

ANNUAL RESULTS 2020

Regulated information

La Hulpe, 8 March 2020

A. Management Report

ATENOR ended the 2020 financial year with a net consolidated result of 24.13 million Euro, compared to 37.78 million Euro in 2019.

The Board of Directors will propose a gross dividend of € 2.42 per share to the General Assembly, an increase of almost 5% compared to the previous year.

Table of key consolidated figures (in thousands of €) - Audited accounts

results	31.12.2020	31.12.2019
Net consolidated result (group share)	24,129	37,777
Profit per share (in Euro) ¹	4.00	7.08
Number of shares	7,038,845	5,631,076
of which own shares	313,427	313,427
Balance sheet	31.12.2020	31.12.2019
Total assets	1,058,442	837,975
Cash position at the end of the period	67,887	45,447
Net indebtedness (-)	-589,539	-494,530
Total of consolidated equity	261,212	187,048

¹ Taking into account the weighted average number of shares held during the year (see page 8, Earnings per share).
The result per share amounts to € 3.43 if we consider the total number of shares of 7,038,845.

Revenue from ordinary activities and consolidated result

Revenue from ordinary activities amounted to 131.99 million Euro on 31 December 2020. These mainly include: (a) the revenue earned by the forward sale of the apartments of the residential projects (City Dox, Au Fil des Grands Prés, La Sucrierie and Les Berges de l'Argentine phase 1) for a total of 33.28 million Euro, (b) the income generated from the sales in future state of completion of the office buildings Au Fil des Grands Prés, Buzz and Vaci Greens E for a total of 79.03 million Euro, as well (c) the lease revenues of the buildings Hermès Business Campus (Bucharest), Lakeside and University Business Center (Warsaw) and Nysdam (La Hulpe) for 15.29 million euros.

Other operating revenue (€ 48.54 M) mainly includes the balance of the gross additional price relating to the sale of the shares in The One Office SA, following the signing of the usufruct agreement for the building with the European Commission as well as the re-invoicing of the development costs (€ 33.81 M), the usufruct royalty (retroceded to Immo Beaulieu SA) of the Beaulieu building (€ 6.24 M), as well as the re-invoicing of service charges and miscellaneous costs of the buildings leased (€ 6.51 M).

The operating result amounted to 40.18 million Euro, compared with € 52.90 M in 2019. This was mainly influenced by the sale of the various apartments in residential projects as mentioned above (total of € 6.38 M), the results of the progress of the pre-sold Au Fil des Grands Prés, Buzz and Vaci Greens E office buildings (€ 19.19 M), as well as the rental revenue, net of charges, from the HBC, Lakeside, UBC and Nysdam buildings (total of € 13.73 M) as well as and additional net income relating to the sale of The One Office SA (€ 16.75 million).

The **net financial result** was -9.88 million Euro, compared with -9.31 million Euro in 2019. The increase of net financial charges was mainly due to the increase in ATENOR's average net indebtedness, compensated by a larger share of capitalized borrowing costs (IAS23) compared with 2019.

Income taxes: The amount for this item was 5.15 million Euro (compared with € 5.32 M in 2019). This item includes both statutory tax and the deferred tax assets and liabilities linked to the progress of the sale of the aforementioned projects.

Taking the preceding factors into account, the group **net result** of the financial year was 24.13 million Euro compared with 37.78 million Euro in 2019.

Consolidated balance sheet

Consolidated shareholder equity was 261.21 million Euro compared with 187.05 million at 31 December 2019, an increase of 24.7% of the total balance up by 74.16 million euros compared to 31 December 2019, mainly following the capital increase carried out in June 2020.

At 31 December 2020, net consolidated financial indebtedness was 589.54 million Euro, compared with a net consolidated indebtedness of 494.53 million Euro as at 31 December 2019.

In October 2020, a new “retail” type bond was successfully issued in two tranches for a total amount of 100 million Euro. The implementation of several project financings as well as the use of existing cash for the development of projects within the portfolio also explain this increase.

Consolidated indebtedness consists, on the one hand, of a long-term debt of 433 million Euro and, on the other hand, of a short-term debt of 224.46 million Euro. Available cash was 67.89 million Euro compared with 45.45 million Euro at end 2019.

The “buildings held for sale” classified under “**Stock**” represent the real estate projects in the portfolio and in the course of development. This item amounted 775.71 million Euro, an increase of 167.68 million Euro in comparison with 31 December 2019 (€ 608.02 M).

This net variation results primarily (a) from the acquisition of the sites of U'man (Bezons), Square 42 (Belval) and Heinrichstrasse (Dusseldorf) projects for 54.56 million Euro, (b) from the continuation of the works and studies of the Vaci Greens, Arena Business Campus (Budapest), Buzz (Leudelange), Com'Unity (Bezons), @Expo, Dacia, UP-site Bucharest (Bucharest), City Dox (Brussels) and Au Fil des Grands Prés (Mons) projects, for a total of 191.50 million Euro and (b) from the sale of apartments in the City Dox, Au Fil des Grands Prés, La Sucrerie and the pre-sold office buildings Buzz, Au Fil des Grands Prés and Vaci Greens E which reduce the stock by 75.46 million Euro. The balance of the net change in this item (€ 2.9 M) is distributed over other projects under development.

Own shares

On 31 December 2020, ATENOR LONG TERM GROWTH SA held 150,000 ATENOR shares.

The number of ATENOR shares held on 31 December 2020 by the subsidiary ATENOR GROUP INVESTMENTS was 163,427 (situation that was unchanged from December 2019).

These shares aim to serve the share option plans (2017 to 2019) allocated to ATENOR staff and some of its service providers.

Proposed dividend and dividend policy

The Board of Directors will propose, to the General Meeting of 23 April 2021, the payment (for the financial year 2020) of a gross dividend of 2.42 Euro per share, i.e. a net dividend after withholding tax (30%) of 1.694 Euro per share.

Subject to the approval of the Ordinary General Assembly, the dividend will be paid out from 28 April 2021.

- Ex date 26 April 2021
- Record date 27 April 2021
- Payment date 28 April 2021

Projects in our portfolio

During 2020, the portfolio of projects grew. As of 31 December 2020, there were 31 projects for a development area of 1,270,000 m². Following the latest transactions at the start of fiscal year 2021, the portfolio totals 32 projects in 9 countries for a surface area of approximately 1,300,000 m².

All the acquisitions were made within the framework of our European growth strategy, paying particular attention to placing these projects in an indisputable logic of sustainability and certification.

This being the case, the expression of the value created in ATENOR's accounts revolves around 3 stages:

- An optimal design, combining sustainability and profitability, resulting in the obtaining of building permits,
- Active marketing oriented towards identified demand,
- A sale, generally in a future state of completion, to occupants or investors.

The comments that follow are based on these steps.

As a reminder, the relative shares of each region / city in the portfolio are calculated on the basis of the above-ground areas authorized (permits) or potentially constructible (under study or under authorization). The percentages given below reflect the situation as of 31 December 2020.

❖ **BRUSSELS** (20.39 % of the portfolio)

THE ONE - European District, rue de la Loi, Brussels (offices and residential)

Following the signing of the usufruct agreement on 29 June 2020, ATENOR took part in specific fit out works delivered in January 2021.

REALEX [90% ATENOR] – European District, between the rues de la Loi & de Lalaing, Brussels (58,400 m² of offices)

The procedure for applying for planning and environmental permits is continuing. The consultative committee meeting was held on 20 January 2021.

In parallel, the approval procedure for the European Union’s acquisition of the new Conference Centre closed with the approval of this acquisition agreement, subject to the condition precedent of obtaining the permits. Clearly, this new Conference Centre is an exemplary building and a perfect match for the key aspects of the European Green Deal.

CITY DOX - Canal area, quai de Biestebroek, Anderlecht (approx. 85,390 m² mixed)

The construction of phase 2 (including 181 residential units of which 99 subsidized) is continuing. All apartments have been sold. In January 2021, phase 3 was the subject of a sale in the form of the sale of the land and its permit. The permit application, notably for 171 housing units, is under instruction. Permit applications for the final phases are in preparation.

VICTOR [50% ATENOR] – Midi neighbourhood, opposite the South Station (Gare du Midi), Brussels (56,000 m² mixed)

Given the current lack of political and administrative consensus for the project, which has been reworked many times, ATENOR and its partner have decided to study a new variant of the project falling within the current framework of the RRU, in terms of size and allocation. The studies were carried over to a project with mainly offices. Regardless, the development of this project retains its potential and will make an undeniable contribution to the neighbourhood as regards mobility, mixing and the quality of public spaces.

CCN [33% ATENOR] – Schaerbeek and St Josse boroughs, next to the North Station (Gare du Nord) (around 130,000 m² mixed)

Studies are moving satisfactorily towards the submission of a planning application for the whole site mid 2021. The “partial dismantlement” permit is expected in the first half of 2021.

The design of this project corresponds completely to the mobility and urban living issues that the Government has recently decided to open up to broad public consultation.

BEAULIEU – Avenue Beaulieu, 5 to 11, Auderghem (around 24,500 m² of offices)

An extension until the end of 2021 has been concluded with the OIB, the current tenant of the premises. In parallel, ATENOR studied a major renovation of these two buildings, in close collaboration with the neighbouring property owner. The permit application was submitted at the end of 2020.

The planned renovation should prove exemplary in terms of heritage (conservation of the style, the scale and the high-grade materials) and of the use of innovative materials and new technologies promoting “intelligent” use of the building.

❖ **FLANDERS** (1.26% of the portfolio)

DE MOLENS [50% ATENOR] – City Centre – Tolpoort road, Deinze (mixed residential and commercial project, ± 32,150 m²)

The environmental permit is expected to be issued in the first half of 2021, which will allow to start of commercialization. Demolition work began in early 2021.

❖ **WALLONIA** (7.15% of the portfolio)

LES BERGES DE L’ARGENTINE – La Hulpe (residential [80% ATENOR] 27,000 m² and offices [100% ATENOR] 4,250 m²)

The project has been revised in order to meet the Borough Council’s expectations as reflected in the studies for the Municipal Challenge Zone (MCZ).

A “RIP”, a preliminary information meeting, the first step in the permit application procedure, was held in January 2021. The permit application will be submitted during this year. It should be reminded that this project corresponds to fundamental principles, now-imperative principles in the fight against climate change, particularly by avoiding the dispersal of living areas out of urban centres.

Meanwhile, the office building has received its 5th tenant, thus reaching an occupancy rate of 25%.

LE NYS DAM – La Hulpe (15,575 m² office building)

The building has an occupancy rate of 100% since December 2019. Rightly, rent collection has not suffered from the exceptional health situation that we are experiencing.

ATENOR still intends to sell this asset as soon as expectations are met.

AU FIL DES GRANDS PRÉS – “Les Grands Prés” shopping precinct district, Mons (approx. 46,000 m² mixed)

The permit for the office part (14,600 m²) has been obtained. Work has started, since these buildings have been completely sold (2,900m² to the ONEM, 8,600m² to the Wallonia-Brussels Federation and 3,100m² to the TEC).

A permit application for a first phase of 111 dwellings has been rejected and will be reworked in order to meet the particular requirements of the city of Mons.

This project offers passive housing, responding to the growing demand observed in the Mons market.

LA SUCRERIE – Ath (183 residential units, 5 retail units, 1 nursery)

The sale of the last apartments is continuing.

➤ **NETHERLANDS (6.82% of the portfolio)**

THE STAGE (VH I) [50% ATENOR] – Corner of Verheeskade- & Lulof-straat The Hague, Netherlands (Residential/commercial – 56,000 m²)

In December 2020, ATENOR finalized the acquisition of a 50% share alongside a prominent local actor.

The project involves the demolition of old existing buildings and the new construction of a commercial ground floor, 520 student accommodation and 387 apartments. The permit is expected in 2021. A sale under condition of obtaining a permit has been concluded for the student housing tower with the company Duwo.

VERHEESKADE II [50% ATENOR] – The Hague, Netherlands (Residential – 115,000 m²)

ATENOR and the companies Ten Brinke Vastgoedontwikkeling and Myb have created the project company Laakhaven Verheeskade II B.V. of which ATENOR holds 50%. This company has taken over the property and development rights of several adjacent owners of the “The Stage” project. This extension of the project on the Verheeskade includes the demolition of obsolete buildings and offers additional development potential of more than 100,000 m² above ground, including a mainly residential area and a base animated by mixed functions.

❖ **LUXEMBOURG (6.85% of the portfolio)**

TWIST - Belval, Grand-Duchy of Luxembourg (offices, housing and retail units – 15,060 m²)

The building permit was obtained at the end of August, and work will begin shortly. The marketing of offices and housing is launched.

BUZZ – Leudelange, Grand-Duchy of Luxembourg (office building – 16,800m²)

Construction work is continuing according to plan. It may be recalled that in December 2018, the project was sold before completion. Marketing of the office building is in progress.

PERSPECTIV’ (formerly Lankelz) [50% ATENOR] – Esch-sur-Alzette, Grand-Duchy of Luxembourg (mixed: residential, retail and office – 67,850 m²)

Studies are continuing and a permit application for the whole project will be submitted in March 2021, with permit delivery scheduled for the end of 2021.

SQUARE 42 – Central Square, Esch-sur-Alzette, Grand-Duchy of Luxembourg (21,600 m² mixed: offices & retail)

This project, acquired after a contest, comprises the development of a building with 20,343 m² of office and 1,238 m² of retail space. A permit application will be submitted soon for work scheduled to start in 2022.

❖ **PARIS (4.62% of the portfolio)**

COM’UNITY 1 [99% ATENOR] – Bezons (Paris) – (33,800 m² of offices)

The construction work is continuing, without impacting on the completion date (third quarter of 2021). In a generally sluggish market, it is being marketed on the basis of differentiated sales pitches that offer a specific response to the work organization issues raised by the health crisis. Contacts are underway.

U’MAN – Bezons (Paris) – (25,450 m² of offices)

Located nearby Com’Unity, this project has had since end 2019 a permit free of all claims authorizing the construction of 25,450 m² of offices.

❖ **DÜSSELDORF** (1.43% of the portfolio)

AM WEHRHAHN – Shopping Street Am Wehrhahn in Düsseldorf city centre – (4,245 m² of housing and retail)
Building work continues. Marketing is directed towards a bloc sale before completion.

HEINDRISCHSTRASSE – University district, Düsseldorf – (14,000m² of offices)

In July 2020, ATENOR signed, via a new subsidiary, a sale agreement for the acquisition of a second project in Düsseldorf. This project will be the first office development that ATENOR will undertake in Germany. Studies for the submission of a permit application are underway.

❖ **LISBON** (2.28% of the portfolio)

WELLBE – District of the 1998 Universal Exhibition, Lisbon – (27,850 m² of offices and 1,250 m² of retail)

The permit application was submitted in November 2019. It covers 27,850 m² of offices and 1,250 m² of retail space. The permit is expected to be obtained in the coming weeks, which will allow the start of work and marketing.

❖ **WARSAW** (24.07% of the portfolio)

LAKESIDE (EX UBC 1) – Mokotow quarter of Warsaw, Poland – (26,500 m² of offices)

A permit application was submitted for the demolition of the existing building and for the construction of the new building with a leasable surface area of 24,000 m². The demolition permit is expected to be granted before the end of March and will allow work to begin, pending the construction permit. In the meantime, the two buildings (Lakeside and UBC 2) are generating an annual lease income of €2.7 million.

UBC 2 – Mokotow quarter of Warsaw, Poland – (30.300 m² of offices)

This building, still occupied by prestigious tenants, is subject of major renovation studies. These renovations will begin upon completion of the Lakeside building.

FORT 7 – district of the Chopin airport, Warsaw – (250,000 m² of mixed use)

Discussions with the city concerning the adaptation of the master plan are progressing slowly due to the health crisis. Technical studies on the development of a first hotel-office phase have progressed.

❖ **BUDAPEST** (11.20 % of the portfolio)

VACI GREENS – Vaci Corridor, Budapest (blocks E & F)

The 5th (E) and 6th (F) buildings of this campus have been delivered. As a reminder, building E has been sold in a future state of completion. The pre-lease rate stands at 37%. The Vaci Greens F building, already 73% pre-leased, was sold in December 2020 under conditions precedent which should be lifted in March 2021.

ARENA BUSINESS CAMPUS – Boulevard Hungària, Budapest (80,400 m² of offices)

Delivery has been taken of the first building (A). The building is 17% pre-leased and marketing is continuing. In parallel, structural work on the second building (B) is continuing.

ROSEVILLE – Becs Street 68-70 and 74-80, District 3 of Budapest (16,150 m² of offices and retail)

The permit application was submitted in June and obtained on 3 September 2020. Construction work is in progress.

BAKERSTREET I – Hengermalonut 18, Buda South District, Budapest (18,625 m² of offices and retail)

A permit application was submitted in September 2020. The granting of a permit is expected soon, thus enabling marketing to start.

❖ **BUCHAREST** (13.92 % of the portfolio)

HERMES BUSINESS CAMPUS – Boulevard D. Pompeiu, Bucharest (75,130 m² of offices)

The buildings have been refinanced, long-term, for a sum of €80 million in September 2020.

Negotiations for a sale are underway, though it is not possible to say at this stage if the transaction can be concluded in 2021. In any case, this disposal will only have a limited impact on the results.

In the meantime, these buildings have had their leases renewed and are generating rental income of approx. €10.3 million per year.

DACIA ONE – Intersection of Calea Victoria and Boulevard Dacia, CBD, Bucharest (16,300 m² of offices and retail)

Construction work should finish during the third quarter of 2021. As a reminder, the building is 100% pre-leased.

Negotiations for a sale are underway, though it is not possible to say at this stage if the transaction can be concluded in 2021.

@EXPO – Avenue Expozitiei, Bucharest (54,720 m² of offices and retail)

Construction work began during February 2020. The pre-leasing rate is currently 24 %. Contacts are underway for the leasing of the remainder.

UP-SITE BUCHAREST – Floreasca/Vacarescu district, Bucharest (2 towers totalling 31,250 m² residential and retail)

The construction permit was obtained in June 2020. Pre-marketing is launched in a mid to high end residential market that is still active in Bucharest.

Prospects for the year 2021

The health crisis will continue to weigh on the level of activity in the real estate sector in 2021. The slowdown in decision-making and administrative processes due to various restrictions and the climate of uncertainty that has set in are the most obvious manifestation of this. Office leases are declining and permit issuance is slower. These trends are however to be modulated according to the 9 countries where ATENOR is present.

By implementing an European growth strategy, both in the office and housing market, targeting both the public sector and private actors, ATENOR has thus shown the resilience of its business model. Its ability to close future sales also helps smoothen the impact of the economic downturn.

Resolutely focused on the renewal of the urban fabric driven by sustainability requirements and qualitative changes in office and housing demands, ATENOR retains its potential for value creation.

Through this positioning and on the basis of its portfolio of diversified projects, ATENOR displays favourable prospects for 2021, driven by several major transactions, some of which are in the process of being finalized in several countries.

Financial Calendar

– Ordinary General Assembly 2020	23 April 2021
– Dividend payment (subject to the approval of the General Assembly)	28 April 2021
– Intermediate declaration for first quarter 2021	19 May 2021
– Half-yearly results 2021	6 September 2021
– Intermediate declaration for third quarter 2021	18 November 2021
– General Assembly 2021	22 April 2022

Contacts and Information

For more detailed information, please contact Stéphan Sonnevill SA, CEO or Mr Sidney D. Bens, CFO.

☎ +32 (2) 387.22.99 📠 +32 (2) 387.23.16 e-mail : info@atenor.eu www.atenor.eu

B. Summary Financial Statements

Consolidated statement of comprehensive income

	Notes	In thousands of EUR	
		2020	2019
Operating revenue		131.989	107.207
Turnover		115.230	91.631
Property rental income		16.759	15.576
Other operating income		48.540	45.314
Gain (loss) on disposals of financial assets		19.283	37.848
Other operating income		29.261	7.454
Gain (loss) on disposals of non-financial assets		-4	12
Operating expenses (-)		-140.353	-99.626
Raw materials and consumables used (-)		-235.837	-177.372
Changes in inventories of finished goods and work in progress		184.695	145.606
Employee expenses (-)		-3.021	-4.513
Depreciation and amortization (-)		-619	-532
Impairments (-)		-246	281
Other operating expenses (-)		-85.325	-63.096
<u>RESULT FROM OPERATING ACTIVITIES - EBIT</u>		40.176	52.895
Financial expenses (-)		-11.438	-11.211
Financial income		1.554	1.897
Share of profit (loss) from investments consolidated by the equity method		-1.180	-638
<u>PROFIT (LOSS) BEFORE TAX</u>		29.112	42.943
Income tax expense (income) (-)	7	-5.148	-5.315
<u>PROFIT (LOSS) AFTER TAX</u>		23.964	37.628
Post-tax profit (loss) of discontinued operations		0	0
<u>PROFIT (LOSS) OF THE PERIOD</u>		23.964	37.628
Non controlling interests		-165	-149
Group profit (loss)		24.129	37.777
<u>EARNINGS PER SHARE</u>		EUR	EUR
		2020	2019
Total number of issued shares⁽¹⁾		7.038.845	5.631.076
of which own shares		313.427	313.427
Weighted average number of shares (excluding own shares)		6.029.226	5.333.821
Basic earnings		4,00	7,08
Diluted earnings per share		4,00	7,08
Proposal of gross dividend per share		2,42	2,31
<u>Other elements of the overall profit and losses</u>		In thousands of EUR	In thousands of EUR
		2020	2019
Group share result		24.129	37.777
Items not to be reclassified to profit or loss in subsequent periods :			
Employee benefits		-198	-241
Items to be reclassified to profit or loss in subsequent periods :			
Translation adjustments		-12.132	-4.245
Cash flow hedge	12	-16	-351
Overall total results of the group		11.783	32.940
Overall profits and losses of the period attributable to third parties		-165	-149

⁽¹⁾ Capital increase carried out on 30 June 2020 (see page 11)

B. Summary Financial Statements (continued)

Consolidated statement of the financial position

ASSETS

	Notes	In thousands of EUR	
		31.12.2020	31.12.2019
<u>NON-CURRENT ASSETS</u>		127.368	118.690
Property, plant and equipment		3.517	3.406
Intangible assets		37	87
Investments consolidated by the equity method		64.180	59.676
Deferred tax assets		5.070	5.261
Other non-current financial assets		49.061	12.503
Non-current trade and other receivables		5.503	37.757
<u>CURRENT ASSETS</u>		931.074	719.285
Inventories	9	775.706	608.025
Other current financial assets	4	37.751	6.159
Current tax receivables		1.751	776
Current trade and other receivables		79.052	54.116
Current loans payments		15	15
Cash and cash equivalents	4	30.713	43.745
Other current assets		6.086	6.449
TOTAL ASSETS		1.058.442	837.975

LIABILITIES AND EQUITY

		In thousands of EUR	
		31.12.2020	31.12.2019
<u>TOTAL EQUITY</u>		261.212	187.048
<u>Group shareholders' equity</u>		258.564	184.251
Issued capital		133.621	57.631
Reserves		140.016	141.693
Treasury shares (-)		-15.073	-15.073
<u>Non controlling interests</u>		2.648	2.797
<u>Non-current liabilities</u>		482.617	423.801
Non-current interest bearing borrowings	5	433.001	364.888
Non-current provisions		10.903	4.792
Pension obligation		902	701
Derivatives	12	367	351
Deferred tax liabilities		702	3.967
Current trade and other payables		33.959	47.034
Other non-current liabilities		2.783	2.068
<u>Current liabilities</u>		314.613	227.126
Current interest bearing debts	5	224.425	175.089
Current provisions		338	1.352
Current tax payables		3.499	2.262
Current trade and other payables		74.097	40.296
Other current liabilities		12.254	8.127
TOTAL EQUITY AND LIABILITIES		1.058.442	837.975

B. Summary Financial Statements (continued)

Consolidated cash flow statement (indirect method)

	Notes	In thousands of EUR	
		31.12.2020	31.12.2019
Operating activities			
- Net result		24.129	37.777
- Result of non controlling interests		-165	-149
- Result of Equity method Cies		1.180	638
- Net finance cost		9.492	9.602
- Income tax expense	7	8.219	1.396
- <i>Result for the year</i>		<i>42.855</i>	<i>49.264</i>
- Depreciation		619	532
- Amortisation and impairment		246	-281
- Translation adjustments		5.264	-14
- Provisions		5.245	466
- Deferred taxes	7	-3.071	3.919
- (Profit)/Loss on disposal of fixed assets		-19.279	-37.860
- SOP / IAS 19		-1.177	773
- <i>Adjustments for non cash items</i>		<i>-12.153</i>	<i>-32.465</i>
- Variation of inventories		-184.954	-151.471
- Variation of trade and other amounts receivables		20.082	-16.884
- Variation of trade payables		8.287	4.815
- Variation of amounts payable regarding wage taxes		-71	93
- Variation of other receivables and payables		28.518	9.672
- <i>Net variation on working capital</i>		<i>-128.138</i>	<i>-153.775</i>
- Interests received		302	191
- Income tax (paid) received		-7.911	-1.828
Cash from operating activities (+/-)		-105.045	-138.613
Investment activities			
- Acquisitions of intangible and tangible fixed assets		-759	-2.187
- Acquisitions of financial investments		-5.684	-14.206
- New loans		-36.566	-807
- <i>Subtotal of acquired investments</i>		<i>-43.009</i>	<i>-17.200</i>
- Disposals of intangible and tangible fixed assets		5	11
- Disposals of financial investments		0	20.836
- Reimbursement of loans		0	177
- <i>Subtotal of disinvestments</i>		<i>5</i>	<i>21.024</i>
Cash from investment activities (+/-)		-43.004	3.824
Financial activities			
- Increase in capital		76.006	
- Treasury shares			-5.067
- New borrowings		216.483	164.580
- Repayment of borrowings		-98.144	-64.654
- Interests paid		-9.191	-8.744
- Dividends paid to company's shareholders	6	-12.284	-11.747
- Directors' entitlements		-256	-256
Cash from financial activities (+/-)		172.614	74.112
Net cash variation		24.565	-60.677
- Cash and cash equivalent at the beginning of the year		45.447	106.590
- Net variation in cash and cash equivalent		24.565	-60.677
- Non cash variations (Cur. conversion, chge in scope, ...)		-2.125	-466
- Cash and cash equivalent at end of the year	4	67.887	45.447

B. Summary Financial Statements (continued)

Consolidated statement of changes in equity

In thousands of EUR

	Issued capital	Share issue premium	Hedging reserves	Own shares	Consolidated reserves	Profit/loss of the period	IAS 19R reserves	Cumulative translation adjustments	Minority interests	Total Equity
2019										
Balance as of 01.01.2019	57.631	-	-	-10.006	135.992	-	-402	-15.863	2.946	170.298
Profit/loss of the period	-	-	-	-	-	37.777	-	-	-149	37.628
Other elements of the overall results ⁽¹⁾	-	-	-351	-	-	-	-241	-4.245	-	-4.837
Total comprehensive income	-	-	-351	-	-	37.777	-241	-4.245	-149	32.791
Capital increase	-	-	-	-	-	-	-	-	-	-
Paid dividends	-	-	-	-	-11.747	-	-	-	-	-11.747
Own shares	-	-	-	-5.067	-	-	-	-	-	-5.067
Share based payment	-	-	-	-	773	-	-	-	-	773
Others	-	-	-	-	-	-	-	-	-	-
Balance as of 31.12.2019	57.631	-	-351	-15.073	125.018	37.777	-643	-20.108	2.797	187.048
2020										
Balance as of 01.01.2020	57.631	-	-351	-15.073	162.795	-	-643	-20.108	2.797	187.048
Profit/loss of the period	-	-	-	-	-	24.129	-	-	-165	23.964
Other elements of the overall results ⁽¹⁾	-	-	-16	-	-	-	-198	-12.132	-	-12.346
Total comprehensive income	-	-	-16	-	-	24.129	-198	-12.132	-165	11.618
Capital increase	14.408	61.582	-	-	-	-	-	-	-	75.990
Paid dividends	-	-	-	-	-12.284	-	-	-	-	-12.284
Own shares	-	-	-	-	-	-	-	-	-	-
Share based payment / Valuation	-	-	-	-	-1.176	-	-	-	-	-1.176
Others	-	-	-	-	-	-	-	-	16	16

⁽¹⁾ The Group detains Hungarian, Romanian and Polish subsidiaries that opted for the local currency as their operating currency in each of the countries. The negative conversion differences recorded for the period in equity were mainly due to the downturn in the HUF, RON and the Zloty during the year (-12.13 million Euro).

SELECTIVE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS ON 31.12.2020

Note 1. Corporate information

The consolidated financial statements of the Group as at 31 December 2020 including the annual report including all financial statements and attached notes were adopted by the Board of Directors on 4 March 2021.

Note 2. Principal accounting methods

1. Basis for preparation

The consolidated financial statements as at 31 December 2020 were drawn up in accordance with the IFRS standards as adopted in the European Union.

2. Consolidation principles and significant accounting principles

The valuation rules adopted for the preparation of the consolidated financial situation as at 31 December 2020 have not been modified from the rules followed for the preparation of the annual report as at 31 December 2019, except the application of IFRS 9 (hedge accounting) as well as possible adaptations made necessary by the entry into force of IFRS (*International Financial Reporting Standards*) standards and interpretations applicable from 1 January 2020.

Comment on Covid-19

The Covid-19 pandemic has not had any influence on the evaluation rules, nor on management's judgements. Furthermore, the impact on the year accounts in 2020 is partly due of a slip in recognized revenues from projects sold before completion, due to the temporary stoppages at a number of sites in March and April 2020.

The slowdown in the office rental market and the containment measures (travel and meeting restrictions, general slowdown in decision-making processes, slowness of administrations) caused a lower rate of activity and a postponement until 2021 of the conclusion of certain transactions.

As regards to the prospects and estimates of future impacts, please refer to the comments in the management report (above).

Standards and interpretations became effective on a mandatory basis in 2020 in the European Union

- *Amendments to References to the Conceptual Framework* in IFRS Standards
- Amendments to IFRS 3 *Business Combinations* – Definition of a Business
- Amendments to IFRS 9 *Financial Instruments*, IFRS 7 *Financial Instruments: Disclosures* and IAS 39 *Financial Instruments: Recognition and measurement*- Interest Rate Benchmark Reform,
- Amendments to IFRS 16 *Leases* – Covid-19 related rent concessions
- Amendments to IAS 1 *Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors* – Definition of material

These amendments and new interpretations have no significant impact on the presentation, disclosure requirements or the consolidated financial performance and / or situation of ATENOR.

New or amended standards and interpretations that came into effect after 31 December 2020

- Amendments to IAS 1 *Presentation of Financial Statements* - Classification of liabilities as current and non-current liabilities (date of entry into force: 01.01.2023*)
- Amendments to IAS 16 *Tangible Fixed Assets* - Product prior to intended use (date of entry into force: 01.01.2022)
- Amendments to IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* - Onerous contracts - Contract execution costs (date of entry into force: 01.01.2022)
- Amendments to IFRS 3 *Business combinations* - Reference to the Conceptual Framework (date of entry into force: 01.01.2022)
- 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* - Reform of benchmark interest rates - Phase 2 (date of entry into force: 01.01.2021*)
- IFRS 17 *Insurance Contracts* (effective date: 01.01.2023 *)
- Amendments to IFRS 4 *Insurance Contracts* - postponement of the application of IFRS 9 (date of entry into force: 01.01.2021)
- Annual improvements to IFRS (Cycle - 2018-2020), effective date: 01.01.2022*

* *These amendments have not yet been adopted by the European Union on January 11, 2021.*

ATENOR did not apply early adoption of these new or amended standards and interpretations.

Note 3. Seasonal information

The life cycle of the real estate projects of ATENOR can be summarized in three major phases: the land purchase phase, the project development and construction phase, and the marketing and sales phase. The length and process of these phases are neither similar nor comparable from one project to another.

Follow-up and compliance with the planning of each of these projects are assured by the implementation of a regular communication system. Internal control is provided by:

- an executive committee that meets monthly for each of the projects and which is formalised by minutes.

As soon as a project reaches the construction phase, a monthly progress meeting is held with:

- the external specialists to ensure that the agreed deadlines are complied with and
- the General Contractor in charge of construction.

This communication system allows ATENOR to determine, monitor and resolve all potential operational risks well upfront.

Note 4. Other current financial assets, cash and cash equivalents

	In thousands of EUR	
	31.12.2020	31.12.2019
Short-term deposits	37.174	1.702
Bank balances	30.711	43.739
Cash at hand	2	6
Cash and cash equivalents	67.887	45.447

Read pages 2 and 9 – comments relating to the main items of the consolidated balance sheet

Note 5. Financial Liabilities

In thousands of EUR

FINANCIAL DEBTS	Current	Non-current	Total
	Up to 1 year	More than 1 year	
Movements on financial liabilities			
On 31.12.2019	175.089	364.888	539.977
Movements of the period			
- New loans	15.503	200.527	216.030
- Reimbursement of loans	-67.080	-30.053	-97.133
- Entries in the consolidation scope			
- Lease liabilities (FRS 16)	-188		-188
- Exits from the consolidation scope			
- Variations from foreign currency exchange	-384	-506	-890
- Short-term/long-term transfer	101.556	-101.556	
- Hedging of fair marketvalue			
- Others	-71	-299	-370
On 31.12.2020	224.425	433.001	657.426

See the comment on page 2 on the consolidated balance and the increase of the indebtedness.

In October 2020, ATENOR successfully issued two retail-type bond tranches at 4 and 6 years - to individual and qualified investors – of respectively € 35 M (3.25% - maturity 2024) and € 65 M (3.875% - maturity 2026). These bonds are listed on Euronext Brussels.

The other significant variations in indebtedness are as follows:

- HBC project (Romania): early repayment of the current loan (€ -18.87 M) and refinancing up to € 80 M;
- Renewal of the € 13 million loan granted to Hexaten (Nysdam project);
- Realex project: credit increase of € 15 M;
- Repayment by ATENOR of the Belfius corporate loan of € 15 M;
- Decrease in CP / MTN outstanding amounting to € 36.1 M.

Note 6. Paid Dividends

	In thousands of EUR	
	2020	2019
Dividends on ordinary shares declared and paid during the period:	12.284	11.747

Note 7. Income taxes

	In thousands of EUR	
I. Income tax expense / Income - current and deferred	2020	2019
Income tax expense / Income - current		
Current period tax expense	-7.716	-1.480
Adjustments to tax expense/income of prior periods	-503	84
Total current tax expense, net	-8.219	-1.396
Income tax expense / Income - Deferred		
Related to the current period	3.534	-1.365
Related to tax losses	-463	-2.554
Total deferred tax expense	3.071	-3.919
Total current and deferred tax expense	-5.148	-5.315

Read pages 1 & 8

Note 8. Segment reporting

In thousands of EUR	31.12.2020			31.12.2019		
	Western Europe	Central Europe	Total	Western Europe	Central Europe	Total
Operating revenue	68.922	63.067	131.989	70.670	36.537	107.207
Turnover	67.556	47.674	115.230	69.166	22.465	91.631
Property rental income	1.366	15.393	16.759	1.504	14.072	15.576
Other operating income	42.104	6.436	48.540	39.042	6.272	45.314
Gain (loss) on disposals of financial assets	19.283		19.283	37.848		37.848
Other operating income	22.825	6.436	29.261	1.182	6.272	7.454
Gain (loss) on disposals of non-financial assets	-4		-4	12		12
Operating expenses (-)	-91.280	-49.073	-140.353	-72.495	-27.131	-99.626
Raw materials and consumables used (-)	-138.167	-97.670	-235.837	-100.384	-76.988	-177.372
Changes in inventories of finished goods and work in progress	98.318	86.377	184.695	75.932	69.674	145.606
Employee expenses (-)	-2.351	-670	-3.021	-4.024	-489	-4.513
Depreciation and amortization (-)	-420	-199	-619	-341	-191	-532
Impairments (-)	-125	-121	-246	270	11	281
Other operating expenses (-)	-48.535	-36.790	-85.325	-43.948	-19.148	-63.096
RESULT FROM OPERATING ACTIVITIES - EBIT	19.746	20.430	40.176	37.217	15.678	52.895
Financial expenses (-)	-11.352	-86	-11.438	-10.020	-1.191	-11.211
Financial income	1.553	1	1.554	1.895	2	1.897
Share of profit (loss) from investments consolidated by the equity method	-1.180		-1.180	-638		-638
PROFIT (LOSS) BEFORE TAX	8.767	20.345	29.112	28.454	14.489	42.943
Income tax expense (income) (-)	-3.633	-1.515	-5.148	-4.434	-881	-5.315
PROFIT (LOSS) AFTER TAX	5.134	18.830	23.964	24.020	13.608	37.628
Post-tax profit (loss) of discontinued operations						
PROFIT (LOSS) OF THE PERIOD	5.134	18.830	23.964	24.020	13.608	37.628
Intercompany elimination	2.557	-2.557	0	2.246	-2.246	0
CONSOLIDATED RESULT	7.691	16.273	23.964	26.266	11.362	37.628
Overall profits and losses of the period attributable to third parties	-165		-165	-149		-149
Group share result	7.856	16.273	24.129	26.415	11.362	37.777

Segment information is prepared, both for internal reporting and external disclosure, on a single sector of activity, i.e. real-estate development projects (office and residential buildings, the retail activity being accessory to the first two mentioned). This activity is presented, managed and monitored on a project-by-project basis. The various project committees, the Executive Committee and the Board of Directors are responsible for monitoring the various projects and assessing their performances.

However, based on the location of the projects, two geographical segments are henceforth identifiable: on the one hand there is Western Europe, covering Belgium, the Grand Duchy of Luxembourg, the Netherlands, France, Germany and also Portugal and, on the other hand, there is Central Europe, covering Poland, Hungary and Romania.

Taken at 31 December 2020, this segmentation illustrates the distribution of the contribution to the consolidated result of the projects in both Western and Central Europe.

The ATENOR activity report provides more detailed information about the results and purchases and sales during the period reviewed.

In thousands of EUR

ASSETS

	31.12.2020			31.12.2019		
	Western Europe	Central Europe	Total	Western Europe	Central Europe	Total
<u>NON-CURRENT ASSETS</u>	126.853	515	127.368	117.935	755	118.690
Property, plant and equipment	3.009	508	3.517	2.715	691	3.406
Intangible assets	31	6	37	32	55	87
Investments consolidated by the equity method	64.180		64.180	59.676		59.676
Deferred tax assets	5.070		5.070	5.261		5.261
Other non-current financial assets	49.060	1	49.061	12.494	9	12.503
Non-current trade and other receivables	5.503		5.503	37.757		37.757
<u>CURRENT ASSETS</u>	532.704	398.370	931.074	382.225	337.060	719.285
Inventories	412.380	363.326	775.706	316.727	291.298	608.025
Other current financial assets	37.751		37.751	6.159		6.159
Current tax receivables	1.691	60	1.751	733	43	776
Current trade and other receivables	63.967	15.085	79.052	34.584	19.532	54.116
Current loans payments	15		15	15		15
Cash and cash equivalents	15.533	15.180	30.713	21.628	22.117	43.745
Other current assets	1.367	4.719	6.086	2.379	4.070	6.449
TOTAL ASSETS	659.557	398.885	1.058.442	500.160	337.815	837.975

LIABILITIES AND EQUITY

<u>TOTAL EQUITY</u>	252.506	8.706	261.212	188.840	-1.792	187.048
<u>Group shareholders' equity</u>	249.858	8.706	258.564	186.043	-1.792	184.251
Issued capital	133.621		133.621	57.631		57.631
Reserves	131.310	8.706	140.016	143.485	-1.792	141.693
Treasury shares (-)	-15.073		-15.073	-15.073		-15.073
<u>Non controlling interest</u>	2.648		2.648	2.797		2.797
<u>Non-current liabilities</u>	374.566	108.051	482.617	367.952	55.849	423.801
Non-current interest bearing borrowings	337.318	95.683	433.001	330.066	34.822	364.888
Non-current provisions	1.906	8.997	10.903	2.607	2.185	4.792
Pension obligation	902		902	701		701
Derivatives		367	367		351	351
Deferred tax liabilities	531	171	702	2.994	973	3.967
Non-current trade and other payables	33.909	50	33.959	31.584	15.450	47.034
Other non-current liabilities		2.783	2.783		2.068	2.068
<u>Current liabilities</u>	32.485	282.128	314.613	-56.632	283.758	227.126
Current interest bearing debts	221.439	2.986	224.425	165.488	9.601	175.089
Current provisions	338		338	1.352		1.352
Deferred tax liabilities	1.779	1.720	3.499	2.245	17	2.262
Current trade and other payables	35.001	39.096	74.097	28.402	11.894	40.296
Other current liabilities	8.642	3.612	12.254	4.752	3.375	8.127
Intercompany elimination / not allocated	-234.714	234.714		-258.871	258.871	
TOTAL EQUITIES AND LIABILITIES	659.557	398.885	1.058.442	500.160	337.815	837.975

Note 9. Inventories

	In thousands of EUR	
	2020	2019
Buildings intended for sale, beginning balance	608.025	459.202
Activated costs	259.301	216.204
Disposals of the year	-78.652	-66.275
IFRS 15 transition		
Exits from the consolidation scope		
Entries in the consolidation scope		
Reclassifications from/to the "Inventories"	51	559
Borrowing costs (IAS 23)	4.306	2.319
Foreign currency exchange increase (decrease)	-17.199	-4.254
Write-offs (recorded)		
Write-offs (written back)	-125	270
Movements during the year	167.682	148.823
Buildings intended for sale, ending balance	775.706	608.025
Accounting value of inventories mortgaged (limited to granted loans)	190.240	120.879

See the notes on page 2.

Note 10. Stock option plans for employees and other payments based on shares

No new stock option plan was proposed during 2020 to the members of the Executive Committee, personnel and some service providers of ATENOR.

Note 11. Related Parties

Participations	In thousands of EUR	
	2020	2019
VICTOR ESTATES	1.007	1.085
VICTOR PROPERTIES	48	55
VICTOR BARA	4.351	4.388
VICTOR SPAAK	7.783	7.846
IMMOANGE	933	958
DOSSCHE IMMO	10.104	9.973
CCN DEVELOPPEMENT	35.694	35.371
DE MOLENS	23	
TEN BRINKE MYBOND VERHEESKADE	4.309	
LAAKHAVEN VERHEESKADE II	78	
LANKELZ FONCIER	-150	
Total	64.180	59.676

Within the framework of the Victor project, the (50/50) joint-venture with BPI has led to the consolidation by the equity method of the companies Immoange, Victor Properties, Victor Estates, Victor Spaak and Victor Bara.

In 2019, ATENOR acquired 50% of the shares of the company Dossche Immo, holder of a plot and buildings in Deinze (De Molens project). As at 8 May 2020, ATENOR took a 50% share in the establishment of the De Molens company, which will develop the project of the same name.

In December 2020, ATENOR acquired 50% of the shares of the Dutch company TBMB, which holds land and building rights in The Hague (The Stage project).

ATENOR continued its establishment in the Netherlands by participating at 50% in the constitution of the company Laakhaven Verheeskade II on 16 December 2020. These two companies will develop neighboring projects in the district of Laakhaven (The Hague).

In addition, ATENOR has subscribed to the constitution of Lankelz Foncier SARL up to 50%. This company will develop the Perspectiv '(formerly Lankelz) project in Luxembourg.

No other important change occurred concerning the related parties. Updated information regarding other related parties will be noted in the annual report.

Note 12. Derivatives

ATENOR does not use derivative instruments for trading purposes.

In the context of its € 22 M of finance contracted in February 2019 via its Polish subsidiary, Haverhill Investments, ATENOR simultaneously concluded a rate hedging contract that covers 71% of the loan. The fair value of this financial instrument qualified as “cash flow hedge” (€ -0.37 M) is booked directly in equity.

See the table on page 8

Note 13. Own shares

	Ordinary shares
Movements of number of shares	
Number of shares on 31.12.2020, issued and fully paid	7.038.845
of which own shares	-
Total of issued shares profiting from 2020 dividend	7.038.845

These shares aim to serve the share options plans (2017 to 2019) allocated to ATENOR staff and some of its service providers.

Note 14. Principal risks and uncertainties

The real estate sector generally takes a certain amount of time to know the effect of an economic recovery. Even if significant public funds are being mobilized to revive the economy following the exit from the Coronavirus pandemic, the visibility of this way out of the crisis is still uncertain. The current slowdown in the real estate sector could last for several more months. We remain attentive to the possible consequences of this development, however confident in the resilience of the portfolio due to its diversification.

The Board of Directors is attentive to the analysis and management of the various risks and uncertainties which ATENOR and its subsidiaries are confronted with.

On 31 December 2020, ATENOR was not confronted with any litigation.

Note 15. Events after the closing date

- As announced in the press release published on 22 January 2021, ATENOR announced that an agreement had been reached between its subsidiary "Immobilière de la Petite Ile" and Home Invest Belgium with a view to the sale of the land of Lot 4 of City Dox with its permit. This sale will have a positive impact on ATENOR's 2021 results.
- On 28 January 2021, ATENOR announced that it had signed an agreement relating to the acquisition of a plot of land adjoining that of the Bakerstreet project (Budapest, Hungary). ATENOR plans to erect an "A +" category office building which will constitute phase II of the project and will thus allow the creation of a real campus.
- On 29 January 2021, ATENOR and the OIB signed an agreement for the acquisition of the new Conference Center proposed by ATENOR as part of the REALEX project. This new Conference Center will replace the current Borschette Center. As a reminder, following the extension of the project, a permit application was submitted in November 2018.
- On 4 February 2021, the Dutch subsidiary TBMB signed a memorandum of understanding with the institutional investor DUWO for the sale of the land rights of the East Tower of the “The Stage” project in The Hague, under the condition precedent of, in particular, the obtaining the Environment permit and the approval of transaction documents with the construction contractor in charge of the construction.
- Mid-February 2021, ATENOR informed the market that it had signed an agreement for the acquisition of several plots in District XI of Budapest (Hungary). These lands are intended for the development of the first Hungarian residential project called Lake City, which should eventually offer more than 1,300 apartments.

Following these latest transactions at the begin of 2021, ATENOR's portfolio includes 32 projects representing a development potential of approximately 1,300,000 m².

- On 4 March 2021, ATENOR issued a stock option plan (SOP 2021) for the subsidiary named Atenor Long Term Growth (ALTG).

The options issued on this subsidiary benefit the members of the Executive Committee, personnel and some ATENOR service providers.

This SOP 2021 may be exercised during the three following periods: from 8 March to 29 March 2024, from 10 March to 31 March 2025 and from 10 March to 31 March 2026.

No other important event occurring since 31 December 2020 is to be noted.

C. Statement by the Management

Stéphan SONNEVILLE SA, CEO and President of the Executive Committee and the Members of the Executive Committee, including Mr Sidney D. BENS, CFO, acting in the name of and on behalf of ATENOR SA attest that to the best of their knowledge,

- The summary financial statements at 31 December 2020 were prepared in conformity with IFRS standards and provide a true and fair view of the assets, of the financial situation and of the profits of ATENOR and of the enterprises included in the consolidation;¹
- The financial annual report contains a true reflection of the major events and of the principal transactions between related parties occurring during the financial year and of their impact on the summary financial statements as well as a description of the main risks and uncertainties.

D. External audit

The Statutory Auditor, MAZARS – Company Auditors SCRL represented by Mr Xavier DOYEN, has completed the audit work and confirmed that it does not have any reservations concerning to the accounting information included in this press release and that it corresponds with the financial statements as approved by the Board of Directors.

¹ Affiliated companies of ATENOR in the sense of article 11 of the Company Code