of shareholders with more voting rights than those linked to the securities that they own, in accordance with the

law, have notified at least twenty (20) days prior to the date of the general meeting of shareholders. The voting rights attached to these unreported shares are suspended."

18.2.7. Provisions concerning members of administrative, managerial or supervisory bodies

"Article 10 of the articles of association – Management of the Company
10.1. The Company is managed by a sole director, designated in the current articles of association. The sole director of the Company is a public limited liability company, which meets the legal requirements. The sole director is the governing body referred to elsewhere in these Articles of Association.
10.2. Appointed as the sole director until 30 September 2026: namely the public limited liability company, Montea Management, whose registered office is situated at 27 Industrielaan, 9320 Erembodegem, entered in the register of legal entities for Dendermonde under number 0882.872.026.
10.3. The board of directors of the sole director shall include at least three independent directors in accordance with applicable law.
The members of the managing bodies of the sole director must be natural persons; they must meet the requirements of good repute and competence as set out in the RREC legislation and must not fall within the scope of the prohibitions laid down in the RREC legislation.
10.4. The appointment of the sole director shall be subject to prior approval by the Financial Services and Markets Authority (FSMA).
10.5. The sole Director shall not be jointly and severally liable for the Company's obligations.

Article 11 of the articles of association – End of the sole director's mandate
11.1. The statutorily appoint sole director is appointed permanently and its appointment is irrevocable, except by a court, and for legal reasons.
11.2. The functions of the sole director will come to an end under the following circumstances:
- the expiration of the term of its mandate;
- resignation: the sole director may only resign if the resignation is possible in the context of the sole director's undertakings vis-à-vis the Company and insofar as it does not cause the Company any difficulties; the sole director's resignation must be notified by convening a general meeting of shareholders for which the agenda is to establish the resignation and the measures to be taken; this general meeting of shareholders must be convened at least one month before the resignation comes into effect;
- the dissolution, declaration of bankruptcy or any other similar procedure relating to the sole director;
- the loss, in terms of all members of the management bodies or the day-to-day management of the sole director, of the requirements of dependability, qualifications and experience required by the RREC legislation; if this should be the case, the sole director or statutory auditor must convene a general meeting of shareholders for which the agenda is the establishment of the loss of the requirements and the measures to be taken; this meeting must be convened within six (6) weeks; if one or more members of the governing bodies or the day-to-day management of the business manager no longer meet the requirements stated above, the business manager must replace them within one month; after this period, the Company meeting will be convened as set out above; this will be the case in any one instance, subject to the measures that the FSMA might take pursuant to the powers provided by the RREC legislation;
- the prohibition in the sense of article 15 of the RREC Act that all members of the management bodies or the day-to-day management of the sole director might encounter; in this case, the sole director or the company auditor must convene the general meeting of shareholders for which the agenda is to establish the loss of these requirements and the decisions to be taken; this meeting must take place within one month; if one or more members of the management bodies or the day-to-day management of the business manager no longer meet the requirements stated above, the sole director must replace them within one month; after this period, the Company meeting will be convened as set out above; this will be the case in any one instance, subject to the measures that the FSMA might take pursuant to the powers provided by the RREC legislation.

11.3. In the event of the termination of the functions of the sole director, the Company will not be dissolved. This sole director will be replaced by the general meeting of shareholders, deliberating in the same way as for an amendment to the articles of association, after being convened by the statutory auditor or, if there is not

one, at the request from any stakeholder, by the temporary administrator appointed by the president of the commercial tribunal, whether this person is a partner or not. The temporary administrator will convene the general meeting of shareholders within fifteen days of being appointed in the way defined by the articles of association. The temporary administrator is then liable no further for the execution of his assignment.
The temporary administrator will conduct urgent, purely management matters until the time of the first general meeting.

Article 12 of the articles of association - Minutes
The sole director's deliberations will be recorded in minutes that will be signed by him.
These minutes will be recorded in a special register. The delegations, recommendations and votes that are made in writing, as well as any other documents, will be attached to it.
The statements or extracts to be presented in court or elsewhere will be signed by the sole director.

Article 13 of the articles of association - Remuneration of the sole director
13.1. The sole director will receive remuneration established in accordance with the terms defined below pursuant to the RREC legislation. The sole director will also be entitled to the reimbursement of expenses connected with his assignment.
13.2. The fixed part of the statutory sole directors' remuneration will be set annually by the Company's general meeting of shareholders. This remuneration will not be less than fifteen thousand euro (15,000.00 EUR) on an annual basis.
The variable statutory part is equivalent to zero point two-five per cent (0.25%) of the Company's net consolidated result, with the exclusion of all fluctuations in the fair value of the assets and hedging instruments.
13.3. Calculation of the remuneration is subject to checks by the statutory auditor.

Article 14 of the articles of association – Powers of the sole director
14.1. The sole director shall have the most extensive powers to perform all acts necessary or useful for the realisation of the object with the exception of those acts reserved by law or by the articles of association for the general meeting.
14.2. The sole director shall prepare the half-yearly reports as well as the annual report.
14.3. The sole director appoints one or more independent valuation experts in accordance with the RREC legislation and, if necessary, proposes any amendment to the list of experts included in the file accompanying the application for recognition as a RREC.
14.4. The sole director may delegate to any agent, in whole or in part, its powers with respect to special and specific purposes.
The sole director may, in accordance with the RREC legislation, determine the remuneration of any agent to whom special powers are granted. The sole director can revoke the mandate of such proxy or proxies at any time.

Article 15 of the articles of association – Advisory and specialized committees
The sole directors' board of directors will establish an audit committee and a remuneration and nomination committee in its midst and define their composition, tasks and powers. The sole directors' board of directors may also establish one or more consultative committees in its midst and under its responsibility, for which it will define and composition and tasks.

Article 16 of the articles of association – Effective leaders
Without prejudice to the transitional provisions, the effective management of the Company will be entrusted to at least two natural persons.
The persons charged with the effective management must comply with the requirements of dependability and expertise, as provided for in the RREC legislation, and may not fall within the scope of the prohibition conditions set out in the RREC legislation.
The appointment of the effective leaders actual managers must be submitted in advance to the FSMA for approval.

Article 17 of the articles of association - Representation of the Company and signature of documents
Except where there is special transfer of powers by the sole director, the Company will be validly represented in all dealings, including those for which a public or ministry official provides collaboration, as well as in court, either as plaintiff or defendant, by the sole director in accordance with the legal and statutory rules of representation of that business manager/legal entity.
The Company is therefore validly represented by special authorized representatives of the Company within the limits of the mandate assigned to them by the sole director for that purpose.

Article 18 of the articles of association – Revised supervision
The Company appoints one or more statutory auditors to perform the functions entrusted to them under the Code of Companies and Associations and the RREC legislation.
The statutory auditor must be approved by the FSMA."

19. Important agreements

No significant agreements have been concluded to date that are not in line with the normal business operations of the Company, of which the Montea group is a part.

20. Documents available for consultation

The articles of association and deed of incorporation of Montea can be consulted at the registry of the Commercial Court of Ghent, Dendermonde Division. The articles of association can also be consulted on the website www.montea.com.

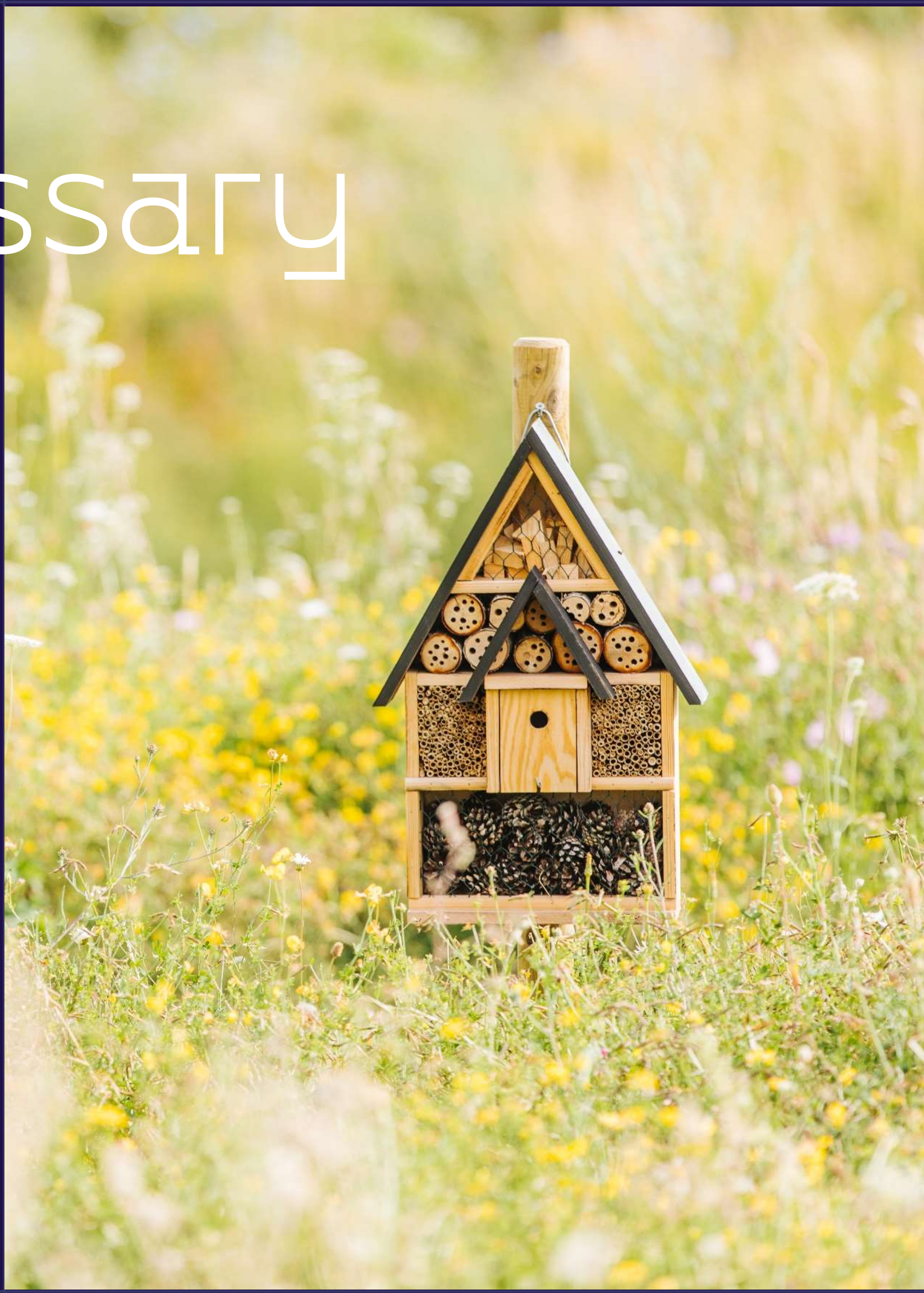
The statutory and consolidated accounts of Montea are filed with the National Bank of Belgium, in accordance with the relevant legal provisions. The decisions on the appointment and dismissal of members of the board of directors are published in the annexes to the Belgian Official Gazette.

Notices convening general meetings of shareholders are published in the annexes to the Belgian Official Gazette and in one financial newspaper.

At least during the validity period of this annual financial report, the following documents can be consulted on the website www.montea.com:

- the coordinated articles of association of Montea;
- the Corporate Governance Charter;
- notices convening meetings and all documents (including reports, correspondence, other documents, historical financial information) relating to the general meeting of shareholders Montea that will deliberate on this annual financial report;
- all reports, letters and other documents drawn up by an expert at the request of Montea, part of which is included or referred to in this annual financial report;
- all press releases, annual reports, semi-annual reports and other (historical) financial information of the Montea group;
- reports of the statutory auditor and the real estate experts;
- the obligations of Montea and the rights of shareholders in connection with general meetings of shareholders Montea. This information will remain accessible on the Montea website for a period of at least five years from the date of the general meeting to which it relates.

21. Glossary



Act of 2 May 2007	Act of 2 May 2007 on the disclosure of major holdings in issuers whose shares are admitted to trading on a regulated market and laying down miscellaneous provisions.
Acquisition value	Total cost for acquiring property, including transaction cost.
Average financial debt	The average of all financial debts over a specific period, excluding the negative value of the hedging instruments
Average term of lease	The weighted average of the term of the current leases until the first possible break date
BCCA or Code of Companies and Associations	The Belgian Code of Companies and Associations of 23 March 2019, as amended from time to time.
Bonds	The various Montea bond issues of (i) 30 June 2015 totalling €50 million and (ii) 13 April 2021 totalling €235 million.
Company	Montea NV, a public real estate investment trust incorporated under Belgian law, with registered offices at 27 Industrielaan, 9320 Aalst (Erembodegem), registered in the Ghent Register of Legal Entities, Dendermonde Division under number 0417.186.211.
Concentration risk	Concentration risk pursuant to article 30, §1 to 5 of the Act of 12 May 2014 governing regulated real estate companies
Covenants	Undertakings entered into by the Company with its financial institutions or bondholders.
Consolidated and single debt ratio	Debt ratio calculated pursuant to article 13, §1 of the Royal Decree of 13 July 2014 governing regulated real estate companies.
Contracted annual rental income	The contracted annual rental income, as agreed in the leases with the various tenants.
Corporate Governance Charter	Montea's corporate governance charter as approved by the Sole Director on 28 October 2021.
Corporate Governance Code 2020	The Belgian Corporate Governance Code 2020 issued by the Corporate Governance Committee and available online at: https://www.corporategovernancecommittee.be/nl/over-de-code-2020/belgische-corporate-governance-code-2020.
Dividend yield	The gross dividend divided by the share price at the end of the period.
EPRA earnings	This is the net result (after incorporation of the operating result before portfolio result, less the financial result and corporation tax, excluding deferred taxes), less the changes in the fair value of investment properties and properties held for sale, less the result on sale of investment properties and plus the changes in fair value of financial assets and liabilities.
Estimated rental value	Estimated rental value per m², as established with the property assessor, taking account of the location, features of the building, type of business, etc., multiplied by the number of m².
Fair value	Accounting value according to IAS/IFRS rules. Value of the property portfolio, including the deduction of the transaction costs related to the property portfolio in France and the Netherlands.
FBI	Tax Investment Institution within pursuant to Article 28 of the Dutch Corporate tax Act of 1969.
Financial plan	Financial plan within the meaning of Article 24 of RREC RD.
FSMA	Financial Services and Markets Authority.
Gross property yield	The contracted rental income including concession and building rights, divided by the fair value of the property portfolio.
ICC	*Indice de coût de construction.*
IFRS	International Financial Reporting Standards.
Insured value	The total new-build value of the buildings, including non-reclaimable VAT.
IRS	Interest Rate Swap.
Montea	Montea NV, a public real estate investment trust incorporated under Belgian law, with registered office at 27 Industrielaan, 9320 Aalst

	(Erembodegem), registered in the Ghent Register of Legal Entities, Dendermonde Division under number 0417.186.211.
Net initial yield	The contracted annual rental income, including concession and building rights, divided by the acquisition value of the property portfolio.
Net property yield	The contracted rental income, including concession and building rights, divided by the fair value of the property portfolio.
Occupancy rate	The occupancy rate is based on the number of m². When calculating the occupancy rate no account is taken, either in the denominator or in the numerator, of the non-lettable m², intended for redevelopment or held with the land bank.
Operating margin	Operating result before the result on property portfolio divided by the property result.
Optional dividend	A dividend where the shareholder has the option of receiving the dividend payment in cash or in shares.
Premium/discount	Difference in % between share price and net value per share.
Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus.
Royal Decree of 14 November 2007	Royal Decree of 14 November 2007 on the obligations of issuers of financial instruments admitted to trading on a regulated market.
Result on the property portfolio	Negative and/or positive variations in the fair value of the property portfolio + and losses or profits resulting from the realisation of property.
Result on the financial instruments	Negative and/or positive variations in the fair value of the interest rate/hedging instruments, according to IAS39.
RREC	A public real estate investment trust incorporated under Belgian law in accordance with the RREC Act and the RREC Royal Decree.
RREC Royal Decree	Royal Decree of 13 July 2017 governing regulated real estate companies, as amended from time to time.
RREC Act	The Act of 12 May 2014 governing regulated real estate companies, as amended from time to time.
SIIC	SIIC Sociétés d'Investissement Immobilières Cotées under Article 208-C of the French Code Général des Impôts (CGI).
Sole Director or **Statutory Director**	Sole Director or Statutory Director Montea Management NV, with registered office at 27 Industrielaan, 9320 Erembodegem, registered with the Crossroads Bank for Enterprises under number 0882.872.026.
Transparency regulations	The applicable regulations regarding the transparency of major shareholdings in listed companies as contained in particular in the Act of 2 May 2007 and the Royal Decree of 14 February 2008 on the disclosure of major shareholdings.
Velocity	Volume over a specified period divided by the number of shares.