GHELAMCO

Ghelamco Group Comm. VA
Half year results 30/06/2020

Sustained focus on development and commercial activities resulting in excellent results and healthy balance sheet structure

- **Net profit for the period of 88,588 KEUR (vs. 64,637 KEUR as per 30/06/19).**

- **Solvency ratio of 40.5% (vs. 40.2% as per 31/12/19).**

- **Sale of the Ring Hotel project (250 hotel rooms) in Ghent to Van Der Valk hotel group in January 2020 for a total sales value of 24 MEUR.**

- **Signing of agreements to acquire land plot in London, City Road, for the future development of a mixed offices and residential project.**

- **Sale of the Silver Tower NV (offering over 43,000 sqm office space and 139 parking spaces) to Deka Immobilien end of June 2020. The transaction was structured as a share deal, based on a property value of EUR 205 million and a yield of 3.25%. The closing is expected to take place shortly after the delivery of the project, which is foreseen end of October 2020.**

- **Continuation of the construction works in the residential Senzafine project in Kortrijk; while per date of the current report approx. 67% of the available apartments have been (pre-)sold.**

- **Finalisation of construction works on the Warsaw HUB (117,000 sqm leasable space spread over 3 towers on a podium with retail function in Warsaw CBD). The occupation permit has been received in July 2020 and tenants are moving in.**

- **Finalisation of construction works, receipt of the occupation permit and ongoing delivery to the buyers of the residential Foksal project (55 high-class apartments in Warsaw).**

- **Further and well advanced progress in construction works on the Warsaw UNIT (approx. 59,000 sqm office space in the Warsaw CBD) and on the residential Flisac project (5,700 sqm of residential space, and approx. 980 sqm retail space on the ground floor, including a two-storey underground parking).**

- **Receipt of building permit and start of construction works on the Kreo project at Wadowicka Street in Krakow (23,700 sqm of office space with retail functions on the ground floor and 325 parking spaces).**

- **Successful commercialisation efforts, resulting in increased lease rate for the Warsaw UNIT project (approx. 25,400 sqm pre-leased, taking into account extension options signed).**

Preliminary remark

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

- Investment Holding: comprises resources invested in the development of real estate projects in Belgium, Poland, Russia and the intra-group Financing Vehicles – referred to as "Investment Group" or the "Group";
- Development Holding: represents international entities that provide construction, engineering and development services to the Investment Group;
- Portfolio Holding: consists of all other activities and real estate investments controlled by the ultimate shareholders;
- Ghelamco European Property Fund: comprises since 2016 the real estate projects kept as income generating products for a longer time.

Ghelamco Group Comm. VA (the "Group") is the holding company of the Investment Group that, together with its direct and indirect legal subsidiaries, constitute the reporting entity for the purpose of these interim condensed financial statements.

Summary

The first half of the year 2020 was marked by the COVID-19 pandemic, which affected the global economy at all levels. Ghelamco has focused on the health and safety of its staff, contractors, customers and other stakeholders, while safegarding its business and the continuity of its development activities and services provided to the customers. The results for the first half year of 2020 are only slightly impacted by the COVID-19, proving the effectiveness of the applied strategy and the done efforts.

The Group closed its 2020 half-year accounts with a net profit of 88,588 KEUR. While further paying strong attention to (amongst others technical and environmental) innovation and sustainability, the Company kept the focus on its development and commercial activities in its core markets in the past half year. This once more resulted in the successful disposal and sale of some projects and in the creation of significant added value on its current projects portfolio, despite some uncertainties the markets are currently facing in connection with the COVID-19 crisis. This is reflected in a relatively stable balance sheet total of 2,395,826 KEUR and an increased equity of 969,659 KEUR. The solvency ratio is per 30 June 2020 at 40.5%[1].

<u>Poland</u>

In Poland, the development activities have during the first half of 2020 mainly been focused on:

- The finalisation of construction works of the Warsaw HUB project at Rondo Daszynskiego in Warsaw, comprising 3 towers on a podium with retail function of approx. 117,000 lettable sqm in Warsaw CBD. The occupation permit has been received end of July 2020. Finishing works and fit-out for the resp. tenants are being carried out, while tenants are moving in. Final completion and delivery is expected by the end of Q3 2020.
- Further and well advanced construction of the Warsaw UNIT, approx. 59,000 sqm offices project, also at Rondo Daszynskiego. The construction of the façade and the installation of the technical equipment are currently ongoing. The project is expected to be completed and delivered end of Q3 2021.
- The finalisation of construction works of the Foksal project, including the renovation of the historic buildings, located in the historic heart of Warsaw. In April 2020 the final and binding occupation permit has been obtained. The project comprises the realisation of 55 unique high-class apartments (approx. 6,400 sqm in

[1] Calculated as follows: equity / total assets

total) and five commercial units of approx. 660 sqm. Delivery and hand-over to the resp. buyers is ongoing. Per date of the current report, approx. 49% of available residential space has been sold.
- The continuation of the construction works of the Flisac project (5,700 sqm of residential space and approx. 980 sqm of retail space on the ground floor, including a two-storey underground parking) in the Powisle district in Warsaw. The project is expected to be completed and delivered in Q1 2021. Commercialisation appears successful as per date of the current report, approx. 71% of the available space has already been pre-sold.
- Receipt of the building permit in January 2020 and start of the construction works of the Kreo project at Wadowicka Street in Krakow (9 storey office project which is to offer approx. 24,100 sqm of office space and retail functions on the ground floor and 325 parking spaces).
- The finalisation of the construction works and delivery of the Lomianki project (shopping center of approx. 5,500 sqm with 153 above ground parking spots, 'Prima Bud SKA') to the resp. tenants. The occupation permit was already been obtained in November 2019. 45% of the available space is currently in the advanced sales process, while another 32% has been leased.
- Finally, mid March 2020 the building permit has been received for the construction of phase 1 of the GROEN project (former working name Konstancin), which is to offer approx. 8,500 sqm of residential space.

Ghelamco is aware of the challenges and/or difficulties that some of its customers may be facing and is monitoring the situation closely, on a case-by-case basis. Despite the particular circumstances, Ghelamco was able to maintain the leases rates for the delivered Woloska 24 project located in the Warsaw Mokotow district (approx. 23,200 sqm) and for the Vogla retail project (approx. 5,200 sqm) at approx. 93% each.

For the Warsaw HUB, the Company is in advanced negotiations with potential tenants for still available commercial and office spaces. In March 2020 WeWork has – in connection with the actions undertaken by this group at the global level and the reorganisation of WeWork's business model in Poland – requested to terminate lease contracts for approx. 10,500 sqm. Currently lease agreements have signed for approx. 91,622 sqm (taking into account extension options signed, the level of rented space is approx. 94,603 sqm).
Furthermore, the commercialisation process resulted in the signing of lease agreements for already 25,400 sqm in the Warsaw UNIT (taking into account extension options signed).

Regarding divestures, the Company has in the first half of 2020 not sold any investment property in Poland.

Belgium
In Belgium, the Group has been intensifying its development activities over the last years (with on average over 40 projects in portfolio). As a consequence, a significant number of Belgian projects have been delivered, commercialised and sold in the course of the last years.

On 22 January 2020, the Ring Hotel project in Ghent, adjacent to the Ghelamco Arena in Ghent and offering 250 hotel rooms, has been sold to the Van Der Valk hotel group for a sales amount of 24 MEUR. The closing of the deal was based on preliminary agreement which was signed in 2018. At the moment of the transaction, bank loans have been reimbursed for an amount of 23.7 MEUR.

In the first half of March 2020, the Company has signed agreements in connection with the acquisition of a land plot in London, City Road, for the future development of a mixed offices and residential project. The site (with building permit) extends to 0.37 hectares within the London Borough of Hackney. The project is expected to offer approx. 21,286 sqm of net lettable/sellable area. Acquisition price amounts to 75 MGBP (excl. VAT, stamp duties, transfer of IP and other related expenses). Closing of the deal (and transfer of ownership) will take place on 30 October 2020. Construction works are expected to start shortly after the acquisition.

Construction works of the Silver Tower project in Brussels have during the first half of 2020 advanced at a really fast pace, in view of the expected delivery date of end of October 2020. Per end of June 2020, construction status was at about 70% and within time budget. On 26 June 2020 the project has been sold through the signing of a sales agreement with Deka Immobilien. The share purchase agreement was based on an underlying property value of 205 MEUR and a yield of 3.25%. The closing of the deal (and transfer of ownership) is expected shortly after the above mentioned delivery of the building to its single tenant, the Brussels Region.

Also, the construction works of the Focus project (offering approx. 30,000 sqm leasable office space in total) at the Culliganlaan in Diegem have continued according to plan. Per end of June 2020, construction status was at about 20%. Delivery is expected by end of April 2021, in view of the move-in of PwC Belgium, main tenant of the project.

The construction works of the residential Senzafine project in Kortrijk – offering 86 luxurious apartments and 108 parking spaces – have continued and are well advanced. Per date of the current report, construction progress is at 90% while 67% of available apartments have already been sold.

Key figures

Results	**30/06/2020**	**30/06/2019**
Operating result	106,141	89,836
Profit of the period	88,588	64,637
Share of the group in the Profit for the period	88,441	64,685
Balance sheet	**30/06/2020**	**31/12/2019**
Total assets	2,395,826	2,179,088
Cash and cash equivalents	85,075	115,811
Net financial debt (-) [2]	1,140,450	991,482
Total equity	969,659	876,259

Revenue for the first semester of 2020 amounts to 37,247 KEUR and mainly relates to rental income (14,185 KEUR) and sales of (residential) projects (22,759 KEUR).

The investment property (under construction) portfolio evolved from 1,271,365 KEUR per end 2019 to 1,314,520 KEUR per end of June 2020; evolution which is the combined result of current period's expenditures (153,893 KEUR), transfers (-191,583 KEUR), fair value adjustments (103,650 KEUR), currency translation impact (-21,576 KEUR) and the impact of the movement in the right of use assets in accordance with IFRS 16 "Leases" (-1,229 KEUR). The current period's net favorable fair value adjustment is mainly the consequence of the Group's sustained development and leasing efforts, in combination with market evolution (in terms of yields and rent levels).

The operating result for the first half-year of 2020 totals to 106,141 KEUR; net profit for the period closes with 88,588 KEUR.

Property development inventories balance decreased by 19,343 KEUR to 263,939 KEUR; evolution which is mainly the combined effect of:

- Further expenditures on Belgian (residential) projects: mainly connected with the construction of the Edition Zoute project in Knokke and the Senzafine project in Kortrijk;

[2] Calculated as follows: Non current liabilities: Interest-bearing loans and borrowings + Current liabilities: Interest-bearing loans and liabilities - Cash and cash equivalents

- The sale of some Belgian (residential) projects: mainly units in the East Dune project, instalment invoicing in the Senzafine project and the sale of the Edition retail space;
- The transfer of the Unique and Lomianki project from inventory to investment property;
- The sales (and related cost of sales) recognition in connection with the delivery of the Foksal project (55 high-class apartments of which 49% are sold per mid 2020); and
- The continuation of the construction works of the Flisac project (5,700 sqm apartments of which 71% are pre-sold per mid 2020).

During the period the Group was able to obtain new bank borrowings and withdraw on existing credit facilities for a total amount of 147.2 MEUR. On the other hand, reimbursements and refinancings have been done for an amount of 38.3 MEUR, bringing the total outstanding amount of bank borrowings to 607.8 MEUR (i.e. a net increase by 108.9 MEUR compared to the outstanding balance of 498.8 MEUR at year-end 2019). Also considering the outstanding bonds (220.8 MEUR net outstanding private and public bonds in Poland and 302.1 MEUR net outstanding private and public bonds in Belgium), the lease liabilities which have been recognized in accordance with IFRS 16 "Leases" for an amount of 25.0 MEUR and some other loans (69.9 MEUR), leverage[3] amounts to 51.15%.

Overview by country

Belgium

In Belgium the Group's main development activities during the first half of 2020 related to:
- Continuation of the construction works in the Silver Tower office project (offering over 43,000 sqm leasable office space in total) in Brussels;
- Continuation of the construction works of the Focus project (offering approx. 30,000 sqm leasable office space in total) at the Culliganlaan in Diegem; and
- The finalisation of the construction works in the Senzafine project in Kortrijk (offering 86 luxurious apartments and 108 parking spaces).

As to divestures and/or revenues:
- In January 2020 the Ring Hotel project in Ghent has been sold to Van Der Valk hotel group for a total sales value of 24,000 KEUR;
- Also in January 2020 the retail space in the Edition project in Brussels has been sold to a third party investor. Total sales value amounted to 2,360 KEUR; and
- Current period's other, residential revenues mainly related to the sale of units in the East Dune project and installment invoicing (under the Breyne legislation) connected to the sale of apartments in the Senzafine project in Kortrijk.

Poland

In Poland, the Company in first instance maintained its existing land bank. Still, end of April 2020 a last 5 MPLN installment has been done in connection with the acquisition of a land plot in Piaseczno (suburb of Warsaw) for the future development of approx. 16,500 sqm residential and retail space.

As stated, the Company further invested in the construction of mainly the Warsaw HUB project, for which the finishing works and the fit-out works for the tenants are currently ongoing and for which the occupation permit has been received end of July 2020.

[3] Calculated as follows: interest-bearing loans and borrowings/ total assets

In addition, the Warsaw UNIT project construction works were continued and are well advanced, in view of the delivery by end of Q3 2021.

Furthermore the construction works of the Foksal high-end residential project in Warsaw were completed and the renovation of the historic façade is currently being finalised. The occupation permit was received in April 2020 and the delivery to the tenants is ongoing. Also the construction works of the Flisac residential project in the Warsaw Powisle district have been continued as planned, in view of the expected delivery in Q1 2021.

Finally, the construction works of the Lomianki shopping center have been finalized, while – after the receipt of the building permit in January 2020 – the construction of the Kreo office project in Krakow has been started.

As to (pre-)leasing and occupation of projects:

- The delivered projects Woloska 24 (approx. 23,200 sqm offices) in the Warsaw Mokotow District and Plac Vogla retail park have a lease rate of approx. 93% each;
- In the Warsaw HUB project, lease agreements have been signed for approx. 91,622 sqm in total (or approx. 94,603 sqm taking into account extension options signed). WeWork has in March 2020 terminated lease-contract for approx. 10,500 sqm; while advanced negotiations are ongoing for significant parts of the still available commercial and office spaces; and
- In the Warsaw UNIT project at Rondo Daszynskiego in Warsaw, a lease agreement for approx. 4,600 sqm has been signed with CBRE, bringing the lease status at 25,400 sqm (taking into account extension options signed).

As to divestures and/or revenues:

- Current period's revenues mainly related to residential sales in the Foksal project, in connection with the hand-over of the sold apartments to the resp. buyers, and to rental income mainly from Woloska 24 and Plac Vogla.
- In the current period, no investment property projects have been sold.

Russia

In Russia, the first (building A, approx. 60,000 sqm) and second phase (building B, approx. 76,000 sqm) of the Dmitrov Logistics Park – class A warehouse complex of four buildings totalling approx. 243,000 sqm of lettable area (including ancillary office accomodations) in the northern part of the Moscow Region – have in the past years been delivered and are currently leased for resp. 98% and 99%. The occupation permit of building C1 (20,000 sqm) has been received early 2017 and building C2 and C3 (26,000 sqm) have been delivered in September 2017. The C buildings are currently leased for approx. 80%. First part (8,250 sqm) of building D has been delivered in December 2019 and is fully leased. Construction of the second part (9,800 sqm) of Building D has been started in 2020 and is expected to be delivered and fully leased by end 2020.

The political and economic situation and its effects on markets and (warehouse) tenant activity is further closely monitored. In Russia, the yields remained quite stable, the market rent levels for (refrigerated) warehousing remained stable but are still under pressure, while the RUB has again weakened to a considerable extent.

Outlook

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

For the second half of 2020, the Company will continue its sustained growth ambition. In addition, it will closely monitor specific evolutions in its active markets and real estate segments and has already secured some important positions for sizable new projects.

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

Nevertheless, the management is conscious that the pandemic will affect certain ongoing and planned real estate and/or financial transactions. Mainly in Poland the necessary administrative permits have been difficult to obtain in the first half of 2020 due to restrictions on the operation of many authorities caused by the COVID-19 epidemic. The availability of credit facilities has in the first half of 2020 also considerably decreased, with banks tightening credit-granting criteria in response to the highly volatile situation. The risks concerned are mitigated as much as possible in open discussions with the involved counterparties or partners. The management will closely monitor and follow-up all evolutions concerned and will act diligently to reduce any negative effect on the Company, its staff and its business.

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

Risks

Due to its activities, the Company is exposed to a variety of financial and operational risks: including interest rate risk, price risk, credit risk and liquidity risk. Financial risks relate to the following financial instruments: trade receivables, cash and cash equivalents, trade and other payables and borrowings.
These risks, which are described in detail in the Ghelamco Group Comm.VA IFRS Consolidated Financial Statements at 31 December 2019, remain applicable for 2020 and are closely managed and monitored by the Company's management.

For the specific risk related to a crisis resulting from the Covid-19 pandemic, further reference is made to note 1 "Basis of preparation".

GHELAMCO

Declaration in accordance with Art. 13 of the Belgian Royal Decree of 14 November 2007

The Management, acting in the name of and on behalf of GHELAMCO GROUP Comm. VA, attest that to the best of their knowledge,

- the interim condensed financial statements are prepared in accordance with applicable accounting standards and give, in all material respect, a true and fair view of the consolidated assets and liabilities, financial position and consolidated results of the Group and of its subsidiaries included in the consolidation for the six month period;
- the interim financial management report, in all material respect, gives a true and fair view of all important events and significant transactions with related parties that have occurred in the first six month period and their effects on the interim financial statements, as well as an overview of the most significant risks and uncertainties we are confronted with for the remaining six months of the financial year.

Paul Gheysens
CEO & Managing Director
Ieper
25/09/2020

Philippe Pannier
CFO
Ieper
25/09/2020

About Ghelamco
Ghelamco Group is a leading European real estate investor and developer active in the offices, residential, retail and logistics markets. It maintains a high quality internal control with respect for agreed milestones over all its project development phases: land purchase, planning, coordinating the construction phase and sale or lease. Its projects combine prime and strategic locations with efficient and aesthetically inspiring designs and correct timing. Its successes on the Belgian, French, Polish and Russian markets are generated by the group's professional and enthusiastic staff that is driven by the vision and passion of its management.

Condensed consolidated statement of profit or loss (in KEUR)

	Note	30/06/2020	30/06/2019
Revenue	8	37,247	27,094
Other operating income	9	4,685	10,510
Cost of Property Development Inventories	8	-20,685	-11,389
Employee benefit expense		-1,062	-754
Depreciation amortisation and impairment charges		-423	-569
Gains from revaluation of Investment Property	4	103,650	84,915
Other operating expense	9	-17,329	-20,016
Share of profit in equity accounted investees, net of tax		58	45
Operating profit, incl. share of profit in equity accounted investees, net of tax		**106,141**	**89,836**
Finance income	10	6,167	8,239
Finance costs	10	-22,183	-19,610
Profit before income tax		**90,125**	**78,465**
Income tax expense	11	-1,537	-13,828
Profit for the period		**88,588**	**64,637**
Attributable to			
Owners of the Company		88,441	64,685
Non-controlling interests		147	-48

Condensed consolidated statement of profit or loss and other comprehensive income (in KEUR)

	30/06/2020	30/06/2019
Profit for the period	88,588	64,637
Exchange differences on translating foreign operations	5,311	1,755
Other	-500	
Other recyclable comprehensive income of the period	4,811	1,755
Total Comprehensive income for the period	**93,399**	**66,392**
Attributable to		
Owners of the Company	93,252	66,440
Non-controlling interests	147	-48

Condensed consolidated statement of financial position (in KEUR)

	Note	30/06/2020	31/12/2019
ASSETS			
Non-current assets			
Investment Property	4	1,314,520	1,271,365
Property, plant and equipment		250	513
Intangible assets		4,046	3,836
Equity accounted investees	5	15,385	15,371
Receivables and prepayments	12	197,377	211,659
Deferred tax assets		24,093	19,655
Other financial assets	12	4,597	4,379
Total non-current assets		**1,560,268**	**1,526,778**
Current assets			
Property Development Inventories	3	263,939	283,282
Trade and other receivables	12	277,385	228,429
Current tax assets		5	213
Assets classified as held for sale	4	209,154	24,575
Cash and cash equivalents	12	85,075	115,811
Total current assets		**835,558**	**652,310**
TOTAL ASSETS		**2,395,826**	**2,179,088**

Condensed consolidated statement of financial position (in KEUR) (cont'd)

	Note	30/06/2020	31/12/2019
EQUITY AND LIABILITIES			
Capital and reserves attributable to the Group's equity holders			
Share capital		28,194	28,194
CTA		9,421	4,110
Retained earnings		924,031	836,089
		961,646	868,393
Non-controlling interests		8,013	7,866
TOTAL EQUITY		**969,659**	**876,259**
Non-current liabilities			
Interest-bearing loans and borrowings	6,7,12	794,520	790,921
Deferred tax liabilities	11	67,749	65,157
Other non-current liabilities		16,530	6,211
Total non-current liabilities		**878,799**	**862,289**
Current liabilities			
Trade and other payables	12	103,208	112,669
Current tax liabilities		13,155	11,499
Interest-bearing loans and borrowings	6,7,12	431,005	316,372
Total current liabilities		**547,368**	**440,540**
Total liabilities		**1,426,167**	**1,302,829**
TOTAL EQUITY AND LIABILITIES		**2,395,826**	**2,179,088**

GHELAMCO

Condensed consolidated cash flow statement (in KEUR)

	Note	30/06/2020	30/06/2019
Operating Activities			
Profit / (Loss) before income tax		**90,125**	**78,465**
Adjustments for:			
- Share of profit in equity accounted investees, net of tax		-58	-45
- Change in fair value of investment property	4	-103,650	-84,915
- Depreciation, amortization and impairment charges		423	569
- Net result on disposal Investment Property	9	0	-7,765
- Change in provisions/ inventory write-down		0	0
- Net interest charge	10	7,063	4,999
- Movements in working capital:			
- Change in prop. dev. inventories		2,347	-6,497
- Change in trade & other receivables		-44,028	-30,523
- Change in trade & other payables		-8,139	-3,566
- Change in MTM derivatives		0	0
- Movement in other non-current liabilities		10,319	-4,610
- Other non-cash items		224	-299
Income tax paid	11	-1,519	-4,413
Interest paid (*)	10	-8,742	-5,732
Net cash from operating activities		**-55,635**	**-64,332**
Investing Activities			
Interest received	10	1,226	-1,553
Purchase of property, plant & equipment		-370	-957
Purchase of investment property	4	-130,364	-88,841
Capitalized interest in investment property (paid)	4	-11,423	-11,043
Proceeds from disposal of investment property / assets held for sale	4	24,000	183,849
Net cash outflow on acquisition of subsidiaries		0	0
Net cash outflow on other non-current financial assets		13,406	-7,505
Net cash inflow/outflow on NCI transactions		0	-1,155
Net cash flow used in investing activities		**-103,525**	**72,795**
Financing Activities			
Proceeds from borrowings	6	184,023	164,272
Repayment of borrowings	6	-66,760	-159,289
Capital increase		0	0
Dividends paid		0	0

Net cash inflow from / (used in) financing activities	**117,263**	**4,983**
Net increase in cash and cash equivalents	**-41,897**	**13,446**
Cash and cash equivalents at 1 January	**115,811**	**59,072**
Effects of exch. rate changes in non-EUR countries	11,161	-1,300
Cash and cash equivalents at the end of the period	**85,075**	**71,218**

Condensed consolidated statement of changes in equity (in KEUR)

	Attributable to the Owners of the Company			**Non-controlling interests**	**Total equity**
	Share capital	**Cumulative translation reserve**	**Retained earnings**		
Balance at 1 January 2019	**28,194**	**2,749**	**724,329**	**7,955**	**763,227**
Foreign currency translation (CTA)		1,755			**1,755**
Profit/(loss) for the period			64,685	-48	**64,637**
Dividend distribution					
Change in non-controlling interests					
Change in the consolidation scope			-1,227	-9	**-1,236**
Other					
Balance at 30 June 2019	**28,194**	**4,504**	**787,787**	**7,898**	**828,383**
Balance at 1 January 2020	**28,194**	**4,110**	**836,089**	**7,866**	**876,259**
Foreign currency translation (CTA)		5,311			**5,309**
Profit/(loss) for the period			88,441	147	**88,588**
Dividend distribution					
Change in non-controlling interests					
Change in the consolidation scope			-500		**-500**
Other			1		**1**
Balance at 30 June 2020	**28,194**	**9,421**	**924,031**	**8,013**	**969,659**

Notes to the condensed consolidated interim financial statements at 30 June 2020

1. Basis of preparation

These condensed consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting, as adopted by the European Union, and should be read in conjunction with the Group's last annual consolidated financial statements as at and for the year ended 31 December 2019 ('last annual financial statements'). They do not include all of the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

The condensed consolidated financial statements for the 6-months period ended June 30, 2020, were approved by the Manager on 30 September 2020.

The new interpretations and standards that are applicable from 2020 did not have any significant impact on the Group's financial statements.

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

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

- The interruption or slow-down of work on construction sites of resp. projects: Ghelamco's management has adopted stringent health and safety measures on its construction sites. The constant monitoring of these measures has to date ensured that the anticipated and contractual delivery dates of the current projects (mainly HUB, Warsaw UNIT, Foksal, Flisac in Poland and Silver Tower and Focus/PwC in Belgium) to Ghelamco's tenants are maintained.

- Lower demand for office spaces and/or changed expectations from tenants regarding working environment: Ghelamco is aware that the crisis may accelerate evolutions in the use and need of real estate. In this respect, it is expected that in the offering of office space, strong attention should be paid to flexibility (combination with teleworking), social distancing, health (ventilation, airconditioning with air exhaust). Ghelamco has always focused on R&D and innovation in order to ensure the realisation of qualitative projects, to comply with the constant evolution in expectations or needs as to comfort, health, flexibility, safety.
  Ghelamco has e.g. created the co-working concept of MeetDistrict and in Poland it introduced the co-working concept, providing great flexibility to clients in terms of needed office space, meeting rooms, duration of lease contract, related services and equipment. Furthermore, significant parts of development projects wich are currently under construction or in the pipeline are already pre-let (Silver Tower: 100%, Focus/PwC: 100%, HUB approx. 81%, UNIT approx. 45%).
  Ghelamco's management is confident that high quality real estate remains attractive to tenants and investors.

- Financial difficulties of tenants with affected business, which could have an impact on the Company's income and cash flow: Ghelamco's tenants are mainly and normally reputable and credit-worthy national and international parties. There have been no significant lease terminations nor rent concessions granted to tenants and no important rent arrears were noted to date. Also, Ghelamco's income from tenants is as of 30 June 2020 only representing 38% of revenue.

- Valuation of investment properties and property development inventories:
  - Investment properties:
    - In **Belgium**, net positive fair value adjustments have been recognized on the Silver Tower project (15.8 MEUR), in connection with the anticipated completion of the sale of the project which has been signed end of June 2020, at a yield of 3.25%, slightly compensated by a negative fair value adjustment (2.5 MEUR) on other projects a.o. reflecting the impact of the Covid-19 crisis on the main valuation parameters (mainly yields).
    - In **Poland**, net positive fair value adjustments have been recognised on the HUB (72.5 MEUR), Unique (27.9 MEUR) and Bellona Tower (5.3 MEUR), as a result of the current period's development and commercial efforts, slightly compensated by a negative fair value adjusment (-1.9 MEUR) on other projects a.o. reflecting the impact of the COVID-19 crisis on the main valuation parameters (mainly yields).
    - In **Russia**, net negative fair value adjustments have been recognised on Dimitrov Logistic Parc (13,5 MEUR), mainly as a result of the weakening of the RUB but also reflecting the impact of the COVID-19 crisis on the main valuation parameters (mainly yields).

    As a result of COVID-19, the independent real estate valuers' reports mention that valuations as of 30 June 2020 have been prepared taking into account a 'material valuation uncertainty', as defined by the RICS standard in accordance with the Valuation Practice Alert of 02.04.2020 published by the Royal Institute of Chartered Surveyors ('RICS'). As a consequence a lower level of certainty, and more prudency is required, with regard to the obtained valuations as would be the case in normal market circumstances.

  - Property development inventories: construction works, the sale of residential units and planned development in relation to property development inventories have not been significantly impacted by COVID-19. Based on management's review, no impairment adjustments have been required to reduce the cost of property development inventories to its net realizable value as of 30 June 2020.

- Permits: Mainly in Poland, the necessary administrative permits have been difficult to obtain in the first half of 2020 due to restrictions on the operation of many authorities caused by the COVID-19 epidemic. The risks concerned are mitigated to the extent possible by ongoing open discussions with the involved parties.

- Less easy access to financing and/or increased interest rates required by banks and financial markets, with a potential impact on liquidity:
  - In **Belgium**, the Group currently has a sound spread of its financing sources, over different types of facilities: i.e. bank loans, EMTN/Green bonds, commercial paper and some other mezzanine financing. Short term bond repayment obligations have been refinanced early July with the next tranche only maturing in June 2021 and to date Ghelamco Invest NV has only drawn 67.5 MEUR within the new 250 MEUR EMTN programme which was approved on 11 December 2019 (refer also to note 6.2). Short term bank loans primarily relate to Silver Tower which will be redeemed upon the anticipated closing of the sale of the project in the second half of 2020.
  - In **Poland**, the availability of credit facilities in the first half of 2020 has significantly decreased, with banks tightening credit-granting criteria in response to highly volatile situation. The risks concerned are mitigated to the extent possible by ongoing open discussions with the involved parties. Still, Ghelamco currently has a sound spread of its financing sources, over different types of facilities: bank loans, bonds and some other mezzanine financing. Short term bond repayment obligations amounting to 209.6 MPLN are covered through reservations of currently available funds and refinancing through new bond issues in July, August and September 2020. Short term bank loans mainly relate to VAT bridging loans on the one hand and to loans which are covered through rental income and/or residential sales proceeds on the other hand.

As of 30 June 2020, the financing needs of Ghelamco in respect of the ongoing projects are sufficiently covered. Given the sound project pipeline, management continues to closely monitor its leverage and solvency ratios in accordance with its lender agreements exploring the most optimal financing of its purchase commitments and ongoing development projects as well as timing of realization of projects. As of 30 June 2020, Ghelamco has been in compliance with its loan covenants (see compliance certificates available on the company's website).

2. Significant accounting policies

The condensed consolidated interim financial statements are prepared on a historic cost basis, with the exception of investment property (under construction), assets held for sale and derivative financials instruments, which are stated at fair value.

All figures are in thousands of EUR (KEUR), unless stated otherwise.

The accounting policies adopted are consistent with those followed for the preparation of the Group's consolidated financial statements for the year ended 31 December 2019 and the new interpretations and standards that are applicable from 2020, to the extent applicable.

3. Property development inventories

Property development inventories contain mainly plots of land held for development of residential purposes and residential buildings either finished or still under construction.

	30/06/2020	**31/12/2019**
Property Development Inventories	263,900	283,243
Raw materials	39	39
Finished goods	0	0
	263,939	**283,282**

A large part of inventories of the Group are located in Belgium and Poland. All assets located in Russia are reported under Investment Properties as they are held for investment purposes.

	30/06/2020		**31/12/2019**	
Inventories – Poland	73,264	28%	94,229	33%
Inventories – Belgium	184,373	70%	182,788	65%
Inventories – Other countries	6,302	2%	6,265	2%
	263,939	**100%**	**283,282**	**100%**

The property development inventories decreased by 19,343 KEUR compared to prior year-end.

In Poland, the main movements were noted in:
- the Foksal balance (-8,817 KEUR to 27,417 KEUR) in connection with the delivery of the project and related recognition of (sales and) cost of sales;
- the Flisac balance (+2,674 KEUR to 14,472 KEUR) in connection with the progress of the construction works;

- In addition, the Lomianki and the Unique projects have been transferred to Investment Property (-16,996 KEUR in total); and
- The remaining movement is explained by development activities on several ongoing other projects. Reference is also made to note 7 for the updated right of use balance (2,947 KEUR per 30 June 2020) in accordance with IFRS 16.

In Belgium, the inventory mainly relates to:
- Residential projects at the Belgian coast (both finalized and under construction), mainly in Knokke and Oostduinkerke;
- The Edition Zoute project (49 serviced boutique apartments with commercial functions on the ground floor, in Knokke); under construction;
- The high-end Senzafine project in Kortrijk (86 high-end apartments); under construction;
- Some plots in Courchevel for the development of (combined) residential/hotel projects ; and
- Capitalized Eurostadium IP rights on the design, study costs and expenditures related to the acquired leasehold.

Eurostadium Brussels

The Board of the Directors confirms its statement mentioned in the Consolidated Financial Statements as at December 31, 2019 (p. 62). Since that date the situation has not significantly changed. With respect to the capitalised Eurostadium expenditures (amounting to 23.6 MEUR as of 30 June 2020 and 31 December 2019), the Board of Directors acknowledges that the current status of the case constitutes an uncertainty but remains of the opinion that the capitalized expenses will be recovered in the future through the outcome of the ongoing procedures, either through exectution of the leasehold agreement, or a new, revised permit request, or indemnification.

4. Investment property (under construction)

Balance at 31 December 2019	**1,271,365**
Acquisition of properties	0
Acquisition through business combinations	0
Subsequent expenditure	153,893
Transfers	
- Assets classified as held for sale	-208,579
- Other transfers	16,996
Adjustment to fair value through P/L	103,650
Disposals	0
CTA	-21,576
Other	-1,229
Balance at 30 June 2020	**1,314,520**

Investment Properties are stated at fair value as determined by either independent appraisers or by management and are classified in 4 categories:

A. Land without pre-permit approval, held for capital appreciation or undetermined use (fair value based on comparative method);
B. Land with pre-permit approval held for development and investment (fair value based on the potential of constructing leasable sqm);

C. Land with a building permit and construction ongoing (fair value based on the residual method);
D. Completed Projects held for investment.

In accordance with the Valuation Practice Alert of 02.04.2020 published by the Royal Institute of Chartered Surveyors ('RICS'), the independent real estate valuers' reports mention that it has been prepared taking into account a 'material valuation uncertainty', as defined by the RICS standards. As a consequence a lower level of certainty, and more prudency is required, with regard to the obtained valuations as would be the case in normal market circumstances.

Country + SPV	Commercial Name	Valuation	Cat	30/06/2020	31/12/2019
				KEUR	KEUR
BELGIUM					
Leisure Property Invest	Knocke Village	Man	B	62,549	61,606
Zeewind	Zeewind	Man	D	1,746	1,746
Ring Multi	Ghelamco Arena Multifunctional space	Cushman	D	0	19,425
MeetDistrict	MeetDistrict business center	Cushman	D	0	33,910
Ghelamco Invest	Zoute House	Cushman	C	22,100	26,039
Bischoffsheim Freehold	Spectrum	CBRE	D	1,435	1,435
DNF/Filature Retail	Filature/ Tribeca Retail	Man	D	4,675	4,675
Docora	RAFC stands	Man	C/D	61,651	52,379
Silver Tower	Silver Tower	Man	C	0	108,062
Domein Culligan	Focus/ PwC Offices	JLL	C	58,046	45,854
Subtotal Belgium				**212,202**	**355,131**
POLAND					
Apollo Invest Spzoo	The Warsaw UNIT	JLL	C	137,856	108,651
Postępu SKA	Postępu Business Park	KNF	B	7,190	7,190
HUB SKA	The HUB	KNF	C	494,913	373,170
Sobieski SKA	Sobieski Tower	BNP	B	34,760	34,447
Market SKA	Mszczonow Logistics	ASB/Man	A	2,791	2,832
SBP SKA	Synergy Business Park Wroclaw	JLL	B	24,618	25,782
Isola SKA	Bellona Tower	KNF	D/A	37,070	32,143
Sigma SKA	Wola project (former Chopin + Stixx)	KNF	B/D	43,854	44,335
Vogla SKA	Wilanow Retail	Savills	D/A	15,900	16,200
Dahlia SKA	Woloska 24	KNF	D	57,518	57,890
Synergy SKA	Katowice	JLL	A	3,800	3,900
Azira SKA	NCL (Lodz)	Savills	C	26,592	27,891
Estima SKA	Kreo (Wadowicka Krakow)	Cresa	C	9,280	9,121
Prima Bud Spzoo	Łomianki	Savills	B	10,093	0
Unique SKA	Unique/Jewish Theatre	KNF	B	36,215	0
Right of use asset		Man	n/a	19,689	20,677
Subtotal Poland				**962,139**	**764,229**

RUSSIA

Bely Rast	Dmitrov Logistic Park	JLL	C/D	130,970	142,000
Ermolino	Logistic Park Ermolino	JLL	A	6,890	7,446
RPU		Man		2,319	2,559
Subtotal Russia				**140,179**	**152,005**
TOTAL				**1,314,520**	**1,271,365**

Legend : Man = Management valuation, Belsq = Belsquare, CBRE = CBRE valuation report, Cushman = Cushman & Wakefield valuation report, KNF = Knight Frank, JLL = Jones Lang Lasalle, BNP = BNP Paribas, Savills = Savills, Cresa = Cresa, ASB = Asbud.

The average yields used in the expert valuations (applying residual method) on 30 June are as follows:

- 5.00% to 8.00% for Belgian office projects, depending on the location, specifics and nature of the investment (vs. 3.60% to 8.00% per 31/12/2019);
- 5.75% to 6.35% for other Belgian (mainly retail) projects, depending on the specifics, nature and location of the investment (vs. 6.00% to 6.35% per 31/12/2019);
- 4.35% to 9.00% for the Polish projects depending on the specifics, nature and location of the developments (vs. 4.25% to 7.50% per 31/12/2019); and
- 11.5% to 15.00% DCF discount rates and 10.25% on terminal value for Russian projects (vs. 11.25% to 15.00% DCF discount rates and 10.25% on terminal value per 31/12/2019).

The net increase in investment property (+ 43,155 KEUR) is mainly related to the further investments in projects (153,893 KEUR), fair value adjustments (103,650 KEUR), CTA impact (-21,576 KEUR), transfers (191,583 KEUR) and the and the impact of the movement in the right of use assets in accordance with IFRS 16 “Leases” (-1,229 KEUR).

The transfer to Assets classified as held for sale (208,579 KEUR) is mainly related to the Silver Tower project, MeetDistrict Gent and Ring Multi, which is explained below.

In connection with the progress in their resp. development processes, the Lomianki and Unique projets have per end of the reporting period been transferred from property development inventories. The project company Unique SKA holds a plot of land at Plac Grzybowski for a planned office project which will accommodate approx. 35,000 sqm of lettable space as well as 220 underground parking lots. Prima Bud SKA holds a shopping center of approx. 5,500 sqm with 153 above ground parking spots, for which in the current period the construction has been finalized and which has been delivered to the resp. tenants.

With respect to the fair value adjustments, we refer to note 9 of the Condensed Consolidated Financial Statements.

There have been no disposals of investment property during the first half of 2020.

<u>Assets held for sale</u>

Assets held for sale amount to 209,154 KEUR as of 30 June 2020.

Last year’s balance mainly related to the Ring Hotel project in Ghent (24,000 KEUR). This project has on 22 January 2020 been sold to Van Der Valk hotel group at a sales price of 24,000 KEUR. As at 30 June 2020 a vendor loan of of 4,000 KEUR is outstanding and presented in non current receivables and prepayments.

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On 26 June 2020, the shares of Silver Tower NV have been sold to Deka Immobilien. The purchase agreement was based on an underlying property value of 205 MEUR and a yield of 3.25%. The closing will take place shortly after the delivery of the building; delivery which is foreseen by end of October. In this respect, the project has per 30 June 2020 been transferred from Investment Property to Assets held for sale, at its estimated contractual net sales price taking into account estimated costs to incur towards completion of the construction.

As the MeetDistrict Gent and Ring Multi projects will in the second half of 2020 be transferred to resp. International Real Estate Services Comm. VA (IRS) and the Ghelamco European Property Fund NV (GEPF), both projects have per 30 June 2020 also been transferred to Assets held for sale, at their estimated sales values, based on the underlying expert valuation reports at balance sheet date. The anticipated transfers are decided upon the basis of the nature and the status of both projects. MeetDistrict Gent provides flexible (co-)work spaces and related services to third parties; activities which are more in line with the business and strategy of IRS, which is the Service Holding of the Ghelamco Consortium, that has all kinds of service activities as its mission. The more recent MeetDistrict sites and/or companies are owned and controlled by IRS. Ring Multi, in turn, owns retail spaces in the Ghelamco Arena and is actually part of the resp. delivered and operational projects near or around the Ghelamco Arena in Ghent which are owned and controlled by GEPF. The Company owns Ring Multi already for a number of years and has not the intention to sell it to third parties. The anticipated transfer of the project to GEPF is by consequence logic and in line with the mission of GEPF, which is to keep, in first instance, real estate projects as income generating products in portfolio for a longer period of time.

Commitments

In the first half of March 2020, the Company has signed agreements in connection with the acquisition of a land plot in London, City Road for the future development of a mixed offices and residential project. The site (with building permit) extends to 0.37 hectares within the London Borough of Hackney. The project is expected to offer approx. 21,286 sqm of net lettable/sellable area. Acquisition price amounts to 75 MGBP (excl. VAT, stamp duties, transfer of IP and other related expenses). Per 30 June 2020 advance payments have been done for a total amount of 15.3 MEUR, which have in the current financial statements been presented under current trade and other receivables and are the main reason for the increase in this caption. Closing of the deal (and transfer of ownership) will take place on 30 October 2020. Negotiations regarding the financing of the deal are well advanced. Construction works are expected to start shortly after the acquisition.

On 26 August 2020, the Company signed an addendum to the share purchase agreement of April 2019 concerning the acquisition of 100% of the shares in the project company owning the Lloyd George building in Brussels. Based on this addendum, the closing of the deal will take place on 30 November 2020. The purchase price will be calculated on closing date based on an agreed value of the property of 46.3 MEUR. At signing date of the addendum, an advance payment has been done for an amount of 5 MEUR. As to financing of the acquisition, a binding term sheet has been received for a bank credit facility on a approx. 65% Loan To Cost basis.

In November 2019, the Company signed a share purchase agreement for the acquisition of 100% of the shares of 2 companies holding land plots at the Culliganlaan in Diegem, for the future development of the 'The Wings' office project. The purchase price will on closing date be calculated based on a property value of 13.8 MEUR. At signing date, an advance payment of 5 MEUR has already been done, which has been presented under non current receivables and prepayments. In accordance with the contractual terms, the closing will take place by mid November 2021.

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5. Equity accounted investees

Investments in equity accounted investees amount to 15,385 KEUR and mainly relate to the (50%) participating interest in Carlton Retail NV, which is connected with the One Carlton high-end residential project in Knokke Zoute.

6. Interest bearing loans and borrowings

	30/06/2020	31/12/2019
Non-current		
Bank borrowings – floating rate	439,202	394,716
Other borrowings – bonds	327,947	367,231
Other borrowings- other	5,576	4,892
Lease liabilities	21,795	24,082
	794,520	**790,921**
Current		
Bank borrowings – floating rate	168,560	104,100
Other borrowings - bonds	194,972	140,295
Other borrowings - other	64,313	69,522
Lease liabilities	3,160	2,455
	431,005	**316,372**
TOTAL	**1,225,525**	**1,107,293**

6.1 Bank borrowings – floating rate (607,762 KEUR; of which 439,202 KEUR long-term and 168,560 KEUR short-term)

During the period, the Group obtained new secured bank loans expressed in EUR and PLN and withdrew on existing credit facilities for a total amount of 147.2 MEUR. On the other hand, reimbursements (and/or refinancings) have been done for a total amount of 38.3 MEUR, net of prolongation of a number of borrowings. This resulted in a net increase by 108.9 MEUR compared to the outstanding bank loans balance of 498.8 MEUR at year-end 2019.

When securing debt finance for its (larger) projects, the Group always negotiates long term agreements with its banks. Under these agreements, the bank swaps land acquisition loans into development loans (additional 2-4 year term) and swaps development loansform into investment loans (usually 5 years term) upon the fulfilment of pre-agreed conditions.
Most banking partners of the Group have accepted the above as a “framework” for past, current and future co-operation.

76% of the outstanding non-current bank borrowings is maturing within a 3 years-period, 3% is maturing between 3 and 5 years and 21% is maturing after more than 5 years.

With respect to the outstanding short-term bank borrowings, it is to be mentioned that in the second half of 2020 part will be reimbursed following the contractual terms, but significant parts will also be settled upon sale/disposal of the related projects (mainly Silver Tower: 61.4 MEUR, Ring Multi: 12.1 MEUR and MeetDistrict Gent: 14.9 MEUR) and parts will be prolonged or refinanced (e.g. through resp. swap to development or investment loan).

6.2 Other borrowings – bonds (552,919 KEUR; of which 327,947 KEUR long-term and 194,972 KEUR short-term)

Belgium
The Company has on 24 June 2015 launched an EMTN bonds program for a maximum amount of 150 MEUR. First tap on this program has resulted in the issue of a first tranche of 79,100 KEUR and in December 2015 the remaining amount of 70,900 KEUR has been raised. The bonds, which are listed on Euronext, have as maturity date 03/07/2020 (first tranche) and 14/06/2021 (second tranche), bear an interest rate of 4.5% (first tranche) and 4.125% (second tranche) and are secured by a first demand guarantee from Ghelamco Group Comm. VA. The program has been coordinated by Belfius, BNP and KBC. Both tranches have been underwritten by institutional investors and high-net-worth individuals. Since its bond listing on Euronext, Ghelamco Invest is formally considered as a Public Interest Entity (PIE), with related transparency, governance and reporting requirements to the benefit of the investors.

On 20 November 2017, the Company has again issued bonds for a total amount of 101,600 KEUR, within a new 250 MEUR EMTN bonds program. First tap on this program resulted in the issue of a tranche of 54,200 KEUR with a 7 years term and bearing an interest of 4.8% and of a tranche of 47,400 KEUR with a 5 years term and bearing an interest of 4.3%. The bonds are secured by a first demand guarantee from Ghelamco Group Comm. VA. The transaction has been coordinated by KBC, BNP, Société Générale and ABN Amro as managers and has been underwritten by institutional investors.

Bond proceeds have partly (i.e. for an amount of 54,230 KEUR) been used for the early redemption of the 70 MEUR 2013 bonds, in connection with a tender offer on the latter bonds. The remainder of the proceeds has been used for further investments in the Company's core markets.

In addition, the Company has on 23 October 2018 issued bonds for a total amount of 33,000 KEUR within the same existing 250 MEUR EMTN bonds program. The bonds have as maturity date 23/05/2022, bear an interest rate of 4.5% and are secured by a first demand guarantee from Ghelamco Group Comm. VA. The transaction has been coordinated by KBC, BNP Paribas Fortis and Société Générale as managers and has been subscribed by professionals and institutional investors.

Furthermore, the Commission de Surveillance du Secteur Financier (the CSSF) has on 11 December 2019 approved the Company's new base prospectus relating to a new 250 MEUR EMTN programme, under the prospectus regulation in the Grand-Duchy of Luxemburg. The bonds under this new programme will be issued as 'Green Bonds', under the Company's new Green Finance Framework. Under its Green Finance Framework, the Company intends to issue green bonds that will finance and/or refinance the development and implementation of sustainable and energy efficient green building projects which will be certified with high standards by internationally-recognized verifiers, namely BREEAM Excellent or above, LEED Gold or above, DGNB Gold or above, and HQE Excellent or above, EPC Label A, and meeting the NZEB as defined by local building legislation across European countries. The Green Finance Framework has been rated by Sustainalytics, a leading independent ratings and analytics firm. Based on its analysis, Sustainalytics is in its Second Party Opinion of the opinion that Ghelamco's Green Finance Framework is credible, transparent, and aligned with the Green Bond Principles (GBP) 2018 and the Green Loan Principles (GLP) 2018.

In January 2020, the 20 MEUR short-term stand-alone private bond which was granted to the Company in November 2019, has been rolled over in to a first tranche of Green bonds, within the above new 250 MEUR EMTN bonds programme. The tranche has a 7 years term and bears a fixed interest rate of 4.25%.

On 3/07/20, the above mentioned EMTN tranche of 79,100 KEUR came to maturity and has been redeemed, partly through the issue of new bonds for an amount of 47,500 KEUR and the remaining amount refinanced through short term bank loans. The mentioned 47,500 KEUR Green bonds tranche has been issued within the above new 250 MEUR EMTN bonds programme, bears a fixed interest rate of 5.5% and has as maturity date 03/07/23. The transaction has been coordinated by Belfius, BNP Paribas Fortis and KBC as joint bookrunners and has been subscribed by professional and institutional investors.

Goal of the resp. issues is to diversify financial resources and secure the mid-term funding necessary to secure the realization of the pipeline of Belgian and French projects.

Total balance of outstanding bonds per balance sheet date (302,090 KEUR) represents the amount of issue (304,600 KEUR) less capitalized issue costs (of which mainly the issuing banks' arrangement fees and amortized over the term of the bonds).

Poland

The Group has in the current period (on 3 January and 10 January 2020, via Ghelamco Invest Sp. z o.o.) within its pending programmes issued bonds for an amount of resp. 30,000 KPLN (series PR) and 14,889 KPLN (series PQ). These bonds have a term of 3 years and bear an interest of resp. Wibor 6 months + 4.50% and + 4.35%. The bonds series are secured by a guaranty granted by Granbero Holdings Ltd.

On 27 February 2020, the Polish financial supervision authority (KNF) approved Ghelamco Invest Sp. z o.o.'s new Base Prospectus in connection with its new Bonds Issue Programme (number VIII) for an amount of max. 350,000 KPLN. On 9 April, the Group has issued new bonds for an amount of 50,000 KPLN (series PPO), with maturity date 7 October 2023 and bearing an interest of Wibor 6 months +4.30%.

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

The Group has on 30 March 2020 redeemed outstanding bonds (on maturity date) for a total amount of 68,744 KPLN.

Total bonds balance outstanding per balance sheet date (220,829 KEUR) represents the amount of issue (1,007,924 KPLN) less capitalized issue costs and discounts, which are amortised over the term of the bonds.

After period-end, following new bonds have been issued:
- on 16 July 2020, an amount of resp. 75,000 KPLN (series PPP1) and 35,000 KPLN (series PPP2) with maturity date 15 January 2024 and bearing a fixed interest rate of 6.1%;
- on 31 July 2020, an amount of 40,000 KPLN (series PPR) with maturity date 15 January 2024 and bearing an interest of Wibor 6 months + 5%;
- on 12 August 2020, an amount of resp. 45,000 KPLN (series PPP3) and 50,000 KPLN (series PPP4) with maturity date 15 January 2024 and bearing a fixed interest of 6.1%;
- on 25 September 2020, an amount of 50,000 KPLN (series PS) with maturity date 25 September 2024 and bearing an intrest of Wibor 6 months + 5%; and
- on 30 September 2020, an amount of 55,000 KPLN (series PPS) with maturity date 15 January 2024 and bearing a fixed interest of 5.5%.

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The proceeds of these bonds will also be applied for the redemption and servicing of outstanding bonds (on maturity date or through early redemption) and for the financing of the Company's real estate projects.

After period-end, on 14 July and 27 July 2020 bonds have been redeemed (on maturity date) for an amount of resp. 30,000 KPLN (series PPH) and 49,600 KPLN (series PPI).

6.3 Other borrowings - other (69,889 KEUR; of which 5,576 KEUR long-term and 64,313 KEUR short term)

As stated above, the 20 MEUR short-term stand-alone private bond which was granted to the Company in November 2019, has in January 2020 been rolled over in to a first tranche of Green bonds.

In November 2019, the Company for the first time issued commercial paper (CP) for an amount of 35 MEUR, bearing an interest rate of euribor 3 months + 2% margin and with a term of 3 months (and extendable by/per 3 months). The CP was issued within a new 3-year Commercial Paper Programme for a maximum amount of 35 MEUR. The issue was fully underwritten by an external investor. On past maturity dates, the facility has been extended. On 7 August 2020, full amount of outstanding CP has been extended for another 3 months (i.e. until 7 November 2020).

The remaining outstanding loans mainly relate to related party loans (4,890 KEUR) and some other loans from third parties (29,999 KEUR).

6.4 Lease liabilities (24,955 KEUR; of which 21,795 KEUR long-term and 3,160 KEUR short-term)

The lease liabilities (LT and ST) fully relate to non-cancellable leases for the land rights of the resp. projects. These lease commitments have been recongnized in accordance with the requirements of IFRS 16 "Leases". Further reference is made to note 7.

No defaults of payments or breaches of borrowing agreements occurred as of 30 June 2020, Bank borrowings are secured by amongst others the property development projects of the Company, including land and in-process construction, pledge on SPV shares, etc. The bonds are secured by a redemption surety granted by Granbero Holdings Ltd, (the Company). The loan agreements granted by the bank are sometimes subject to a number of covenants (Loan to Value, Loan to Cost, Debt Service Cover). During the period and per end of the period, there were no events of default in respect of these borrowings. Also the terms and conditions of the bond issues have been complied with as of balance sheet date.

7. (Land) lease commitments (re. Rights of perpetual usufruct)

Amounts recognised in the condensed consolidated financial position and the condensed consolidated statement of profit and loss:

Roll forward Right of Use Asset IFRS 16			
	Right of Use Assets Investment Poperty	Right of Use Assets Property Dev. Inventories	Total
31/12/2019	**23,239**	**3,293**	**26,532**
Addition (new)	66	-	66
Disposal	-	-53	-53
Revaluation	-31	-148	-179
Foreign exchange revaluation	-1,266	-145	-1,411
30/06/2020	**22,008**	**2,947**	**24,955**

Roll forward lease liability IFRS 16			
In KEUR	Non-current lease liability	Current lease liability	Total
31/12/2019	**24,077**	**2,455**	**26,532**
Addition (new)	65	0	65
Payments	0	-932	-932
Disposal	-53	0	-53
Interest charges on lease liabilities (*)	752	0	752
Classification non-curr. to curr. lease liab.	-1,766	1,766	0
Foreign exchange	-1,272	-137	-1,409
30/06/2020	**21,795**	**3,160**	**24,955**

(*): included in other finance costs, Reference is made to note 10 Finance income and finance costs below.

The Company has entered into non-cancellable leases for the land rights with basic lease terms of usually 99 years (rights of perpetual usufruct). All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. The average lease-term per mid 2020 is approx. 80 years.

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8. Revenue

Revenue can be detailed as follows:

	30/06/2020	30/06/2019
Sales of Residential Projects		
Projects Belgium	11,433	13,712
Projects Poland	11,326	53
Rental Income	14,185	12,688
Other	303	641
TOTAL REVENUE	**37,247**	**27,094**

The Rental income as of 30 June 2020 relates to rent from commercial projects in Belgium (4,352 KEUR), Poland (2,968 KEUR) and Russia (6,865 KEUR). The rental income mainly relates to:

- Belgium: rent from mainly Ring Multi and MeetDistrict in the Ghelamco Arena and the RAFC stands in Antwerp;
- Poland: rent from mainly the Woloska 24 office project and the Plac Vogla retail project; and
- Russia: rent from the Dmitrov logistics project.

The increase in Polish Sales of Residential Projects is fully related to the delivery of the sold appartments in the Foksal project. Revenue (and related cost of sales) for the sold apartments has been recognized based on the signing of the hand-over protocols by the resp. buyers.

The Belgian residential projects sales as of 30 June 2020 mainly relate to:

- Senzafine Kortrijk: Construction progress invoicing on 49 apartments which were sold in previous year and land parts and instalment invoicing on 4 apartments sold in the current period. Construction progress (and related instalment invoicing) is at 75% per 30 June 2020. Per date of the current report, sales rate is at 67%;
- Apartments at the Belgian coast (1,605 KEUR, fully related to 4 apartments and 7 underground garages in the East Dune project in Oostduinkerke);
- Sale of the available retail space in the Edition project in Brussels to an investor, for a sales amount of 2.4 MEUR.

9. Other items included in operating profit/loss

	30/06/2020	30/06/2019
Other operating income	4,685	10,510

The current period's Other operating income (4,685 KEUR) includes purchase price adjustments regarding the sale of the Spectrum (1,493 KEUR) and the Arval (300 KEUR) projects realised end 2019. In addition, the gain on the divesture of Commercial Services Sp. z o.o. to Hanseta Holding Ltd for an amount of 658 KEUR is included. For the remainder, some re-charges of real estate tax, co-owners expenses and fit-out expenses to tenants are included.

Last year's Other operating income mainly related to the the gains on disposal of the .BIG and the Wronia projects in Poland for resp. amounts of 2,236 KEUR and 2,035 KEUR and the gain on disposal of the remaining Ukrainian land positions for an amount of 3,782 KEUR.

	30/06/2020	30/06/2019
Gains from revaluation of Investment Property	103,650	84,915

Fair value adjustments over the first half of 2020 amount to 103,650 KEUR, which is mainly the result of current period's further engineering, development, construction and leasing efforts, in combination with evolution in market conditions (in terms of yields and rent rate levels).

In Poland, main fair value adjustments have been recognized on the HUB (72,528 KEUR), Unique (27,891 KEUR) and Bellona Tower (5,297 KEUR). On the other projects, an overall, slightly negative fair value correction of 1.9 MEUR has been recognized, in relation to the impact of the Covid-19 crisis on the main valuation parameters (mainly yields).

In Belgium, main fair value adjustments have been recognized on the Silver Tower project (15.8 MEUR), in connection with the sale of the project which has been signed end of June 2020, at a yield of 3.25%. On the other projects, an overall, slightly negative fair value correction of 2.5 MEUR has been recognized, in relation to the impact of the Covid-19 crisis on the main valuation parameters (mainly yields).

In Russia, the political and economic situation and its effects on markets and (warehouse) tenant activity is furher closely monitored. The yields remained quite stable (despite a slight decompression), the market rental levels for (refrigerated) warehousing remained stable but are still under pressure, while the RUB has again weakened to a considerable extent. As a result, per mid 2020 an additional downward fair value adjustment (of 13.5 MEUR) has been recognised on the Russian projects.

A detail of current period's fair value adjustment can be given as follows:

	30/06/2020
Belgium	13,313
Poland	103,821
Russia	-13,484
Total	**103,650**

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	30/06/2020	30/06/2019
Other operating expenses		
Housing costs	203	1,157
Taxes and charges	1,685	1,447
Insurance expenses	170	397
Audit, legal and tax expenses	4,306	3,320
Traveling	386	750
Promotion	1,267	1,146
Sales/agency expenses	1,243	4,803
Maintenance and repair expenses (projects)	1,438	201
Rental guarantee expenses	1,702	2,564
Operating expenses with related parties	3,444	3,211
Miscellaneous	1,485	1,020
Total:	**17,329**	**20,016**

Current period's Other operating expenses have significantly decreased by 2,687 KEUR. The decrease is to a significant extent attributable to last year's relatively high Sales/agency and Rental guarantee expenses, in connection with the sale of the .BIG and Wronia projects in the course of the first half of 2019. In addition, the rental guarantee provision related to Polish projects has in the current period been decreased by 755 KEUR, in connection with the subsequent leasing of previously vacant space in the resp. sold projects. And on the other hand, the rental guarantee provision for Belgian projects has been increased by 580 KEUR, mainly related to the vacant space in the Spectrum project, which was sold end last year.

On the other hand Maintenance and repair expenses increased, mainly due to the delivery of the Foksal (residential) and HUB (mainly retail part) projects in the first semester of 2020.

Last year's relatively high Sales/agency expenses mainly related to the sale of the .BIG and Wronia projects in Poland and the The Link project in Belgium.

10. Finance income and finance costs

	30/06/2020	30/06/2019
Foreign exchange gains		1,303
Interest income	6,154	6,936
Other finance income	13	
Total finance income	**6,167**	**8,239**
Interest expense	-13,217	-11,935
Other finance costs	-3,981	-3,652
Foreign exchange losses	-4,985	-4,023
Total finance costs	**-22,183**	**-19,610**

The evolution in interest expenses goes together with the extent of development and construction activities but also with the overall (development and construction) status of projects, based on which interest is expensed in the income statement vs. capitalized in inventory.

The other finance costs are mainly related to (the amortisation of) capitalized credit facility fees and expenses, which are amortised over the duration of the respective facilities. The foreign exchange losses (4,985 KEUR) are mainly the result of the relative weakening of the PLN vs. the EUR (mainly related to the conversion at spot rate of the outstanding (EUR) bank loans in Polish entities).

11. Income taxes

	30/06/2020	30/06/2019
Current income tax	-3,137	-10,092
Deferred tax	1,600	-3,736
Total income tax	**-1,537**	**-13,828**

The decrease in the current income taxes is mainly related to last year's sale of the The Link project in Antwerp, which was structured as an asset deal, and the sale of the .BIG project, which was structured as an enterprise deal.

The deferred tax expenses are mainly related to the recognition of deferred tax liabilities on the fair value accounting of investment property. The evolution compared to last year's comparable period is to a significant extent explained by current period's release of cumulated deferred tax liabilities (12.1 MEUR) related to the fair valuation of Silver Tower, in connection with the sale of the project end June 2020. Although last year's balance also included an amount of 4,883 KEUR reversal of previously recognized deferred tax liabilities in connection with the sale of the .BIG and the Wronia projects on the one hand and 5,814 KEUR in connection with the sale of the The Link project on the other hand.

Beginning of January 2020, the Company received an additional tax assessment relating to FY 2016 for a total amount of 153 MEUR, tax increases included. The main element of discussion concerns the application of the Dividend Received Deduction (DRD) on 430 MEUR dividend received from the Company's subsidiary Granbero Holdings Ltd in 2016. The Company has timely filed an administrative appeal against the assessment in full.
The Company is convinced, thereby supported by opinions issued by its tax and legal advisors Deloitte Legal and PwC Business Advisory Services BV to the sole benefit of the Company, that it can successfully challenge this tax assessment. The Company intends to pursue each dispute through the judicial system as necessary. Hence, the Company does not consider it appropriate to make provision for these amounts.

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12. Financial instruments

The table below summarizes all financial instruments by category and discloses the fair values of each instrument and the fair value hierarchy.

Financial instruments (x € 1 000)	**30.06.2020**				
	FVTPL	**FVOCI**	**Measured at amortised cost/fin. liabilities measured at amortised cost**	**Fair value**	**Fair value level**
Other financial investments					
Other financial assets			4,597	4,597	2
Non-current receivables					
Receivables and prepayments			197,377	197,377	2
Restricted cash					
Current receivables					
Trade and other receivables			256,615	256,615	2
Derivatives					
Cash and cash equivalents			85,075	85,075	2
Total Financial Assets	**0**	**0**	**543,664**	**543,664**	
Interest-bearing borrowings - non-curr.					
Bank borrowings			439,202	439,202	2
Bonds Poland			175,699	179,962	1
Bonds Belgium			152,248	142,303	1
Other borrowings			5,576	5,576	2
Finance lease liabilities			21,795	21,795	2
Interest-bearing borrowings - current					
Bank borrowings			168,560	168,560	2
Bonds Poland			45,130	44,854	1
Bonds Belgium			149,842	143,809	1
Other borrowings			64,313	64,313	2
Finance lease liabilities			3,160	3,160	2
Current payables					
Trade and other payables			88,991	88,991	2
Total Financial Liabilities	**0**	**0**	**1,314,516**	**1,302,525**	

Financial instruments (x € 1 000)	31.12.2019				
	FVTPL	FVOCI	Measured at amortised cost/fin. liabilities measured at amortised cost	Fair value	Fair value level
Other financial investments					
Other financial assets			4,379	4,379	2
Non-current receivables					
Receivables and prepayments			211,659	211,659	2
Restricted cash					
Current receivables					
Trade and other receivables			208,702	208,702	2
Derivatives					
Cash and cash equivalents			115,811	115,811	2
Total Financial Assets	**0**	**0**	**540,551**	**540,551**	
Interest-bearing borrowings - non-curr.					
Bank borrowings			394,716	394,716	2
Bonds Poland			164,527	168,220	1
Bonds Belgium (Euronext)			202,704	205,260	1
Other borrowings			4,892	4,892	2
Finance lease liabilities			24,082	24,082	2
Interest-bearing borrowings - current					
Bank borrowings			104,100	104,100	2
Bonds Poland			61,445	63,653	1
Bonds Belgium (Euronext)			78,850	79,298	1
Other borrowings			69,522	69,522	2
Finance lease liabilities			2,455	2,455	2
Current payables					
Trade and other payables			90,339	90,339	2
Total Financial Liabilities	**0**	**0**	**1,197,632**	**1,206,537**	

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

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

13. Transactions with related parties

Balances and transactions between the Group and related parties (belonging to the Development Holding, the Portfolio Holding and the Ghelamco European Property Fund) mainly relate to construction and development services on the one hand and other (financial) related party transactions on the other hand.

Trading transactions: purchase of construction, engineering and other related services from related parties

Construction and development services
The Group has entered into property development and construction contracts with property development and construction companies ("Contractors"), direct and indirect subsidiaries of the Development Holding:

- International Real Estate Services Comm. VA;
- (to a lesser extent) Ghelamco NV;
- Ghelamco Poland with its registered office in Warsaw;
- Ghelamco Russia with its registered office in Moscow.

Engineering and architectural design services
APEC Architectural Engineering Projects Limited (a limited liability company registered under the laws of Ireland), and Safe Invest Sp. z o.o (a limited liability company registered under the laws of Poland), both direct or indirect legal subsidiaries of International Real Estate Services Comm. VA, he parent company of Ghelamco's "Development Holding") coordinate engineering and architectural design services provided to the Group in accordance with terms of the respective contracts. Purchases of services from Apec Ltd and Safe Invest Sp. z o.o comprise a significant part of all engineering, architectural design and other related services acquired by the Group.

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

	30/06/2020	30/06/2019
Purchases of construction, engineering and architectural design:	-83,519	-58,196
Interest income	3,367	4,129
	30/06/2020	**31/12/2019**
Related party trade receivable	11,639	11,363
Related party trade accounts payable	-23,964	-34,228
Related party non-current loans receivable	175,149	196,149
Related party non-current trade and other receivable		
Related party interests receivable	32,659	29,759
Related party C/A receivable	154,698	130,537
Related party non-current loans payable	-4,890	-4,890
Related party interests payable	-468	-325
Related party C/A payable	-8,420	-9,271

14. Post balance sheet events

In December 2019 the Company signed a framework agreement with a third party regarding the (joint) future development of a mixed project at the Katwilgweg in Antwerp, Linkeroever. The planned development size of the project is of approx. 100,000 sqm in total. In this respect, on 16 July 2020 the Company acquired 85% of the shares of Viminalis BV, project company holding the plot to be developed (and a recently delivered office building of approx. 6,700 sqm). The share price has been based on an underlying property value of 38.9 MEUR. The deal also includes the take-over of an adjacent plot from a third party, for the future development of approx. 20,000 sqm office project. The purchase of this 2nd plot took place on 30 September for an amount of 4.5 MEUR, in the same 85%-15% joint structure.

On 2 July 2020 the Company has been granted a building right on a plot of land in the Duinenwater area in Knokke for the development of the Lake District project, offering 166 high-end apartments, approx. 4,200 sqm retail function on the groundfloor and a hotel, spread over 3 buildings. Acquisition price for the building right amounts to 34 MEUR; amount which is gradually to be paid to the land owner in accordance with the sales process and progress, through the proceeds of the resp. land parts. The commercialization of the project has been kicked off immediately after the signing of the deal. Per date of the current report, already approx. 40% of the available residential units have been (pre-)sold, while significant parts of the retail space is currenlty under LOI or in advanced negotiations.

On 3 July 2020, an EMTN bonds tranche of 79,100 KEUR came to maturity and has been redeemed, partly through the issue of new bonds for an amount of 47,500 KEUR. The mentioned 47,500 KEUR Green bonds tranche has been issued within the new 250 MEUR EMTN (Green) bonds programme, bears a fixed interest rate of 5.5% and has as maturity date 03/07/23. The transaction has been coordinated by Belfius, BNP Paribas Fortis and KBC as joint bookrunners and has been subscribed by professional and institutional investors.

End 2019 the Company signed a conditional framework agreement with a group of land owners in view of the anticipated re-development of a site at the Stationsstraat in Sint-Niklaas. The building permit for this mixed residential-retail project has been submitted on 31 August 2020. Based on the fulfillment of this contractual condition, the Company has been granted a building right for the realisation of the project, which is expected to offer approx. 2,700 sqm retail space, approx. 3,170 sqm houses ('hofwonen'), approx. 8,000 sqm apartments and approx. 150 underground parking places. Acquisition price for the building right, which has been granted for 3 years, amounts to 6.5 MEUR. The building permit is expected to be received by end of February 2021; construction works are expected to start shortly afterwards.

The Group has after period-end issued the following new bonds in Poland:
- on 16 July 2020, an amount of resp. 75,000 KPLN (series PPP1) and 35,000 KPLN (series PPP2) with maturity date 15 January 2024 and bearing a fixed interest rate of 6.1%;
- on 31 July 2020, an amount of 40,000 KPLN (series PPR) with maturity date 15 January 2024 and bearing an interest of Wibor 6 months + 5%;
- on 12 August 2020, an amount of resp. 45,000 KPLN (series PPP3) and 50,000 KPLN (series PPP4) with maturity date 15 January 2024 and bearing a fixed interest of 6.1%;
- on 25 September 2020, an amount of 50,000 KPLN (series PS) with maturity date 25 September 2024 and bearing an intrest of Wibor 6 months + 5%; and
- on 30 September 2020, an amount of 55,000 KPLN (series PPS) with maturity date 15 January 2024 and bearing a fixed interest of 5.5%.

The Group has in Poland redeemed on 14 July and 27 July 2020 bonds (on maturity date) for an amount of resp. 30,000 KPLN (series PPH) and 49,600 KPLN (series PPI).

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Statutory auditor's report to the management of Ghelamco Group Comm. VA on the review of the condensed consolidated interim financial information as at June 30, 2020 and for the six-month period then ended

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Ghelamco Group Comm. VA as at June 30, 2020, the condensed consolidated statements of profit or loss and other comprehensive income, cash flows and changes in equity, for the six-month period then ended, and notes to the interim financial information ("the condensed consolidated interim financial information"). The management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information as at June 30, 2020 and for the six-month period then ended is not prepared, in all material respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union.

Zetel - Siège:
Luchthaven Brussel Nationaal 1K
1930 Zaventem
Belgié - Belgique

KPMG Bedrijfsrevisoren - Réviseurs d'Entreprises
CVBA/SCRL
BTW - TVA BE 0419.122.548
RPR Brussel - RPM Bruxelles
IBAN : BE 62 4377 5152 9261
BIC : KREDBEBB

Statutory auditor's report to the management of Ghelamco Group Comm. VA on the review of the condensed consolidated interim financial information as at June 30, 2020 and for the six-month period then ended

Emphasis of matter – uncertainty realization Eurostadium project

We draw attention to Note 3 of the condensed consolidated interim financial information which describes the uncertainty regarding the realization of the Eurostadium project and management's assessment of the recoverability of capitalized expenses related to this project.

Emphasis of matter – Significant event - COVID-19

We draw attention to Note 1 of the condensed consolidated interim financial information which describes the effects of the COVID-19 pandemic on the operations and the financial situation of the Group, and the measures taken by the Group, as well as a material valuation uncertainty related to investment properties (as defined by the RICS standards).

Our conclusion is not modified in respect of these matters.

Zaventem, September 30, 2020

KPMG Réviseurs d'Entreprises / Bedrijfsrevisoren
Statutory Auditor
represented by

Filip De Bock
Réviseur d'Entreprises / Bedrijfsrevisor