

P R E S S   R E L E A S E

# Trading update

First quarter  
2023

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sustainable growth



ACKERMANS & VAN HAAREN

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# Trading update first quarter 2023

Ackermans & van Haaren confirms result outlook for the full year 2023.

## Outlook 2023

Ackermans & van Haaren started 2023 with an encouraging capital gain (19 million euros) on the sale of Telemond. This transaction further strengthened AvH's financial position in February to more than 550 million euros. These substantial resources are intended to be invested further in the existing portfolio and in new participations. AvH looks for new investment opportunities in a proactive yet disciplined manner.

The outlook for the year has not changed relative to the communication at the end of February.

The board of directors remains confident that the participations of Ackermans & van Haaren are well positioned to realise a solid result in 2023 as well. Barring unforeseen circumstances, this result is expected to be in line with the results for 2022, after correction for realised capital gains.

## Treasury shares

AvH owned 305,100 treasury shares as of March 31, 2023 to hedge stock option plan obligations.

As part of the share buyback programme (announced in October 2022 for up to 70.0 million euros), 125,864 shares were acquired for a total sum of 17.9 million euros since the start of the programme until March 31, 2023. The board of directors decided to extend the duration of this buyback programme until year-end 2023.

In pursuance of the liquidity agreement with Kepler Cheuvreux, 26,596 treasury shares were purchased and 24,400 were sold in Q1 2023, resulting in a position of 5,702 treasury shares at the end of March 2023.

On balance, the total number of treasury shares was 436,666 at the end of March 2023 (391,239 at year-end 2022).

## Cash position

At the end of March 2023, AvH had a net cash position of 516.9 million euros, compared to 498.7 million euros at the end of 2022. Besides cash and short-term deposits, this cash position consists of short-term investments amounting to 42.4 million euros and treasury shares.

In the first quarter, AvH invested approximately 30 million euros, including acquisitions of Nextensa (0.97%) and SIPEF (0.26%) shares.

AvH is proud to have been selected as one of the 20 companies in the new BEL ESG Index, which was launched by Euronext on February 15. This sustainability index monitors the 20 companies listed in Brussels with the best ESG practices (Environmental, Social & Governance). This selection acknowledges AvH for the way in which it develops its ESG policy and takes related initiatives.

# Marine Engineering & Contracting

## DEME

At DEME (AvH 62.12%), the order backlog reached a record level of 7.1 billion euros at the end of the first quarter of 2023, compared to 6.2 billion euros at year-end 2022 and 5.8 billion euros at the end of March 2022. Both Offshore Energy and Dredging & Infra added major contracts to their order backlog.

The turnover increased by 9% to 672.2 million euros (Q1 2022: 616.7 million euros). The strong start in the Offshore Energy and Environmental segments was partly offset by a lower turnover at Dredging & Infra.

### DEME: Turnover by segment

(€ million)	1Q23	1Q22	1Q21
Offshore Energy	278.8	190.5	145.6
Dredging & Infra	341.8	393.3	317.3
Environmental	65.2	37.2	30.7
Concessions	1.6	0.4	0.2
Eliminations	-15.3	-4.7	-14.2
<b>Total</b>	<b>672.2</b>	<b>616.7</b>	<b>479.6</b>

The turnover of **Offshore Energy** increased by 46% to 278.8 million euros thanks to the solid execution of projects.

During the first quarter, DEME Offshore installed monopile foundations for Vesterhav in the Danish North Sea and jackets and topsides off the Dutch coast; it was also involved in the cable-laying works for the Dogger Bank wind farm (UK), and continued with the pre-piling works for the Zhong Neng project (Taiwan). In the area of non-renewables, work continued on the Hinkley Point project (UK).

Offshore Energy won the transport and installation contract for the foundations and the offshore substation for the offshore wind farm of the Yeu and Noirmoutier islands (France). It also signed the contract for the transport and installation of inter-array cables for the Empire Wind 1 and 2 offshore wind farm. This is the fourth contract in the US.

Offshore Energy continued preparations for its projects in the US. The cable-laying vessel 'Living Stone' has set off for the US and the final preparations have been completed for the installation vessel 'Orion' that will be deployed on the South Fork and Vineyard projects off the east coast of the US in the second quarter.

The 'Viking Neptun', a second large cable installation vessel, joined the fleet and started its first operations in the course of the quarter. In

Taiwan, final preparations are under way for the 'Green Jade' (owned by CDWE, a joint venture between DEME and CSBC). The offshore installation vessel is expected to start operations in the summer of 2023.

The turnover of **Dredging & Infra** decreased to 341.8 million euros due to a lower level of activity as compared to a strong first quarter in 2022.

The segment was engaged on maintenance contracts in Europe, including in Belgium and Germany, Asia, Africa and South America. There were also new terminal works in Gdansk (Poland), Stade (Germany) and Colombo (Sri Lanka), port expansion works in Italy, and capital dredging in Mexico and in the Middle East. With regards to the large infrastructure projects in Europe, the group worked on the first phase of the Fehmarnbelt Fixed Link project (Denmark), the start-up of Port-la-Nouvelle (France), the Blankenburg project and the New Terneuzen Lock (the Netherlands), and the Oosterweel link (Belgium).

In the first quarter, DEME, as part of a consortium, won a project for the design and construction of the Princess Elisabeth island, the world's first artificial energy island. This island, which will be situated 45 km off the Belgian coast, will be a crucial link in the European energy grid in the North Sea. There are also major opportunities in the pipeline in Europe, the Middle East and Africa.

**Environmental** reported the strongest-ever quarter with a 75% turnover increase to 65.2 million euros. The growth was driven by the deployment of soil remediation and water treatment projects in France (Condé-Pommeroeul), Belgium (Blue Gate and Cokerie du Brabant), the Netherlands (GoWa), the United Kingdom and Norway.

**Concessions** remains involved in operational wind farms that generate recurring income, is working on the 2 GW concession project in Scotland, and is preparing for upcoming tenders. In the area of dredging and infrastructure, DEME Concessions continues to be engaged on the Blankenburg tunnel (The Netherlands), Port-la-Nouvelle (France) and the port of Duqm (Oman).

The long-term initiative to develop green hydrogen remains on track with the signature of a term sheet for the Hyport Duqm project. DEME's subsidiary Global Sea Mineral Resources (GSR) announced a strategic cooperation with Transocean Ltd. in which Transocean made a non-controlling investment in GSR consisting of the contribution of an ultra-deepwater drilling vessel and cash.

DEME reiterates its outlook for 2023, with a higher turnover being expected than in 2022 and an EBITDA margin comparable to 2022. The investments should amount to approximately 500 million euros in 2023.



DEME | Viking Neptun



DEME | Innovation

## CFE

CFE (AvH 62.12%) reported an 11.1% turnover increase to 303.2 million euros (Q1 2022: 272.8 million euros). The order book remained solid at 1,552.1 million euros, albeit lower than the very high level at year-end 2022 (1,715.1 million euros). The net financial debt increased to 89.6 million euros (end 2022: 48.9 million euros).

In **Real Estate Development**, the total real estate portfolio amounted to 215 million euros, compared to 203 million euros at year-end 2022. This increase is attributable to Poland where the number of projects in the commercial phase is increasing. No major transactions took place in the first quarter of 2023.

The commercialisation of projects that were started before the summer of 2022 is progressing in a highly satisfactory manner. However, the pace is slower for projects where construction work has just begun or that are in the pre-commercial phase. This trend confirms the difficult market conditions as a result of rising interest rates and construction costs.

In the **Multitechnics** segment, VMA realised a 15% turnover increase to 53.8 million euros, thanks to the start of the ZIN project and a substantial increase of maintenance activities. The turnover of MOBIX, on the other hand, decreased due to the reduction of projects for rail track laying and the installation of catenaries. The Luwa project (public lighting of the Walloon infrastructure network) has entered the final phase.

The order book amounted to 344.7 million euros, a 6.6% decrease compared to year-end 2022. VMA won several major orders from car manufacturers, primarily in Germany.

**Construction & Renovation** reported a 16% turnover increase to 214.8 million euros. Activity was particularly strong in Brussels and Wallonia, while in Flanders several major projects are in the start-up phase.

The order book amounted to 1,142.0 million euros at the end of March 2023 (2022: 1,264.1 million). The crisis on the residential and office market is weighing on the number of orders. Nevertheless, CFE is able to partly mitigate the impact by developing its activities for the manufacturing and logistics industry. MBG, for example, has won a major contract for INEOS in the port of Antwerp.

## CFE: Turnover by segment

(€ million)	1Q23	1Q22
Real Estate Development	36.5	15.1
Multitechnics	75.6	73.7
Construction & Renovation	214.8	184.8
Investments & Holding (incl. eliminations)	-23.7	-0.8
<b>Total</b>	<b>303.2</b>	<b>272.8</b>

In **Investments & Holding**, CFE has a 50% stake in Green Offshore and in Rent-A-Port.

In a difficult macroeconomic context, more specifically for the residential and office market, CFE expects for 2023 a return on equity close to its long-term goal of 15%.

## Rent-A-Port

In April, RG International Limited acquired a 10% stake in Rent-A-Port's subsidiary Infra Asia Investment (IAI) through a capital increase. RG International is controlled by Mr Horst Geicke, a German investor based in Hong Kong. Horst Geicke has built an extensive business network over the last decades with successful ventures in Asia and in Vietnam, in particular. Rent-A-Port and RG International Limited will join forces in further developing the potential of Deep C as a leading industrial park developer in one of the most dynamic regions of Vietnam.

The proceeds of the capital increase will be used to finance strategic projects of IAI in Asia and/or to lower the group's financing ratio. The participation in IAI of Rent-A-Port, which did not take part in the capital increase of 23.8 million USD, has decreased from 94% to 84%. AvH's participation in Rent-A-Port remained unchanged at 50%. Including the indirect participation through CFE, the transitive shareholding percentage stands at 81.06%.

# Private Banking

At Delen Private Bank (AvH 78.75%) and Bank Van Breda (AvH 78.75%), the total client assets increased to 60.5 billion euros at March 31, 2023, compared to 57.7 billion euros at December 31, 2022.

At Delen Private Bank, the assets under management on a consolidated basis (Delen Private Bank and JM Finn) amounted to 50.4 billion euros at the end of March 2023, compared to 48.0 billion euros at the end of December 2022. The share of assets managed under discretionary mandates at Delen Private Bank remained stable at 89%.

This increase of the assets under management is due to a combination of positive market effects and a positive net inflow. The portfolios managed by Delen Private Bank performed relatively well, with the patrimonial funds recording a weighted average return of 4.8% over the first quarter. The increase of assets managed under discretionary mandates is, as usual, roughly equally divided between assets brought in by new clients and additional assets from existing clients.

Following the approval obtained from the Nederlandsche Bank, the assets of the clients of Groenstate are to be included in the assets under management starting from the second quarter.

At Bank Van Breda, the total client assets increased to 21.8 billion euros at the end of March 2023, compared to 20.6 billion euros at year-end 2022. These client assets consist of increasing positions of 14.7 billion euros off-balance sheet products and 7.1 billion euros client deposits. At the end of March 2023, the loan portfolio amounted to 6.2 billion euros. The increase in deposits amply exceeds the increase in lending, which further sustains the already strong liquidity position.

## Delen Private Bank and Bank Van Breda combined (100%)

(€ million)	1Q23	2022	2021
<b>Total client assets</b>			
<b>Delen Private Bank (AuM)</b>	<b>50,384</b>	48,010	54,346
<i>of which discretionary</i>	<b>89%</b>	89%	85%
Delen Private Bank	<b>38,491</b>	36,419	40,340
<i>Delen Private Bank Netherlands<sup>(1)</sup></i>	<b>1,092</b>	1,022	1,154
JM Finn	<b>11,892</b>	11,591	14,006
<b>Bank Van Breda</b>			
Off-balance sheet products	<b>14,731</b>	14,095	14,720
Client deposits	<b>7,058</b>	6,553	6,368
AuM at Delen <sup>(1)</sup>	<b>-11,664</b>	-10,943	-11,502
<b>Delen and Van Breda combined (100%)</b>	<b>60,509</b>	57,715	63,932
<b>Gross inflow AuM</b>	<b>1,116</b>	4,557	5,598

<sup>(1)</sup> Already included in AuM Delen Private Bank

# Real Estate

## Nextensa

Nextensa (AvH 59,50%) reported a net result of 9.8 million euros in the first quarter of 2023 (Q1 2022: 21.8 million euros).

The fair value of the real estate portfolio remained stable at 1.3 billion euros. The operating result of the real estate portfolio amounted to 14.5 million euros (Q1 2022: 18.6 million euros). The decrease relative to the same period last year can be explained by the gain on the sale of the Monnet building in the first quarter of 2022 (5.3 million euros).

The rental income increased in the first quarter of 2023 by 0.4 million euros to 17.5 million euros compared to Q1 2022, despite the sale of several buildings in 2022. The rental income increased like-for-like by 10% (1.7 million euros). In Belgium in particular there was a significant increase in the rental income, primarily thanks to the resumption of events on the Tour & Taxis site. The rent indexation in Belgium, Luxembourg and Austria had a positive effect as well.

The operating result of the development projects increased from 4.5 million euros in Q1 2022 to 5.6 million euros in the first quarter of 2023.

On the Tour & Taxis site in Brussels, part of the margin on the second phase of Park Lane was recognised for the first time. Construction work has progressed well, and sales also continue to run smoothly with more than half of the 346 apartments sold or reserved.

## Nextensa

(€ million)	1Q23	1Q22
Rental income	17.5	17.2
Result developments	5.6	4.5
Net result	9.8	21.8

(€ million)	1Q23	2022	2021
Equity	849.2	838.8	780.0
Real estate portfolio	1,293.0	1,278.7	1,407.9
Rental yield	5.38%	5.30%	5.20%
Net financial position	-750.5	-721.5	-853.3
Debt ratio	43.28%	42.56%	48.56%

At the end of the first quarter, Nextensa submitted the permit for the development of the Lake Side project, the final phase of the urban transformation on Tour & Taxis. The new district (140,000 m<sup>2</sup>) will be entirely free of fossil fuels, with a minimal ecological footprint through a well-founded choice of building materials.

On the Cloche d'Or development project in Luxembourg, construction work and sales are going ahead steadily. In the office segment, the signing of a lease on the entire White House building (7,000 m<sup>2</sup>) means that the expected margin on this sub-project is now also gradually being recognised. With the further leasing of the Emerald building (from 43% to 70%), part of the margin can be recognised here as well. In the residential segment, the sub-project Îlot D-Nord was virtually entirely delivered in the course of Q1 2023. Of the 194 apartments, 12 are still for sale. At the same time, construction work continues on the sub-project Îlot D5-D10, of which 56 apartments of a total of 185 are now sold or reserved. However, there is a noticeable slowdown in sales of apartments on the site, and in Luxembourg in general, despite the fact that the demand remains high. This is due to a tightening of lending conditions, higher interest rates and uncertainties surrounding tax guidelines.

The rising interest rates are to a large extent mitigated by the hedging strategy and by the further implementation of the strategy to reduce the debt position through targeted sales. On March 31, 2023, the financial debt ratio stood at 43.3%. The remeasurement results of the financial assets and liabilities were limited to 0.4 million euros (compared to 12.5 million euros in Q1 2022), since the positive remeasurement of the participation in Retail Estates was to a large extent offset by an impairment loss on the derivatives portfolio.

At the beginning of the second quarter, the Treesquare building situated on Square de Meeûs in the European district of Brussels was sold to the German KGAL Investment Management for 43.7 million euros. This represents a capital gain of 2 million euros and a yield of 4.23%. This gain will be recognised in the second quarter of 2023.

During Q1 2023, AvH increased its participation in Nextensa from 58.53% to 59.50%.

# Energy & Resources

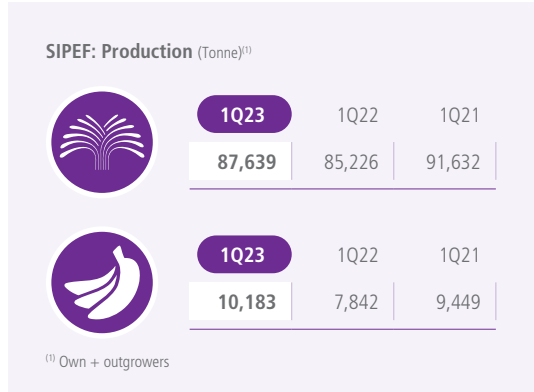
## SIPEF

At SIPEF (AvH 37.07%), the total group production of RSPO compliant, ‘segregated’ sustainable palm oil increased in the first quarter of 2023 by 2.8% to 87,639 tonnes, compared to 85,226 tonnes in Q1 2022. The excellent production in Papua New Guinea made up for the decreasing volumes in Indonesia. The production figures for FFB (fresh fruit bunches) were still in line with the crop volume at the end of the first quarter of 2022, and the average oil extraction rate was only 0.1% lower.

The palm oil market showed a stable pricing pattern throughout the first quarter at prices above 1,000 USD per tonne CIF Rotterdam, but lower than last year. The average world market price for crude palm oil (CPO) decreased from 1,564 USD in Q1 2022 to 1,017 USD in Q1 2023 per tonne CIF Rotterdam.

In the first quarter of 2023, SIPEF focused mainly on the investment programmes in South Sumatra, such as the further expansion of the planted areas and the infrastructure in Musi Rawas and the replanting and infrastructure improvements in Dendymarker. Despite the extensive investment plan, the net financial position remained positive at the end of March 2023.

In March 2023, all the group’s banana production sites, including the new Akoudié and Lumen sites, were once again certified as 100% ‘Rainforest Alliance’ and received the ‘Rainforest Alliance Transition Certificate’. SIPEF’s banana production has been fully ‘Rainforest Alliance’ certified since 2016.



SIPEF confirms looking forward to satisfactory recurring results for 2023 with 39% of expected palm oil production sold and the prospect of continued favourable market prices in the remainder of the year, without however matching the record level of 2022.

During Q1 2023, AvH increased its participation from 36.81% to 37.07%.

SIPEF I Bukit Maradja Plantation - North Sumatra



SIPEF I Palm fruits



# AvH & Growth Capital

At the beginning of February 2023, after a successful collaboration of more than 30 years, AvH sold its 50% participation in **Telemond** to the German family Maas, its long-term partner. This is yet another example of AvH's strategy of supporting family businesses as a long-term partner. Telemond has evolved from a small supplier to the automotive industry to a world leader in the production of telescopic cranes for the lifting industry. This sale earned AvH a cash revenue of 55 million euros and a capital gain of 19 million euros.

**MRM Health** (AvH 15.9%) reached an important milestone early January with the completion of the recruitment of patients with colitis ulcerosa in the phase IIa trial with MH002, a drug candidate for inflammatory bowel diseases. The company also assured its financing by attracting SFPIM, the Belgian Sovereign Wealth Fund, as a new investor, in combination with additional funding from existing investors. This enables MRM Health to continue its development programme and build its clinical and preclinical pipeline.

## Events after balance sheet date

Mid-April, AvH, through Anfima NV, its wholly-owned subsidiary, entered into a cooperation agreement with Ashish Dandekar and funds advised by Convergent Finance LLP to become co-promoters of **Camlin Fine Sciences Limited** ('CFS'), a Mumbai stock market listed company for specialty chemicals with headquarters in Mumbai, India. CFS serves customers globally, including in markets such as Europe, Asia-Pacific and North and Latin America. Some of the company's key products include vanillin (the taste and aroma behind the 'vanilla' flavor), shelf life solutions (antioxidants used in food preservation) and performance chemicals (specialty chemicals sold for specific industrial applications). The open offer will be made on 26% of the shares of CFS at a share price of 160 INR, for a total amount of 79 million euros. AvH is committing up to 53 million euros. The offer is expected to close in the third quarter of 2023. Following the open offer, AvH's shareholding will be function of the number of shares tendered.

**Biotalys** (AvH 11.9%) and Syngenta entered into a strategic partnership in April to research, develop and commercialise new biocontrol solutions to manage insect pests. This new partnership allows Biotalys to accelerate the development and global commercialisation of innovative crop protection solutions and consolidate its leadership in biocontrol innovation.



# Ackermans & van Haaren

## Marine Engineering & Contracting

DEME 62%
CFE 62%
Rent-A-Port 81%
Green Offshore 81%

## Private Banking

Delen Private Bank 79%
Bank Van Breda 79%

## Real Estate

Nextensa 59%
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## Energy & Resources

SIPEF 37%
Verdant Bioscience 42%
Sagar Cements 20%

## AvH & Growth Capital

Agidens<sup>(1)</sup>  
85%

AXE Investments  
48%

Bioelectric  
56%

EMG  
23%

Mediahuis  
14%

OMP  
20%

Turbo's Hoet Groep  
50%

Van Moer Logistics  
22%

## Fair value investments<sup>(3)</sup>

### Life Sciences

Astrivax 6%
Biotallys 12%
Indigo Diabetes 12%
MRM Health 16%
OncoDNA 10%

### India & South-East Asia

Convergent Finance 3%
HealthQuad I Fund 36%
HealthQuad II Fund 11%
Medikabazaar <sup>(2)</sup> 11%
Venturi Partners Fund I 11%

<sup>(1)</sup> Incl. participation via AXE Investments

<sup>(2)</sup> Incl. participations via HealthQuad Fund I + II

<sup>(3)</sup> Fully diluted

31/03/2023



## Ackermans & van Haaren

Ackermans & van Haaren positions itself as the long-term partner of choice of family businesses and management teams to help build high-performing market leaders and contribute to a more sustainable world.

Ackermans & van Haaren is a diversified group operating in 4 core sectors: Marine Engineering & Contracting (DEME, one of the largest dredging companies in the world - CFE, a construction group with headquarters in Belgium), Private Banking (Delen Private Bank, one of the largest independent private asset managers in Belgium, and asset

manager JM Finn in the UK - Bank Van Breda, niche bank for entrepreneurs and the liberal professions in Belgium), Real Estate (Nextensa, a listed integrated real estate group) and Energy & Resources (SIPEF, an agroindustrial group in tropical agriculture). In its Growth Capital segment, AvH also provides growth capital to sustainable companies in different sectors.

At an economic level, the AvH group represented in 2022 a turnover of 5.7 billion euros and employed 21,453 people through its share in the participations. AvH is listed on Euronext Brussels and is included in the BEL20 index, in the BEL ESG index and in the European DJ Stoxx 600.

### Website

All press releases issued by AvH and its most important group companies as well as the 'Investor Presentation' can also be consulted on the AvH website: [www.avh.be](http://www.avh.be). Anyone who is interested to receive the press releases via email has to register to this website.

### Calendrier financier

- May 22, 2023 ..... Ordinary general meeting
- August 31, 2023 ..... Half year results 2023
- November 23, 2023 ..... Interim statement Q3 2023

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