ANNUAL REPORT 2021

Life, Science.

iba

NOTE

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Life.
Science.

IBA
Word leader

We are a world leader in particle accelerator technology. We design, produce and market innovative solutions for the diagnosis and treatment of cancer and other serious illnesses, and for industrial applications such as the sterilization of medical devices.

Around the world, thousands of hospitals use particle accelerators and dosimetry equipment designed, produced, maintained and upgraded by IBA, in our mission to protect, enhance and save lives.

Our life-driven mission and the open relationships we have built with our customers and partners over time, together with our innovative mindset and our willingness to always strive for technological and scientific progress, make IBA a unique scientific company. We are characterized by a deep human connection that is illustrated by: Life, Science.

Through our four core activities: Industrial Solutions, RadioPharma Solutions, Proton Therapy and Dosimetry, we offer health care professionals the solutions that allow them to take a fully integrated approach to their patient care.

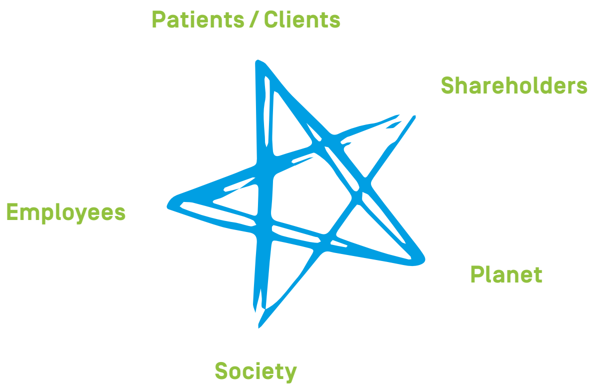
How do we work?

At IBA, we believe in a business model that creates shared and long term value for all our stakeholders.

In constant search for the right balance, we are increasing our market share and the return for our shareholders, improving the quality of life of our customers, patients and employees, and contributing to the well-being of our society, while also maintaining and restoring our planet´s health.

And we have integrated this stakeholder approach into our company bylaws.

We believe in business as a force for good.



Why do we do it?

TO PROTECT, ENHANCE AND SAVE LIVES
For over thirty years, IBA has placed the purpose of the company and its project at the heart of its activities, as expressed in our mission to ''Protect, Enhance and Save Lives''.

All our activities are targeted towards the same objective of making a positive impact on people´s health by providing health care professionals with the most effective and accurate solutions for diagnosis and treatment, as well as safe solutions for sterilization. This goal is implemented in different ways that benefit each of the different stakeholders involved.

A FLEXIBLE AND RESILIENT BUSINESS MODEL
In today´s global and increasingly volatile economy, we have demonstrated flexibility, adaptability and resilience.

These are fundamental to the continued success of our business activities.

Consistent with emerging technologies, such as proton therapy, the pace of growth can vary from year to year. We were able to offset this variability over the past year by delivering an improved performance in all business units, where each saw strong order intake.

We continue to focus on quality and innovation and, thanks to excellent sales in our businesses (Proton Therapy, Dosimetry, Industrial Solutions and RadioPharma Solutions), we are managing an increasingly larger installed base and are, as a result, focusing more on service and upgrades.

Our customers and their patients:
we develop the most effective technology for our customers so they can provide the best available diagnosis and treatment for their patients.

Our employees:
we offer them quality jobs in a stimulating, friendly environment guided by ethical values.

Our society:
we promote a sustainable entrepreneurial business model that serves society while respecting the limits of our planet.

Our planet:
we continually work to reduce the environmental impact of our products and operations.

Our shareholders:
we show that we are worthy of their trust by being a sound financial investment and acting in accordance with our values.

OUR VALUES

CARE

We care about the well-being of our clients and patients, our employees, our society, our planet and our shareholders.

DARE

Creativity, innovation and passion are mandatory for a company that continually stretches the frontiers of technology. Day after day, we dare to create better results.

SHARE

We share our ideas and expertise with our stakeholders to create better results.

BE FAIR

We implement our mission to protect, enhance and save lives through ethical standards and transparency to remain worthy of our stakeholders´ trust.

IBA IN 2021
at a glance

100.000+
patients treated
on IBA PT equipment

600+
accelerators sold

5
continents

4
business
activities

11%
of turnover
invested in R&D

40
countries

1.618
employees

62
PT centers
sold

59
proton therapy
service contracts

3.9
EUR Million
Net Profit

SCORE B-
awarded score B-
in the CDP project

60
nationalities

41%
proton therapy
market share

IBA is a leader in particle beam technology. Our purpose, which inspires and motivates our staff, is clear: to protect, improve and save more lives, every day, while creating value for all our stakeholders.

Olivier Legrain
Chief Executive Officer

MESSAGE
from Olivier Legrain

In a year where the challenges of the pandemic persisted for the world, I am extremely proud of what IBA has been able to achieve. Our firm commitment to a stakeholder approach and to meeting our ambitious environmental, social and governance (ESG) goals was also recognized with the B-Corp certification we obtained in 2021. However, this certification is not an end in itself. It is only the starting point of a new approach which was already present in our culture but which will now take on a whole new dimension.

Unfortunately, looking at the geopolitical situation in Europe, all of our colleagues and I are deeply saddened by the dramatic developments in Ukraine. We stand by all the people who are affected by this tragedy. IBA´s nature and values promotes peace among all human beings, no matter their citizenship, their race, their skin color, their faith or their sexual orientation.

In terms of business, we demonstrated considerable resilience across the group with profitability across all of our four activities: Industrial Solutions, RadioPharma Solutions, Proton Therapy, and Dosimetry.

This performance has been achieved by capitalizing on our market leading offerings, which resulted in a high order intake across the board. The resurgence in activity that we have seen in proton therapy has been particularly notable in the US and Asia and the momentum is providing significant visibility for the years ahead, further bolstered by the increasing, predictable revenue stream from Services.

IBA´s strong performance across all business lines has continued to accelerate into 2022. Our pipeline is extremely active, particularly in the US and Asia, and coupled with our growing predictable revenue stream, is providing us with significant visibility for the coming period. Looking ahead, we see the potential for order intake to further accelerate, especially in the Proton Therapy and Sterilization businesses, which would drive growth of our top and bottom line.

We have entered 2022 with an all-time high cash position. This provides us with stability and optionality through which to strengthen the business with a focus on recurring revenues, whilst also strategically investing in emerging growth areas such as FLASH therapy and theranostics, as well as seeking value-enhancing business development opportunities. Moreover, as we move towards long-term sustainable profitability, our stakeholder approach remains front and centre of all our business activities. In line with this approach, the Board of Directors will recommend to the Annual General Meeting the payment of a gross dividend matching the annual bonus paid out to employees as part of the Company´s initiative to share the value created with all of its stakeholders.

Olivier Legrain
Chief Executive Officer

PATIENT CARE
what makes our heart beat

By providing innovative and high-quality solutions, IBA aims to support patients throughout their journey. As such, our mission to protect, enhance and save lives takes them from diagnosis with radiopharmaceuticals to treatment by particle beam therapy, and includes sterilization of medical equipment for safer operations and quality control of equipment.

01

Sterilization

Industrial Solutions mainly focuses on developing solutions for applications such as medical device sterilization. Its products enable the medical industry to be significantly more environment-friendly by avoiding toxic chemicals and radioactive materials, and their associated pollutants and hazards.

02

Diagnosis

RadioPharma Solutions develops products that are used for producing isotopes and radiopharmaceuticals, vital for use in cancer diagnosis, as well as in the cardiology and neurology fields. We assist hospitals and radiopharmaceutical product distribution centers by helping them design, build and operate their radiopharmacy units.

03

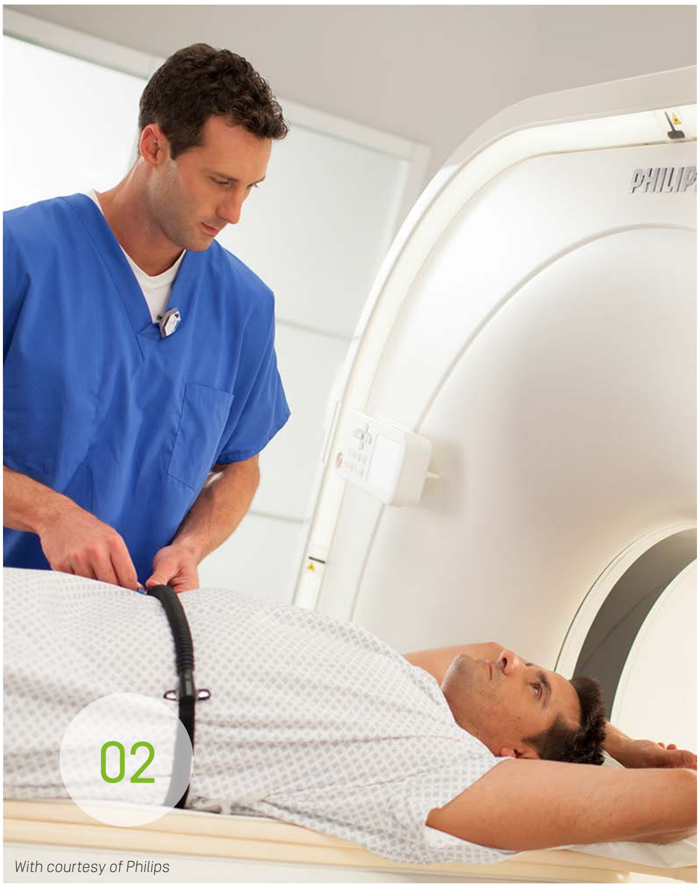
Treatment

IBA is the worldwide technology leader in the field of proton therapy. Proton Therapy is considered the most advanced form of radiotherapy in cancer treatments using ionizing rays. Thanks to the unique properties of protons, tumors can be targeted more accurately. In effect, protons deposit the majority of their energy in a controlled zone, limiting exposure of the surrounding healthy tissues to potentially harmful radiation.

04

Dosimetry

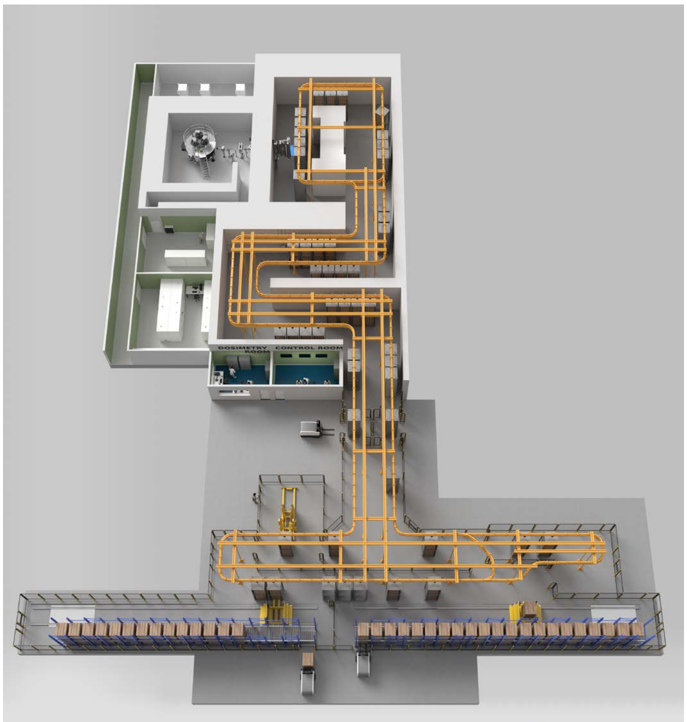
The Dosimetry business offers hospitals a comprehensive range of Quality Assurance tools and software, for example, for the calibration and control of their radiotherapy and radiology equipment. This technology is crucial to ensure that the prescribed dose is delivered within a precisely defined area of the patient´s body. Precision and control are vital to patient safety and proper dose administration.



With courtesy of Philips

Proteus®ONE

1 | INDUSTRIAL SOLUTIONS



Protect, enhance and save lives by contributing to more sustainable irradiation solutions for **MEDICAL DEVICE STERILIZATION**

IBA Industrial is the world leader in electron-based irradiation solutions for industrial applications. E-beam and X-ray irradiation can be used in a wide range of applications, like food irradiation or polymer cross-linking. However, IBA Industrial is more than ever focused on the market of medical devices sterilization. Today, this market is at a very favorable turning point, mainly due to an increasing scrutiny and scarcity of the two dominant technologies: Gamma and ethylene oxide.

After a slower 2020 due to COVID, which caused logistical issues and a decrease in volumes of regular health care and surgery, the volumes of devices to be sterilized is now rebounding fast, and adding to new products needed for the research and production of vaccines, such as bio-reactors. These events led to an increased pressure on the sterilization market in terms of lead-time and costs at the end of 2021. This tense situation is foreseen to continue until 2025.

To capture this growing market, IBA Industrial has developed a new portfolio of services and of end-to-end solutions powered by the iconic Rhodotron®. These solutions allow in-house customers or contract sterilizers to sterilize medical devices either by e-beam in boxes or X-ray in pallets, or both, and offer a readily available and green alternative to gases such as ethylene oxide, and nuclear materials such as Cobalt-60.

Solution powered by iconic Rhodotron® 1 machine - Many possibilities

MAKING OUR SOLUTIONS MORE ECO-RESPONSIBLE: A MISSION THAT DRIVES US EVERY DAY

We already know that compared to other chemical technologies, our electrically powered accelerator is the most environmentally friendly option. And yet, we are constantly pushing our ambition further.

We are now deploying more resources and investigating further to ensure that the entire solution proposed is part of a more eco-responsible approach.

Coupled with the latest technologies in terms of green energy production, increased efficiency of the irradiation process, recirculation the lost calories, numerical modelling, digitalization, and product handling developed for the logistics industry, irradiation can be optimized to reduce the total ecological footprint of the sterilization industry compared to other established technologies.

A NEW EXPERIENCE, A JOURNEY WE MAKE TOGETHER, A RELATIONSHIP WE BUILD FOR LIFE: BEYOND™

Initially focused on the development of performant electron accelerators, IBA Industrial is now focusing on developing a wide range of services and products to serve the irradiation industry. Along with the iconic Rhodotron®, prospects and customers are now accompanied from their first idea to the operation of an efficient, profitable and sustainable irradiation facility. This customer experience is named BEYOND™.

In the BEYOND™ experience, customers can now rely on digital tools to model and optimize their product design, their future process, and model their center´s performance from day 1. As an example, IBA and TRAD, a French company specialized in radiation modelling, are collaborating to bring numerical simulation to a wide range of medical device manufacturers and service centers. Such tools can potentially save months of product testing and tons of CO_2 during production. Customers can also test their products while being trained at our partner site Aerial in Strasbourg, France, which is equipped with a Rhodotron® and all irradiation modalities. In addition, all prospects and customers are welcome to experience and be trained on irradiation in our new academy and user experience center, the INDUX, based in Louvain-la-Neuve, Belgium.

BEYOND™, 4 END-TO-END SOLUTIONS THAT REFLECT CUSTOMERS´ AMBITION

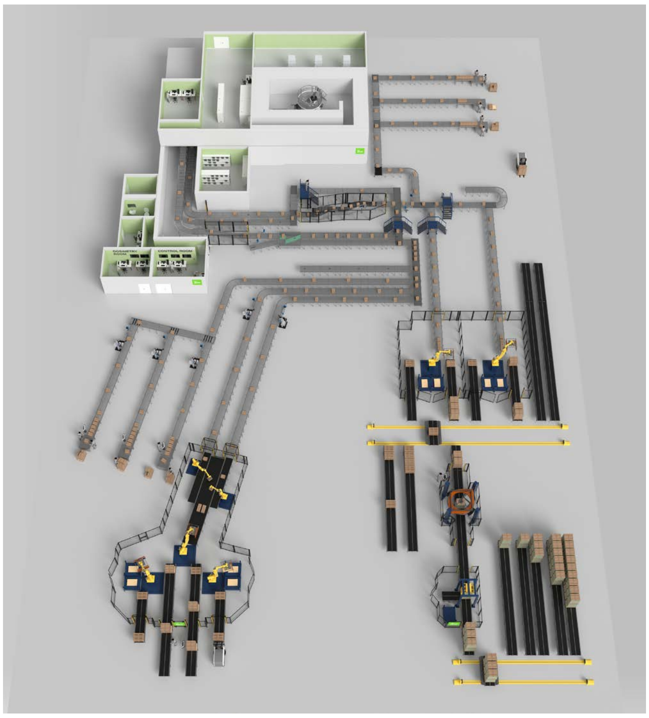
Solutions powered by iconic RHODOTRON®.

BE EFFICIENT
The solution that takes advantage of the Rhodotron® power and high-end conveying solutions to treat large volumes with the highest efficiency.

BE SOFT
The ideal solution to process fragile and high-value products that require being handled with care.

BE-WIDE
The unique solution to irradiate pallets with X-rays with the guarantee of reaching an optimal Dose Uniformity Ratio.

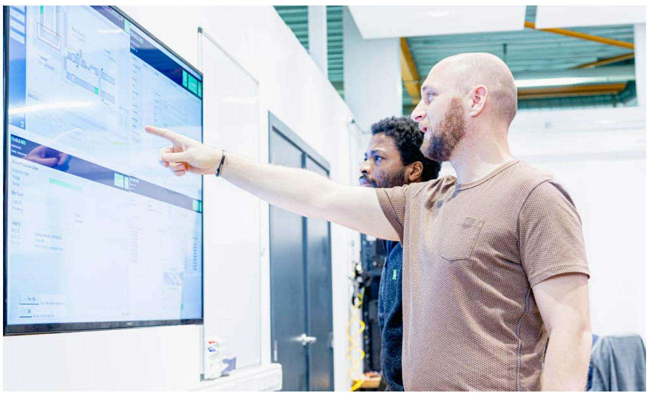
BE-FLEX
The solution for multi-purpose centers that provides the advantage of having a unique Rhodotron® to produce either E-beam or X-rays, with different energies in one or several treatment rooms.



Watch the video: Rigging of the Rhodotron® high-energy.

INDUX CENTER - PRACTICE MAKES PERFECT

This center of excellence is a key element in the continuous support we provide to our customers. At any stage of the journey, the center welcomes trainees to offer them an immersive experience in a real industry environment. We believe that customers benefit from being comfortable with their equipment and that this contributes to their center´s uptime.



X-RAY IRRADIATION IS RECOGNIZED AS THE SAFEST TECHNOLOGY TO HANDLE THE GROWTH OF THE MEDICAL DEVICE INDUSTRY

The medical devices industry has a wide range of products that enable patient diagnosis and treatment. Within this large multi-segment industry, Disposal Medical Devices (DMD) include all single-use devices e.g. surgical gloves, dialysis tubes, diabetes patches, orthopedic implants, syringes, etc.

In addition to these products and volumes, which grow organically with the population, the COVID crisis has accelerated the growth of new industries related to cell therapies, as well as vaccine research and production: the so-called bio-processing business. With the reopening of regular care, these volumes are adding to requirements for significant sterilization capacities from 2022. Interestingly, the bio-processor volumes are foreseen to keep growing despite the diminution of the pressure of COVID.

Today, Disposal Medical Devices and Bio-Processor sterilization has a year-on-year growth of 7 to 10% and relies for ~85% of its volume on two modalities: ethylene oxide (EtO) (~50%) and Gamma (~35%). Gamma is under supply pressure due to the closure of several nuclear reactors all around the world, resulting in a significant shortage and a strong increase in lead times and prices. Ethylene oxide adversely affected by toxicity issues and several site closures due to the detection of residues.

These issues have led to a bottleneck in the sterilization market, and have resulted in significant pressure on the supply chain of medical manufacturers. Electron beam and X-ray irradiation offer competitive alternatives to EtO and Gamma irradiation. Both techniques are electricity based and do not present major regulation issues.

THE RISE OF X-RAY

Since the 90s, IBA is the pioneer of X-ray irradiation and until 2020 only one reference site in Switzerland was operational in the world. Due to the events mentioned above, X-ray technology is now seeing a faster acceptance and utilization in all regions of the world. A second industrial site was commissioned in the Netherlands in 2021, and more than 10 new sites will be available to customers from 2022-2023. X-ray is recognized by major sterilizers and manufacturers as the safest technology to handle the volume growth, both for businesses and for patients.

Thanks to its ambitious R&D program, which was started in 2010, the Rhodotron® based X-ray solutions are recognized as the most performant and sustainable product for X-ray sterilization by all actors in the field. An IBA X-ray facility can treat up to 100.000 pallets and run 24/7 with a limited number of operators and only a few days of servicing per year. Thanks to strong digitalization and sustainability programs, this performance will continue to advance and lead the market in the coming years.

Rhodotron®

AN EVEN FASTER GROWTH IN AMERICA AND ASIA

Until recently, reference sites for X-ray and electron beam industrial sterilization were mostly concentrated in central Europe. Today, IBA Industrial sees a strong deployment of the technology in all regions of the world, with remarkable activity in the United States, Southeast Asia, and China. IBA Industrial is currently deploying a stronger regionalization plan in those areas where it is already present, including adding resources for installations and services, hubs for parts logistics, and 3rd party suppliers. Very soon, customers around the world will enjoy the same BEYOND™ experience and journey wherever they are located, and will be able to interact with experts of their language and culture.

In 2012, we purchased an IBA accelerator for our production center based in Wuxi, Jiangsu Province, China. By using this high-tech sterilization equipment, the whole team of Wuxi Nest has been working relentlessly to sterilize millions of Covid PCR tests. Through our own efforts, and thanks to the stability and reliability of the Rhodotron®, we are proud to say we have contributed to the fight against this pandemic.

Wuxi Nest

2 | RADIOPHARMA SOLUTIONS

Cyclone®KIUBE

Protect, enhance and save lives by contributing to

MORE ACCURATE DIAGNOSIS

Based on longstanding expertise, IBA RadioPharma Solutions supports hospitals and radiopharmaceutical distribution centers in two ways: with their in-house radioisotope production; and by providing global solutions, from project design to the operation of their facility.

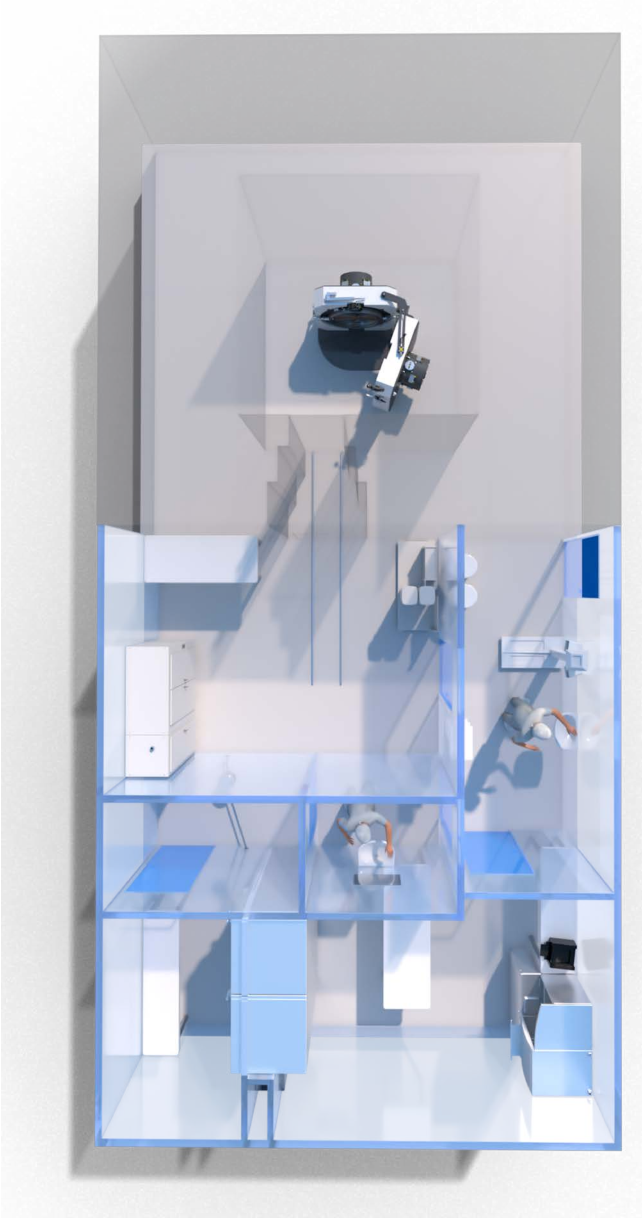
In addition to high-quality technology production equipment (cyclotron solutions, targetry systems, synthesizers, control systems...), IBA has developed in-depth experience in setting up cGMP radiopharmaceutical production centers.

EARLY DETECTION SUBSTANTIALLY INCREASES THE CHANCES OF SURVIVAL

3 million undiagnosed cases of childhood cancer.

A modeling study published in The Lancet Oncology[1] projected cancer incidence for 200 countries worldwide and suggested that the number of undiagnosed cases of childhood cancer could account for more than half of the total in Africa, south-central Asia and the islands of the Pacific. In North America and Europe, by contrast, only 3% of cases are undiagnosed. If there is no improvement, the authors of the study estimated that more than 3 million new cases of childhood cancer would be missed between 2015 and 2030.

1. Zachary J Ward, MPH, Jennifer M Yeh, PhD, Nickhill Bhakta, MD, A Lindsay Frazier, MD, Prof Rifat Atun, FRCP, Estimating the total incidence of global childhood cancer: a simulation-based analysis. 26 February 2019. https://www.thelancet.com/journals/ lanonc/article/PIIS1470-2045(18)30909-4/fulltext



IntegraLab®

IMPROVED DIAGNOSIS ACCESS

World Health Organization[1] (WHO) figures from 2021 indicate that 10 million people die from cancer each year, and yet patients´ lives and chances of survival are significantly improved if the cancer is detected early. In fact, a cancer diagnosed at an earlier stage is more likely to be treated successfully, resulting in a higher likelihood of survival, reduction of morbidity and lower cost of care. Cancer Research UK[2] confirmed that the average cancer survival rate for the 8 most common cancers amongst patients with stage 1 cancer is 90%. However, the survival rate plummets to just 5% when the patient is diagnosed as having stage 4 cancer.

In light of these findings, and in keeping with our mission to protect, enhance and save lives, our RadioPharma Solutions division is committed to making cancer diagnosis more accessible around the world by working on several levels:

1. By reducing the size of the radiopharmacy where the radiopharmaceutical tracers for cancer diagnosis are produced. The IntegraLab®ONE solution is the most compact radiopharmacy solution on the market, facilitating installation and reducing the building cost.

2. By increasing the cyclotron production capacity for the production of isotopes in the radioactive tracers, IBA´s Cyclone®KIUBE cyclotron offers the highest production capacity enabling increased diagnostic capabilities.

3. By offering adjustable production solutions, the Cyclone®KIUBE produces the widest range of radioisotopes, enabling it to produce fluorodeoxyglucose (FDG, the most commonly used radiopharmaceutical for cancer diagnosis), Gallium-68 for the diagnosis of neuroendocrine tumors, and Copper-64 for a more accurate diagnosis of prostate cancer.

Watch the video: IBA Cyclone®KEY - F-18 access granted!

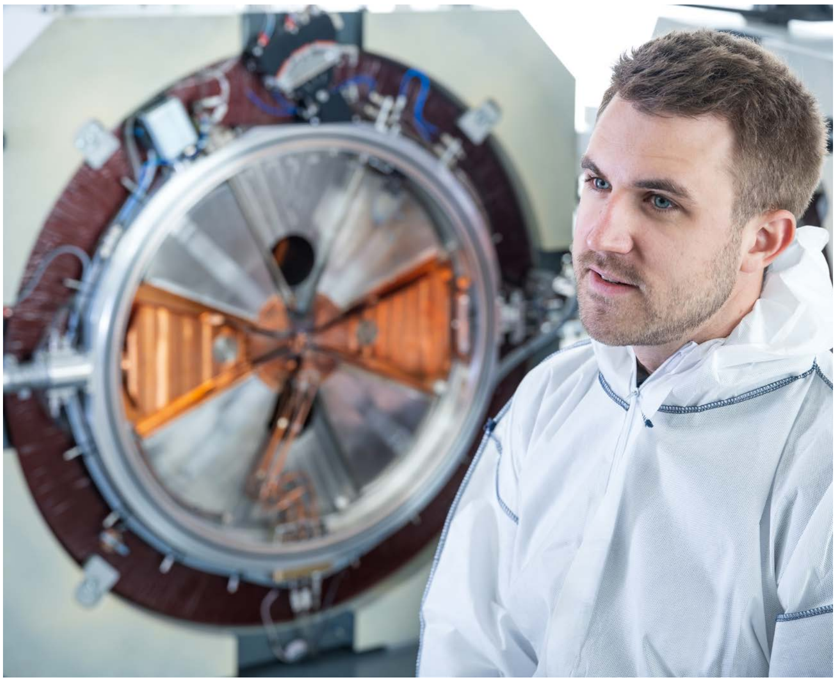
Cyclone®KEY

Cyclone®KEY is giving the opportunity to anyone, anywhere in the word to get access to PET cyclotron technology and PET imaging. It´s also very interesting for inhouse production because the local hospital will not depend on the big suppliers of radiopharmaceuticals.

Muhammed Sarfaraz Mirza
Business Line Manager, Attieh Medico – Saudi Arabia

1. https://gco.iarc.fr/today/data/factsheets/cancers/39-All-cancers-fact-sheet.pdf
2. https://www.cancerresearchuk.org/about-cancer/cancer-symptoms/why-is-early-diagnosis-important

The launch of the new Cyclone®KEY in January 2022 enables small and medium sized hospitals to produce their own radiopharmaceutical products in-house, whilst providing more widespread global access to diagnostic solutions in oncology, neurology and cardiology. Even though Positron Emission Tomography (PET) imaging is well established for cancer diagnosis in many countries, there are still regions in the world with limited access to this diagnostic technology. To address these needs, IBA is making PET imaging more accessible through this new low-energy technology, comprising proton acceleration up to 9.2 megaelectron volts (MeV). The Cyclone®KEY is therefore more compact, user-friendly, cost-effective and easier to fit into existing hospital systems.



Cyclone®KEY

Cardiology Diagnostic

A PREFERRED MODALITY FOR CARDIAC IMAGING

In cardiology, a Positron Emission Tomography (PET) scan of the heart is a non-invasive nuclear imaging test using radioactive tracers. It is used to diagnose coronary artery disease and damage following a heart attack. PET scans are also used to define the best therapy treatment.

Major technological breakthroughs were achieved in the diagnosis of coronary heart disease through PET. IBA's 70MeV cyclotron enables the production of Rubidium-82, while the Cyclone®KIUBE produces 13N-Ammonia — both are used for non-invasive myocardial perfusion tests.

Cardiac PET imaging can be very useful for the management of many patients with suspected or known heart disease. Cardiac PET imaging is increasingly used as new centers are established and clinical guidelines incorporate cardiac PET imaging into the management algorithms.

Terrence D. Ruddy
MD, FRCPC, FACC, FAHA, FCCS Professor of Medicine and Radiology, University of Ottawa, Director of Nuclear Cardiology, University of Ottawa Heart Institute

A COMBINATION OF DIAGNOSIS AND THERAPY: THERANOSTICS

The past two decades have brought a sea change in the way many types of cancer are treated. Targeted therapies shut down specific proteins in cancer cells that help them grow, divide, and spread.

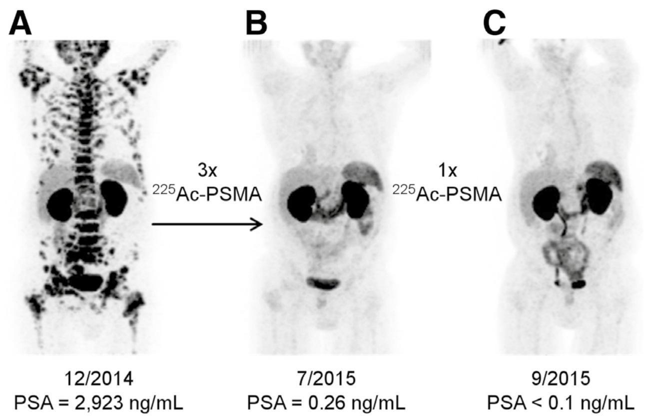
Researchers are developing a new class of drugs called theranostics, which deliver radiation therapy directly and specifically to cancer cells. Recent years have seen an explosion of research and clinical trials testing new radiopharmaceuticals.

Depending on the type of radioactive compound used, the resulting energy can penetrate the cell bound to the radiopharmaceutical as well as about 10 to 30 cells surrounding that cell. This increases the number of cancer cells that can be killed with a single radiopharmaceutical molecule.

Oncidium foundation

IBA SUPPORTS THE ONCIDIUM FOUNDATION

The Oncidium foundation focuses on raising awareness about radiotheranostics as an alternative to current cancer therapy and providing support to accelerate global access. Priorities include promoting awareness among patients and physicians, investing in research and scholarships, supporting and financing the development of new radiopharmaceuticals for therapy, as well as supporting clinical best practice and improving access to patients.



This theranostic principle has acquired greater importance in personalized medicine in recent years, particularly in oncology, where advanced tumors can potentially be treated effectively with low side effects.

Because the PSMA PET scan has proven to be more effective in locating these tumors, it should become the new standard of care for men who have prostate cancer, for initial staging or localization of recurrence.

Jeremie Calais
Director, Clinical Research Program of the UCLA Nuclear Medicine and Theranostics Division

Cyclone®IKON

NEW THERANOSTIC RADIOPHARMACEUTICALS PRODUCTION SOLUTIONS

In June 2021, IBA introduced its new high energy and high-capacity cyclotron, the Cyclone®IKON, which offers the largest energy spectrum for PET and SPECT isotopes from 13 MeV to 30 MeV.

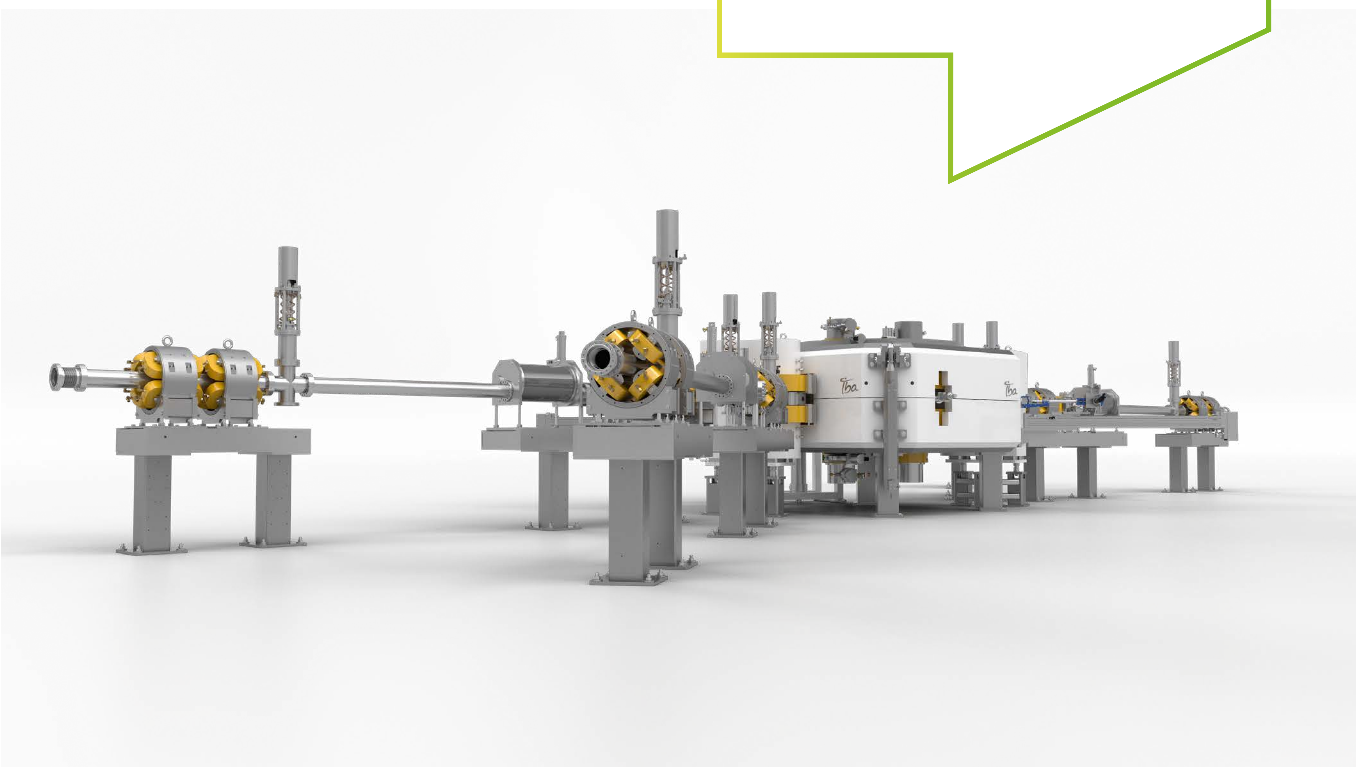
Currently, there are still a large number of patients for whom cancer treatment fails, despite major scientific advances. Nuclear medicine is emerging as a relevant modality to address this gap by extending overall survival and quality of life for cancer patients. Theranostics and targeted therapies allow the administration of radiation directly to the targeted cells, with minimal toxic side effects to surrounding healthy cells, unlike traditional modalities. The growing number of clinical trials (200+) and ongoing increase of new radiotherapeutic molecule developments support the great potential of radioligand therapy.

Watch the video:
IBA new Cyclone®IKON.

To enable this revolution, we must enhance the availability of novel isotopes and boost their production capacity. The cyclotron must play its part as a reliable and sustainable production source of isotopes for the radiopharmaceutical industry. This is particularly the case for Germanium-68 (used for Germanium-68/Gallium-68 generators), Iodine-123 and other radioisotopes such as Copper-64, for which the demand has been consistently expanding year after year.

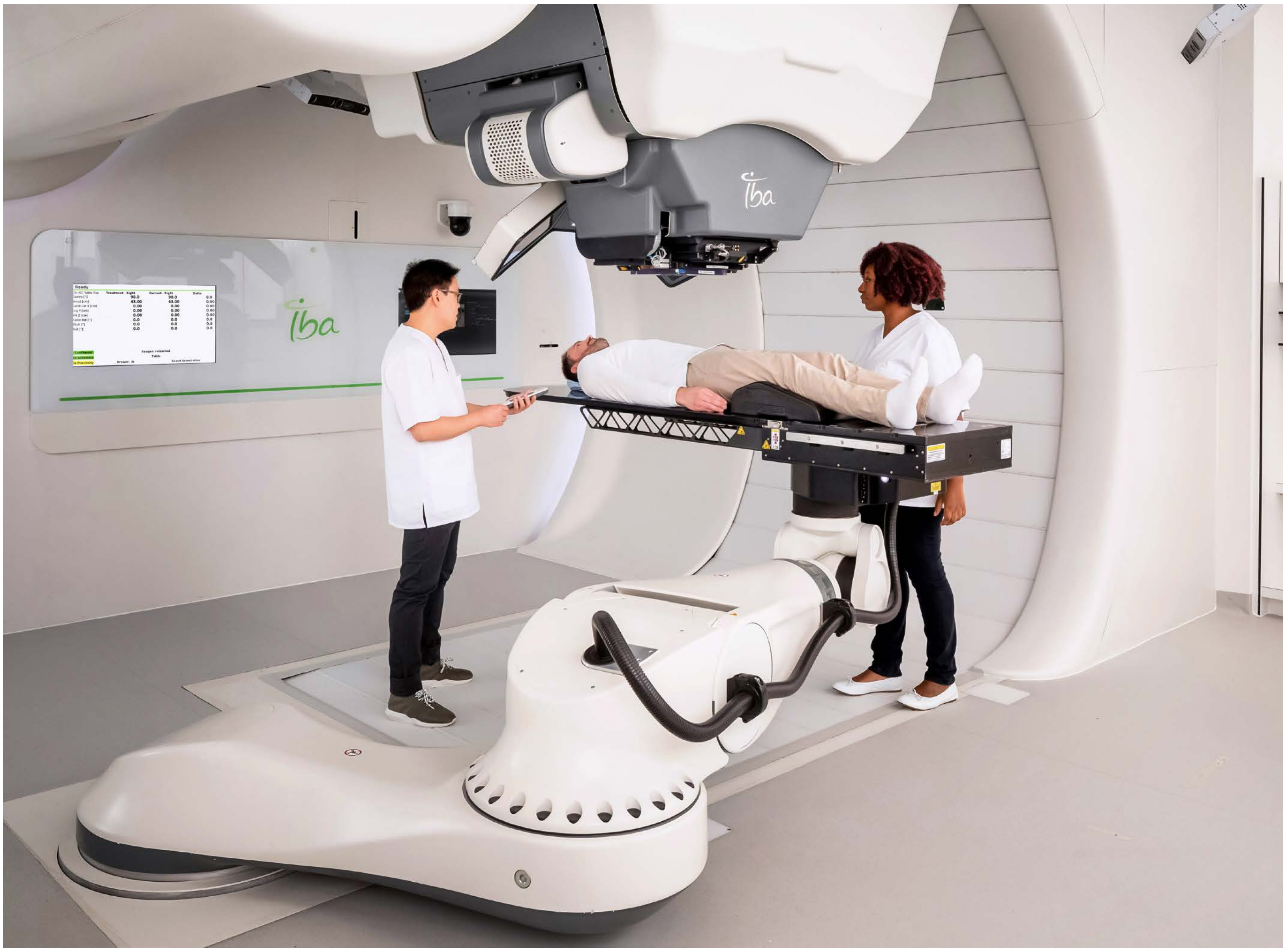
IBA has been a trusted partner of Curium for a long time. We selected IBA for its globally recognized expertise and due to the outstanding capabilities and reliability of the Cyclotron.

Renaud Dehareng,
CEO of Curium Pharma



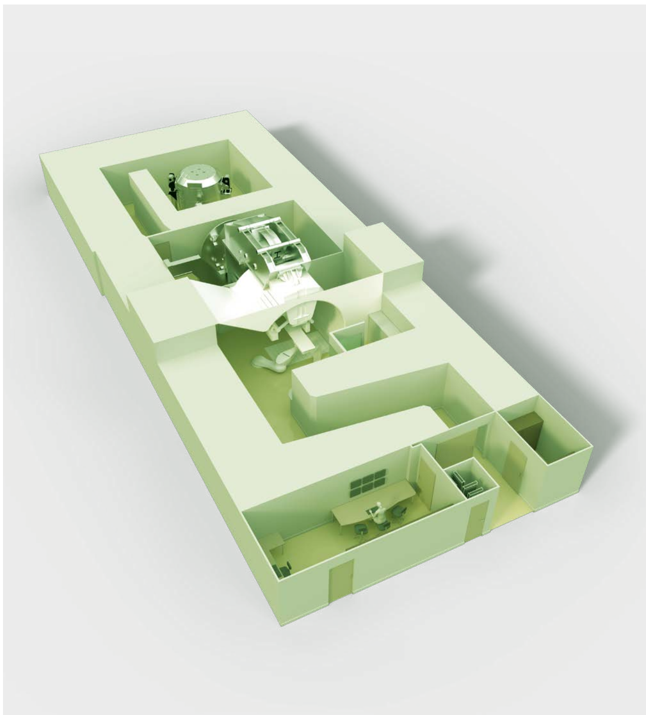
Cyclone®IKON

3 | PROTON THERAPY



Proteus®ONE

Proteus®PLUS



Proteus®ONE

Protect, enhance and save lives by contributing to

MORE TARGETED TREATMENT

Proton therapy is considered the most advanced currently available therapy and a valuable treatment modality for thousands of women, men and children who are diagnosed with cancer.

Proton therapy aims to destroy cancer cells by delivering proton beams to a target tumor. Protons release the maximum energy within the tumor target area while limiting the radiation to the surrounding healthy tissues. This is not the case for photon radiotherapy, the most common type of radiation currently used in cancer therapy.

Moreover, proton therapy has the potential to enable dose escalation to the targeted tumor, without increasing the risk of side effects or long-term complications. As a consequence, this may improve the outcome of the treatment and enhance patient's quality of life[1].

Watch the story of Juliann.

Hi, my name is Juliann and I am 9 years old. A year ago, I was diagnosed with the recurrence of a rare tumor of the spinal cord in my lower back, which could not be operated on due to the high risk of neurological consequences.
My doctor then suggested treating me with proton therapy, as it would better preserve the good tissue around the tumors, which radiotherapy would not have done. I did 30 sessions during 6 weeks in Leuven. At my last session, the 30th, I rang a bell. The proton therapy made my tumors shrink and I have been walking better ever since. From the bottom of my heart, I thank this huge machine and the whole team that took such good care of me.

Juliann,
9 year old patient

250.000 patients

250,000 patients treated with PT worldwide at the end of 20202 (including 65,000 treated by non-branded systems)

One of the initiatives we have recently been supporting is called "ProtectTrial". ProtectTrial is a large-scale, multi-institutional, randomized controlled clinical trial in conjunction with 19 industry and academic partners. The consortium conducts trials in esophageal cancer with the aim of improving access to proton therapy for patients, whilst validating a model-based approach for the use of proton therapy treatment in cancer more broadly. The research project comprises 12 proton therapy centers across eight countries and is coordinated by Professor Cai Grau from Aarhus University in Denmark. IBA offers its expertise within proton therapy solutions, with six of its centers involved in the trial. A total of approximately 400 patients are expected to be included in the randomized trial with study completion planned for 2027.

It is hoped that the trial will produce high-quality data, which will contribute towards the creation of European guidelines on the use of proton therapy for esophageal cancer.

More information: *https://protecttrial.eu/*

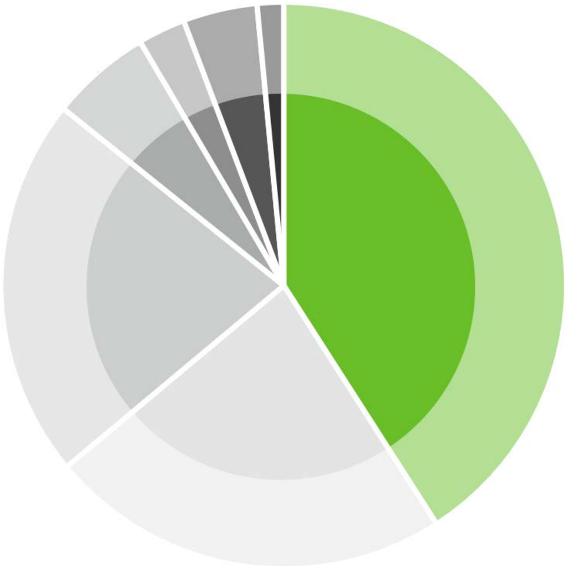
1. Makbule Tambas et al, Radiotherapy and Oncology https://doi.org/10.1016/j.radonc.2020.07.056
2. Source: PTCOG

IBA is the world leader in proton therapy

IBA is the world leader in proton therapy with IBA customers having treated more than half of all the proton therapy patients treated on commercial systems.

The company has been a leader in proton therapy development for the last 30 years and has built the largest user community worldwide. IBA offers maximum uptime rates and can install a system in less than 12 months.

MARKET SHARE IN ROOMS [END 2021]



IBA PROTON THERAPY CENTERS AT END 2021 - LARGEST NETWORK & EXPERIENCE

IBA continued to strengthen our market leadership in 2021. Of the four new U.S. proton therapy centers added, three were IBA customers. One of these new customers is New Mexico Cancer, one of the first free-standing cancer centers expanding into proton therapy.

Another proton therapy key market is China. At the end of 2021, seven proton therapy centers chose IBA to supply their proton therapy facility. Besides the direct sales in the country, IBA made a strategic licensing agreement with China General Nuclear Power Group to promote proton therapy and collaborated on sales activities in the country. This partnership showed positive first results in 2021.

The delivery of the Proteus®ONE will allow New Mexico Cancer Center to provide access to the people of New Mexico to the most advanced solution in fighting cancer integrated into other modalities of care, at an affordable cost and with the convenience of staying close to home.

Barbara McAneny,
Chief Executive Officer of New Mexico Cancer Center

32 Proteus®PLUS Centers

30 Proteus®ONE Centers

Discover the New Mexico Cancer Center on our YouTube channel by scanning the QR code.

Proteus®ONE and Proteus®PLUS are brand names of Proteus 235.

Campus your proton therapy community

Campus, the most knowledgeable proton therapy community

WHAT IS CAMPUS?

At IBA, we have been fully committed to Proton Therapy for more than 30 years. We have come a long way to get where we are today: at the top of the proton therapy market.

Yet, IBA could never have achieved this on our own. Everything we have accomplished is the result of the strong relationships we have built with our unique community. Because turning our world into one that is cancer-free requires a great deal of collaboration, knowledge sharing and joint research.

Campus aims to bring this collaboration to the next level. It´s a place where experts, academia, researchers and entrepreneurs from all over the world have the opportunity to share knowledge with each other, and find the information they need at every stage of their proton therapy journey.

Campus is a tangible community, which meets and interacts in real life. The Campus platform is also a single repository centralizing a large amount of accumulated knowledge and expertise.

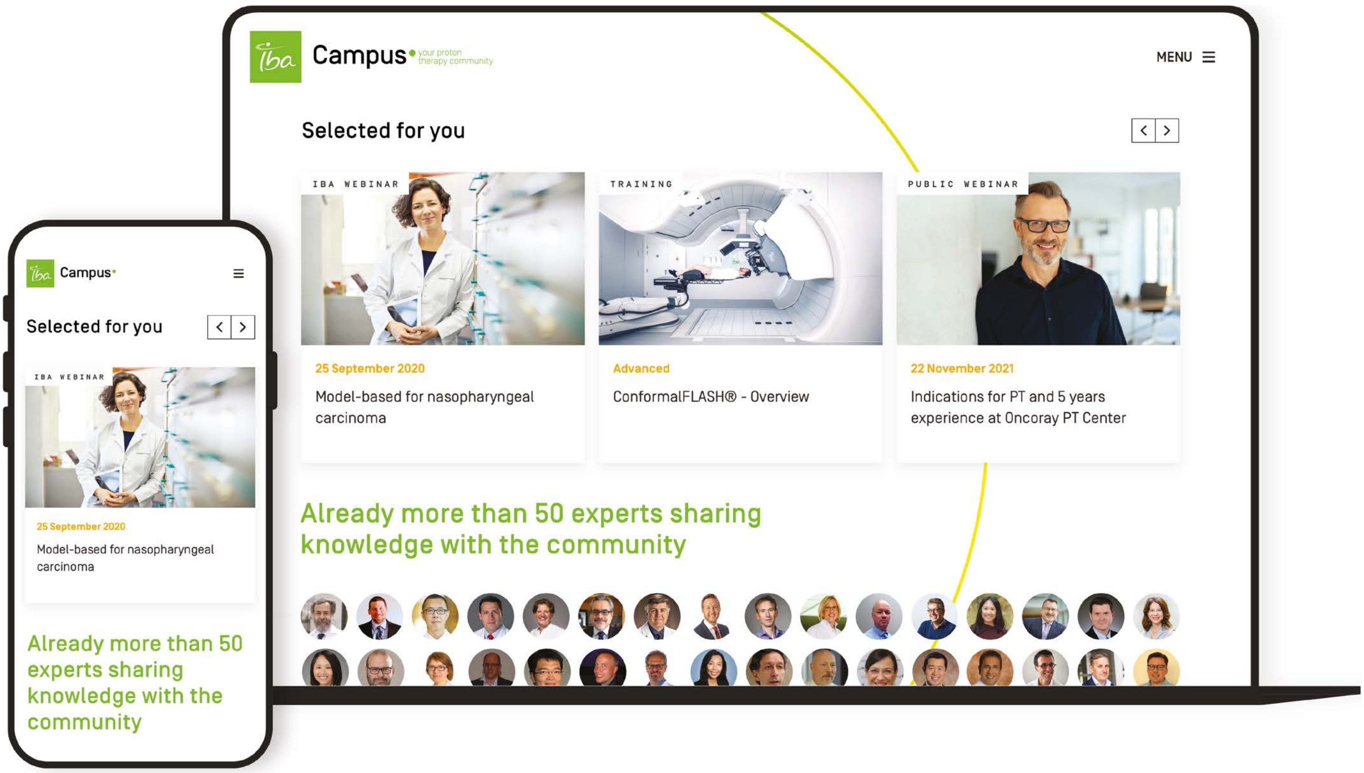
The campus community is built on 3 pillars:

- **Learn** to Expand your skills
- **Share** by Collaborating with your peers
- **Excel** to Maximize your center´s performance

CAMPUS COMMUNITY

Whether you are a newcomer willing to accelerate your learning curve, an experienced user looking to develop new expertise, or the most eminent expert keen on sharing your knowledge or expanding your research, **Campus is your network** to reach and remain at the leading edge of proton therapy and provide the best care to your patients.

Join the CAMPUS community now:
campus-iba.com



Proteus: connecting Life & Science

UNRIVALLED EXPERTISE

IBA has demonstrated its technological leadership in the development of tools, techniques and product features in proton therapy. Understanding the challenges of clinical treatment, IBA designed the system and features to optimize the overall treatment quality of each specific proton therapy case. With IBA technology, users will have the flexibility to customize treatment plans and maximize the clinical benefits of proton therapy.

DESIGNED BY USERS, FOR USERS

Proteus® has been inspired by everyday clinical practice. Through day-to-day interactions with the community, IBA is perfectly positioned to understand, and invest in, users´ needs. These investments are directly translated into benefits for patients. The Proteus® design enhances the patient experience by fostering a soothing environment while making the medical staff´s daily practice safe and easier.

Our team is constantly striving to provide the latest and most innovative tools and resources, and we hope through this research to learn more about how this technology may help provide treatment more quickly and effectively.

James M. Metz, MD, Henry K. Pancoast Professor of Radiation Oncology and Chair of the Department of Radiation Oncology at the Perelman School of Medicine at the University of Pennsylvania.

CONFORMALFLASH®[1]:

FLASH is a key research area that may dramatically improve the clinical relevance of proton therapy for patients around the world[2-3]. IBA is uniquely positioned to drive the development of FLASH irradiation, the next major innovation expected in radiation therapy.

IBA is investing heavily in developing a novel technique using the Bragg peak called ConformalFLASH®. IBA´s strategy to take FLASH today from research to a clinical version of ConformalFLASH® will take into consideration the radiobiology, clinical safety, and future streamlined workflow for FLASH.

ConformalFLASH® means:

- It combines the benefit of FLASH with the benefit of the proton Bragg peak.
- Dose delivery in 1-2 beams, no need for multi-field delivery, dose-splitting and potentially losing the FLASH effect.
- Improved conformality due to reduced entrance and exit dose.
- 3-4x more patients in ConformalFLASH than shoot-through FLASH, through more eligible indications like abdominal cancers[4].
- Improved safety due to no danger of Bragg peak ending inside the patient and reduction of in-room shielding requirements.

As the industry leader, IBA is collaborating with several leading proton therapy centers in their pioneering research work to better understand the mechanisms of FLASH irradiation. In 2021, IBA and the University of Pennsylvania partnered to advance research of ConformalFLASH® therapy. It is a multi-year research agreement to develop, test and validate ConformalFLASH® at the Roberts Proton Therapy Center.

Proteus® PLUS

1. ConformalFLAsH® is a registered brand of IBA's Proton FLASH irradiation solution currently under research and development phase.
2. Diffenderfer E. et Al. ; The Current State of Pre-Clinical Proton FLASH Radiation and Future Directions; Medical Physics; 2021
3. Bourhis J. et Al. ; Clinical translation of FLASH radiotherapy, Why and how?, Radiotherapy and Oncology; 2019
4. Source : Internal IBA Models

DYNAMICARC[1]

IBA is developing a novel proton therapy delivery technique called DynamicARC®. This technique allows dynamic spot-scanning irradiation and energy switching while the gantry is rotating. It offers the advantages of Pencil Beam Scanning (PBS), the advanced characteristic of the Bragg peak with no exit dose, and the conformal delivery.

Proton arc therapy has the possibility to further improve the quality of treatment. This technological evolution will offer patients numerous advantages:

- Potentially enhanced dose conformity at the tumor level and a potential reduction of the total dose received by the patient[2].
- Simplified treatment planning and delivery without performing multiple field adjustments.
- Less time in the treatment room and a maximized patient throughput thanks to an optimized workflow[3].

Today, the IBA Proteus® system is the only PT system meeting all the needs in terms of beam characteristics for DynamicARC®: fast energy-layer switching time, intrinsic small beam, fast scanning, and the ability to modulate dose rate within a layer.

MOTION MANAGEMENT

Motion management tools are needed to ensure accurate treatment delivery by managing the challenges caused by tumor motion. With motion management, a proton therapy clinic will be able to treat more patients with more confidence.

Due to the proximity to critical structures and surrounding healthy tissues, managing tumor motion with radiation therapy is critical. Breath hold, gating, or other motion-mitigation techniques or intrafractional tracking may be necessary when delivering proton therapy.

It is estimated that around 20% of patients who are indicated for radiation treatment can benefit from proton therapy[4]. In 25% of these eligible patients, tumor motion can occur during treatment delivery. This is the reason why IBA is dedicated to offering an integrated solution for motion management that meets the medical needs.

SUPPORT & SERVICES

With the largest proton therapy installed base, IBA has built a strong and reliable service team to guarantee the availability of its proton therapy technology and consistently achieve system uptime. IBA provides support teams, parts, and processes to provide full system operation and maintenance services while guaranteeing the highest performance standards on our state-of-the-art technology.

At IBA, we know that in order to start, maintain and grow a proton therapy center, cancer centers need an experienced partner who is there for them every step of the way. Our services provide the necessary expertise, confidence, training and support to make sure your proton therapy center is successful from the very beginning.

Proteus®ONE

Watch the video: Shaping the future of proton therapy.

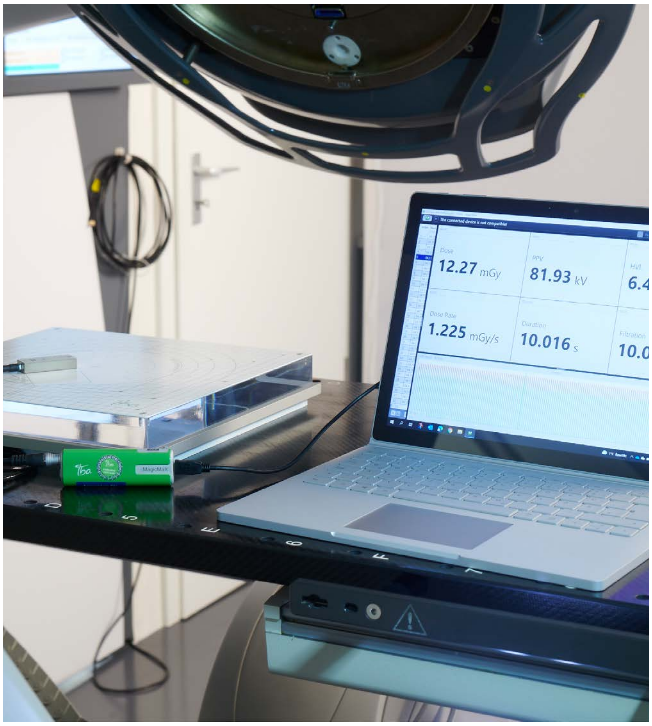
A real partnership every step of the way. We are not only a provider, we are a partner.

Marc Van Den Burght,
Chief Operation Officer

1. DynamicARC® is a registered brand of IBA's Proton ARC irradiation solution currently under development phase.
2. Ding et al, International Journal of Radiation Oncology Biology Physics 2016 (http://dx.doi.org/10.1016/j.ijrobp.2016.08.049)
3. Data on file
4. Extrapolation with Globocan worldwide cancer incidence applied to the Dutch Model.

4 | DOSIMETRY

myQA®SRS



MagicMax

Protect, enhance and save lives by enabling
INDEPENDENT QUALITY ASSURANCE

Our priority is to ensure that patients receive a safe, accurate and reliable diagnosis and treatment.

In medical imaging and radiotherapy, radiation must be used with great caution and precision.

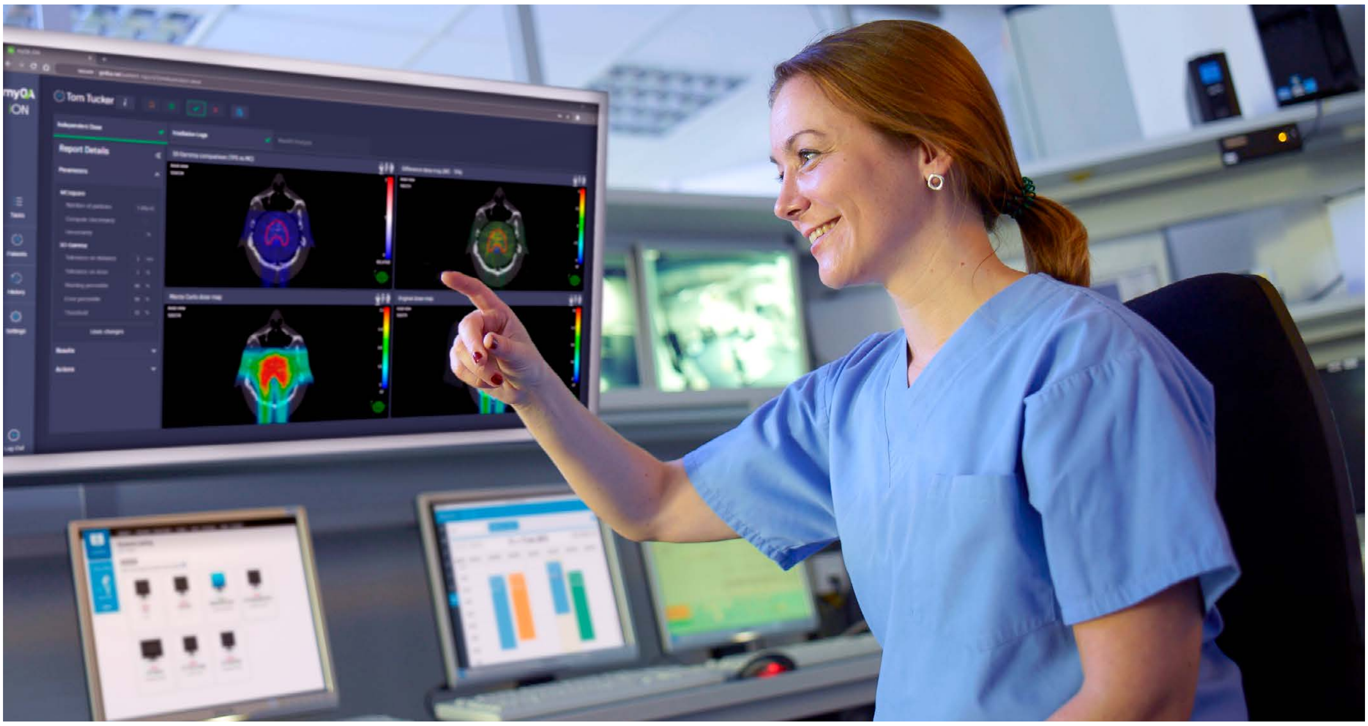
The prescribed dose (expressed in Gray [Gy]) must be rigorously respected, both in terms of intensity and location. The life of patients, their safety and the success of their treatment depend upon it.

In medical imaging, the objective is to reduce patient exposure to radiation, while maintaining good image quality.

In radiotherapy and proton therapy, the goal is to expose tumor masses to a high dose of cancer-cell destructive rays, with millimeter precision, while reducing the exposure to healthy tissue as much as possible.

In both cases, the accuracy of the equipment and the control of the dose are of paramount importance. To achieve this, dosimetry instruments and software are needed to calibrate and control the diagnostic and therapeutic equipment.

This is the responsibility of our Dosimetry business, which has developed a range of tools to calibrate radiation equipment and verify the dose of ionizing radiation that the patient absorbs during medical imaging and radiotherapy.



> The automation of the workflow saves me a lot of time and speeds up patient QA considerably, yet still provides comprehensive analysis and supreme Monte Carlo dose accuracy. The myQA iON software allows for full automation but I have the freedom to maintain control of the functionality.
>
> **Lourens Strauss**
> Medical physicist at the University of the Free State, Bloemfontein, South Africa

Watch the video: Shaping the future of patient QA.

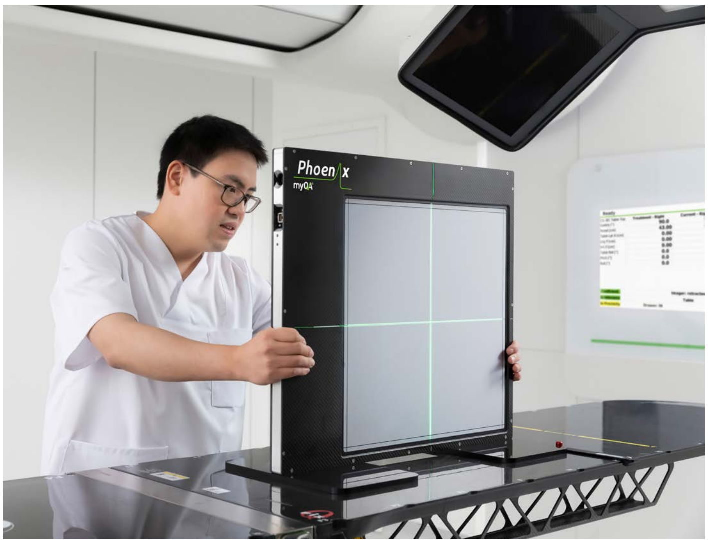
SAFE MEDICAL IMAGING: QUALITY ASSURANCE FOR A BETTER DIAGNOSIS

Our quality assurance solutions for medical imaging systems such as X-ray or CT (Computed Tomography) contribute to improving the image quality. This ensures a more accurate diagnosis and therapy, while also controlling the radiation dose released by the machine. Our dosimetry solutions offer a complete and instant analysis of the released dose to complete the required test efficiency and with highest precision.

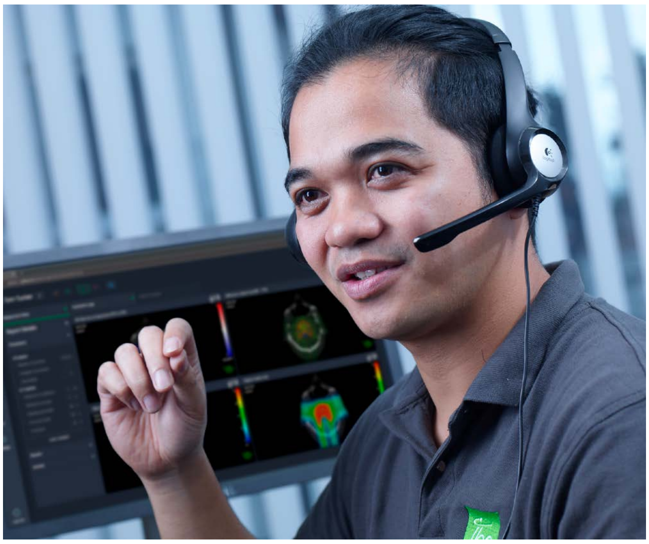
SAFE RADIOTHERAPY: QUALITY ASSURANCE OF EQUIPMENT FOR THE TREATMENT OF PATIENTS AND INDEPENDENT VERIFICATION OF THE TREATMENT PLAN

It is vital that a series of quality control checks are made on the calibration of the equipment and the plan calculation to ensure patient safety. These controls are designed to certify that the radiotherapy and proton therapy equipment will deliver the required dose in the exact location designated by the medical team. It also increases physicians´ peace of mind about their patients´ safety.

Matrixx Resolution



myQA Phoenix



PATIENT SAFETY DRIVEN BY ADVANCED CUSTOMER TRAINING AND SUPPORT

For IBA, service and support are about how we care for our customers and their performance.

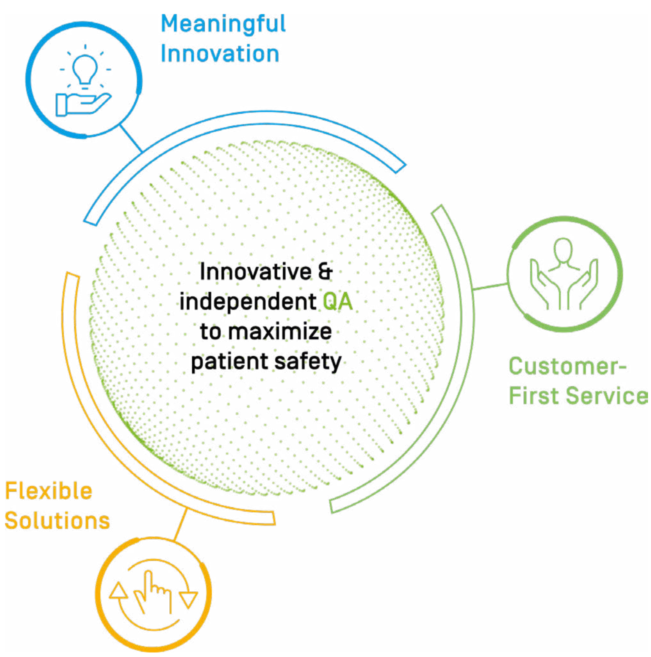
With over 45 years of dosimetry experience, and through our training offerings, we help our customers run their equipment efficiently and safely, thereby ensuring patient safety in medical imaging and radiotherapy. Our qualified dosimetry service teams - uniquely distributed over 3 continents - ensure 24/7 instant access and quality support to our customers.

Discover Dosimetry´s innovative and independant QA solutions.

LEADING INNOVATIONS IN QUALITY ASSURANCE

Through cutting-edge innovations, IBA Dosimetry has a long history of advancing Quality Assurance in radiation therapy, proton therapy and medical imaging. As we continue on this path, we believe that three drivers are essential to further innovate QA:

- Independence of QA Solutions
- Convergence of Machine QA and Patient QA
- Smart synthesis of the four QA pillars: Measurement, Integration, Automation, and Prediction



Protect, enhance and save lives by being

A COMMITTED COMPANY

The IBA Beam Factory, production area.

> We are proud of this recognition, which is the culmination of a long process that involved all aspects of the company. However, certification is not an end in itself. It is only the starting point of a new approach which was already present in our culture but which will now take on a whole new dimension. With the assessment that led to our B Corp certification, we have identified the points that we can work to improve upon. This is just the beginning.
>
> **Olivier Legrain**
> CEO of IBA

B CORP AS A TOOL TO OPERATIONALIZE OUR STAKEHOLDER APPROACH

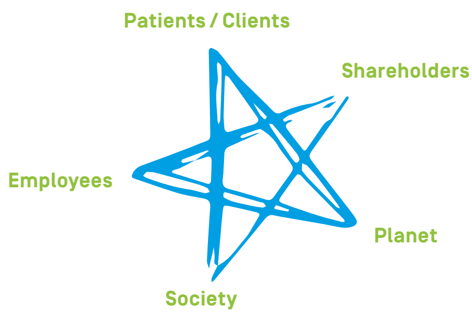
- **Assess:** 360° thinking to identify our strenghts and improvement areas (along the 5 dimensions, ~300 questions) -*Evolving framework*
- **Compare:** Large community to benchmark our performances and share best practrices
- **Improve:** Framework to set milestones on our sustainability journey

IBA's consideration of its stakeholders lies at the heart of its entrepreneurial ethos. For, just as we are committed to our customers, patients, and shareholders, we realize that a commitment to our people, to society and to the planet is key to maintaining the quality of life of both present and future generations. Nothing less than our societal and environmental legitimacy as a company is at stake.

BUSINESS AS A FORCE FOR GOOD

As expressed by our Stakeholder Approach, we at IBA believe in a business model that creates shared and long term value for all stakeholders. Beyond words, we have decided to operationalize this vision by certifying as a B Corporation (or B Corp). The B Corp framework is a holistic tool to assess, benchmark and ultimately improve our sustainability journey. And being B Corp certified provides what is often lacking elsewhere: proof.

In doing so, IBA joins a B Corp community of more than 4,800 businesses globally, that promotes strong values of change, making companies «a force for good» and highlighting those that reconcile profit with societal purpose. The B Corps are part of a movement to transform businesses to contribute to a more sustainable and inclusive economy and society. We also firmly believe that being a business as a force for good is the best business choice: attracting and retaining talents, staying ahead of upcoming risks, and improving the current product catalog while exploring new and growing markets.



USING BUSINESS AS A FORCE FOR GOOD

Certified B Corporation

As a company we acknowledge our weaknesses, as well as our strengths. Working on our weaknesses gives even more meaning to our global activities.

Thomas Canon
IBA Sustainability Program Director

Inspired by our findings during the B Corp certification process, we mapped our strengths and weaknesses as a company. From there, we identified six strategic streams to work on during the next three years.

LOW CARBON, LOW WASTE PRODUCTS	Understand / reduce the CO_2 and waste impact of our products across their lifecycles and value chains
NET ZERO CARBON COMPANY	Monitor IBA Group carbon footprint, make it neutral by 2030 (reduce and offset)
LOW WASTE COMPANY	Monitor IBA Group waste footprint, reduce unsorted waste by 2/3, by 2025
SUSTAINABLE SUPPLY CHAIN	Encourage/require our main suppliers to assess and improve their societal and environmental impact
DIVERSE, EQUITABLE AND INCLUSIVE WORKPLACE	Pro-actively incorporate diversity, equality and inclusion into our business as a major contributor to belonging
COMPANY ACCOUNTABLE TO SUSTAINABILITY	Enhance policies and practices pertaining to our mission, accountability and transparency

COMMITTED TO OUR EMPLOYEES

As Yves Jongen, IBA's founder, always reminds us, our people are IBA's most valuable asset. After all, would our mission statement to protect, enhance and save lives still make sense if it isn't put into practice for and by our employees?

As a responsible employer, we want to provide our employees with safe and efficient working conditions and a friendly environment conducive to their professional and personal development.

Protecting lives is an everyday commitment at IBA and it applies first to ourselves and the people we are working with and for.

AT OUR BEST

Peak performance is achieved when we are at our best. A complete set of new tools and practices is in place since 2020, covering the areas of Performance Management (Working Collaboratively), Engagement Monitoring (Constant Dialogue), Learning (Develop knowledge and skills) and Compensation (Sharing value created).

> **I am convinced that in future, talented individuals will list sustainable development as an essential criterion in their choice of employer.**
>
> Olivier Legrain
> Chief Executive Officer

Energizing teams by **working collaboratively**

- **OKR methodology** for agility & collaboration
- **Check-in meetings** with your managers twice / month
- Phasing out of **annual goals** & **year-end evaluation**

Moving in the right direction based on **constant dialogue**

- **Frequent Pulse survey** (Glint) at all levels
- Insights on **engagement** drivers and organizational health
- **Managers in the driving seat** to act upon it

Growing constantly by **developing new knowledge & skills**

- **LinkedIn Learning platform** confirmed (successful launch)
- **New training modules** for all managers to develop new **coaching skills**
- **New training paths per function**

Creating value and **sharing it all together**

- **Base salary rewards competence** and is adjusted for the individual part of current variable pay, if any **More agile reward** spotlightning those who grow quickly or go the extra mile
- **Above & Beyond Award** Manager may directly reward team members after an achievement
- **Revamped promotion system** Less frequent, yet more sustentiel increases
- **Profit sharing**: Value created together will be shared with shareholders and employees

One of the ideas behind this change is that before we evaluated people and granted them a bonus on the basis of objectives they achieved. Now, we have changed the mindset and we award the bonus because we trust they are engaged and will fulfill the tasks, projects, and objectives that are required on a daily basis - and these objectives might be reviewed more often.

Soumya Chandramouli
Chief Financial Officer

OFFERING FLEXIBLE BENEFITS

We believe in flexibility. In selected countries, the new MyChoice plan is designed to better align the individual value of a salary benefit with the individual needs of IBA employees. Each employee can, within set limits, use his or her «à la carte budget» to receive benefits such as complementary health insurance, multimedia, education or mobility means.

SHARING PROFITS

As of 2021, a new compensation system is in place, in line with our stakeholder approach: while the base salary rewards competence, a profit-sharing plan assigned to each employee matches the dividend paid to shareholders. This aligns shareholders and employees´ interests with a proper balance between short-term performance and long-term goals in support of the realization of IBA's strategic commitment to its multi-stakeholder approach.

I am really grateful for the welcome you all have given me at IBA, and for this collaboration which is for my part positive and fulfilling. Thanks for the trust you have placed in me.

Passwerk Consultant

PROMOTING A DIVERSE, EQUITABLE AND INCLUSIVE WORKPLACE

Diversity is fundamental to our culture. We value the uniqueness of individuals and the different perspectives and talents they bring to IBA. We learn from and respect the cultures in which we work, promote diversity within our workforce, and have an inclusive environment that helps each and every one of us to fully contribute to IBA's success.

60 Nationalities
within IBA Group

IBA is committed to providing equal employment and training opportunities, and to treating applicants and employees without discrimination. We do not discriminate based on race, color, age, sex, sexual orientation, national origin, religion, language, or disabilities. Our policy is that no one at IBA should ever be subject to any kind of discrimination, and we have designated individuals responsible for diversity, equality and inclusion. Through a partnership such Passwerk, we leverage opportunities to make our company more inclusive.

The IBA production area.

Discover the IBA Beam Factory.

COMMITTING TO HEALTH, WELLNESS AND SAFETY

Respect for universal human rights is at the core of IBA's business.

IBA is committed to providing a positive, productive, and safe work environment with freedom of association, good ergonomics and great employee facilities. We promote the prevention of involuntary labor and human trafficking, as well as the prevention of underage labor and burnout, in a work environment that is free from violence, threats, harassment, intimidation, mental or physical coercion, and other disruptive behavior.

We do not permit any form of violence, whether physical, verbal, or mental. We consider all threats of violence as serious.

IBA is committed to implementing best practices in the field of Occupational Health and Safety to keep our promise of No Harm to our people.

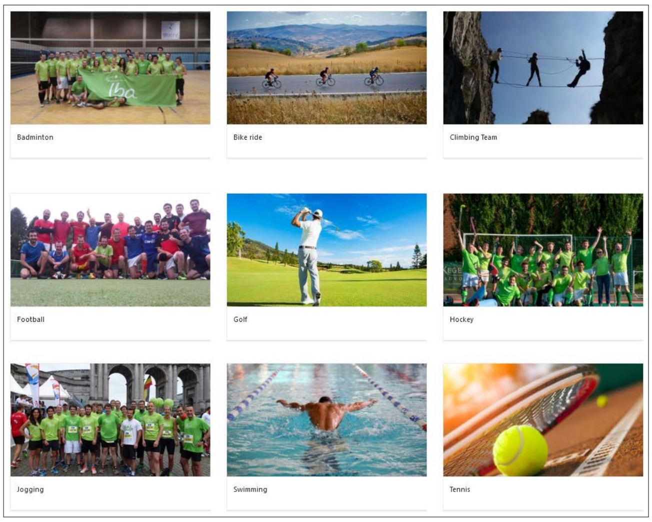
To achieve this result, we:

- ensure IBA operations comply with applicable occupational health and safety regulations, and when appropriate, implement additional controls to meet company requirements;

- empower all employees to stop any activity which they judge to be hazardous and that goes against our 'No Harm' principle.

Through all steps of the development, implementation, and operation of IBA products and services, we ensure the highest standards of safety for our employees.

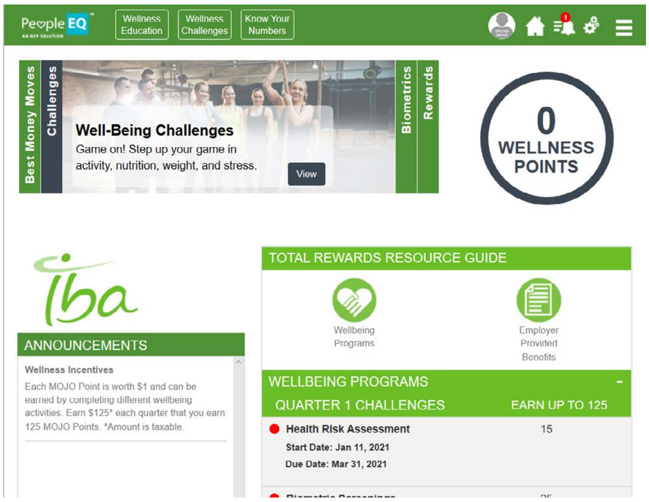
At IBA, we recognize that time out of the office can be beneficial. We partner with local associations to offer our employees refreshing team building or individual activities during lunchtime. Social clubs are promoted by IBA and organized by voluntary employees. Climbing, golf, biking, running, hockey, photography and indoor fitness are a few of the employee clubs organized at lunchtime or after hours.



> Our stakeholder approach pushes us to consider all aspects of our activities, including societal and environmental, and to involve as many people as possible in order to increase the positive impact we have on society.
>
> **Olivier Legrain**
> Chief Executive Officer

In Germany, we organize health weeks to promote health and well-being activities and practices. We sponsor sport activities and events (cycling, running, etc.). And employees have access to a financially attractive bike lease program in an effort to promote sport, low impact commuting and well-being.

In the US, our IBA Wellness Portal provides IBA employees with fun and engaging challenges (running, walking, etc.), online training, exercise and nutrition tracking, health coaching tools, social features, wellness blog articles, company announcements, Human Resource documents and more.



All IBA employees have access to a global high-quality Employee Assistance Program, regardless of where they live and work, providing assistance in the local language in more than 70 countries.

Through this program, practical information and counselling on a variety of topics is available to the employees and their relatives, and counselling is offered at the most convenient time and location.

A big thank you for the greater choice offered by the new bike lease formula, for the bike allowance and the excellent infrastructure at IBA. It´s a pleasure to cross the fields in the morning and then overtake the line of cars when approaching IBA.

François,
an IBA biker

ENCOURAGING LOW IMPACT MOBILITY

IBA encourages efficient, low-impact and healthy mobility. We propose attractive leasing conditions to our employees for low-impact mobility vehicles, such as electric bicycles and scooters. This is an efficient way to combine daily commuting and parking lot optimization, healthy exercise, fitness, and carbon footprint reduction.

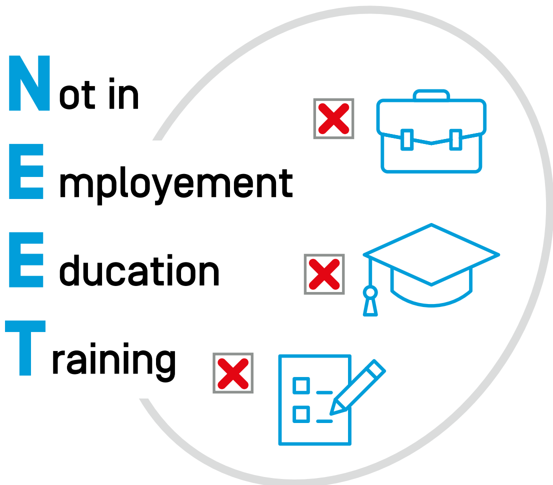
More than 200 bicycles are under lease in Belgium and Germany, representing a 20% uptake by IBA staff. IBA is regularly awarded at the Belgian "Active Bike" challenge, ranking among the most proactive Belgian companies in this area.

IBA also promotes electric cars through attractive leasing conditions, free charging and adapted infrastructures: specific parking lots, and high-power charging stations.

20% of employees in Belgium and Germany have **leased a bicycle**

COMMITTED TO OUR SOCIETY

We firmly believe that the purpose of an economic player must be to promote social progress and collective well-being. The model we endorse - both externally and internally - goes beyond regulatory compliance: it encourages an ethical vision of practices and behavior, respect for differences and a meaningful contribution to the communities around us.



YouthStart, an association which every year trains young people "not in Education, Employment or Training" (NEET's).

SUPPORTING EDUCATION

While we invest heavily in training our employees, we are also committed to educating young people. We believe that passing our knowledge on to younger generations is vital to assuring our future.

Over the long term, we will continue to support partnerships with NGOs, foundations and universities which will help improve learning and education. In 2020, IBA continued its collaboration with Foundation for Future Generations, as a partner of the Hera Awards program, with the Philippe de Woot Awards, and with the University of Louvain by supporting the "Civil Biomedical Engineer" diploma program, enabling the Louvain School of Engineering (Ecole Polytechnique de Louvain - EPL) to expand its range of courses.

IBA employees regularly share their experience and knowledge with universities and high schools. We have an active policy of integrating young people into professional life, by offering internships, end-of-study work, and student jobs. IBA mainly hires local employees in the countries where it has operations, creating jobs and providing wages to residents in the nearby area, and thus boosting the local economy. This is our way of making a positive contribution to the future of society at large, and of attracting new talents to IBA.

And, since 2021, we support YouthStart, an association which every year trains more than 1000 young people "not in Education, Employment or Training (NEET´s)", preparing them to enter the professional world.

Watch the video:
Hera sponsoring.

ENGAGING WITH OUR SUPPLY CHAIN

We believe that a strong and responsible supply chain benefits our community.

IBA has approximately 100 main suppliers worldwide supporting its design and product manufacturing. The majority of IBA suppliers are located in Europe. IBA suppliers have been selected for their ability to best comply with requirements as stipulated by ISO 13485:2016. The selection and qualification process of a supplier considers the criticality of the supplied goods and services. IBA promotes technical collaboration and innovation with its partners in order to reduce risks, costs and improve the quality of its products and services. Strategic partnerships are developed whenever beneficial.

The nature of our activities and the origin of products entering our production chain are not considered to be risky in terms of respect for human rights. However, we recognize that our knowledge of our entire value chain is not optimal. We have a good view of our first level of supply, including rigorous vendor selection and validation processes, although with regard to suppliers and subcontractors beyond the first level, we acknowledge our ignorance.

In this context, IBA releases its `Conflict Minerals´ report, and Code of Conduct for Suppliers, which outlines the minimum standards expected from its major suppliers. The Code of Conduct for Suppliers builds on, and is in alignment with, the IBA Code of Business Conduct, which all IBA employees must adhere to. Within their sphere of influence, IBA also expects suppliers to communicate the principles and to apply these minimum standards to their subcontractors and suppliers.

IBA´s Code of Conduct for Suppliers follows and supports the United Nations Sustainable Development Goals (SDGs) by aligning the principles of this Code of Conduct with relevant SDGs. IBA is committed to achieving this journey together with its suppliers as equal partners.

Watch the video:
IBA´s commitment to SDG.

SUPPORTING PATIENT ORGANIZATIONS

Around the world, IBA´s men and women, all experts in their field, are passionate and enthusiastic about what they do. They collectively undertake to play an active role in putting our mission statement into practice, «Protect, Enhance and Save Lives».

They help each patient to have access to the most beneficial treatment for their cancer, and they bring the more efficient and more environmentally friendly industrial technologies to the service of our customers.

Rock Against Cancer 2021

Beyond providing better solutions to its customers, IBA also supports the patients and their families, in partnership with those working in the field and by encouraging voluntary citizen actions by its employees: sponsorship, facilities sharing, donations from employees´ initiatives such as "Relay for Life", "FunRun", "Rock Against Cancer" or "Golf Against Cancer" events.

Associations such as "Compass to Care Childhood Cancer Foundation" in the US, Muni Seva Ashram in India, "La Vie-là" and "L´Essentiel" in Belgium, which supports and accompanies people with cancer in order to offer them a better quality of life, have also benefited from the on-going support of IBA and its employees for many years.

Céline Tellier, Walloon Minister of the Environment

Watch the IBA Soil Capital Partnership video.

COMMITTED TO OUR PLANET

IBA is conscious of the current major environmental crisis. Amongst the many challenges to address, we are today specifically focusing on two: our GHG emissions and our waste. Our aim is to regularly broaden this focus to include other environmental impacts, stricter targets and ultimately restorative actions.

> **IBA´s support to pay farmers for storing carbon really was a necessary condition for the success of this project.**
>
> **Chuck de Liedekerke**
> CEO Soil Capital LTD

NET-ZERO 2030 CO_2 EQ

CLIMATE

Our impact on global Greenhouse Gas (GHG) emissions is both direct and indirect:

- A direct impact through our operations: our offices and manufacturing infrastructures, and our employees´ travels.
- An indirect impact through our installed product base: production at our suppliers´ facilities, transport within the value chain, and, once installed at the customer´s location, via electricity consumption, servicing, and decommissioning.

Inspired by the EU climate targets we have set ourselves goals for reducing our operations´ net GHG emissions to zero by 2030.

This will be achieved by taking action on our infrastructure and mobility impacts to reduce them by at least 50% below 2018 levels by 2030, and for the remaining part, via offset.

Green energy contracts are in place, and the IBA Headquarter facility has been designed to save energy and be self-sufficient in energy production.

We are assessing the impact of our digital infrastructures and software usage, to better understand the carbon footprint of this ever-increasing part of modern organizations.

We continue to work on our mobility policies to address both the efficiency and the carbon footprint of our employees´ mobility, via incentives for low-impact, public and electric mobility, home working practices and a more efficient servicing organization.

Through a pilot project led by `Soil Capital´, IBA purchases carbon certificates from regenerative local agriculture, contributing to the decarbonization of its regional operations. This voluntary initiative advances the creation of a market in Wallonia for these certificates, which support transitional agricultural practices that reduce net greenhouse gas emissions at farm level. Such practices not only increase biodiversity and support the local economy and sustainable food systems, but also create a framework allowing other private, public and voluntary actors to join and improve this pilot project.

Through the introduction of ecodesign practices, IBA also continuously reduces the CO_2 footprint of its installed base, following two paths:

- Increasing the energy efficiency of its product portfolio. The Proteus One proton therapy system offers significantly improved energy performance thanks to the use of superconductivity.
- Improving the geographic distribution of centers, making them more accessible. This reduces patient travel (hence CO_2 emissions) and accommodation impact.

Our RadioPharma Solutions division has completed the technological transition to the Cyclone®KIUBE, with significantly greater compactness (less resources used) and energy efficiency.

Our Industrial Solutions division is also continuing to transition with the arrival of the Rhodotron® new generation, the energy performance of which has greatly improved. If requested, IBA is ready to substitute the Dynamitron insulating gas SF6, which still represents a significant part of the GHG emissions from our company´s installed base.

We are gradually assessing our supply chain impact, with the introduction of a Supplier Code of Conduct that addresses climate impact, among other topics.

We monitor and publish annually our GHG emissions related to our installed base and to our organization (Belgian area): offices and production means, and employee mobility (fleet of company vehicles and professional air travel /public transport).

With a view to increasing transparency and benchmarking our practices, we disclose our environmental data every year through the Carbon Disclosure Project (CDP). IBA was awarded a B- score in 2021, and has now entered the "management level" class of companies taking coordinated action on climate issues.

WASTE

IBA also has an impact on waste production:

- A direct impact through our operations: offices and manufacturing processes.
- An indirect impact through our installed product base: production processes at our suppliers´ facilities, transport within the value chain, and, once installed at the customer location, servicing and decommissioning.

We have set ourselves targets for reducing our unsorted waste intensity by a factor of 3x below 2018 levels by 2025 for our Belgian operations.

This will be achieved by making changes at all levels to the impact of our logistics, manufacturing and offices. Product packaging, for instance, is being continually improved to reduce its overall environmental impact.

Through the introduction of ecodesign practices, our product management takes into consideration the principles of circularity - avoid, reduce, reuse, recycle. All products from the four business lines, namely Proton Therapy Solutions, RadioPharma Solutions, Dosimetry Solutions, and Industrial Solutions are designed to facilitate maintenance and servicing. A circular process to return defective or surplus parts deployed to our customers is now in place, for repair, resale or recycling.

IBA has also developed "low activation" concrete, which significantly reduces the amount of waste to be reprocessed during the future dismantling of the casemates hosting its accelerators, therefore costs and the environmental impact. This concrete was also used during the construction of our new headquarters.

IBA is also affiliated with Recupel and declares the equipment placed on the market subject to the obligations of WEEE legislation.

To better manage the outcome of our actions, we monitor and publish our waste emissions related to our Belgian operations each year.

Soil Capital

MATERIALITY AND REPORTING

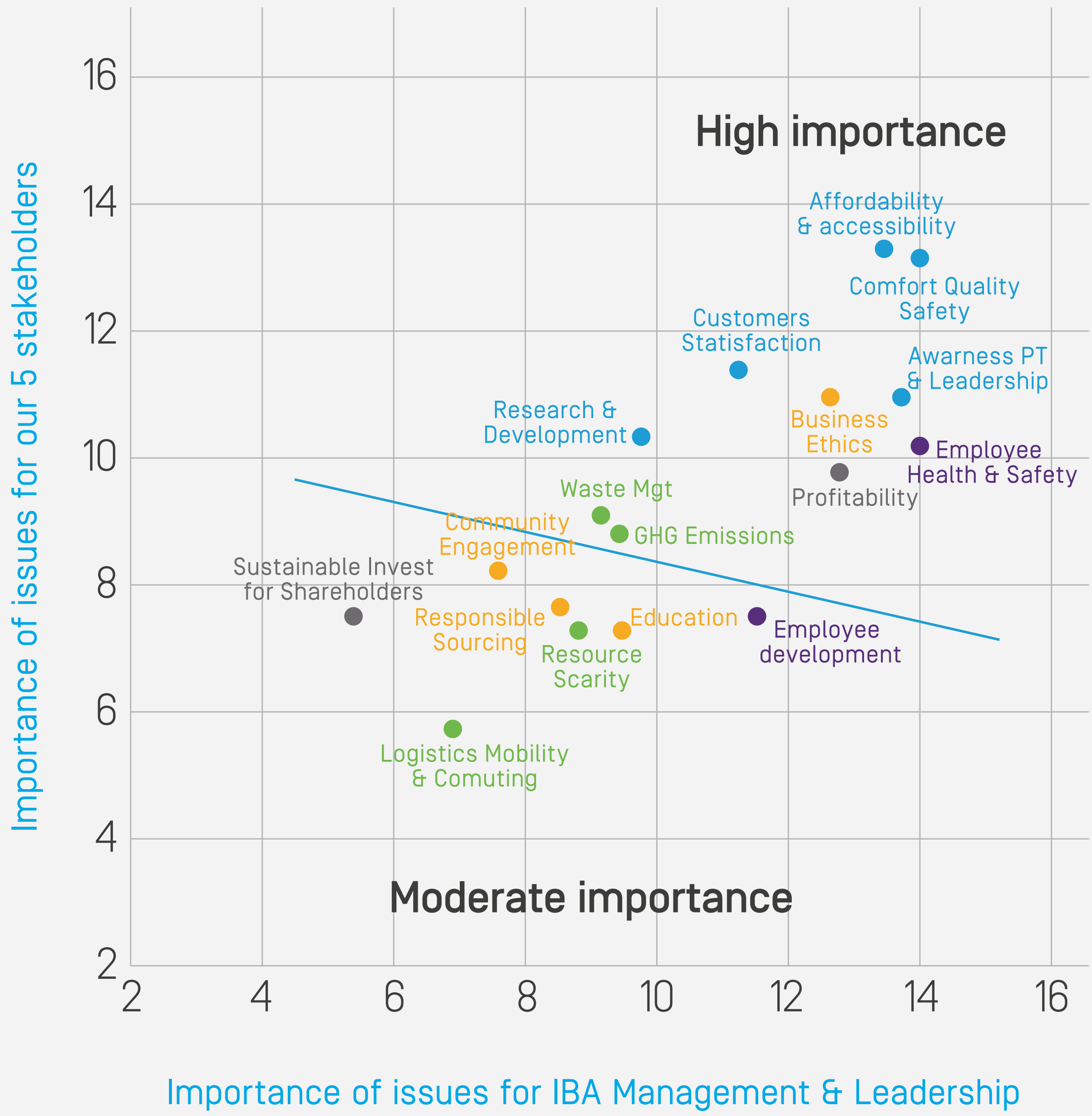
To clarify our priorities, IBA has built a materiality matrix based on a dialogue with our stakeholders and the reference framework recommended by the Global Reporting Initiative (GRI). It is in this broad area that we are concentrating our efforts. The hierarchy of our priorities is obtained by aligning the concerns of the company with the interests of all stakeholders.

This matrix takes into account data from the ongoing dialogue that IBA has established with all its stakeholders, through formal and informal exchanges and in publications on environmental issues.

IBA intends to continuously refine its matrix to keep it aligned with both company and stakeholder interests.

For more information on our yearly results, please refer to the GRI Index in our annual report.

GRI 102-46 **MATERIALITY MATRIX**



MANAGEMENT REPORT

Approved by the Board of Directors at its meeting of April 12, 2022

This report on the FY 2021 has been drafted pursuant to sections 3:23 and 3:32, §1, *in fine*, of the Belgian Companies and Associations' Code (hereafter the "**BCAC**"), which allow to combine the management report on the annual accounts of the Company (*rapport de gestion sur les comptes annuels*) with the management report on the group consolidated annual accounts (*rapport de gestion sur les comptes consolidés*). Hence, the present report is a consolidated and integrated report.

The management report contains a fair presentation and a balanced and exhaustive analysis of the business' development, the results and the situation of the Company, as well as a description of the main associated risks and uncertainties.

To the necessary extent to understand the development of business, results or the condition of the Company, the analysis includes key performance indicators of both financial and, where applicable, non-financial nature related to the specific activity of the Company, in particular information related to environmental, societal and employees' aspects.

The management report also includes information on:

- The foreseeable development of the business
- Research and development activities
- Acquisitions of own shares
- The existence of branches of the Company
- The use of financial instruments, when relevant to assess the assets, financial situation, and results of the Company
- The objectives and policy of the Company in terms of financial risk management, including its policy concerning the hedging of each main category of transactions planned to be used by hedge accounting; and
- The company's exposure to price risk, credit risk, liquidity risk, and treasury risk.

Management's statement

Pursuant to section 12, §2, 3° of the Royal Decree of November 14, 2007 regarding the obligations of issuers of financial instruments admitted to trading on a regulated market, Mr. Olivier Legrain, Chief Executive Officer (CEO), Director and Managing Director of IBA SA, and Mrs. Soumya Chandramouli, Chief Financial Officer (CFO) of IBA SA, state that, to their knowledge:

- the financial statements to which this annual report relates, prepared in accordance with applicable accounting standards, give a true and fair view of the assets and liabilities, financial position, and results of IBA SA and the undertakings included in the consolidation perimeter; and
- this annual report contains a true and fair view of the business evolution, the results, and the position of IBA SA and the undertakings included in the consolidation perimeter, as well as a description of the main risks and uncertainties they face.

Highlights of the year (sections 3:6, §1, 1° and 3:32, §1, 1°, of the BCAC)

The main events of the 2021 financial year, further details of which are contained in the Management report, were as follows:

- Received B Corporation ("B Corp") certification in H1, underlining IBA's enduring commitment to its stakeholder approach;
- Continued revival in Proton Therapy activity with five solutions (nine rooms) sold
  - Five-room Proteus®PLUS[1] contract agreed in China;
  - Four Proteus®ONE1 contracts agreed (three in US and one in Italy);
- Record order intake for Other Accelerators with 31 systems sold, of which 17 were signed in the second half, compared to 17 systems sold last year, highlighting the growing radiopharmaceutical industry and the strong industry move towards E-Beam and X-ray technologies in medical sterilization;
- Resilient performance of Dosimetry with order intake largely in line with 2020;
- Cost control measures still in place, partially offsetting continuing, albeit diminishing COVID-19 related impact, whilst allowing for strategic investment in R&D;
- Strategic R&D partnership announced with SCK CEN to enable the production of Actinium-225 (Ac-225), a novel therapeutic radioisotope, with significant potential in cancer treatment;
- Launch of new high energy and high-capacity cyclotron, the Cyclone® IKON, which offers the largest energy spectrum for PET and SPECT isotopes;
- Creation of the global DynamicARC®2 Consortium with the objective of preparing for the clinical roll out of the treatment modality through the Proteus® platform;
- Key Proton Therapy updates announced at ASTRO in October 2021, including expansion of strategic partnership with RaySearch within FLASH and Proton Arc therapy projects, multi-year research agreement with the University of

[1] Proteus®PLUS and Proteus®ONE are brand names of Proteus 235

[2] DynamicARC® is a registered brand of the IBA's Proton Arc therapy solution currently under development phase.

Pennsylvania to advance research in ConformalFLASH®[3];

- Launch of "ProtectTrial", a large-scale, multi-institutional, randomized controlled clinical trial in conjunction with 19 industry and academic partners, in August 2021;
- Launch of Campus, the world's first online proton therapy platform.

The key figures in terms of financial results are as follows:

- Total 2021 Group revenues of EUR 313 million, broadly flat versus last year driven by increased activity and backlog conversion, offset by the significantly higher contribution of CGNNT related revenue in 2020. Excluding CGNNT the YoY revenue growth would have been 24%, demonstrating the strong uptick in backlog conversion, coming mostly from the Proton Therapy business
- Gross margin was 34.4%, a return to recurring levels vs the gross margin of 43.6% in 2020 that had been strongly affected by the CGNNT deal;
- Strong order intake of EUR 228 million for Proton Therapy and Other Accelerators equipment and upgrades. Revenues were flat due to a combination of improving activity and backlog conversion in 2021, offset by CGNNT related revenue in 2020;
- Excluding CGNNT impacts, Proton Therapy equipment revenues increased from EUR 35.1 million to EUR 69.2 million, the strong backlog conversion coming from construction progress, but also ongoing installation of five solutions;
- Other Accelerators equipment revenue increased by 35% to EUR 67.1 million, reflecting the record order intake and continuing backlog conversion;
- Resilient performance for Dosimetry with order intake of EUR 50 million, slightly down by 4%, but with revenue up 2.5% to EUR 52.3 million;
- Continued strong performance of Services with revenue increasing 6% versus last year. Services now make up 46% of the PT and Other Accelerator revenue line;
- Equipment and upgrade backlog reached an all-time high of EUR 449 million and with record overall equipment and Services backlog of EUR 1.2 billion;
- Positive 2021 REBIT of EUR 14.5 million (2020: EUR 40.4 million) reflecting continued strong recovery and cost control measures with last year's figure strongly benefiting from the CGNNT deal;
- Total Group net profit of EUR 3.9 million (2020: EUR 31.9 million);
- Strong balance sheet with EUR 130 million net cash position, doubling from EUR 65 million at the end of last year;
- EUR 37 million undrawn short-term credit lines still available and bank covenants fully complied with;
- Share buyback program launched in January 2021 for a total of 357,000 shares, at end June 2021 for a total of 250,000 shares and in early December 2021 for a total of 400,000 shares. At December 31, 2021, a total of 704 549 shares had been repurchased over the year;
- The Board of Directors will recommend to the annual general assembly the distribution of a dividend of EUR 0.19 per share, with a dividend matching policy applied to employee bonus pay, in line with the Company's stakeholder approach.

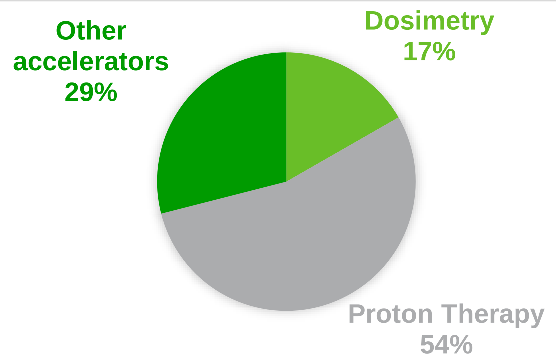
[3] ConformalFLAsH® is a registered brand of IBA's Proton FLASH irradiation solution currently under research and development phase.

Events subsequent to the end of the reporting period (sections 3:6, §1, 2° and 3:32, §1, 2°, of the BCAC)

- In January, IBA announced the receipt of a down payment for an irradiation cross-linking solution using IBA's Rhodotron® technology;
- In January, IBA announced the launch of a new low energy compact cyclotron, the Cyclone® KEY;
- In February, a contract was signed for a Proteus®ONE proton therapy solution;
- In March, IBA completed its share buyback program launched in December 2021. In total, 1,007,000 shares were bought back under the three programs;
- In March, IBA and Tractebel announced a partnership agreement to support IBA's customers with their proton therapy design and construction projects;
- In February 2022, an armed conflict started between the Russian Federation and Ukraine, leading to international sanctions placed on the Russian government and businesses by other countries and states, including the European Union. In view of the early stage of the conflict and the rapidly evolving situation, definitive conclusions cannot be reached but at this stage the situation is not materially impacting IBA Group's overall operations.

Review of IBA activity sectors (sections 3:6, §1, 1° & 4° and 3:32, §1, 1° & 4°, of the BCAC)

BREAKDOWN OF CONSOLIDATED TURNOVER BY ACTIVITY



PROTON THERAPY AND OTHER ACCELERATORS

The proton Therapy and other accelerators segment covers:

Proton therapy which offers turnkey solutions for a more precise treatment of cancer, with fewer side effects, through the use of proton beams.

Other accelerators which offer a line of cyclotrons used for the production of PET or SPECT radioisotopes and a line of industrial accelerators for sterilization and ionization (E-beam and Rhodotron® and Dynamitron® types of X-ray).

(EUR 000)	FY 2021	FY 2020	Variance	Variance %
Net sales	**260 638**	**260 895**	**-257**	**-0.1%**
Proton Therapy	169 923	189 150	-19 227	*-10.2%*
Other Accelerators	90 715	71 745	18 970	*26.4%*
REBITDA	**18 087**	**51 601**	**-33 514**	*-64.9%*
% of Sales	*6.9%*	*19.8%*		
REBIT	**9 618**	**37 883**	**-28 265**	*-74.6%*
% of Sales	*3.7%*	*14.5%*		

(EUR 000)	FY 2021	FY 2020	Variance	Variance %
Equipment Proton Therapy	74 230	98 644	-24 414	*-24.7%*
Equipment Other Accelerators	67 100	49 684	17 416	*35.1%*
Total equipment revenues	**141 330**	**148 328**	**-6 998**	*-4.7%*
Services Proton Therapy	95 693	90 506	5 187	*5.7%*
Services Other Accelerators	23 615	22 061	1 554	*7.0%*
Total service revenues	**119 308**	**112 567**	**6 741**	*6.0%*
Total revenues Proton Therapy & Other Accelerators	**260 638**	**260 895**	**-257**	**-0.1%**
Service in % of segment revenues	*45.8%*	*43.1%*		

Overview

- Total net sales were broadly flat, reflecting the large impact of CGNNT on PT revenues in 2020. Excluding CGNNT, segment revenues were up 30%, mostly due to intensive construction of machines to be delivered over 2022/23 across the accelerator business;
- Proton Therapy equipment revenues fell 25% to EUR 74 million due to the impact of CGNNT, however excluding the effects of CGNNT, there was an increase of EUR 34 million (+97%);
- Excellent order intake for Proton Therapy equipment despite the pandemic with five new orders (nine rooms);
- Other Accelerators equipment revenue increased 35.1% to EUR 67.1 million, reflecting record order intake with 31 new sales in the year and backlog conversion;
- Continued good performance for Services with total revenues of EUR 119.3 million, up 6%, as proton therapy centers remained fully operational, despite the pandemic;
- REBIT of EUR 9.6 million, with the reduction reflecting the CGNNT impact, partially offset by increased activity and cost control.

Proton therapy

The revival in the proton therapy market continued into the second half of 2021, particularly in the US and Asia. IBA maintained its market leading position throughout the year, with a 56% market share in PT rooms, selling five rooms in China, three in the US and one in Italy. We started one new PT installation in the year in the Asia region, while four other installations continued during the period. This activity has continued into 2022 and our pipeline remains highly active, particularly in the US, China and Southern Europe, with several active leads.

Services continued to perform strongly with two new service contracts starting in 2021, both in Asia. There are now 39 IBA PT sites generating service revenues worldwide and the backlog remains very high at EUR 727 million. This recurrent revenue stream will continue to be very important for IBA, providing us with visibility on sustainable profitable growth.

At the end of August IBA, alongside 19 other industry and academic partners, launched the ProtectTrial, a large-scale randomized controlled clinical trial for esophageal cancer. The research project comprises 12 proton therapy centers across eight countries and aims at improving patient selection for proton therapy across cancer indications through the evaluation of selection criteria and the creation of shared reimbursement guidelines. A total of approximately 400 patients are expected to be included in the randomized trial with study completion planned by 2027.

Investment in future technological advancements for PT is a key priority for IBA and we continue to collaborate with key partners to continue to accelerate this. At the ASTRO conference in October, IBA announced that it had expanded its partnership with RaySearch within the areas of FLASH radiotherapy, Proton Arc therapy, and the treatment of moving tumors. This new partnership, as well as the research agreement signed with the University of Pennsylvania and the initiation of a global DynamicARC® Consortium, aims to take proton therapy to the next level by developing innovative radiotherapy technologies that will significantly improve patient care.

The positive dynamics of IBA's proton therapy activities in 2021 have continued into 2022 with a Proteus®ONE contract announced in February 2022.

Other accelerators

The Other Accelerators business delivered another excellent year, with sales up 26%. The equipment segment experienced significant growth of 35% with the sale of 31 systems, up from 17 systems sold last year. There was strong growth in Asia and in particular China (16 systems sold in the region in 2021, of which 10 were in China) as well as sales in the growing markets of Africa and South America. Services also performed well, with a 7% increase, demonstrating good resilience in light of pandemic-related challenges.

The year was further marked by a series of partnership agreements aimed at strengthening IBA's leadership in the Other Accelerators business:

- A collaboration agreement with NorthStar Medical Radioisotopes to increase global availability of technetium-99m (Tc-99m), the most widely used medical radioisotope;
- A strategic R&D partnership with SCK CEN (Belgian Nuclear Research Center) to enable the production of Actinium-225 (225Ac), a novel radioisotope which has significant potential in the treatment of cancer;
- A long-term R&D, marketing and sales partnership with TRAD Tests & Radiation (radiation testing, calculation and analysis services) to develop next generation radiation processing application and accelerate the transition to E-beam and X-ray sterilization.

In 2021, IBA once again demonstrated its position as a leading innovator in nuclear medicine, with the launch of its new high energy and high-capacity cyclotron, the Cyclone® IKON, which offers the largest energy spectrum for PET and SPECT isotopes from 13 MeV to 30 MeV. This innovation has continued in 2022, with the launch in January of a promising new low energy and compact size cyclotron, the Cyclone® KEY, which will be particularly valuable in the many regions in the world with limited access to Positron Emission Tomography (PET) imaging diagnostic solutions in oncology, neurology and cardiology.

IBA's Industrial Solutions business showed strong progress over the year with several sales of IBA's unique Rhodotron® machine, among others with the sale of a Rhodotron® TT300 HE to NorthStar Medical for future production of Ac-225. Post-period, the first down payment was received for the installation of an irradiation cross-linking solution using IBA's Rhodotron® technology.

The most significant contributor to order intake growth was the sale of several machines to major players in the sterilization business. These included both in-house sterilization facilities at medical equipment producers as well as external sterilization service providers, highlighting the growing shift towards accelerator-based sterilization facilities.

DOSIMETRY

(EUR 000)	FY 2021	FY 2020	Variance	Variance %
Net sales	**52 326**	**51 060**	**1 266**	**2.5%**
REBITDA*	**6 495**	**4 384**	**2 111**	**48.2%**
% of Sales	*12.4%*	*8.6%*		
REBIT*	**4 892**	**2 523**	**2 369**	**93.9%**
% of Sales	*9.3%*	*4.9%*		

Overview

- An excellent year for Dosimetry with sales up 2.5% as the conventional radiotherapy and medical imaging industries continued to recover from the impact of the pandemic;
- Order intake for the year was EUR 50 million, slightly down by 4% versus last year;
- Backlog was EUR 16.3 million, up 5% from last year;
- REBIT grew strongly by 93.9% to EUR 4.9 million reflecting the sales growth, particularly in Asia, and effective cost controls.

IBA Dosimetry is a world leading provider of innovative high-end quality assurance (QA) solutions and imaging markers for radiation diagnostics and therapy. The Dosimetry business continued to gain market share in QA for conventional radiotherapy and medical imaging in 2021 with IBA retaining its dominant market share in dosimetry for proton therapy.

Several new and innovative products were launched in 2021 to enhance IBA's position in the Patient QA market, including myQA® SRS, which maximizes the efficiency of stereotactic QA measurements for the whole clinically relevant region. IBA also released myQA® Phoenix, the high-resolution digital detector array for PT commissioning, and will continue to invest in its patient QA radiotherapy offering and its market-leading dosimetry tools for PT.

Post-period end, IBA and Elekta signed a collaborative agreement to optimize QA solutions. Radiation therapy departments and clinics using Elekta's treatment delivery systems will benefit from QA solutions that are designed for these devices by streamlining workflows and improving access to measurement data.

Principal risks and uncertainties faced by the company (sections 3:6, §1, 1° to 3° and 3:32, §1, 1° to 3°, of the BCAC)

APPROACH TO RISK MANAGEMENT

The Board of Directors, supported by the Management Team, the Risk Management Committee, and the Audit Committee, oversees and manages enterprise risk. The Management Team, the Risk Management Committee, and the Audit Committee identified several functional experts covering the various categories of enterprise risk. The Management Team and the Risk Management Committee are continuously working to improve the enterprise risk management framework and are responsible for the implementation of appropriate risk responses.

Enterprise Risk Management focuses on five risk categories: Strategic, Operational, Legal and Compliance, Digital, and Financial risks. The main risks within these categories are further described.

IBA RISK MANAGEMENT FRAMEWORK

Risk management is a core component of the IBA strategy and performance management process. The Board of Directors considers risk appetite when making decisions.

The design and effectiveness of IBA's risk management, practices, and the recommendations from internal and external audits are reported and discussed periodically with the Risk Management Committee. Internal auditors monitor independently the quality of the risk management, governance, and control processes through operational, financial, and compliance audits. The purpose and authority of the Internal Audit function are documented in an Audit Charter and the Head of Internal Audit reports regularly to the Audit Committee.

In addition to the Risk Management Committee, the Quality Management Review (QMR) assists the Management Team in fulfilling its management responsibilities particularly in respect of the quality of the Company's products, systems, services and software and the development, testing, manufacturing, marketing and service thereof, and regulatory requirements related thereto. As such, the QMR supports the Company's risk management in the relevant risk areas.

IBA has designed its Enterprise Risk Management based on the ERM Integrated framework (2017) established by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

IBA continuously pursues improvement in the risk management process and regularly assesses changes that might affect its strategy and objectives.

A review of the key risk areas was conducted in 2021 to evaluate potential changes in our key risk areas including the impact of the Covid-19 pandemic. Social distancing and lockdown measures have had profound health and economic impacts in all our countries. The safety of employees has been a priority, with the rollout of measures including telework, the installation of individual and protective equipment in our premises, and the alignment of our work procedures for installation and maintenance. In addition, we have taken steps to evaluate the level of risk for the sourcing and inventory level for the major components.

The risk overview highlights the main risk areas known by IBA, which could affect the achievement of its strategic and financial business objectives. The risk overview may, however, not include all the risks that may ultimately affect IBA. IBA describes the relevant factors within each risk category and provides insight into the most prominent areas.

IBA has decided to present its risks as follows:

Strategic Risks

Customers, Competitors, Investors

Evaluate risks that drive the IBA's mission and strategy.

Operational Rsks

Processes, Systems, People, Value Chain

Identify the risk of loss from inadequate internal processes, people, or systems that will affect IBA to execute its strategic plan.

Legal & Compliance Risks

Law, Regulation, Politics, and Corporate Governance

Assess the performance of the IBA's corporate compliance program, focusing on the regulatory risks of Medical Devices.

Financial Risks

Market Changes and the Economy

Assess market movements that could affect the organization's performance or risk exposure and effectiveness of key financial controls.

Digital Risks

Hardware, Software, and Network Controls

Evaluate potential system failures and innovation lag risks and inadequate infrastructure, access controls, data privacy, and security protections.

The November Sustainability Board focussed amongst others on environmental risks and the intention to work on an action plan for 2022 and the following years.

Strategic risks

Offering evolution risk

IBA continues to invest heavily in research and development and cannot exclude the possibility that a prototype may not be commercially viable or may become obsolete during its development because of competing technological development.

Asset depreciation risk

IBA invests in companies whose business sector is complementary to its own. In most cases, these are recently established companies in innovative sectors. IBA cannot guarantee that all these investments will be profitable in the future or that some projects will not be purely and simply terminated.

Staff bench strength risk

Since IBA was established, the number of highly qualified persons employed by the Company has significantly increased. However, it is possible that the defection of certain key employees possessing specific expertise could, for a short time, affect one of the Company's activities.

Competition risk and industry risk

Currently, IBA has no direct competitor covering all the markets in which it is present. However, in certain markets, it is competing against some of the world's largest corporations. These corporations have highly developed sales and marketing networks and more importantly, extensive financial resources beyond comparison with those of IBA. Furthermore, there is always the possibility that new technology – notably a revolutionary therapy in the treatment of cancer that would render a part of IBA's current product line obsolete – could be developed.

The development and marketing of technology resulting in novel therapies do nevertheless require a relatively long period of time.

Reimbursement of healthcare

The subsidization by healthcare reimbursement institutions of costs for the treatment of certain diseases for which equipment made by IBA is directly or indirectly involved – is continuously under scrutiny. The healthcare reimbursement policies of these organizations will in turn influence the volume of orders that IBA obtains. These subsidies from reimbursement institutions differ greatly from one country to another.

Operational risks

Sale risk

In general, IBA's customers are diversified (public and private sector) and located on several continents. Each year the Company depends on multiple orders, particularly for its proton therapy systems that are implemented over several financial years. One additional order or one order less, or changes in an order that were not anticipated at the beginning of the year, are characteristics of this field of business that can have a significant impact over several accounting periods. On the other hand, the lead time for fulfilling orders gives the Company a good view of its level of activity several months in advance.

Inventory risk

Inventory includes high technology parts and components subject to rapid technological obsolescence. Inventory support production but also spare parts to support our customers. IBA optimizes the level of inventory required for production and support on sites for our customers under a maintenance contract. Nevertheless, the evolution of the product and variability of the demand may impact the provision required for obsolete and excess inventory, which would have an impact on our operating results.

Unanticipated or uncontrolled construction delays on a customer site, cancellations or rescheduling by customers, a change in customer's financial condition to obtain financing, delays in obtaining regulatory approvals or authorizations may have an impact on the level of inventory required.

Product development risk

Because IBA does not have a full product in-house testing capability, new products or features are tested on a customer site, during installation as well as operations and can potentially impact customer operations for the tests, as well as potential corrections of non-conformities. A Hypercare process is in place to alleviate those impacts, improve follow-up of the new developments as well as accelerate the return of experience/customer feedback directly to the product development teams.

Because of the long-term life of products, as well as the specific requirements of customers, IBA must maintain multiple versions worldwide, with the risk of maintenance, upgradability, and ability to update.

IBA strategy of open vendor for software drives additional risks to maintain interoperability all along with product life, and product development. It has an impact on architecture and requests close interactions with all those vendors.

Quality risk / consumer protection / product safety risk

IBA is required to comply with quality standards in the manufacture of its medical devices and is subject to the supervision of various national authorities. Conditions imposed by such national regulatory authorities could result in product recalls or a temporary ban on products. This could have an impact on IBA's reputation, customer satisfaction, and could lead to financial losses.

Errors or accidents could arise from the operation of our products. As a result, IBA could face substantial liability to patients, customers and others for damages caused. Adverse publicity regarding accidents or mistreatments could cause patients to seek alternative methods of treatment.

Legal and compliance risks

Anti-trust / fair competition risk / ethics risk

In our field of activity, and depending on the countries and the regions concerned, bribery and corruption are considered as potential dangers. Being fully aware of this risk for over 20 years, IBA has published a Code of Business Conduct. This code defines, among other things, the strict framework in which IBA conducts business, including unambiguous rejection of risks related to corruption and bribery. This Code is part of our work policies. Every employee is required to read and pass a post-training test to acknowledge clear and full understanding and acceptance of the principles. Failure to comply with this Code may result in disciplinary sanctions for the employee concerned. This Code is reviewed and amended on a regular basis. The latest revision includes additional principles on environment protection, respect of human rights, and anti-corruption matters.

In addition to the Code of Conduct, control mechanisms are implemented throughout the organization to prevent and detect frauds, including separation of duties, regular independent audits of travel and entertainment expenses, and the availability of a fraud reporting procedure.

Respect for Ethics is also part of our terms with agents, distributors, and partners (see for example the IBA Code of Conduct for Suppliers).

Intellectual property risk

The Company holds intellectual property rights. Some of these rights are generated by employee or production process know-how and are not protected by patents. The Company has filed patents, but it cannot guarantee that the scope of these patents is broad enough to protect the Company's intellectual property rights and prevent its competitors from gaining access to similar technologies. The Company cannot guarantee that the defection of certain employees will not have a negative impact on its intellectual property rights.

Legal risk

Some contracts may contain warranties or penalties which generally represent only a few percent of the amount of the contract in the case of conventional sales contracts. However, these amounts may be significantly higher in public-private partnerships inasmuch as the penalties must cover the associated financing. Such clauses are applicable only to a limited number of contracts, essentially those relating to proton therapy projects. The possibility that a customer may one day exercise such a warranty or penalty clause cannot be excluded.

The use of products made by IBA may expose the Company to certain liability lawsuits. IBA maintains insurance to protect itself in the event of damages arising from a product liability lawsuit or from the use of its products. In a country such as the United States, where the slightest incident may result in major lawsuits, there is always a risk that a patient who is dissatisfied with services received by products delivered by IBA may initiate legal action against it. The Company cannot guarantee that its insurance coverage will always be sufficient to protect it from such risks or that it will always be possible to obtain coverage for such risks.

Regulatory risk

Some IBA products and devices cannot be marketed without regulatory approval or registration as medical devices. Such authorization is necessary for each country where IBA wishes to market a product or device. IBA is authorized to market its particle therapy devices in the United States (FDA), the European Union (LRQA), Australia (TGA), Russia (Gost-R) and South Korea (MFDS), Taiwan (TFDA), Singapore (SFDA), and Japan (Shonin). Authorizations may always be revoked. Moreover, as IBA's equipment evolves technologically, further authorizations may be required.

Financial risks (sections 3:6, §1, 8° and 3:32, §1, 5°, of the BCAC)

More details regarding section 3:6, § 1, 8°, and 3:32, §1, 5° of the BCAC is provided, where appropriate, in the section "Financial Instruments" of this annual report, see page 127.

The Group's overall financial risk management program seeks to minimize potential adverse effects arising from the unpredictability of financial markets on the Group's financial performance. To this effect, the Group uses derivative financial instruments to hedge certain risk exposures.

Financial risk management is carried out by a central treasury department (Group Treasury). The latter issues and enforces written policies. These policies provide written principles related to overall financial risk management, as well as written policies covering specific areas, such as foreign exchange risk, use of derivative and non-derivative financial instruments. Group Treasury identifies, evaluates, and hedges financial risks. These activities are undertaken in close cooperation with the Group's operating units.

Credit risk

The Group has exposure to credit risk. In order to cover this risk, the Company policy for equipment contracts is to have confirmed letters of credit issued by its customers prior to shipment of the equipment, or to contract a specific credit insurance from either the Belgian official export credit agency Credendo or private insurers.

Besides, the consolidated financial statements presents the financial assets and the financial liabilities of the Group by valuation method (fair value and carrying amount). The carrying amount of these financial assets represents the maximum credit exposure of the Group.

Foreign currency risk

The Group operates internationally and as such, is exposed to foreign exchange risks arising from commercial transactions (sales and supply contracts), from financial assets and liabilities, and from net investments in non-Eurozone operations. Approximately 5.1% of the Group's sales (5.9% in 2020) are denominated in currencies other than the functional currency of the operating unit making the sales, while 93.7% of costs (91.4% in 2020) are denominated in the unit's functional currency.

While the functional currency of the parent company of the Group is the euro, the Group's exposure to foreign currencies is related primarily to the US dollar, Chinese yuan, Indian rupee, Russian ruble, British pound, Japanese yen, South Korean won, and Singapore dollar. In particular, the US dollar and the Chinese yuan are considered as material for the Group.

The Group's general policy is to hedge sales contracts denominated in a foreign currency as well as expected net operational cash flows when they can reasonably be predicted. To this effect, provided there is no natural hedging opportunity, the Group Treasury uses financial instruments to hedge its net exposure to these risks, including forward exchange contracts, currency swaps, and forex options.

Cash flow hedges are further designated at the Group level as hedges of foreign exchange risk on specific assets, liabilities, or committed or future transactions on a gross basis.

Appropriate documentation is prepared in accordance with IFRS 9. The CFO approves and the CEO is informed of significant hedging transactions, with reporting to the Audit Committee of the Group four times a year.

The Group has certain investments In foreign operations, whose net assets are exposed to foreign currency translation risk. As appropriate, currency exposure arising from the net assets of the Group's foreign operations may be managed through borrowings denominated in the relevant currencies.

Proton Therapy segment is impacted by the fluctuation of the USD exchange rate against EUR. In 2021 a fluctuation of -3% of USD against EUR would have had a negative impact on the sales of Proton Therapy segment of -1.30% (-0.95% in 2020).

The Dosimetry segment is impacted by the fluctuation of the USD exchange rate against EUR. In 2021 a fluctuation of -3% of USD against EUR would have had a negative impact on the sales of the Dosimetry segment of -1.06% (-0.49% in 2020).

Interest rate risk

The Group's exposure to changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. When the Group considers that the fluctuation of interest rates could have a significant impact on its financial results, the Group will use interest rate swaps in order to mitigate this impact.

IBA does not apply hedge accounting to these transactions, and these instruments are therefore revalued through profit and loss.

At the end of 2021 and 2020, the Group did not have any outstanding interest rate swaps.

A 1% increase in interest rates applied to the average amount outstanding under the floating-rate term loan (EUR 23.3 million in 2021) would have resulted in a EUR -0.2 million impact on the income statement.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities as well as available (undrawn) credit facilities, in consideration of the dynamic nature of the Group's businesses. These credit facilities are detailed hereunder.

As at December 31, 2021, the Group has at its disposal credit facilities amounting to EUR 83.1 million of which 47.8% are used.

(EUR 000)	Credit facilities total amount	Credit facilities used	Credit facilities available
S.R.I.W. - subordinated	13 671	13 671	0
S.F.P.I. - subordinated	5 000	5 000	0
Term loan	21 000	21 000	0
Short-term credit facilities	43 408	0	43 408
TOTAL	**83 080**	**39 671**	**43 408**

S.R.I.W. and S.F.P.I. subordinated bonds

S.R.I.W. and S.F.P.I. are two Belgian public investment funds (respectively, at regional and federal levels).

As at December 31, 2021, the bank and other borrowings include unsecured subordinated bonds from S.R.I.W. for a total of EUR 13.67 million (EUR 15.41 million in 2020), an unsecured subordinated bond from S.F.P.I. for EUR 5 million (unchanged), a term loan for EUR 21 million (EUR 27 million in 2020), as well as unused revolving (short term) credit facilities (unchanged from 2020), and unused overdraft facilities in India and China (see below).

Credit facilities

IBA SA has access to EUR 58 million (initially, EUR 67 million) syndicated credit facilities comprising

- a EUR 21 million (initially, EUR 30 million) amortizing term loan (maturing in June 2025) and
- EUR 37 million revolving credit facilities maturing in December 2024. The revolving credit facilities remained undrawn as of December 31, 2020.

In Group entities:

- The bank INR 130 million overdraft facility in India (borrower: IBA Particle Therapy India Private Limited) expired in March 2022 and was not renewed (undrawn as of December 31, 2021).

- In China, the CNY 35 million overdraft facility (borrower: Ion Beam Applications Co. Ltd) was maintained for the same amount of (undrawn as of December 31, 2021).
- In the US, "Paycheck Protection Program" loans were signed in 2020 with Wells Fargo by IBA Dosimetry America Inc., IBA Proton Therapy Inc., and IBA Industrial Inc. for respectively USD 0.4 million, USD 4.1 million, and USD 0.5 million. as part of a program from the Small Business Administration to support payroll expenses during the COVID pandemic. After audit, the Administration confirmed in December 2021 that these loans are forgiven.

Treasury notes

The EUR 5.25 million balance was fully repaid in February 2021.

Covenant risk

The above-mentionned facilities are subject to certain financial covenants.

Following the terms of the S.R.I.W. and S.F.P.I. bond agreements, the Group agreed to comply with a financial covenant relating to IBA SA's level of equity, which was met as of December 31, 2021.

The financial covenants applying to the syndicated bank facilities consist in (a) a maximum net leverage ratio (calculated as the consolidated net senior indebtedness divided by the consolidated REBITDA over the last 12 months) and (b) a minimum corrected equity level (calculated as the sum of the consolidated equity–- with certain reclassifications–- and the subordinated indebtedness). Both covenants were complied with as of December 31, 2021.

Digital risks

Information quality risk

Erroneous information or information not received in a timely manner may adversely affect a user's decision. The amount of data managed by the organization is growing and new technology infrastructures are suited to manage voluminous amounts of information. IBA is continuously increasing the quality of its processes and increasing the ownership and control of data quality amongst the organization.

Integrity risk

To face the global increase of security threats and higher levels of professionalism in computer crime, IBA has developed a security program since 2016 to ensure employee awareness, govern our data protection procedures, and protect the information technology infrastructure against Cyberfraud. IBA has intensified its security program during 2020 to further enhance employee assertiveness in Cybersecurity.

IBA's intent is also to move part of its on-premises infrastructure into the cloud to benefit from the high level of security of its technology partners.

Although IBA has experienced some cyber-attacks, none led to any significant damage. However, there can be no assurance that IBA will be able to continuously avoid damages and potential losses originating from cyber-attacks.

Branches of the company (section 3:6, §1, 5°, of the BCAC)

At the end of 2021, the Company had ten branches in Prague, Czech Republic; Orsay, France; Krakow, Poland; Trento, Italy; Seoul, South Korea; Uppsala, Sweden; Groningen, Netherlands; Newport, United Kingdom; Madrid, Spain, and Dublin, Ireland. The branches were established as part of the Company's Proton Therapy business (section 3:6, §1, 5°, of the BCAC).

Conflicts of interests and other information to be disclosed pursuant to section 3:6, §1, 7°, of the BCAC

During the 2021 financial year, there was one conflict of interest matter between the Company and some of its directors, in the meaning of section 7:96 of the BCAC.

During the meeting of the Board of Directors held on August 23, 2021, the Board of Directors notably discussed the particpation plan embodying management anchorage in the Company's shareholding structure.

During the aforementioned meeting, Mr. Olivier Legrain informed the other Board Members that he is one of the initiative takers of and would benefit from the participation plan that was sent by him to the Board. Mr. Olivier Legrain declares to have a financial interest conflicting with the decisions to be taken: i) in his capacity as CEO to the extent that the Board has to approve the participation plan, and ii) in his capacity as co-founder and shareholder of IB Anchorage S.R.L. (or the same legal entity subsequently carrying a different name), candidate acquiror of the Company's own shares held by IBA Investments SCRL.

The Board acknowledged the possible existence of a conflict of interest within the meaning of Article 7:96 of the Companies and Associations Code. The Board is of the opinion that the financial conflict interest at stake might in particular relate to the decisions to be taken by the Board with respect to the proposed participation plan.

The Board has duly informed the statutory auditor of the Company, EY SRL Réviseurs d'Entreprises, represented by Romuald Bilem, of the existence of such conflict of interest and the later has received a copy of the minutes of the meeting.

MANAGEMENT ANCHORAGE PARTICIPATION PLAN

The Management Anchorage Participation Plan envisages the sale of up to 450'000 Company shares by IBA Investments SCRL to IB Anchorage S.R.L., facilitated by a loan facility from IBA Investments S.C. at market conditions and against a share pledge.

The Board believes that the sale of IBA shares held by IBA Investments SCRL to IB Anchorage S.R.L. will strengthen the local anchorage of the Company and indeed is in line with the requirement for management to hold shares in the Company as set out in the Belgian Code of Corporate Governance 2020. The Board further notes that the sale of shares will occur at EURONEXT market price through a loan facility from IBA Investments SCRL to IB Anchorage S.R.L. at arm's length conditions and against a share pledge.

The Board considers that the approval and subsequent implementation of the participation plan is in the Company's interest as it: i) strengthens management's commitment to the Company's long-term strategic goals, ii) aligns the interests of management and shareholders, and iii) reinforces the local anchorage of the Company.

The Board approved the Participation Plan in its meeting of August, 23 2021.

Competence and independence of members of the audit committee (sections 3:6, §1, 9° and 3:32, §1, 6°, of the BCAC)

In accordance with section 3:6, §1, 9°, of the BCAC, IBA's Board of Directors reports that:

Mrs. Christine Dubus (representing Nextstepefficiency SRL), chairwoman of the Audit Committee since August 24, 2020, member of the Audit Committee and Board member since August 24, 2020, is also Executive Director at Credit Mutuel Equity, Crédit Mutuel Alliance Fédérales's Subsidiary. Previously an audit partner at a leading international firm, she has extensive experience in all financial matters including group financial reporting, working capital management, transversal finance transformation programs, and efficiency tracking.

Mrs. Christine Dubus is an independent as defined in article 7: 87 of the BCAC. She does not maintain relations with the company or any of its shareholders that would jeopardize its independence.

Corporate governance statement (section 3:6, §2 and §3, and 3:32, §1, 7° and 8° of the BCAC)

Pursuant to section 3:6, §2, 1°, of the BCAC, the philosophy, structure, and general principles of IBA SA's corporate governance are presented in the Company's Corporate Governance Charter (the "Charter"). The Charter is available on the Company's website www.iba-worldwide.com, on the following page https://iba-worldwide.com/investor-relations/legal.

The Company has implemented the principles laid out in the 2020 Belgian Code of Corporate Governance by adopting the Charter. The Company has explained in its Corporate Governance Charter, as well as further in this Management Report where and why it deviates from the Code.

The Charter was endorsed by IBA's Board of Directors during its meeting held on 18th December 2020. The Charter may be updated from time to time as governance of the Company evolves.

According to section 3:6, §2, 2°, of the BCAC, IBA reports that it deviates from principle 5.3/1 of the 2020 Belgian Corporate Governance Code, which states that the Nomination Committee should be composed of a majority of non-executive, independent, directors. The explanation for such a deviation is that IBA has a particular shareholder structure to preserve and secure its anchorage in Belgium. Therefore, there is no majority of independent directors in the Nomination Committee.

IBA also reports that it deviates from principle 7.6 of the 2020 Belgian Corporate Governance Code, which states that "*[a] non-executive board member should receive part of their remuneration in the form of shares in the company (…)*". National law applicable to some non-executive directors of IBA prohibits them from receiving part of their remuneration in the form of shares of the company. Therefore, IBA is not in a position to abide by principle 7.6 of the 2020 Belgian Corporate Governance Code.

"The Company has complied with all the provisions of the 2020 Corporate Governance Code, except those from which it has deviated for the reasons explained hereabove".

MAIN FEATURES OF THE INTERNAL CONTROL & RISK MANAGEMENT SYSTEMS (SECTIONS 3:6, §2, 3° AND 3:32, §1, 7°, OF THE BCAC)

Management has established an Internal Control system addressing its operations and financial reporting objectives.

Control environment

The Board of Directors and senior management establish the tone at the top regarding the importance of internal control. Management sets expectations at the various levels of the organization.

The process of preparing consolidated financial information is supported by procedures and work instructions to guide subsidiaries in the preparation of their local accounts.

Risk management process

Financial statements are consolidated monthly. This procedure enables the timely identification of accounting issues.

The finance department works closely with the legal department and external auditors, to comply with changes in legislation and accounting standards.

These efforts are made to provide financial information in full compliance with company law, deadlines, and quality standards.

Senior management has introduced a range of analyses to identify, evaluate and track financial and operational risks. These include:

- A four-year strategic plan and annual budget
- A yearly enterprise risk management process
- A monthly management dashboard (versus budget, versus previous year);
- Treasury forecast tables;
- Project status reports;
- Procedures for establishing technical documents;
- Request forms for recruitment approvals;
- A committee to approve major investments;
- A table of the firm and current orders for the Equipment sector;
- A signature matrix for all Group commitments to third parties;
- A dual-signature authorization for payments and bank-related transactions

In addition, the Chief Compliance Officer is responsible for monitoring compliance with the Code of Business Conduct and company procedures. A reporting procedure is established allowing all employees to report any incidents or events representing a risk for the company.

The Board of Directors and the Audit Committee fulfill their responsibilities for monitoring risk management by reviewing the reports and analysis prepared by senior management, such as:

- Management dashboard;
- The Monitoring and review of investments analysis;
- Analysis of research and development achievements and performance;
- The strategic plan and budgets for the following period;
- The analysis of the treasury position;
- Internal audit reports.

Control activities

The control of risks to which the Company is exposed is undertaken by financial controllers and an internal auditor reporting to both the CFO and the Audit Committee. These two functions help to identify new operational or accounting issues, apply suitable accounting procedures and ensure the safeguarding of assets. Through their work, they remain vigilant for any situation that could indicate internal or external fraud. A program of complementary tests and specific actions is conducted if a red flag is identified.

Controls of procedures for the closing of local accounts, approval of payments, invoicing, stock management, and other regular activities are organized locally. Procedures for establishing financial statements are controlled by local financial management and the management controller of the division to which the entity belongs. This is a cross structure between staff from operational divisions and financial managers of the legal entities.

Certain operations are centralized on a Group level. Members of senior management are directly involved in the review and approval of these operations, thus ensuring control on the completion of accounting and financial information related to:

- Research and development activity;
- Investment and divestment in intangible, tangible, and financial assets, based on an approval matrix;
- Long-term contracts and partnership contracts;
- Treasury, financing and financial instruments;
- Supervision of signatory powers and delegation of local authority;
- Capital operations;
- Provisions and commitments.

The procedures for establishing the financial statements of the Group are applicable to all the units within the scope of consolidation. The results of audits conducted by local external auditors are shared directly with the Group's financial department.

Information and communication

The availability and relevance of accounting and financial information are assured by the analysis tools described above and by the information technology and data processing environment.

Although the current IT environment is heterogeneous, the computing systems are sufficiently secured by:

- A right-of-access procedure to data and programs;
- An anti-virus protection system;
- A protection system for networking;
- A data safeguard and preservation system;
- Availability and continuity of service measures;
- A portal centralizes incidents, requests for information, and other requests that staff may have concerning IT services.

The IT department works with consultants based on specific requirements. Work with these service providers is defined by contract. Security measures are tested periodically to ensure their effectiveness. The maintenance of the IT systems is an integral part of the IT department's mission.

Accounting and financial information are communicated to Management monthly in the form of reports from the management controllers and consolidated financial statements. This information is provided directly to division presidents and financial management. The annual accounts, budget, strategic plan, and follow-up on investments and treasury are presented to the Audit Committee before being submitted to the Board of Directors. Furthermore, the Board of Directors is regularly informed about the financial state of the Group via monthly management dashboards.

The communication of financial information to the market is managed by the communication, finance, and legal departments of the organization. Shareholder concentration in the Belgian market allows this process to be centralized with a limited number of people, with the CFO playing a leading role. A schedule summarizing the periodic requirements for the communication of financial information is available at the Group level, with details of the nature and date of each requirement. A procedure stipulates the persons responsible for preparing, approving, and communicating this financial information to the market, based on whether the information is restricted or not, and commercial or financial in nature.

Management

Evaluation of the internal control system takes place primarily when the management bodies review the financial statements and analyses prepared by the Finance Department, as well as during the follow-up on the effectiveness of internal control and risk management systems by the Audit Committee.

The analysis tools referred to above are established in line with the accounting principles validated by the Audit Committee and Board of

Directors. They are adapted in function of the evolution of the Group's activities and environment, as necessary. The pertinence of the information and proper application of accounting principles are reviewed by the Finance Department during the preparation of these accounting principles and by management bodies during their successive reviews.

The CEO and CFO present and comment on the financial statements to the Audit Committee and Board of Directors every quarter or more frequently if necessary. The Audit Committee receives a summary of the control reviews conducted internally; underlining weaknesses identified by the internal audit department. It also receives any comments made by external auditors on the accounting decisions and evaluation rules used in the preparation of financial statements, as well as their proposed action in relation to internal control.

INFORMATION DISCLOSED PURSUANT TO SECTION 14, §4, OF THE ACT OF 2 MAY 2007 (SECTION 3:6, §2, 4°, OF THE BCAC)

Based on the transparency notifications received by the Company over the financial year 2021, the respective percentage of shares held by the Company's main and historical shareholders as of December 31, 2021 is as presented in the chart below. However, this chart cannot consider the variations of which the Company has no knowledge as they do not reach the transparency notification thresholds.

According to article 35 of the Company's Articles of Association applicable as of 31 December 2020, and in accordance with article 18 of the law of 2nd May 2007 relating to the disclosure of significant holdings in issuers whose shares are admitted to trading on a regulated market and laying down various provisions, the notification obligation provided for in articles 6 and following of this law is applicable to the crossing, upward or downward, of any minimum portion of one percent (1%), two percent (2%), three percent (3%), four percent (4%), five percent (5%), seven point five percent (7.5%), and in portions of ten percent (10%), fifteen percent (15%) and so on in increments of five percent (5%), of the total voting rights in circulation at the time of the occurrence of the situation giving rise to a declaration under this law.

Situation at		December 31, 2020		December 31, 2021	
Denominator		30 133 920		30 218 718	
Entity		Actions	%	Actions	%
Sustainable Anchorage SRL		6 204 668	20,59%	6 204 668	20,53%
IBA Investment SCRL		410 852	1,36%	51 973	0,17%
IB Anchorage (Management Anchorage)		0	0	348 530	1,15%
IBA SA		63 369	0,21%	755 994	2,51%
IBA SA on behalf of ESP holders				21 180	0,07%
	Subtotal	6 678 889	22,16%	7 382 345	
UCL		426 885	1,42%	426 885	1,42%
Sopartec SA		180 000	0,60%	180 000	0,60%
	Subtotal	606 885	2,01%	606 885	2,01%
SRIW SA		715 491	2,37%	715 491	2,37%
SFPI SA		58 200	0,19%	58 200	0,19%
Belfius Insurance SA		1 189 196	3,95%	1 189 196	3,95%
Institut des Radioéléments FUP		1 423 271	4,72%	1 423 271	4,72%
BNP PARIBAS		0	0	528 425	1,75%
Paladin Asset Mgmt		768 765	2,55%	768 765	2,55%
BlackRock, Inc.		405 300	1,34%	407 194	1,35%
Norges Bank Investment Management		1 133 108	3,76%	1 133 108	3,76%
Kempen Capital Management NV		875 388	2,90%	875 388	2,90%
	Subtotal	6 568 719	21,80%	7 099 038	23,55%
Total		13 854 493	45,98%	15 088 268	49,93%
Public		16 279 427	54,02%	15 130 450	50,07%
Grand Total		30 133 920	100%	30 218 718	100%

All transparency notifications received by the Company are available on its website, on the following page: https://iba-worldwide.com/investor-relations/legal.

To the Company's Board of Directors' knowledge, there is no agreement in force regarding the Company among its shareholders

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LIST OF THE MEMBERS, AND DECISION PROCESS OF THE BOARD OF DIRECTORS AND OF ITS VARIOUS COMMITTEES (SECTION 3:6, §2, 5°, OF THE BCAC)

Board of directors

In accordance with the Company's Articles of Association (art. 11), the Company is managed by a Board of Directors composed of a minimum of three and a maximum of twelve members, appointed by the shareholders' meeting for a renewable term, which shall not exceed the legal term.

The Board of Directors is currently composed of eight members.

The Company's Articles of Association and Corporate Governance Charter require a balance, within the Board of Directors, among independent directors, internal directors, and directors representing the shareholders.

The Board of Directors must always be made up of (a) at least one-third of independent directors and (b) at least one third appointed upon proposal by the managing directors (hereafter referred to as "internal directors").

The other Directors are appointed freely by the shareholders' meeting, it being understood however that, among those directors, there cannot be more than two members who are, directly or indirectly, related to one and the same shareholder (or a company or individual related to the latter) when such shareholder:

1) either carries out (directly or indirectly) activities in one or several business areas in which the Company (or a subsidiary of it) are doing business as well;
2) or owns more than 40% of the voting rights issued by the Company.

The Board of Directors appoints among its members a chairman and, as the case may be, a deputy chairman. Unless otherwise decided by unanimous resolution of the Board, the chairman, and deputy chairman may not be the type of directors as defined in the preceding paragraph.

The Board of Directors meets whenever necessary and whenever at least two members require a meeting.

Board of Directors as of December 31, 2021:

In practice, the Board gathers at least four times a year.

The major topics of discussion include market situation, strategy, technological developments, financial developments, human resources management and corporate, social and environmental responsibility.

Reports on topics dealt with at Board meetings are sent to the directors beforehand so that they can exercise their duties with full knowledge of the facts.

During the financial year 2021, the Board of Directors met 9 times on the occasion of regular board meetings - under the chairmanship of Mr. Pierre Mottet -, once for the Sustainability Board meeting, and once for the Product Board meeting. Attendance at meetings of the Board was very high. A large majority of the directors attended all meetings.

During the Ordinary General Meeting (held on June 9, 2021), three mandates were renewed, i.e., the mandate of Nextstepefficiency SARL, represented by Mrs.Christine Dubus, the mandate of Dr. Richard A.Hausmann and the mandate of Mr.Yves Jongen. The term of their mandate is set at the Ordinary General Meeting to be held in 2024 (i.e. the Ordinary General Meeting that will be convened to approve the annual accounts as of 31 December 2023).

NAME	START OF TERM	END OF TERM	DUTIES AT IBA	PRIMARY DUTIES OUTSIDE IBAIBA
Olivier Legrain[1]	2012	GM 2023	Chief Executive Officer / Internal Director / Managing Director / NC / PC / SC	N/A
Saint-Denis SA (represented by Pierre Mottet) [1]	1998	GM 2022	Internal Director / Chairman of the Board of Directors / RC (chairman) / NC (chairman) / PC (chairman) / SC	Director of UWE (Walloon Business Association) and several funds and start-ups in the field of health and environment
Yves Jongen[1]	1991	GM 2024	Chief Research Officer / Internal Director / Managing Director / NC / PC / SC	Before the incorporation of IBA in 1986, Director of the Cyclotron Research Center of the Université Catholique de Louvain (UCL)
Nextstepefficiency (represented by Christine Dubus) [2]	2021	GM 2024	Independent Director / AC (chairwoman)	Executive Director at Crédit Mutuel Equity, Crédit Mutuel Alliance Fédérales's Subsidiary

Consultance Marcel Miller SCS (represented by Marcel Miller) (2)	2011	GM 2023	Independent Director / AC / RC / NC / SC / PC	/ Former Chairman of Alstom Benelux / Member of the Board of Directors of Schréder / Chairman of the Board of Directors of Technord
Hedvig Hricak (2)	2017	GM 2022	Independent Director / PC / SC	Chair of the Department of Radiology at Memorial Sloan Kettering Cancer Center / Professor of Radiology at Weill Medical College, Cornell University / Professor at the Gerstner Sloan-Kettering Graduate School of Biomedical Sciences.
Dr. Richard A. Hausmann (2)	2021	GM 2024	Independent Director / AC / RC / NC / PC / SC	Formerly Chairman and CEO of Elekta AB, Sweden / Held various CEO positions in medical technology companies for the diagnostic imaging business lines of Siemens and GE / From 2004 to 2010 Chairman and CEO of Siemens Ltd China.
Bridging for Sustainability SRL (represented by Sybille van den Hove) (2)	2015	GM 2023	Independent Director / PC / SC (chairwoman)	Research and advice on sustainability / Former chair of the scientific committee of the European Environment Agency / Associate member of Woman on Board

RC: Remuneration Committee - NC : Nomination Committee - AC : Audit Committee – PC : Product Committee – SC : Sustainability Committee

(1) In accordance with the meaning ascribed by the corporate charter to the term "Internal director", namely an internal director is a director appointed on the proposal of the managing directors.

(2) Submitted to the General Meeting as candidate independent directors on their election, without excluding the fact that other directors also fulfill the independence criteria. None of the independent directors ceased during the financial year to fulfill the independence criteria set out in the corporate charter

Remuneration committee

The Remuneration Committee met 2 times in 2021. A report on each meeting was provided to the Board.

Topics of discussion included matters relating to the 2021 bonuses, long terms incentives, and compensation schemes in general.

As of December 14, 2021, the Remuneration Committee was comprised of Saint-Denis SA represented by its managing director, Mr. Pierre Mottet, Consultance Marcel Miller SCS represented by its permanent representative, Mr. Marcel Miller, Nextstepefficiency SRL, represented by its permanent representative Mrs. Christine Dubus and Dr. Richard A. Hausmann. The latter three members being independent, the Remuneration Committee is thus comprised of a majority of independent directors. The Remuneration Committee is chaired by Mr. Pierre Mottet. Mr. Olivier Legrain and Mr. Yves Jongen are invited to attend it, except where the Committee is called on to decide on the compensation policy or other matters relating to the managing directors.

Nomination committee

The Nomination Committee met 2 times in 2021 to assess the areas of expertise needed by the Board of Directors, when directors' mandates come to an end, and to make proposals in this respect to the Board of Directors.

Based on the report prepared by this Committee, the Board had proposed to the Ordinary General Meeting held on June 9, 2021 (i) to approve the renewal of Nextstepefficiency SARL, represented by its administrator independant, Mrs.Christine Dubus, the mandate of Dr. Richard A.Hausmann, represented by its administrator independant, and the mandate of Mr.Yves Jongen and to set the term of their mandate at the OGM to be held in 2024, called to resolve on the 2023 annual accounts.

The Nomination Committee is composed of five members, among which the chairman of the Board of Directors and a minimum of two independent directors.

As of December 31, 2021, the Nomination Committee was comprised of Saint-Denis SA represented by its managing director, Mr. Pierre Mottet, Consultance Marcel Miller SCS represented by its permanent representative, Mr. Marcel Miller, Mr. Olivier Legrain, Mr. Yves Jongen, and Dr. Richard A. Hausmann. This Committee is chaired by Mr. Pierre Mottet.

Product committee – product board meeting

A Product Committee has been set up as an IBA Board Committee to overview the Protontherapy product strategy, to analyze and validate the research and development projects in Protontherapy, and to report its activities to the Board.

As of December 31, 2021, the former product committee consists of all members of the Board of Directors: Mr. Olivier Legrain, Saint-Denis SA represented by its managing director, Mr. Pierre Mottet, Mr. Yves Jongen, Nextstepefficiency represented by its permanent representative, Christine Dubus, Consultance Marcel Miller SCS, represented by its permanent representative, Marcel Miller, Ms. Hedvig Hricak, Dr. Richard A. Hausmann, and Bridging for Sustainability SRL represented by its permanent representative Ms. Sybille van den Hove. The Product Board is chaired by Mr. Pierre Mottet and met on October 13, 2021.

No absence was recorded for the Product Board.

Audit committee

The Audit Committee met 4 times in 2021, in the presence of Mr. Olivier Legrain and occasionally of Mr. Pierre Mottet. On each occasion, the Committee reported on its meetings to the Board of Directors. The main topics addressed were the financial results, liquidity situation, analysis of the external auditors' review, examination of the 2022 budget, and follow-up of internal audit and risk management.

The Company keeps close control of the risks to which it is subject through its financial controllers employed in each of the divisions. This enables the risks to be managed closely. The risks identified are transmitted up to the Management Team which reports to the Audit Committee and develops an appropriate solution, in conjunction with the Audit Committee and the appropriate departments in the organization.

As of December 31, 2021, the Audit Committee was comprised of three members: Consultance

Marcel Miller SCS, represented by its permanent representative Mr. Marcel Miller, Nextstepefficiency SRL, represented by its permanent representative Mrs. Christine Dubus and Dr. Richard A. Hausmann. It is chaired by Mrs. Christine Dubus.

Sustainability committee – sustainability board meeting

The sustainability committee was set-up in 2018 as an IBA Board Committee.

That committee met once on October 14, 2021, to define the strategy and ambition of IBA on the Sustainability fronts which is, at IBA, defined through commitments to our 5 stakeholders: our customers and their patients, our employees, our shareholders, society, and the planet.

This meeting was held in the presence of several members of Management interested in these questions, but not all members were present during the meeting.

Since October 2020, the Sustainability Committee is considered as a full board meeting with sustainability as a specific topic, as sustainability is key for IBA's strategy.

As of December 31, 2021, the former sustainability committee consisted of all members of the Board of Directors: Mr. Olivier Legrain, Saint-Denis SA represented by its managing director, Mr. Pierre Mottet, Mr. Yves Jongen, Nextstepefficiency represented by its permanent representative, Ms.Christine Dubus Consultance Marcel Miller SCS, represented by its permanent representative, mr.Marcel Miller, Dr. Hedvig Hricak, Dr. Richard A. Hausmann, and Bridging for Sustainability SRL represented by its permanent representative Ms. Sybille van den Hove. Dr. Sybille van den Hove also chairs the meetings.

Day-to-day and strategic management

The day-to-day management of the Company and the authority to represent the Company in such matters is delegated to two managing directors, Mr. Olivier Legrain, Chief Executive Officer, and Mr. Yves Jongen, Chief Research Officer. The Chief Executive Officer is specifically responsible for implementing strategy and for the day-to-day management and is assisted by a Management Team consisting of certain members of the corporate team. Together, they constitute the Group Management Team.

The Chief Executive Officer, accompanied by the Chief Financial Officer, submits regular reports to the Board of Directors.

The Board of Directors has also asked the Management Team members and division heads to report to the Board on two topics: adoption of the strategic plan and adoption of the 2022 budget.

Management Team as of December 31, 2021:

MANAGEMENT TEAM MEMBERS	POSITIONS	OTHER AND PRIOR DUTIES
Olivier Legrain (representing Lamaris Group SRL)	Chief Executive Officer	Internal Director/ Managing Director/ Member of Nomination Committee/ Member of the Product Committee (prior to its integration)/ Member of the Sustainability Committee (prior to its integration)
Yves Jongen (representing Research Management Systems SRL)	Chief Research Officer	Internal Director / Managing Director / Member of the Nomination Committee / Member of the Product Committee (prior to its integration)/ Member of the Sustainability Committee (prior to its integration) Before the establishment of IBA in 1986, Director of the Cyclotron Research Center of the Université Catholique de Louvain (UCL)
Soumya Chandramouli	Chief Financial Officer	Chief Financial Officer since 2016/ Working at IBA since 2004, consecutively Group Consolidator, Group Financial Analyst, VP Corporate Finance and VP Finance, Medical Accelerators Solutions/ 5 years as Senior Auditor at EY

Frédéric Nolf	Chief Human Resources & Sustainability Officer	Joined IBA in 2007 as HR Director Particle Therapy/ Previously working at Abbott Vascular (Guidant) and GSK in various HR roles

DIVERSITY, EQUITY AND INCLUSION POLICY (SECTION 3:6, §2, 6°, OF THE BCAC)

The Code of Business Conduct sets out the principles of IBA's social and staff-related policy. It is, among others, based on the International Labor Organization's Declaration on Fundamental Principles and Rights at Work.

In addition, the Board approved in its meeting of December 2021 the Company's Diversity, Equity and Inclusion Policy ("DEI Policy") as follows :

"Diversity, Equity and Inclusion are fundamental aspects of IBA's sustainability approach. We value the uniqueness .

We define Diversity not only as statistics, but as the accumulated richness of people's unique backgrounds, lives, cultural experiences, and the diversity of thought and ways of acting that this brings to our workplace.

We foster Inclusion by respecting individual differences and capturing the advantages that this provides to drive greater impact and value in our work. We call it the IBA culture, in which we create an environment that helps each and every one of us to fully contribute to IBA's success.

Equity is the guarantee of fair treatment, access, opportunity, and advancement. IBA is committed to providing equal employment and training opportunities, and to treating applicants and employees without discrimination. We do not discriminate based on race, color, age, sex, sexual orientation, national origin, religion, language, or disabilities. Our policy is that no one at IBA should ever be subject to any kind of discrimination, and we have designated individuals responsible for diversity, equity and inclusion.

This in the end leads to a feeling of connectedness which we define as Belonging. It is the feeling for an individual to be integral part of IBA, an organization where we all can feel at our best everywhere, every day.

The B Corp framework chosen by IBA as reference for its sustainability approach includes measures on DEI, allowing IBA to track progress on that front".

The Code of Business Conduct and the DEI Policy are today our reference to describe our commitment to diversity in our corporate culture.

The Corporate Governance Charter, published on the Group's website, defines the core competencies the Board of Directors requires to be effective. Members are nominated based on the Board's needs in terms of knowledge, experience, and competence at that time, also respecting the balance between outside, inside and other Directors laid down in the Articles of Association, the law, and the 2020 Corporate Governance Code.

The Board and the Nomination Committee fully acknowledge the benefits of diversity among employees, within the Executive Management Team, and within the Board of Directors.

As of December 31, 2021, more than one third of the directors are of the other gender which means that the Company meets the requirements on gender diversity.

The age distribution within the management team is quite broad, indicating a fair and balanced value between said members. Management approved the Diversity, Equity and Inclusion Policy on 15 and 16 December 2021, and requests the Management to implement this policy to the fullest extent.

INFORMATION DISCLOSED PURSUANT TO SECTION 34 OF THE ROYAL DECREE OF 14 NOVEMBER 2007 (SECTIONS 3:6, §2, 7° AND 3:32, §1, 8°, OF THE BCAC)

In accordance with section 34, 5° of the Royal Decree of November 14, 2007, regarding the obligations of issuers of securities admitted to trading on a regulated market (B.S.G. 03/12/2007), the corporate governance statement contains the following information.

i) Structure of the share capital, classes of shares, rights attached to each category of shares and % of the share capital that they represent

As of 31 December 2021, the Company has issued 30 218 718 shares, without a nominal value, each representing 1/30 218 718 th of the Company's share capital and each granting the same rights to its owner. No classes of shares have been created.

ii) Legal restrictions or restrictions included in the company's articles of association, on the transfer of shares

There are no restrictions on the transfer of the Company's shares.

iii) Owners of any securities conveying specific controlling rights and a description of such rights

The Company has not issued any securities that convey any specific controlling right to their owner.

iv) All significant agreements to which the issuer is a party and which are contingent to a change of control following a public takeover bid unless their disclosing would harm the issuer severely

Not applicable.

v) All agreements among the issuer and the directors or staff, containing the granting of compensations if the directors resign or must cease their functions without a sound reason or if the employment of the staff ceases as a result of a public takeover bid

There are no such arrangements in place.

vi) Controlling mechanism in a system of staff-shareholding

There is no system of staff-shareholding in force within the Company.

vii) Legal restrictions or restrictions included in the company's articles of association, on the exercise of voting rights

As of 31 December 2021, articles 27 and 28 of the Company's coordinated Articles of Association provide the following limitations:

"Article 27:

No shareholder may, with its affiliated companies and persons, vote at a general assembly for more than 35% of the voting rights issued by the Company. Moreover, insofar as other non-affiliated shareholders holding individually at least 15% of the voting rights issued by the Company take part in the assembly, no shareholder may, together with its affiliated companies and persons, take part in the vote, for each resolution put to vote, for more than 50% less one security of the total securities admitted to vote and cast respectively for each resolution put to vote.

For the application of the previous paragraphs, is deemed to be affiliated to a shareholder:

(i) any company or person affiliated to it in the meaning of section 1:20 of the BCAC;

(ii) any natural person or legal entity that is part of the administrative or management body of such shareholder or of a company referred to under (i) above.

(iii) any third party acting in its own name but on behalf of such shareholder or of a person referred to under (i) or (ii) above.

(iv) any shareholder who granted a power-of-attorney to such shareholder or to a person referred to under (i), (ii) or (iii) above, to represent him/her at the said meeting."

Article 28:

“Without prejudice to Article 27, any shareholder who owns fully-paid shares, registered in his/her/its name since at least two years without interruption in the register of registered shares and which meet the legal requirements (section 7:53 of the BCAC) shall benefit from the multiple voting rights provided by the law for those shares compared to other shares representing a same fraction of the share capital.”

viii) Agreements in force among shareholders, known by the company and that are likely to restrict the transfer of shares and/or the exercise of the voting right

There are no such arrangements in place.

ix) Rules applicable to the appointment and the replacement of the directors and to the amendment to the articles of association of the issuer

(a) Rules applicable to the appointment and replacement of the Directors

In this respect, as of 31 December 2021, articles 11 and 12 of the Company's Articles of Association provided the following:

“Article 11:

The company is managed by a board of directors comprised of a minimum of three members and a maximum of twelve members, appointed by the shareholders’ general meeting for a renewable term, which shall not exceed the legal term.”

Article 12:

The structure of the board of directors must at all times reflect the following equilibrium:

(a) at least one-third of its members (hereafter referred to as “independent directors”) must be independent directors, chosen for their experience, discernment, and personality and who meet the definition of section 7:87 of the BCAC.

(b) at least one-third of its members (hereinafter referred to as "internal directors") must be elected on the proposal of the managing director(s);

(c) the other directors (hereinafter referred to as "other directors") shall be appointed freely by the General Meeting, provided however that no more than two of these other directors may be "directly or indirectly related to the same shareholder" (or to a company or person linked to it) within the meaning of indent 2 of this Article 12;

(d) no more than one-third of its members have been elected on the proposal or by the deciding vote of a private institutional investor or group of private institutional investors; and

(e) no more than one-third of its members may be "directly or indirectly related to a shareholder" or group of shareholders (or to a company or person related to it or them) within the meaning of indent 2 of this Article 12, where that shareholder (or group of shareholders):

(i) either directly or indirectly engages in business activities in one or more sectors of activity in which the Company or one of its subsidiaries is also active.

(ii) or holds more than forty percent (40%) of the voting securities issued by the Company.

For the purposes of this Article 12, indent 1, (c), (d) and (e), shall be deemed to be "related, directly or indirectly, to a shareholder", any director (natural or legal person) who:

(a) is, or has been within the five years preceding his appointment, a member of the administrative or management bodies, or of the staff, of that shareholder (or of an affiliated company) or has received a power of attorney from that shareholder ;

(b) has a business, shareholding or family relationship with that shareholder (or an associated company or person) or with a person referred to in (a), that is such as to influence the conditions under which he exercises his mandate as director; or

(c) has been appointed on the proposal or by the decisive vote of that shareholder.

For the purposes of this Article 12, the expression "related" company or person must be construed within the meaning of section 1:20, 1° and 2°, of the BCAC.

Proposals for the appointment of "independent directors" and "other directors" are made by the nominating committee formed within the board of directors. This committee is composed of five members, including three internal directors and two independent directors. In addition, none of the directors defined in indent 1, (d) of this Article 12 may be a member of this committee, unless, *as the case may be, he is an internal director as well.*

Proposals for the appointment of "internal directors" shall be submitted by the director or directors responsible for the day-to-day management who shall inform the board of directors of the names of the candidates to be submitted to the general meeting.

No director may be appointed on the proposal of one or more shareholders if this proposal, containing all pieces of information regarding the proposed director necessary in particular to enable the control of the respect of the balances provided for in this Article 12, has not been communicated to the Board of Directors within the legal deadlines.

Any proposal for the appointment of a director submitted to the general meeting shall mention whether the person proposed is to be considered as an "independent director", an "internal director" or a "director related, directly or indirectly, to a shareholder" within the meaning of this Article 12.

If the general meeting does not vote in favor of the proposals submitted to it in accordance with the preceding paragraphs, new proposals shall be formulated following the same procedure and the general meeting shall be reconvened to decide on the new proposals."

(b) Rules applicable to the amendment to the Company's Articles of Association

In this respect, as of 31 December 2021, article 29, §2, of the Company's Articles of Association provided the following:

"Article 29, §2:

However, any amendments to the following articles of the Articles of Association: Article 11, Article 12, Article 13, Article 14, Article 19, Article 27 and Article 29, may solely be adopted insofar as those attending the meeting represent half of the share capital and as the proposed amendments are approved by at least eighty-five per cent (85%) of the votes cast."

(c) Powers of the board of directors to issue or to redeem the company's own shares

As of 31 December 2021, the Board of Directors was authorized to issue new shares or redeem the Company's own shares. In this respect, article 6 of the Company's Articles of Association provide the following:

"Article 6:

The Board of Directors shall have the power to increase the Company's share capital, to issue convertible bonds or subscription rights, in one or more operations, within the legal limits in terms of threshold and duration.

The board of directors is expressly authorized to make use of this authority in the cases referred to in sections 7:200 (limitation or cancellation of preferential rights and incorporation of reserves) and 7:202 (public takeover bid) of the [Belgian] Companies & Associations Code (hereafter, the "BCAC").

REMUNERATION REPORT (SECTION 3:6, §3, OF THE BCAC)

This remuneration report outlines the implementation of the remuneration policy and will be annually submitted to the Annual Shareholders' Meeting for an advisory vote.

Annual Shareholders' Meeting advisory vote on the previous remuneration report was 86.77% in favor. No remarks were made to consider for the edition of this report.

In establishing the remuneration policy, the Board of Directors has considered the external environment in which IBA operates, legal requirements and principles of the Belgian Corporate Governance Code 2020, market practice and guidance issued by organizations representing institutional shareholders.

Remuneration policy Managing Directors and other Executive Management Team Members

Procedure

After review by the Compensation Committee, the Board of Directors determines the direct or indirect remuneration paid to the Managing Directors in accordance with its remuneration policy. The Committee ensures that remuneration is in line with market practice, as determined by studies performed by specialized firms. The Compensation Committee monitors and reviews the remuneration policy for Executive Management Team Members, adopted by the Chief Executive Officer. For the purpose of the above and in general, the Board of Directors, the Compensation Committee and individual directors have the authority and duty, subject to the rules defined in the Corporate Governance Charter, to assign themselves sufficient resources, including the assistance of external consultants, if and when appropriate.

Principles of the remuneration policy

The key purpose of IBA's remuneration philosophy is to ensure the Company is able to attract, retain and engage the executive talent it requires to deliver on its promises towards its various stakeholders – including its clients and patients, its shareholders, its employees, society in general and the planet –, whilst aligning to their respective interests.

The structure and levels of remuneration, in general, must be effective in meeting these objectives. Remuneration programs and decisions at all times meet the following criteria:

- They appropriately balance external competitiveness with other organizations and internal equity, considering both the content of the position, and the personal competencies and effectiveness of the manager within IBA
- They are affordable, sustainable and cost efficient, avoiding excesses
- They reward performance aligned to the business strategy, considering short-term results and long-term focus
- They provide transparency and predictability, whilst offering enough flexibility to swiftly respond to changing business needs, if and when required
- The resulting remuneration is a fair balance from the point of view of all stakeholders, taking exceptional circumstances in consideration (fairness factor). In exceptional circumstances only, the non-Managing Directors have the authority to change the policies set out herein fore or to deviate from them in case it considers this in the best interest of the company. This derogation may concern all aspects of the policy. "Exceptional circumstances" cover situations in which deviation from the remuneration policy is necessary to serve the long-term interest and sustainability of the company. Deviation can only be requested by the non-Managing Directors and the full explanation will be provided.

External competitiveness currently is assessed by reference to a general cross-section of companies active in the markets where the executives are based.

IBA does continuously assess the appropriateness of its remuneration programs in view of evolving needs and insights, both externally and internally, which may result in an adjustment when deemed necessary or appropriate.

As from 2022 IBA is implementing the following revision of its remuneration policy:

- Addition of Sustainability criteria to the variable pay formula

The expected outcome of that measure is to support IBA's multi-stakeholders approach represented into IBA's Sustainability Program.

Total remuneration (section 3:6, §3, 1°, of the BCAC)

Total Remuneration non-Managing Directors

IBA directors are currently remunerated by an annual lump-sum fee of EUR 6,000, except directors residing overseas, who, in order to cover the specific time implications and constraints related to intercontinental travel, receive EUR 16,000. The Chairman of the Board receives an annual lump-sum fee of EUR 12,000, whilst the Chairs of the Audit Committee and of the Sustainability Committee receive an annual lump-sum fee of EUR 9,000 each.

The annual lump-sum fee is supplemented with a fixed fee of EUR 1,600 per Board or committee meeting the director has been invited to and which he has attended. The Chairman of the Board receives EUR 3 000 per meeting attended. The Chairman of the Audit Committee and the Chairman of the Sustainability Committee receive EUR 2,200 per Committee meeting they chaired and EUR 1,600 per other meeting attended. The fixed fees are on a half-day basis (assuming a half-day of preparation) and adjusted per half day if required.

Non-Managing Directors do not receive any form of variable remuneration and no other form of fixed, equity-based or in-kind remuneration in the course of the year.

At present, it is not anticipated that the policy will fundamentally change over the next two years. Both the level and structure of director remuneration are monitored and reviewed on an annual basis, which may result in an adjustment when deemed necessary or appropriate.

Managing Directors do not receive specific director remuneration. The remuneration they receive for their direct or indirect role in the company includes compensation for their director responsibilities.

Table of Total Remuneration non-Managing Director

The gross amounts that were paid to non-Managing Directors in 2021 are as follows:

Board Member	TOTAL FEES (EUR)	LUMP-SUM FEE (EUR)		MEETING RELATED FEES* (EUR)
Saint-Denis SA, represented by Pierre Mottet (internal director, Chairman of the Board, of the Nomination Committee and of the Compensation Committee)	54 000	12 000	BM AC CC/NC MAC PC SC OTHER	21 000 6 000 6 000 N/A 6 000 3 000 NONE
SCS Consultance Marcel Miller, represented by Marcel Miller (independent director)	31 600	6 000	BM AC CC/NC MAC PC SC OTHER	11 200 6 400 3 200 N/A 3 200 1 600 NONE
Olivier Legrain (internal director, Managing Director, CEO)	None	None	BM AC CC/NC MAC PC SC OTHER	NONE NONE NONE N/A NONE NONE NONE
Hausmann Consulting, represented by Dr. Richard Hausmann (independent director starting August 24, 2020)	30 000	6 000	BM AC CC/NC MAC PC SC OTHER	11 200 6400 3 200 N/A 3 200 NONE NONE
Nextstepefficiency Srl, represented by Christine Dubus (independent director, chairwoman of the Audit Committee, starting August 24, 2020)	37 000	9 000	BM AC CC/NC MAC PC SC OTHER	11 200 8 800 3 200 N/A 3 200 1 600 NONE
Bridging for Sustainability, represented by Sybille van den Hove (independent director, chairwoman of the Sustainability Committee)	31 600	9 000	BM AC CC/NC MAC PC SC OTHER	11 200 N/A 3 800 N/A 3 200 4 400 NONE
Yves Jongen (internal director, Managing Director, Chief Research Officer)	None	None	BM AC CC/NC MAC PC SC	NONE N/A NONE N/A NONE NONE

			OTHER	NONE
Hedvig Hricak (independent director)	23 800	11 000	BM AC CC/NC MAC PC SC OTHER	9 600 N/A N/A N/A 1 600 1 600 NONE

* BM – Board meeting; AC – Audit Committee meeting; NC – Nomination Committee meeting; CC – Compensation Committee meeting; MAC – Mergers & Acquisitions Committee meeting; PC – Product Committee meeting; SC – Sustainability Committee. N/A indicates that the director is not a member of the Committee or that no Committee meeting has taken place; Other – Attendance of other meetings, such as client user meetings and/or strategic meetings

In 2021, the Group has also employed the services of Saint-Denis SA for specific activities not related to its directorship. The fees corresponding to these services amounted to EUR 227,629.

Total Remuneration components for Managing Directors and other Executive Management Team members

For Managing Directors and other Executive Management Team members, total remuneration generally consists of fixed remuneration, variable remuneration and long-term incentives. Retirement plan contributions and other components are offered to salaried Executive Team Members. Each individual member does not necessarily benefit from each remuneration component: this is primarily dependent upon the nature and structure of the individual agreement. As a result, the weight of the different remuneration components, as part of total remuneration differs on an individual basis. In general terms, the weight of each component of remuneration accounts for a part of total remuneration that may be summarized as follows:

Managing directors and other executive management team members

REMUNERATION COMPONENT	PART OF TOTAL REMUNERATION (WHEN OFFERED)
Annual fixed remuneration	Between 50% and 68%
Annual variable remuneration (at target)	Between 20% and 50%
Annual value of retirement plan contributions	Up to 3%
Annual value of other components	Up to 9%

Annual Fixed Remuneration

Annual fixed remuneration is a cash component of remuneration, defined in accordance with an individual's position, as well as his or her competencies and experience in the position.

Annual Variable Remuneration

The annual variable remuneration program rewards performance against specified objectives, defined and formalized at the beginning of the performance period. Payout levels currently are targeted at between 20% and 50% of annual fixed remuneration, depending on the position. Actual payout levels are subject to IBA's performance. The maximum payout is set at 150% of target in case of exceptional performance, whilst performance below expectations results in a zero payout. The performance period is the fiscal year.

For performance year 2022, performance is measured against 3 elements: Profit Before Tax, Order Intake and Sustainability for respectively 33%, 33% and 34%. These targets are geared towards achieving and exceeding the Company's fiscal year objectives and specific milestones on IBA's ESG goals.

The Managing Directors are not present at the Board and Compensation Committee meetings where their performance and variable payout levels are discussed and decided.

Profit Sharing Plan

IBA's multi-stakeholders approach includes a profit-sharing plan to materialize alignment between employees' and shareholders' interests. The payment of a dividend triggers a profit-sharing plan resulting in a common view of success. IBA's commitment is to distribute the same amount to its employees as the total dividend paid to its shareholders. A number of Profit-Sharing Points is assigned to each IBA employee, proportionate to their responsibility level. Managing Directors and other Executive Management Team members participate to this plan alongside with employees.

Agreements with the Managing Directors and members of the Executive Management Team do contain claw-back provisions in relation to any payments that would be made based on erroneous financial information.

Long-term Incentives (LTI)

IBA issues LTI usually under the form of a Stock Option Plan. The goal of this plan is to create further alignment between management and shareholders' interests, allowing participants to benefit from the long-term value created. The value of LTI takes into consideration the potential gain vis-à-vis participants' annual salary, provided the share price appreciates sufficiently. IBA has a policy to buy shares on the market to back-up LTI plan to neutralize the related dilution. These plans come alongside a share ownership guideline as described below

A Stock Option Plan has been launched in 2021. This plan covers several years and there is currently no intention to open a new plan for the same beneficiaries before its vesting. Any proceeds earned under this plan will be handed to beneficiaries in the form of full shares.

Minimum Holding Requirement (MHR)

IBA strongly believes that management must own company shares to strongly align with Shareholder's interests.

A minimum number of Company registered shares are to be held by the Managing Directors and members of the Executive Management Team. Each of them has to acquire, hold and retain directly or indirectly a number of Company shares corresponding to 100.000 IBA shares for the Managing Directors and to 10.000 IBA shares for members of the Executive Management Team. The MHR shall have to be reached at the latest by 31st December 2026. The MHR can be built up in the manner which is deemed most appropriate by the individual on whom such minimum is imposed, including through the Long-Term Incentive plan described above.

The MHR is applicable during the entire period of the contractual relationship with IBA, and during a three year period starting at the date the said contractual relationship terminates unless the termination of the contractual relationship is consecutive to the retirement or death of the concerned Executive.

The Managing Directors are significant owners of the reference shareholder and comply with the MHR provision.

Retirement Plan

IBA does not pay any pension contribution to its Managing Directors, who operate under a Management Company agreement.

Depending on the terms and conditions of their agreement members of the Executive Management Team may participate in a retirement plan. These plans follow market practice in the countries where they apply. They are generally defined contribution type of plans.

Other Components

IBA does not pay any other compensation components to its Managing Directors, who operate under a Management Company agreement.

Similar as for retirement contributions, members of the Executive Management Team may be entitled to other remuneration components as per their agreement and the programs in place for employees in their respective country. These mainly include participation in IBA's insurance programs (often covering life insurance, disability, travel insurance and medical care), company cars or car allowances, and other elements like meal vouchers. All components follow local market practice in the country where the individual is based. They represent, if at all, a minor part of the remuneration.

Context of remuneration during financial year 2021

2020 business performance was excellent with the achievement of a net Profit of 31.9m€ and a solid level of order intake for all our business lines. These results translated into an over-target payment of the variable portion of executive pay in 2021. Participation into a Stock Option Plan was offered to the Executive team and senior leadership in 2021. The shares under that plan are covered by a share buyback by the Company. The objective of this Stock Option Plan is to foster long-term participation in company's capital and alignment between management and shareholders' interests.

Total Remuneration

In line with our Remuneration Policy, Managing Directors and Executive Managers compensation was composed in 2021 of a Base Salary, an Annual Variable Pay and, depending on their contractual arrangement pension contribution and other compensation elements such as lunch vouchers, healthcare insurance, a company car and fringe benefits. A Stock Option Plan was also offered in 2021, as described in this report.

The Managing Directors operate under a Management Company and as such do not benefit from an IBA sponsored pension plan or of the other compensation elements described here above.

Variable Pay – short term incentives

Plan Criteria

- The variable compensation paid in 2021 relates to 2020 performance year. The plan was based for 50% on business results vs pre-defined goals and for 50% on individual contribution. The business results were measured for 60% against Profit Before Tax (PBT) and for 40% against Order Intake.
- The choice of these performance criteria contributes to the long term development of the company, being a mix of current financial performance (back-log conversion), new business (back-log creation) and qualitative objectives.
- In order to protect its competitive position, IBA does not disclose targets nor individual objectives.
- Each criteria is assessed separately against pre-approved targets. A performance score is assigned to each criteria, resulting in the corresponding pay-out as described in the following table:

Score	Unsatisfactory	Improvement Needed	Medium	Good	High	Exceptional
Pay-out	0%	0%	75%	100%	120%	150%

Actual Pay-Out

At the group level, the PBT portion maxed out with a payment at 150%, and order intake reached target Annual report 2020. This resulted in a final pay-out of 130% for the portion related to business results.

The individual contribution was assessed by the Remuneration Committee and validated by the Board of Director, for each Managing Director and for each member of the Executive Management Team. It was based on the performance against the 2020 pre-approved individual goals.

The variable pay was capped at 150% of target payment. There was no need to apply this cap for performance year 2020.

In 2021 Executive Managers' variable compensation was paid in a combination of cash, warrants and pension contributions. The corresponding total value of their variable compensation is indicated in the table below.

Total Remuneration of the Managing Directors

The schedule below outlines the total remuneration received by each Managing Director

Name	Title	Currency	Year	Annual fixed remuneration	Annual variable remuneration	Retirement benefits	Other benefits
Olivier Legrain (1)	CEO	EUR	2021	391 468	493 518	None	None
		% of total		*44%*	*56%*	*0%*	*0%*
		EUR	2020	388 982	313 750	None	None
		% of total		*55%*	*45%*	*0%*	*0%*
Yves Jongen (2)	CRO	EUR	2021	339 182	249 927	None	None
		% of total		*58%*	*42%*	*0%*	*0%*
		EUR	2020	344 533	172 705	None	None
		% of total		*67%*	*33%*	*0%*	*0%*

1. Managing Director and representative of Lamaris Group SRL
2. Managing Director and representative of Research Management Systems SRL

Details of 2021 variable pay for Managing Directors

Name	Title	Currency	Profit Before Tax a. % pay-out b. amount	Order Intake a. % pay-out b. amount	Individual Goals a. % pay-out b. amount
Olivier Legrain (1)	CEO	EUR	a. 150% b. 177.666€	b. 100% b. 78 963€	**a.** 120% **b.** 236 889€
Yves Jongen (2)	CRO	EUR	**a.** 150% **b.** 97 798€	**b.** 100% **b.** 43 466€	**a.** 100% **b.** 108 664€

1. Managing Director and representative of Lamaris Group SRL
2. Managing Director and representative of Research Management Systems SRL

Total Remuneration of the Executive Management Team*

Title	Currency	Year	Annual fixed remuneration	Annual variable remuneration	Retirement benefits	Other benefits*
Executive Management Team	EUR	2021	372,621	136,438	16,059	47,781
	% of total		*65%*	*24%*	*3%*	*8%*
	EUR	2020	367,143	99,493	15,772	45,257
	% of total		*70%*	*19%*	*3%*	*9%*

*directors excluded (See table Details of 2021 variable pay for Managing Directors)

*i.e. hospitalization insurance, long term disability insurance, car, bicycle, lunch vouchers, representation allowance, minor fringe benefits, in-line with local practices

Details of 2021 variable pay for Executive Management Team

	Currency	Profit Before Tax a. % pay-out b. amount	Order Intake a. % pay-out b. amount	Individual Goals a. % pay-out b. amount

Executive Management Team	**EUR**	a. b.	150% 46 868€	c. d.	130% 27 079€	a. b.	120% 62 491€

Remuneration related to shares (section 3: 6, §3, 2 °, of the BCAC)

Remuneration in the form of shares

In 2021 IBA issued a Long-Term Incentive in the form of a Stock Option Plan (SOP2021) on IBA shares. It was offered on January 25th, 2021 with a strike price at 13,39€ (being the average closing price of the prior 30 days). This plan will vest on January 1st, 2025 and the options will expire on December 31st 2026. Participants to this plan automatically contracted a Minimal Holding Requirement as per the rules defined in the Remuneration Policy for Managing Directors and other Executive Management Team Members Remuneration Policy

Two other plans are still active:

- SOP2014 was granted on July 1st, 2014. This plan fully vested on January 1st, 2019 and will expire on June 30th, 2024. The exercise price is equal to the fair market value of the share at grant, i.e., EUR 11.52
- SOP2020 was granted on June 1st, 2020. This plan will vest on January 1st, 2024. 50% of the options will expire on May 31st 2026, the other 50% on May 31st 2030. The exercise price is 7,54€ (being the average closing price of the prior 30 days).

Stock options										
Name, Position	Stock option plan definition						Information related to the financial year covered by the report			
							Opening balance	During the year (*)		Closing balance
	1. Plan	2. Offer date	3. Vesting date	4. End of the retention period	5. Exercise period	6. Exercise price	7. Number of options at the start of the year (2)	8.a) Number of options offered 8.b) Value of the shares @ Offer date (3)	9.a) Number of options vested 9.b) Value of the shares @ Vesting date 9.c) Value @ Exercise price 9.d) Added value @ Vesting date (4)	10. Number of options offered but not yet vested (5)
Olivier LEGRAIN, CEO	SOP 2021	25-01-21	01-01-25	3 years from end of mandate (40% of grant)	from 02-01-25 to 31-12-26	13,39 €	0	8.a) 95.870 8.b) 1.283.699		95.870
	SOP 2020	01-06-20	02-01-24	N/A	5.a) 50% from 02-01-24 to 31-05-26 5.b) 50% from 02-01-24 to 31-05-30	7,54 €	25.000			25.000
	SOP 2014	01-07-14	31-12-18	N/A	from 01-01-19 to 30-06-24	11,52 €	50.000			
						Total :	75.000	8.a) 95.870 8.b) 1.283.699		120.870
Yves JONGEN, CRO	SOP 2021	25-01-21	01-01-25	3 years from end of	from 02-01-25 to 31-12-26	13,39 €	0	8.a) 23.967 8.b) 320.918		23.967

				mandate (40% of grant)						
	SOP 2020	01-06-20	02-01-24	N/A	5.a) 50% from 02-01-24 to 31-05-26 5.b) 50% from 02-01-24 to 31-05-30	7,54 €	10.000			10.000
	SOP 2014	01-07-14	31-12-18	N/A	from 01-01-19 to 30-06-24	11,52 €	10.000			
						Total :	20.000	8.a) 23.967 8.b) 320.918		33.967
Soumya CHANDRAMOULI, CFO	SOP 2021	25-01-21	01-01-25	3 years from end of employment (40% of grant)	from 02-01-25 to 31-12-26	13,39 €	0	8.a) 23.967 8.b) 320.918		23.967
	SOP 2020	01-06-20	02-01-24	N/A	5.a) 50% from 02-01-24 to 31-05-26 5.b) 50% from 02-01-24 to 31-05-30	7,54 €	10.000			10.000
						Total :	10.000	8.a) 23.967 8.b) 320.918		33.967
Frédéric NOLF, CHRO	SOP 2021	25-01-21	01-01-25	3 years from end of employment (40% of grant)	from 02-01-25 to 31-12-26	13,39 €	0	8.a) 23.967 8.b) 320.918		23.967
	SOP 2020	01-06-20	02-01-24	N/A	5.a) 50% from 02-01-24 to 31-05-26 5.b) 50% from 02-01-24 to 31-05-30	7,54 €	10.000			10.000
	SOP 2014	01-07-14	31-12-18	N/A	from 01-01-19 to 30-06-24	11,52 €	10.000			
						Total :	20.000	8.a) 23.967 8.b) 320.918		33.967

*During the year, the following options have been exercised: Olivier Legrain – 50000 options under SOP 2014; Frédéric Nolf – 3500 options under SOP 2014. No options have been lost due to the expiry of the option term.

Departure allowances (section 3: 6, §3, 3°, of the BCAC)

Termination agreements with non-Managing Directors

The schedule below summarizes the main contractual agreements, concerning each non-Managing Director, in relation to termination at the initiative of the Company.

NON-MANAGING DIRECTORS	START OF TERM	END OF TERM	APPLICABLE NOTICE PERIOD	TERMINATION AGREEMENT
Saint-Denis SA, represented by Pierre Mottet	1998	GAM 2022	None	None
Consultance Marcel Miller SCS, represented by Marcel Miller)	2011	GAM 2023	None	None
Hedvig Hricak (2)	2017	GAM 2022	None	None
Nextstepefficiency (represented by Christine Dubus)	2020	GAM 2024	None	None
Dr. Richard A. Hausmann	2020	GAM 2024	None	None
Bridging for Sustainability SRL, represented by Sybille van den Hove	2015	GAM 2023	None	None

Contractual agreements with Managing Directors and members of the Executive Management Team

The schedule below summarizes the main contractual arrangements, concerning each Managing Director and member of the Executive Management Team, in relation to termination at the initiative of the Company.

MANAGING DIRECTORS AND EXECUTIVE MANAGEMENT TEAM	START OF TERM	END OF TERM	APPLICABLE NOTICE PERIOD	TERMINATION AGREEMENT
Olivier Legrain	Mandate: 2012; Management agreement: 2011	Mandate: GAM 2023; Management agreement: indefinite	Mandate: None Management agreement: 6 months or equivalent compensation	**None. The management agreement also contains a non-competition obligation for the duration of the agreement and 12 months thereafter**
Yves Jongen	Mandate: 1991 Management agreement: prior to 2009, amended in 2012	Mandate: GAM 2024; Management agreement: indefinite	Mandate: None Management agreement: 12 months or equivalent compensation	**None. The management agreement also contains a non-competition obligation for the duration of the agreement**
Soumya Chandramouli	2004	Indefinite	As provided by law, i.e. currently a total of 12 months' notice or equivalent compensation	**None. The employment agreement also contains a non-competition obligation for nine months against 50% of remuneration over the same period, unless it is waived**
Frédéric Nolf	2007	Indefinite	As provided by law, i.e. currently a total of 12 months' notice	**None. The employment agreement also contains a non-competition obligation for nine months against 50% of**

	or equivalent compensation	**remuneration over the same period, unless it is waived**

Use of restitution rights (section 3: 6, §3, 4 °, of the BCAC)

Not applicable.

Deviation from the remuneration policy (section 3: 6, §3, 5 °, of the BCAC)

No deviation in 2021

Evolution of the remuneration and performance of the company (section 3: 6, §3, 5 ° & 6 °, of the BCAC)

a) Annual evolution of remuneration

The annual remuneration of the Managing Directors and the members of the Executive Management Team combined has evolved as follows (€):

	2017	2018	2019	2020	2021
Actual total remuneration	2.113.239	1.263.316	1.508.119	1.747.635	2.046.994
Number of positions included	5	5	4	4	4
In order to allow a useful comparison over the years the remainder of the schedule below shows the evolution for the same positions as existing in 2021					
Actual total remuneration	1.765.683	994.890	1.508.119	1.747.635	2.046.994
Number of positions included	4	4	4	4	4
Annual fixed remuneration	997.318	941.012 (2)	1.106.793	1.100.658	1.103.271
Annual target variable remuneration	619.158	647.048	672.894	671.391	672.845
Annual actual variable remuneration (related to prior year performance)	714.393	-	347.179	585.948	879.883
Annual target remuneration (fixed + variable)	1.616.476	1.588.060	1.779.687	1.772.049	1.776.116
Annual actual remuneration (fixed + variable)	1.711.711	941.012	1.453.972	1.686.606	1.983.154

(1) CFO was JM Bothy until 31 May 2016, followed by S Chandramouli from 1 June 2016

(2) Effect of economical unemployment and voluntary fee reduction

b) Annual evolution of company performance

	2016	2017	2018	2019	2020
PBT	27.899	(19.607)	(894)	10.766	**33.054**
Order Intake	297.178	162.039	167.797	306.021	**165.696**
Net profit	**24.440**	**(39.201)**	**(4.401)**	**7.610**	**31.921**

*the table above is used to calculate the bonus paid during the first quarter of the following year

c) Annual evolution of average employee remuneration (€)

	2017	2018	2019	2020	2021
Average annual target remuneration (fixed + variable) Belgium	64,698	65,530	67,543	68,017	70,295

The average employee remuneration is calculated as follows :

- Selection of all people under employment present and active on December 31 of the fiscal year.
- Determination of the target annual remuneration (fixed + variable) per person based on the gross remuneration as of December 31. This remuneration is determined at the individual activity rate applicable on the same date.
- Sum of all target annual remuneration amounts.
- The average is obtained by dividing the sum by the number of FTEs (full-time equivalents) present and active on December 31. The number of FTEs corresponds to the sum of the activity rate, on the same date, of each person included in the selection.

Two numbers are provided: a first calculating the average remuneration of employees of the company in Belgium Ratio between highest and lowest remuneration.

The ratio between the highest and the lowest employee remuneration of the company in Belgium is 17-1.

- For this calculation the lowest employee remuneration corresponds to the lowest annual remuneration included in the selection for the calculation in 3.c) above, as applicable on December 31 of the fiscal year and, if needed, recalculated to its full-time equivalent.
- The highest remuneration is equal to 794,684€, which corresponds to the target annual remuneration of the CEO, Mr Olivier Legrain, applicable as of December 31 of the fiscal year.

When considering base pay only, the ratio between the highest and the lowest employee remuneration of the company in Belgium is 9-1

Shareholder vote (section 7: 149, 3 °, of the BCAC)

This remuneration report outlines the implementation of the remuneration policy and will be annually submitted to the Annual Shareholders' Meeting for an advisory vote.

Annual Shareholders' Meeting advisory vote on the previous remuneration report was 86,77 % in favor. No remarks were made to consider for the edition of this report.

Codes of conduct (sections 3:6, §4 and 3 :32, § 2, of the BCAC)

CODE OF BUSINESS CONDUCT

The Company is committed to the honest, ethical, and honorable conduct of its business. It believes that ethical management is the lynchpin of its continued growth and success and that it will enable it to maintain its good reputation and achieve its strategic mission of protecting, enhancing, and saving lives. IBA's values here detailed are fully part of its business model and drives IBA's objectives, strategies, and organization. For this reason, the Company has worked to create a Code of Business Conduct and updates it on a regular basis.

This Code defines the fundamental principles of business conduct and provides guidance for the Group's employees and co-contracting parties on such matters as business partnerships, conflicts of interest, fair competition, protection of intellectual property, data privacy and confidentiality, anti-bribery and corruption, and protection of the universal human rights, of the environment, health, and safety.

A new version of this Code was approved by the Board of directors on December 18, 2020. This new version underlines the importance of and details specific actions taken against corruption and bribery as well as for the active protection of Human Rights. The Code of Business Conduct is available on the Company's website www.iba-worldwide.com, on the following https://www.iba-worldwide.com/content/code-conduct

This Code is the object of a specific training mandatory for all IBA employees. The purpose of this training is to remind employees of the fundamental principles contained in the Code, which we apply every day at IBA. It also aims at informing employee of the different options to report non-compliance with the Code. In December 2021, an anonymous whistleblower platform was activated on the Company's website. The platform thus provides IBA's stakeholders with the possibility to anonimously report alleged violations of the Code of Business Conduct. Complaints are managed by the Compliance Officer who remains the central point of contact with the responsibility to monitor compliance and follow up on reported incidents of non-compliance. In 2021, one incident of non-compliance was reported and investigated. No conclusive evidence was found for the alleged violation.

In 2021, 90% of IBA's employees passed the training on the Code of Business Conduct (with a score of more than 80%). At the end of 2021, a total of 1285 employees had acknowledged understanding of the principles.

Due diligence is regularly carried out to assess compliance with specific points of the Code.

Policy and Targets

The Code of Business Conduct sets out the principles of IBA's social and staff-related Diversity, Equity and Inclusion (DEI) policy. It is, among others, based on the International Labor Organization's Declaration on Fundamental Principles and Rights at Work.

IBA's employees are the most valuable resources of the Company and are essential to its success. Diversity is fundamental to IBA's culture and the uniqueness of individuals and the various perspectives and talents they bring are recognized and valued. The Company promotes diversity within our workforce and an inclusive environment that helps each and every one of us to fully contribute to its success.

IBA is committed to provide equal employment opportunities and treating applicants and employees without discrimination. No discrimination is based on race, color, age, sex (including pregnancy, sexual orientation, or gender identity), national origin, religion, language, veteran status, genetic information (including family medical history), and physical or mental disability. The Company's DEI policy is that no one at IBA should ever be subject to any kind of discrimination. The membership or non-membership of a trade union is also free.

IBA commits itself to a positive, productive, and safe work environment that is free from violence, threats, harassment, intimidation, mental or physical coercion, and other disruptive behavior. The Company does not permit any form of violence, whether physical, verbal, or mental; all threats of violence are considered serious. IBA is also committed to a workplace free of harassment. Social rights, as an integral part of human rights, are actively protected by the Company.

IBA also ensures the highest standards of safety for all employees. IBA's target, as defined in the Code of Business Conduct, is "No Harm" to our people. As an example, the Code of Business Conduct clearly states that all employees are empowered to stop any activity which they judge hazardous and goes against the "No Harm" principle. The Code also defines working times that cannot be exceeded, even if local rules and regulations allow for such excess. Other internal policies ensure a high level of safety for all employees (e.g.: the "Working at Height Policy", the "PPE Matrix Policy", the "Global Radiation Safety Policy", the "LOTO Policy", the "Electrical Policy",…). The implementation, monitoring, and updating of these policies are discussed in the Committee for Protection and Prevention at Work.

Beyond mere compliance with the law, IBA conducts its business in accordance with the highest standards of honesty and integrity.

In addition to the Code of Business Conduct, IBA's Data Handling Policy explains how IBA complies with the General Data Protection Regulation (GDPR) to protect the Personal Data of clients, suppliers, patients, investors, contractors, staff members, and anyone else IBA is doing business with.

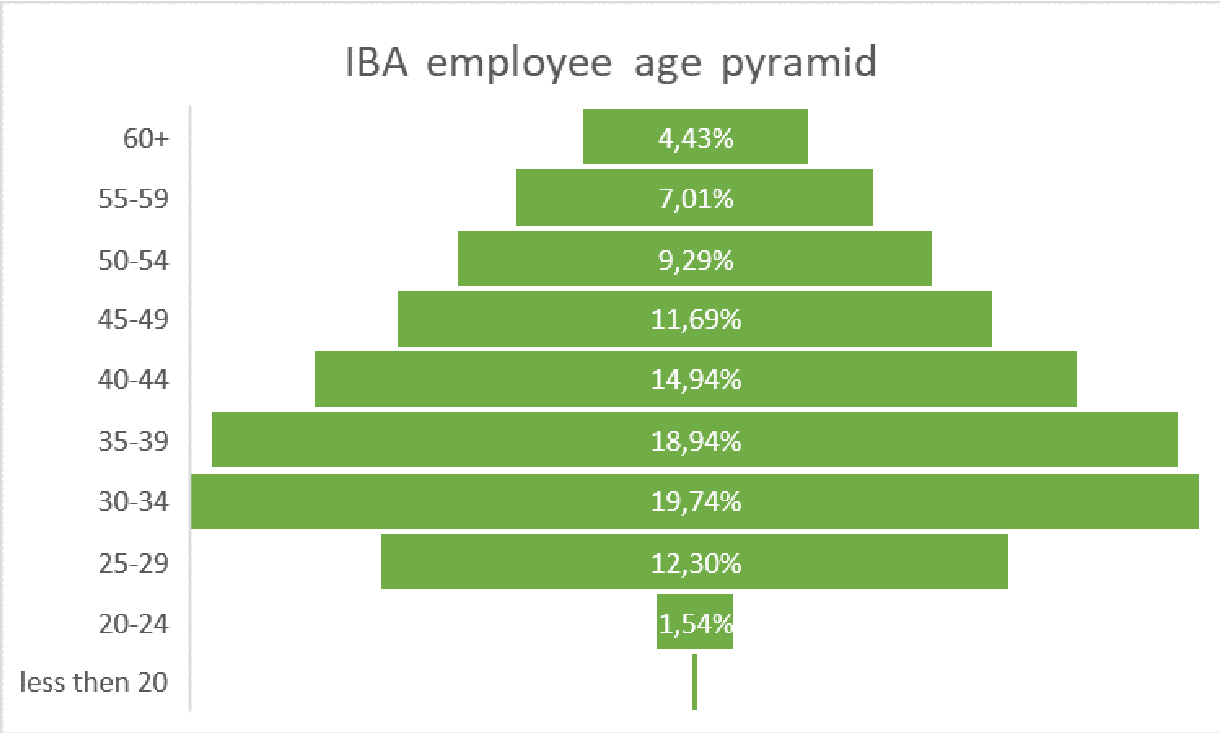
IBA has put in place a Code of Conduct for Suppliers. Through this Code, the Company commits to work with third parties that share its commitment to health and safety and that provide a safe work environment.

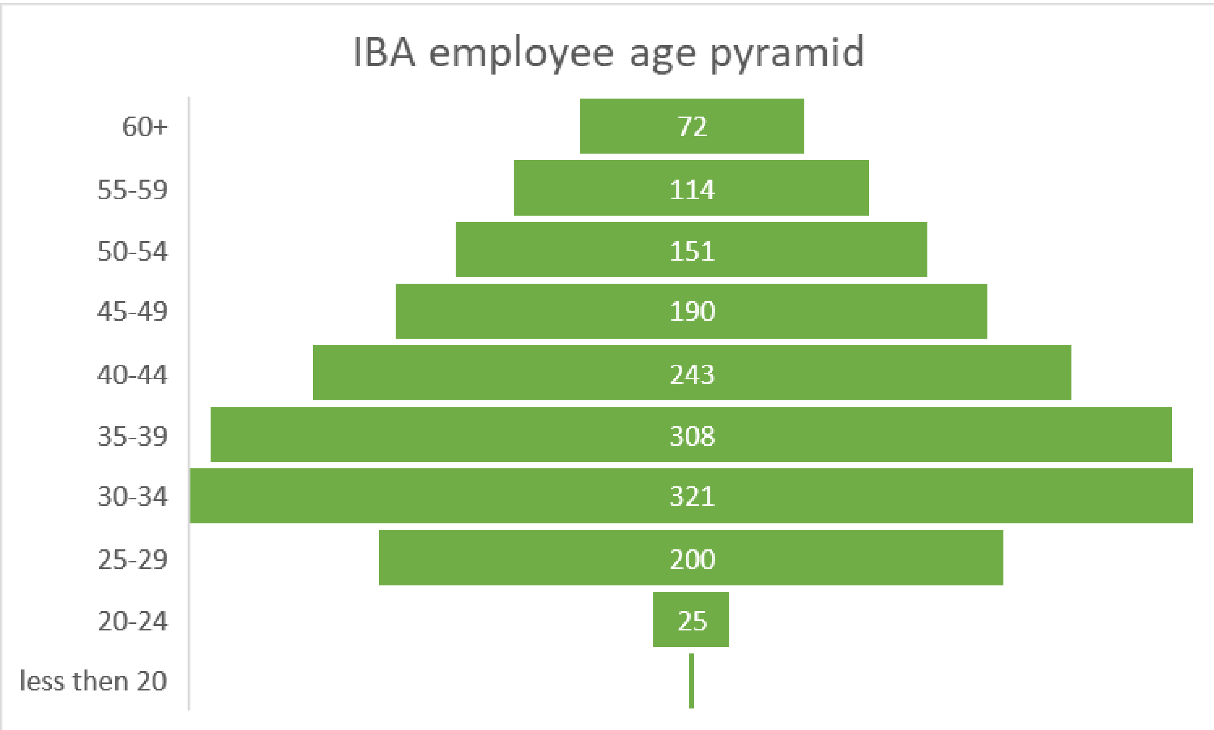
IBA supports local businesses, strengthening communities, and reducing emissions associated with transporting goods. IBA also recognizes that establishing long-term relationships with significant suppliers is an indicator of steadiness and provides revenue and job stability for the supplier and their employees. IBA hires employees in majority in-country, creating jobs and providing wages to residents in the local area, boosting the local economy. IBA facilities themselves are built, maintained, and controlled in respect of local regulations, have waste recycling in place, and no toxic air or water emissions that could affect local communities.

Non-financial Indicators and Results

A system of formal reporting is described in the Code of Business Conduct and encourages the denunciation of infringing practices (e.g.: discrimination, harassment, coercion, etc.). A dedicated whistleblower online tool allows everybody to notice any violation of the Code, workplace security threat or incident. When such notification is made to IBA, IBA promptly takes appropriate measures: i) to bring the situation back into conformity with the Code and the Company's policies, and ii) to prevent a recurrence of such a situation.

The age distribution within the IBA Group is quite wide, ranging from 20 to over 60, indicating a fair and balanced value between employees.





The percentage of women remains stable at 26% and employees of 59 different nationalities are now part of IBA.

At the level of the IBA group, we are already tracking different Diversity and Inclusion data in our recruitment, promotions, salary review to make sure we do not have any conscious or unconscious bias in our management decisions.

Our recruitment policy and internal mobility offer every year development opportunities to our employees and for applicants to join IBA all around the world.

In 2021, IBA opened more than 400 positions in 17 countries:

- 30% were opportunities for IBA employees to benefit from internal mobility within the group
- We hired 250+ new colleagues from 35 nationalities from 20 to 62 years old, quite equilibrate to the IBA Age pyramid

IBA regularly runs equity analysis, in the context of the worker council analysis (‘Conseil d’Entreprise), under chapter II.13 Egalité des chances (“Equal Opportunities”).

This addresses the following topics – a.o.:

- F/M ratio, absolute, and per work category
- F/M ratio for candidates (candidate to a job, but not yet hired)
- Access to training
- Pay equity
- Nationalities
- Access to part-time

The pay equity by gender is addressed every 2 years. Here below are the latest data 30 June 2021, per grade and currency, at the group level (ATTR+ = annual base salary including bonuses):

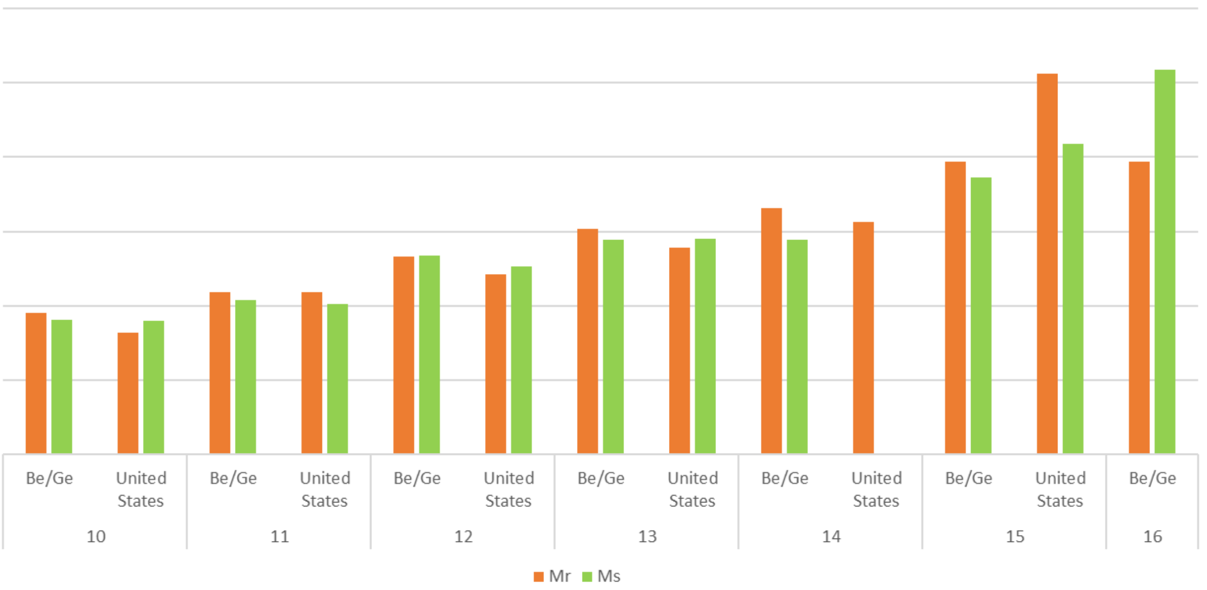


Figure Male/female average pay (normalized in Eur) per grade, for Belgium, Germany, and US

- Vertical: ATTR+, normalized in euro, with the indication of the number of people represented
- Horizontal: Grade, male vs female, for Belgium and Germany combined, vs the USA

Note: small number may distort comparison especially above grade 12.

The conclusion of these analyses is that IBA's policy is not only respectful of women and men but tends to respect all people without distinction, across the group’s 3 main regions Belgium, Germany and USA.

In 2021, one incident was flagged as a security threat. It was quickly resolved. For comparison purposes, in 2021, one incident was reported.

No data privacy incident were reported in 2021. No incidentts of discrimination or harassment were reported in 2021.

In 2021, ten suppliers were audited (on the basis of the ISO 9001 – Quality Management Systems- standard), and seven other suppliers filled a Self Quality System Assessment.

Depending on the nature of their services, certain suppliers must be ISO 45001 (Occupational Health and Safety) or OHSAS 18001 certified in order to become an IBA supplier.

In 2021, all new IBA suppliers were requested to acknowledge and sign the Code of Conduct for Suppliers.

IBA supports local businesses, with more than 30% of goods in value purchased in-country of its facilities. IBA also encourages long-term relationships with suppliers: the average tenure of IBA relationships with its main suppliers exceeds ten years.

Risks and Risk Management

The risks and risk management of the social and staff related matters are both described above, in the dedicated Section “Principal Risks and Uncertainties faced by the Company” (Sections 3:6, §1, 1° to 3° and 3:32, §1, 1° to 3°, of the BCAC).

Environmental Matters

Policy and Targets

IBA promotes a sustainable entrepreneurial business model that serves society while striving to respect the limits of our planet, and, in order to do so, develops and introduces environmentally compatible technologies and processes, whether:

- in its business activities, by working to help create a society with sound material cycles, by supporting efforts to better understand environmental issues.
- by establishing environmental management processes in its factories, seeking continuous improvement in its environmental management;
- by supporting communication and cooperation regarding environmental protection worldwide;
- by supporting as much as possible any personal or collective initiative that would help reduce the impact of the Company’s activities on the environment.

IBA is attentive to the impact of its activities, products, and services on the environment and takes measures to decrease its ecological footprint, including initiatives to:

- consume less energy and resources (including promoting circular economy and sustainable transport) through ecodesign practices;
- reduce emissions (in particular greenhouse gas);
- protect surrounding nature (substance of concern management, ground and groundwater contamination, and biodiversity protection surrounding our facilities); and
- better manage waste (minimization and recycling).

Within IBA, every employee is expected to perform his/her job with green awareness and to apply the principles of prevention, precaution and rectification at source.

Through its Code of Conduct for Suppliers, the Company further encourages its major suppliers to share its commitment to the environment and to reduce the environmental impact of their designs, manufacturing processes, waste, and emissions.

Upstream, the IBA’s Articles of Associations now specify in article 3 *“(…) The Company's objectives include having, in the course of its activities, a significant positive impact on all of its stakeholders, notably patients, shareholders, employees, customers, society and the planet. The Company is managed taking into account the interests of these stakeholders, respecting living beings and present and future generations, and reducing as much as possible negative environmental and societal impacts.”*

Non-financial Indicators and Results

A system of formal reporting is described in the Code of Business Conduct and encourages the denunciation of practices that would not conform to IBA’s environmental priorities. In the event that a denunciation is made to IBA, IBA will promptly take appropriate measures: i) to bring the situation back into conformity, and ii) to prevent a recurrence of such a violation.

Depending on the nature of their services, certain suppliers are required to be ISO 14001 (Environmental Management) or ISO 50001 (Energy Management Systems) certified in order to become an IBA supplier.

Risks and Risk Management

The November Sustainability Board focussed amongst others on environmental risks and the intention to work on an action plan for 2022 and the following years. Hence, the Risk Management Committee will consider the environmental risk as of 2022.

Anti-corruption and Bribery Matters

Policy and Targets

IBA has as an objective to prevent and prohibit bribes or any sort of corruption and as such, the Company is compliant with the applicable anti-corruption and bribery legislation.

IBA complies with anti-corruption and bribery laws and enforces them, as well as the values they contain, within the Company. In order to do so, IBA has made corruption and anti-bribery one of the key principles of its Code of Business Conduct; bribery of any government official in any country or of any private person as well as corrupt practices are strictly against IBA's policy, even if refusing to make such payment would result in the Company losing a business opportunity.

As such, IBA, including its employees and representatives, must not accept, neither directly, nor through any family member or anyone else, gifts or favours of any kind from a business partner, or offer the same to the latter, or to any public official, except if they are courtesy gifts, considered as modest in value and to the extent that the time and place is appropriate.

In any case, such favours are prohibited if they may affect or even appear to affect the integrity or independence of the business partner, the public official, IBA, or its employees. The duty of integrity and trust are of primary importance within the Company and any illegal or unethical act would not be tolerated.

Through its Code of Conduct for Suppliers, the Company moreover targets to work with third parties that share its commitment to ethics and that share its values of business integrity.

Hence, the target is to achieve the objective of no IBA's third-party providers, customers, and partners involved in any corrupt practices.

Non-financial Indicators and Results

A two-phase plan is being implemented to increase awareness and monitoring targets. The first phase took place in 2020, with an in-depth evaluation of IBA's practices, the conduction of a fraud risk assessment, and an update of a number of internal processes. This evaluation focuses on key risk areas such as corruption, asset misappropriation, financial statement fraud, cyberfraud of theft of data, and contract and procurement fraud. Besides this, informal training of employees is taking place on a daily basis. A system of formal reporting is also described in the Code of Business Conduct and encourages the denunciation of such practices, amongst others through the anonimous whistleblower platform on the Company's website.

Regarding fraud, the idea is put forward to have an external audit carried out by the end of the year 2022, to check the level of implementation in IBA's system. To mitigate Cyber risk, several measures have already been implemented and further measures will be implemented. As of August 23, 2021, a Data Protection Officer has been put in function.

In 2021, IBA has not come across possible incidents of corrupted practices in its supply chain. In 2021, all new IBA suppliers acknowledged and signed the Code of Conduct for Suppliers.

In 2021, we initiated a full inventory of our contracts to ensure proper inclusion and affirmation of our principles. A total of 1.166 contracts have been reviewed and archived in our new repository database.

At the end of 2021, no material legal actions or allegations are open on matters related to anti-competitive behaviors.

Risks and Risk Management

The risks and risk management of the anti-corruption and bribery matters are described above, in the dedicated Section "Principal Risks and Uncertainties faced by the Company" (Sections 3:6, §1, 1° to 3° and 3:32, §1, 1° to 3°, of the BCAC).In order to limit its bribery and corruption risk, IBA is continuously identifying the specific risks it could be exposed to by (i) strictly analyzing third-party providers' (with whom we are working) reputation including anti-money laundering due diligence, (ii) examining transactions with governments or government institutions and representatives, (iii) creating new legal entities overseas with due diligence, and (iv) educating employees through communications and proper training.

Protection and Respect of Human Rights

Policy and Targets

The Universal Declaration of Human Rights defines human rights as rights inherent to all human beings, regardless of race, sex, nationality, ethnicity, language, religion, or any other status. Human rights include the right to life and liberty, freedom from slavery and torture, freedom of opinion and expression, the right to work and education, and many more. Everyone is entitled to these rights, without discrimination.

Respect of Human Rights is essential to ensure a sustainable working environment for everyone. It is also essential to act for a better world and it is a part of how the Company wants to behave and the values we want to be known for. To that extent, IBA complies with all applicable local, national, and international laws and regulations dealing with or impacting Human Rights. The relevant international sources we refer to are the International Bill of Human Rights, UN Guiding Principles on Business and Human Rights, and the principles set out in the International Labor Organization's Declaration on Fundamental Principles and Rights at Work.

This Code of Business Conduct contains the IBA's policy regarding Human Rights. It establishes the common principles applicable in every market where IBA has activities.

The Company prohibits forced or indentured labor, in all its forms. Employment agreements are to be made on a voluntary basis, and every employee receives regular payment for work and an explanation on their pay slips. Moreover, employees are, as per the applicable laws, allowed to terminate their employment relationship with reasonable notice. The rules and regulations when it comes to – notably but not limited to - working time, travel time, and time recovery are respected.

IBA also prohibits the employment of children. Every child has the right not to perform work that is mentally, physically, socially, or morally harmful or that interferes with his/her schooling. IBA vets the age of all applicants prior to their employment. We believe corporate compliance is also demonstrated through elements, including the Company's 2021 B Corp ("Benefit Corporation") certification .

Equal employment opportunities are offered to all IBA employees. No discrimination is made on any basis whatsoever. Decisions relating to employment are solely based on the skills, abilities, and performance of the employee.

Every IBA employee has the right to join a trade union or any other organization. As per its "Equal opportunity" principle, no one at IBA should ever be subject to any kind of discrimination because of accession to or creation of a trade union nor because of the employee's choice not to join or create such group.

The right to a healthy and sustainable environment is the cornerstone between Human Rights and their interaction with the environment. It includes the environment's impact on many rights such as the right to life, health, food, water, sanitation, property, housing, private life, culture, development, and non- discrimination. IBA is aware of the importance of this right as our generation faces a serious environmental crisis and associated impact on Human Rights. The environment ("the Planet") is therefore included as one of the five stakeholders of IBA and receives central attention in the day-to-day work within the Company.

Compliance with Human Rights is not only required by IBA and its employees, but also from its customers and suppliers. Through its Code of Conduct for Suppliers, the Company ensures to work with third parties that share its commitment to Human Rights and that do not violate the Human Rights of their employees. All consultants and other parties acting on behalf of IBA are also expected to fully respect the Human Rights of their employees, suppliers, and customers.

Non-financial Indicators and Results

A system of formal reporting (whistleblower platform) is also described in the Code of Business Conduct and encourages the denunciation of practices that would be contrary to IBA's Human Rights policy. In the event that a denunciation is made to IBA, IBA will promptly take appropriate measures: i) to bring the situation back into conformity with human rights, and ii) to prevent a recurrence of such a violation.

IBA is continuously assessing its suppliers to ensure that their activities do not contribute to the infringement of Human Rights. This assessment is dependent on the nature of the services that are required from the supplier and on the geographical location of this supplier.

In 2021, all new IBA suppliers acknowledged and signed the Code of Conduct for Suppliers.

No incident with respect to Human Rights relating to the IBA's activities or decisions were noticed in 2021.

A large majority of IBA's facilities are accessible to persons with reduced mobility. As an example, the four main buildings in Louvain-la-Neuve are fully adapted for such people. If necessary, a constructive discussion is held with the person with reduced mobility in order to guarantee him or her a workspace where he or she can move around as independently as possible.

Risks and Risk Management

The risks and risk management of the protection and respect of Human Rights are described above, in the dedicated Section "Principal Risks and Uncertainties faced by the Company" (Sections 3:6, §1, 1° to 3° and 3:32, §1, 1° to 3°, of the BCAC).

Dealing code - code of conduct to prevent insider dealing and market abuse

The Company has updated the Dealing Code to protect the Company and the market against insider trading and market abuse. All employees have received a copy of this code. Furthermore, executives have signed the Code for acknowledgment and consent.

Details of transactions by executives involving the Company's shares are available in the remuneration report.

The Dealing Code is available on the Company's website www.iba-worldwide.com, on the following page https://iba-worldwide.com/content/dealing-code

The closing periods for the year 2021 were:

- from February 23, 2021, to March 25, 2021, for the annual report;
- from July 26, 2021, to August 25, 2021, for the mid-year report.

B Corp

By obtaining the B Corp certification on 1st of April 2021, IBA joined a community of around 4,900+ businesses globally, that promote strong values of change, making companies "a force for good" and highlighting those that reconcile profit with societal purpose. The B Corps ("Benefit Corporations") are part of a movement to transform businesses to contribute to a more sustainable and inclusive economy and society.

The B Corp certification has been awarded to IBA by B Lab, the non-profit organization behind the B Corp movement worldwide. The rigorous assessment of the company's business model and operations demonstrates that IBA meets some of the highest environmental, transparency and social responsibility standards. This prestigious label, internationally recognized as one of the most comprehensive and demanding in its field, attests to IBA's effective commitment to objectives that are aimed at both the collective interest and shareholder profit. The performance is particularly remarkable for an international industrial company of IBA's size. The community of 4,900+ B Corps worldwide, which includes many reputable companies such as Patagonia, Triodos Bank, Alpro, Chiesi Group, Alessi, Spadel or Ben & Jerry's, comprises only 30 stock listed companies.

The B Corp certification process covered all of IBA's activities and assessed five main areas of impact: governance, workers, community, environment and customers. The company was able to demonstrate socially and environmentally responsible practices in the areas of energy, health, welfare, compensation, diversity, transparency and more. IBA obtained a score of 90 points, 10 points higher than the reference score of 80, required for certification. In accordance with B Lab requirements, IBA has also modified its articles of Association to formally integrate its commitment to consider the consequences of its activities and the interests of all stakeholders (patients, shareholders, employees, customers, suppliers, the community, the planet, etc.) in social, economic, legal, societal and environmental areas.

B Corp is an important but humble first step; IBA is becoming an inspirational company for others, which brings responsibility to us and inspiration to others.

Inspired by the findings along the B Corp certification process, we mapped our strengths and weaknesses as a company. From there, we identified 6 strategic sustainability streams to work on during the next 3 years, with a third of company targets linked to related B Corp objectives.

Taxonomy

In order to achieve the EU's climate and energy objectives for 2030 and to meet the objectives of the European Green Deal, the EU Taxonomy Regulation (EU) 2020/852 was established to assess the sustainability of economic activities taking into account the different circumstances and obligations of the different economic actors. The Taxonomy Regulation was published in the Official Journal of the European Union on June 22, 2020 and came into force on July 12, 2020. It sets out six environmental objectives:

- Mitigation of climate change
- Adaptation to climate change
- Sustainable use and protection of water and marine resources
- Transition to a circular economy
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems

Different means may be required for an activity to make a substantial contribution to each objective. The EU Taxonomy Regulation requires the disclosure of the percentage of turnover, capital expenditure (Capex) or operational expenditure (Opex) that is Taxonomy-eligible and aligned.

- Share of sales generated by eligible activities aligned with EU taxonomy
- Capital expenditure (CapEx) related to eligible activities aligned with EU taxonomy
- Operating expenditure (OpEx) related to eligible activities aligned with EU taxonomy

The EU Taxonomy currently identifies eligible activities among seven different sectors, as making a substantial contribution to any of the six environmental objectives. IBA core activities (classified under NACE C26.6 (26600) Manufacture of irradiation, electromedical and electrotherapeutic equipment[4]) are currently not associated to the said economic activities and are consequently not eligible to the current taxonomy (Turnover: 0%; CapEx 0%; OpEx 0%). IBA will closely monitor the evolution of the taxonomy regulation and disclose any significant eligible and aligned activity.

Non-financial activities report (sections 3:6, §4, and 3:32, §2, of the BCAC)

IBA SA releases a statement on its non-financial activities. This non-financial statement has been prepared in accordance with the GRI Standards: Core option (https://www.globalreporting.org/standards/).

Part of this non-financial information is mentioned in the previous section and completed by information included in the GRI appendix section. Please refer to the GRI content index at the end of the present report.

[4]https://ec.europa.eu/competition/mergers/cases/index/nace_all.html

Consolidated annual financial statement (sections 3 :23, 3 :31 and 3 :32, of the BCAC)

INCOME STATEMENT

IBA reported a 0.3% increase in revenues to EUR 313.0 million during 2021(2020: EUR 312.0 million) largely driven by an excellent order intake for Proton Therapy and Other Accelerators, with continued high Services revenues and a strong performance for Dosimetry.

For the year ended on December 31, 2021, the Group gross margin (34.4%) worsened compared to 2020 (43.6%). The 2021 margin includes the recognition of grant income from the Paycheck Protection Program in the US for EUR 4.4 million and the gross margin of 2020 was largely driven by the revenue recognised on the sale of the license to CGNTT.

As of December 31, 2021, Group operating expenses were EUR 93.2 million, a -2.6% decrease from 2020 (2020: EUR 95.6 million). This decrease is explained:

- for the Proton Therapy and Other Accelerators segment by an efficient control of overheads costs in selling, marketing and other general areas. The R&D costs remained stable as the Group continues to invest in the future growth of the business. IBA's cost control measures continue, whilst maintaining strategic R&D investment to maintain its technological leadership;
- for the Dosimetry segment by careful spending and ongoing initiatives to streamline the business, while continuing to invest in both hardware and software innovations.

Recurring operating profits before interest and taxes (REBIT[5]) decreased from a gain of EUR 40.4 million in 2020 to a gain of EUR 14.5 million, reflecting the strong revenue and margin received from the sale of the licence to CGN in 2020.

For the year-ended on December 31, 2021, the other operating result (loss) was EUR -1.0 million (2020: EUR -0.4 million) primarily composed of costs incurred for the stock option plans which were up from 2020.

For the year-ended on December 31, 2021, the financial result (expenses) was EUR -4.0 million (2020: EUR -3.7 million expenses). In 2021, despite decreasing interests payments and a positive impact from the recognition of interest under the amortised cost method on financial notes following a revision in the risk of the debtor for EUR 1.2 million, the financial result decreased due to higher foreign currency losses (realised and un-realised gains and losses as well as change in fair value of derivatives).

For the year-ended on December 31, 2021, the share of the loss of equity-accounted entities IBA's minority interest in losses of Normandy Hadrontherapy and Cyclhad was EUR -1.3 million, explained by the current investment phase at both these entities.

As a result of the above effects, IBA reported a net gain of EUR 3.9 million down from a gain of EUR 31.9 million in the prior year which included the sale of the license to CGN with additional revenue and margin of EUR 63.5 million.

CONSOLIDATED FINANCIAL POSITION AND FINANCIAL STRUCTURE

The Group's non-current assets amount to EUR 118.9 million, increased by EUR 20.4 million during the 2021 financial year, essentially due to the following effects:

[5] For more details on REBIT, refer to Note 36 of the consolidated financial statements

- a significant increase in long-term cash deposits by EUR 11.2 million;
- a new shareholder loan of EUR 5.8 million;
- a new long-term investment in a subordinated bond issued by our PT equipment customer for EUR 4.4 million;
- the increase of deferred tax assets by EUR 0.8 million;
- the recognition of interests under the amortised cost method on financial notes following a revision in the risk of the debtor for EUR 1.2 million

  Offset by

- the decrease of investments under equity method by EUR 1.3 million explained by the Group's share in the loss of these investments;
- the decrease long-term financial derivative instruments at fair value by EUR 0.6 million
- the decrease of the long-term receivable for research tax credit by EUR 0.5 million. This change is essentially attributable to the recognition of additional research tax credits of EUR 2.0 million, the transfer to short term of research tax credits of EUR -1.9 million and a rate revision on prior year deductions of EUR -0.6 million.

Goodwill at the end of 2021 (EUR 3.8 million) relates to the Dosimetry business and remained unchanged.

Under IFRS 16, the Group presents the assets that are under a lease contract where the group is the lessee as "Right-Of-Use assets". These are depreciated over shorter of the lease term and the useful life.

The Group's fixed assets amount to EUR 3.8 million in other intangible assets, EUR 19.1 million in tangible assets, and EUR 29.6 million in right of use assets. The change during the year is mainly attributable to investments in software, buildings, and equipment as well as new leased assets for a total new acquisitions of EUR 10.2 million, disposals/reclassification for EUR -0.2 million, and depreciation and amortization for EUR -9.9 million.

Current assets amount to EUR 427.2 million at the end of 2021 and have increased by EUR 14.6 million.

The main factor of this increase are:

- an increase of cash and cash equivalents by EUR 45.4 to close on a high balance of EUR 199.3 million at December 31, 2021. This reflects the strong cash collection on existing and new customers with down payments received on large projects.
- an increase of the other receivables by EUR 2.4 million related to the increase of prepaid expenses for EUR 2.9 million, the increase of current income tax receivables by EUR 0.9 million and the increase of accrued income for EUR 0.9 million offset by the decrease of the non-trade receivables for EUR 2.1 million.

Inventories and contracts in progress amount to 110.5 EUR million at the end of 2021 decreased by EUR -4.1 million explained by the following :

- an increase of contracts in progress for EUR 5.5 million,
- a decrease of work in progress for EUR -2.5 million,
- an increase of raw material and supplies for EUR 6.5 million,
- an increase of the write-off on inventories for EUR-0.6 million.

Trade receivables decreased by EUR 27.6 million mainly thanks to a strong cash collection across the entities of the group.

Non-current liabilities decreased by EUR -21.9 million to close with a balance of EUR 71.6 million at end of 2021. This decrease is mainly attributable to the following factors:

- long-term borrowings decreased by EUR 11.2 million, due to:
- the forgiveness of the Paycheck Protection Program loans in the US for EUR equivalents of EUR 4.1 million (out of which EUR 1.5 million were presented as long-term borrowings in 2020);
- the short-term reclassifications of the portion of all facilities due in 2022 for EUR 9.7 million.
- long term lease liabilities decreased by EUR 0.7 million, the main movements of the year are:
- new lease liabilities under IFRS 16 for EUR 5.2 million.

  - the accretion of interests for EUR 0.6 million;
  - the reclassification to short-term of a portion of the lease liabilities of EUR -5.9 million;
  - leases terminated and foreign currency conversion impact for EUR 0.6 million.
- Other long term liabilities have decreased by EUR 10.8 million mainly because the amount of consideration in the licensing contract with CGNTT subject to the performance bond of EUR 15 million was decreased by Eur 5 million in December 2021, with a reclassification to short-term liability of another EUR 5 million for the agreed release of 2022. The bonds are recognised as a refund liability until the uncertainty associated with the variable consideration is resolved, this is until this bond has expired. This is offset by and increase of the long-term provisions by EUR 0.5 million.
- The deferred tax liabilities have slightly decreased.

Current liabilities amounted to EUR 348.6 million at the end of 2021, with an increase of EUR 72.9 million compared to 2020. The following elements are to be noted:

Short-term borrowings of EUR 9.7 million at the end of 2021 include the short-term portion of the loan from a syndicated 5 years term loan for EUR 6.0 million, the short-term portion of S.R.I.W. loan of EUR 2.7 million, and the short-term portion of S.F.P.I. loan of EUR 1 million. During the year, the short-term borrowings have decreased by EUR 5.8 million due to:

- the forgiveness of the Paycheck Protection Program loans in the US for EUR equivalents of EUR 4.1 million (out of which EUR 2.6 million were presented as short-term borrowings in 2020);
- the transfer from the long term of the portion of all facilities due in 2022 for EUR 9.7 million;
- offset by the repayment of EUR 6.0 million on the 5 years term loan, EUR 1.7 million on the S.R.I.W. loan and the full reimbursement of EUR 5.3 million of the unsecured treasury notes.

Short-term lease liabilities for EUR 5.4 million increased by EUR 0.6 million (reclassification from long-term for EUR +5.9 million offset by payments EUR -5.4 million).

Short-term provisions amount to EUR 6.5 million at the end of 2021, increased by EUR 2.3 million. The movement on the total provisions (short-term and long-term) is an increase of EUR 2.8 million) due to

- new provision for EUR 4.8 million mainly for warranties (EUR 3.5 million) and loss-making contracts (EUR 1.2 million) ;
- an actuarial loss on the pension provision for EUR 0.5 million;
- the utilization of provisions for warranties for EUR -1.4 million and for loss-making contracts for EUR -0.7 million,
- the reversal of provisions for warranties for EUR -0.4 million

Other short-term payables at the end of 2021 amount to EUR 59.0 million which represents an increase of EUR 10.8 million compared to 2020. This increase is mainly explained by the increase of social debts for EUR 2.2 million, the increase of non-trade payables by EUR 4.0 million (driven by a large sales tax balance in the US on a late customer invoice), the reclassification of a portion of the performance bond in the context of the licence contract with CGNTT for EUR 5 million, the increase of deferred income for EUR 1.5 million and the increase of the capital grants received but not used by EUR 0.6 million. This increase is offset by the release of a liability for the cash deposit received on a blocked account to secure future payments from a customer for EUR -2.6 million.

Advances received on contracts in progress at the end of 2021 amount to EUR 208.1 million which represent an increase of EUR 49.9 million mainly explained by good cash collection on projects having a positive cash curve.

The Group's cash and cash equivalents presented in the cash-flow statement increased by EUR 45.4 million in 2021, mainly due to:

- a positive operating cash-flow of EUR 87.2 million mainly related to the improvement of working capital for EUR 79.2 million and the net profit of EUR 3.9 million;
- partially offset by a financing cash-flow of EUR -36.3 million related to the repayment

of borrowings and lease liabilities for EUR -18.1 million (lease liabilities for EUR -5.1 million, EUR 6.0 million on the 5 years term loan, EUR 1.7 million on the S.R.I.W. loan and EUR 5.3 million on the unsecured treasury notes), the net cash on treasury shares transactions for EUR -11.2 million, the dividend paid for EUR -5.8 million and the net interest paid for EUR -2.2 million, offset by a capital increase for EUR 1.0 million;

- and by a negative investing cash-flow of EUR -8.0 million mainly related to acquisitions of tangible and intangible assets of EUR -5.0 million and the investment in a subordinated bond for EUR equivalents of -4.4 million, offset by the release of a deferred payment following the final completion of the sale of Radiomed for EUR 1.3 million

Net financial cash increased by EUR 65.1 million from EUR 65.2 million at the end of 2020 to EUR 130.3 million at the end of 2021.

Research and development

Research and development expenses related to the Group's businesses amounted to EUR 35.4 million (11.2% of sales) in 2021 less EUR 1.3 million of research tax credit.

At IBA, research expenses are recognized directly in the income statement. Development expenses are recognized directly in the income statement because the nature of capitalizable development costs cannot be demonstrated in accordance with the Group's accounting rules. These significant investments enable the Company to remain among the world leaders in all the markets in which it operates.

Capital increases and issues of stock options and convertible bonds – section 7:203 of the BCAC

In 2021, IBA issued a stock option plan (called the "2021 Stock Option Plan"). These options are not exercisable until 2024. Capital was increased during the year following the exercise of stock options granted to employees.

These are further detailed in the General Information – Capital Section.

Repurchase of own shares - section 7:215 of the BCAC

As of 31 December 2021, article 9, first paragraph of the Company’s Articles of Associations provided as follows: *"The Company may, without any further decision of the general assembly, acquire its own shares, profit shares or certificates, in accordance with legal conditions (articles 7: 215 et seq. of the BCAC) in one or more transactions, up to a maximum of twenty percent (20%) of the total number of issued securities concerned, for a minimum equivalent of ten cents (0,10 EUR) and a maximum of twenty percent (20%) higher than the last share price. This authorization is granted for a renewable period of five years starting on the date of publication of this statutory authorization (or of its renewal).(…)”*

During financial year 2021, IBA SA, mainly through its subsidiary IBA Investments SCRL, sold 348.530 own shares. As of December 31, 2021, IBA SA held 755 994 treasury shares and IBA Investments SCRL, 51 973 shares.

IBA SA statutory accounts and appropriation of net result (section 3:6 of the BCAC)

INCOME STATEMENT

In 2021, IBA SA reported a loss of EUR 19.7 million compared to a profit of EUR 107.5 million in 2020, representing a variation of EUR 127.2 million, as described in the following paragraphs.

Operating income (excluding other extraordinary income) remained stable year-on-year, from EUR 298.7 million in 2020 to EUR 294,1 million in 2021, and this despite the fact that 2020 contained the revenue related to the strategic licensing deal with CGNTT for the People's Republic of China.

The operating result, a loss, amounted to EUR 13.2 million in 2021 against a profit of EUR 42.5 million in 2020, a net decrease of EUR 55.7 million. This is again driven by the strategic licensing deal that was concluded with CGNTT and which contributed significantly to the 2020 amount.

Operating expenses increased by EUR 51.0 million in 2021 to EUR 307.3 million. The R&D expenditure of EUR 38.7 million in 2021 (EUR 37.2 million in 2020) is capitalized. The development expenditure capitalized for EUR 36.4 million is depreciated over three years while research expenses capitalized for EUR 2.3 million are depreciated immediately in the same year.

IBA presented a financial loss of EUR 4.3 million compared to a profit of EUR 68.9 million in 2020. A large portion of the profit in 2020 originated from the non-recurring capital gain (EUR 75 million) realized as a result of the intercompany transfer of the Dosimetry business. The loss of 2021 mainly includes interest expenses, foreign exchange impacts, and bank charges.

The operational perspectives of IBA SA remain positive.

At the end of 2021, the Company had ten branches, in the following locations: Prague, Czech Republic; Orsay, France; Krakow, Poland; Trento, Italy; Seoul; South Korea Uppsala, Sweden; Groningen, Netherlands; Newport, United Kingdom; Madrid, Spain, and Dublin, Ireland. The branches were established as part of the Company's Proton Therapy business (section 3:6, §1, 5°, of the BCAC).

The 2021 loss amounts to EUR 19.7 million, the profit carried forward from the previous years is EUR 181.6 million, making a total profit for appropriation of EUR 161.9 million.

An unavailable reserve for the own shares needs to be recognised, impact of EUR 10.9 million – this reduces the Retained Earnings to an amount of EUR 151.0 million.

IBA's Board of Directors proposes to the General Assembly to distribute a dividend of EUR 5.6 million, and to carry forward the remaining amount (EUR 145.3 million) to the next financial year.

BALANCE SHEET

Intangible Assets

Investments in intangible assets

Intangible assets amounted to EUR 38.5 million per December 31, 2021 compared to EUR 37.5 million per December 31, 2020. These intangible assets relate mainly to:

- Development costs for EUR 36.1 million
- Software for a net worth of EUR 2.4 million (SAP, Microsoft, CRM, CMM (maintenance) and PLM systems

In accordance with the Royal Decree of December 15, 2015, research costs have been capitalized and amortized over the year since January 1, 2016. Research costs in 2021 amounted to EUR 2.3 million and were fully amortized over the financial year.

Investments in tangible assets

Tangible fixed assets represent EUR 29.1 million as of December 31, 2021. The increase of EUR 0.3 million year-on-year is mainly related to investments for a total amount of EUR 3.2 million, mainly in buildings, installation and IT materials, offset by EUR 2.9 million of depreciation of existing assets.

Financial fixed assets

Financial fixed assets amount to EUR 145.8 million in 2021 compared to EUR 146.3 million in 2020, a net decrease of EUR 0.4 million. This decrease is the result of the liquidation of IBA Thailand for EUR 0.4 million.

In addition to the participations in affiliated companies (EUR 129.2 million), IBA SA also holds equity investments in some companies:

- A 39.8% (EUR 6.1 million) stake in NHa SA, a French company active in the development of a carbon therapy treatment system
- A 33% stake in Cyclhad, a French company active in treatment of patients using Proton Therapy. The short term outlook for this entity remains identical as in 2020, the impairment on both investment and subordinated loan for a total of EUR 3 million is maintained.
- A receivable of EUR 1.5 million in NHa SA
- Other stocks and shares:
  - A 11.4% (USD 2 million, EUR 1.8 million) stake in HIL Applied Medical Ltd, an Israelian developer of laser-based proton therapy systems.
  - A 4.14% (GBP 5 million, EUR 7.1 million) stake acquired in 2015 in Proton Partners International Plc, now Rutherford Health Plc, a UK-based stock listed company, with which IBA SA has signed contracts for production, installation and maintenance of Proteus®One systems in the United Kingdom.

The increase is due to an investment in a tax-exempt subordinated bond with Proton International Arkansas LLC for an amount of USD 5 million (EUR 4.4 million at balance sheet date). The remaining amount mainly consists of a tax credit received for Research and Development activities ('CIRD'). Given these R&D activities remain year-on-year at a comparable level, the tax credit also remains stable.

Current assets

Long-term receivables

Long-term receivables amounted to EUR 17.6 million at end of 2021, an increase when compared to the end of 2020 (EUR 13.7 million).

Inventories and work/contracts in progress

Inventories and contracts in progress amounted to EUR 116.9 million in 2021 compared to EUR 110.2 million in 2020. Supplies and work in progress decreased by EUR 12.0 million. Contracts in progress increased from EUR 39.3 million to EUR 58.1 million. Since 2016, the amounts of contracts in progress and down-payments received on such contracts are shown as a net position at the level of each project whereby the ones with a down-payment that is lower than the contract in progress value are shown as a net 'contract in progress' position under this section.

Short-term receivables

Short-term receivables decreased by EUR 39.5 million from EUR 152.5 million in 2020 to EUR 113.0 million in 2021. This decrease is mainly driven by a decrease of the Trade Accounts Receivable section, decrease of EUR 44.1 million, in which predominantly the third-party receivables decreased.

Cash investments

Cash investments amounted to EUR 11.5 million at the end of 2021 and correspond to treasury shares.

Cash and cash equivalents

Cash and cash equivalents amount to EUR 135.1 million as per the end of 2021 which is an increase compared to prior year-end balance of EUR 111.5 million. The main driver for this increase was the excellent cash collection over 2021.

Cut-off accounts

The assets-side cut-off accounts remain stable year-on-year with a balance per the end of 2021 of EUR 11.8 million, which is a decrease compared to 2020 with EUR 0.8 million. These accounts are used to ensure that revenues and charges are correctly cut off at year-end.

Liabilities

Shareholders equity

The subscribed capital is EUR 42.4 million as per December 31, 2021, a slight increase compared with previous year. Share premiums amount to EUR 42.8 million. Both subscribed capital and share premium were increased as stock options under the plans offered to staff were exercised during 2021.

IBA SA currently has four stock option plans in place, fully subscribed per December 31, 2021. The plans for 2014 and 2015 expire on June 30, 2024. In June 2020, a stock option plan was issued comprising medium-term options as well as long-term options: medium-term options expire on June 30, 2026; long-term options expire on June 30, 2030. In January 2021 another stock option plan was issued for medium-term stock options expiring December 2026. For the last two plans, no new shares will be created (but will be settled by means of own shares acquired by the company).

The allocation of the result proposed to the General Meeting is as follows:

- Addition to an unavailable reserve for own shares for an amount of EUR 10.9 million;
- Distribution of dividend of EUR 5.6 million
- Profit carried forward for the financial year 2021 of EUR 145.3 million

IBA SA holds 755,994 treasury shares as per December 31, 2021, compared to 41.097 in 2020 (another 22.272 shares were held on behalf of employees per the end of 2020). The value of these treasury shares amounts to EUR 11.5 million as per December 31, 2021.

Provisions for risks and charges

Provisions for risks and charges equivalent to EUR 9.8 million in 2021 compared to EUR 4.0 million in 2020. These mainly correspond to provisions for technical and order fulfilment guarantees as well as for the stock option plans issued.

Long-term financial debts

Amounts payable after more than one year in 2021 amount to EUR 188.8 million compared to EUR 198.7 million in 2020, a net decrease of EUR 9,9 million:

- Bank debts and other long-term financial debts decreased by EUR 10.6 million and amount to EUR 40.3 million. This includes:
  - loan from the S.R.I.W. (EUR 10.9 million) and SFPI (EUR 4.0 million). The decrease compared to last year relates to the portions of the SRIW loan (EUR 2.7 million) and SFPI loan (EUR 1.0 million) which will be reimbursed within the year 2022.
  - Finance lease debt (EUR 10.4 million).
  - A term loan from financial institutions (EUR 15 million)
- Long-term down payments received on orders amounted to EUR 130.3 million in 2021 compared to EUR 119.6 million in 2020.
- Other debts amount to EUR 18.1 million and generally relate to repayable advances and intragroup loans.

Short-term debts

Debts within one year represent EUR 164.0 million in 2021 compared to EUR 131.0 million in 2020:

- Long-term debts maturing in the year amount to EUR 5.6 million in 2021 (cf. above-mentioned private bond).
- Short-term bank loans amount to EUR 6 million in 2021 (identical to 2020)
- Debts to affiliated companies represent EUR 8.9 million in 2021 against EUR 7.2 million in 2020
- Trade payables represent EUR 50.1 million in 2021, a small decrease of 4.1 million compared to 2020
- Short-term down payments on orders decreased compared to 2020: in 2021 they amount to EUR 62.5 million against EUR 28.9 million in 2020
- Tax and social debts slightly increased (EUR 19.7 million) which is EUR 2.7 million above

the prior year debts (EUR 17.0 million in 2020)

- Other debts mainly include the dividend for the year to be distributed (EUR 5.6 million) as well as a guarantee through letter of credit for EUR 5 million.

Financial instruments (article 3:6, §1, 8°, of the BCAC)

The main financial instruments consist of inter-company loans, bank loans, bank balances, and bank and / or intragroup deposits. The main objective of these financial instruments is to raise funds for the financing of the activities of the company.

The Company also has other financial assets and liabilities such as trade receivables and payables, which arise directly from its activity.

In addition, the Company also has external foreign exchange contracts which are entered into at the level of the Company for the purpose of hedging operations against foreign exchange risks on assets, liabilities or specific transactions, committed or to come, in gross terms.

General financial risk management policy focuses on the unpredictability of financial markets and attempts to minimize potential negative effects on financial results. IBA uses derivative financial instruments to hedge its exposure to certain risks.

Financial risk management is carried out by a central treasury department (Group Treasury). Rules are in place which establish written principles for the management of financial risks as well as written rules covering specific areas, such as currency risk, the use of derivative and non-derivative financial instruments and the investment of excess liquidity. The Group's Treasury identifies, assesses and covers financial risks in close cooperation with the Company.

More details on the management of financial risks are available in the chapter “FINANCIAL RISKS (ARTICLES 3: 6, §1, 8 ° AND 3:32, §1, 5°, OF THE BCAC)” of the consolidated financial statements, see page 122.

Significants acquisitions and divestments in 2021

No significants acquisitions and divestments in 2021.

General outlook for 2022

IBA’s strong performance across all business lines has continued to accelerate into 2022. Our pipeline is extremely active, particularly in the US and Asia, and coupled with our growing predictable revenue stream, is providing us with significant visibility for the coming period. Looking ahead, we see the potential for order intake to further accelerate, especially in the proton therapy and sterilization businesses, which would drive growth of our top and bottom line. Alongside this organic growth we have a very strong balance sheet that will support us to seek value-enhancing external opportunities to further drive sustainable growth.

However, the current situation that has unfolded over the past weeks in Ukraine, adding to some remaining pandemic-related complexities has once again created economic uncertainties. As a result, we are still not able to reliably provide guidance at this stage.

IBA SA

Annual financial statement (section 3:1 of the BCAC)

In accordance with sections 3:23 et 3:32, §1 of the Belgian Companies & Associations' Code, the following statements represent an abbreviated version of the annual financial statements. The full text is available on request at the headquarters of the Company and will be filed with the National Bank of Belgium. This abbreviated version does not contain all the appendices and the auditor's report, who expressed an unqualified opinion.

ASSETS (EUR 000)	2020	2021
FIXED ASSETS	**212 598**	**213 375**
Formation expenses	**-**	**-**
Intangible fixed assets	**37 536**	**38 468**
Tangible fixed assets	**28 778**	**29 058**
Land and buildings	10 566	10 917
Plant, machinery, and equipment	2 601	2 493
Furniture and vehicles	1 821	2 337
Leases and similar rights	12 983	12 561
Assets under construction and advance payments	807	750
Financial assets	**146 284**	**145 849**
Affiliated companies	129 642	129 254
Other investments	7 630	7 630
Others financial assets	9 012	8 965
CURRENT ASSETS	**401 165**	**405 948**
Accounts receivable in more than one year	**13 747**	**17 550**
Inventories and contracts in progress	**110 206**	**116 939**
Inventories	70 866	58 856
Contracts in progress	39 340	58 083
Accounts receivable within one year	**152 528**	**113 038**
Trade receivables	136 903	92 842
Other receivables	15 625	20 196
Investments	**578**	**11 521**
Cash at bank and in hand	**111 520**	**135 072**
Deferred charges and accrued income	**12 586**	**11 828**
TOTAL ASSETS	**613 763**	**619 323**

LIABILITIES AND EQUITY (EUR 000)	2020	2021
SHAREHOLDERS' EQUITY	**276 792**	**253 120**
Capital stock	**42 294**	**42 413**
Capital surplus	**41 978**	**42 836**
Reserves	**5 012**	**15 954**
Legal reserve	4 229	4 230
Reserves not available for distribution	580	11 521
Untaxed reserves	203	203
Retained earnings	**181 590**	**145 328**
Capital grants	**5 918**	**6 589**
PROVISIONS AND DEFERRED TAXES	**4 048**	**9 799**
LIABILITIES	**332 923**	**356 404**
Accounts payable in more than one year	**198 691**	**188 778**
Financial debts	50 902	40 327
Advances received on contracts in progress	119 586	130 318
Other accounts payable	28 203	18 133
Accounts payable within one year	**131 161**	**164 007**
Financial debts - current portion of long-term financial debts	8 863	5 628
Financial debts – current	13 164	14 910
Trade debts	54 224	50 146
Advances received on contracts in progress	28 858	62 474
Current tax and payroll liabilities	16 971	19 688
Other accounts payable	9 081	11 161
Accrued charges and deferred income	**3 071**	**3 619**
TOTAL LIABILITIES	**613 763**	**619 323**

INCOME STATEMENT (EUR 000)	2020	2021
Operating income	**298 717**	**294 116**
Turnover	218 854	210 126
Work in progress, finished goods and contracts in progress	-13 452	-15 997
Capitalized production	37 245	38 734
Other operating income	56 070	61 253
Other extraordinary income	0	0
Operating expenses (-)	**-256 251**	**-307 298**
Raw materials, consumables, and goods for resale	-57 719	-87 846
Services and other goods	-87 883	-97 294
Salaries, social security, and pensions	-71 952	-77 616
Depreciation and write-offs on fixed assets	-38 414	-41 202
Increase/(Decrease) in write-downs on inventories, work in progress, and trade debtors	-687	3 616
Provisions for liabilities and charges	2 433	-5 778
Other operating expenses	-565	-1 146
Other extraordinary expenses	-1 464	-32
Operating profit/loss)	**42 466**	**-13 182**
Financial income	**79 916**	**4 446**
Income from financial assets	0	0
Income from current assets	531	439
Other financial income	4 673	3 527
Extraordinary financial income	74 712	480
Financial expenses (-)	**-10 981**	**-8 701**
Interest expense	-2 034	-2 132
Amounts written off on current assets other than inventories, work in progress and trade debtors - increase (decrease)	0	0
Other financial charges	-5 944	-6 064
Extraordinary financial expenses (-)	-3 003	-505
Profit/(loss) for the period before taxes	**111 401**	**-17 437**
Income taxes (-) (+)	-3 870	-2 285
Profit/(loss) for the period	**107 531**	**-19 722**
Transfers to tax free reserves (-)	0	0
Profit/(loss) for the period available for appropriation	**107 531**	**-19 722**

APPROPRIATION OF RESULTS (EUR 000)	2020	2021
Profit/(Loss) to be appropriated	**187 604**	**161 868**
Profit/(loss) for the period available for appropriation	107 531	-19 722
Profit/(Loss) carried forward	80 073	181 590
Transfers to capital and reserves	0	0
On capital stock and capital surplus	0	0
From reserves	0	0
Appropriations to capital and reserves	0	0
To capital stock and capital surplus	0	0
To legal reserve	0	0
To other reserves	0	10 942
Profit/(Loss) to be carried forward	**181 590**	**145 328**
Profit to distribute	**6 014**	**5 598**
Dividends	6 014	5 598

STATEMENT OF CAPITAL	2020 Amount (EUR 000)	2020 Number of shares	2021 Amount (EUR 000)	2021 Number of shares
Capital				
1. Issued capital				
At the end of the previous financial year	**42 294**		**42 294**	
Changes during the financial year	0	0	119	84 798
At the end of the current financial year	**42 294**		**42 413**	
2. Structure of the capital				
2.1. Categories of shares				
Ordinary shares without designation of face value	24 293	17 431 431	24 412	17 516 229
Ordinary shares without designation of face value with WPR strips	18 001	12 702 489	18 001	12 702 489
2.2 Registered or bearer shares				
Registered shares		8 145 467		8 145 467
Bearer shares		21 988 453		22 073 251
Own shares held by				
The Company itself	89	41 097	1 061	755 994
Its subsidiaries	577	410 852	73	51 973
Stock issue commitments				
Following exercise of share options				
Number of outstanding share options		540 608		1 119 153
Amount of capital to be issued	0		0	
Maximum number of shares to be issued		183 608		98 810
Amount of non-issued authorized capital	**0**		**0**	

IFRS consolidated FINANCIAL statements for the year ended december 31, 2021

Introduction

Ion Beam Applications SA (the "Company" or the "Parent"), founded in 1986, and its subsidiaries (together, the "Group" or "IBA") are committed to technological progress in the field of cancer diagnosis and therapy and deliver efficient, dependable solutions providing unequalled precision. IBA also offers innovative solutions for everyday hygiene and safety.

The Company is a limited company incorporated and domiciled in Belgium. The address of its registered office is Chemin du Cyclotron, 3; B-1348 Louvain-la- Neuve, Belgium. Ion Beam Applications SA is the mother Company of the Group and the Ultimate Parent.

The Company is listed on the pan-European Euronext stock exchange (B-compartment) and is included in the BEL Mid Index.

Consequently, IBA has agreed to follow certain rules to enhance the quality of financial information provided to the market. These rules include:

- Publication of its annual report, including its audited annual consolidated financial statements within four months from the end of the financial year;
- Publication of a condensed half-year report covering the first six months of the financial year within two months from the end of the second quarter;
- Publication of the condensed half-yearly and annual consolidated financial statements prepared in accordance with IFRS as endorsed by EU;
- Audit of its annual consolidated financial statements by its auditors in accordance with the auditing standards of the International Federation of Accountants

These consolidated financial statements have been approved for release by the Board of Directors on April 12, 2022.

Statement of consolidated financial position as at December 31, 2021

(EUR 000)	Note	December 31, 2020	December 31, 2021
ASSETS			
Goodwill	7	3 821	3 821
Other intangible assets	7	4 527	3 790
Property, plant and equipment	8	18 329	19 081
Right-of-use assets	24.1	29 266	29 566
Investments accounted for using the equity method	9	1 273	20
Other investments	9	13 088	12 923
Deferred tax assets	10	7 797	8 642
Long-term financial assets	21	600	13
Other long-term assets	11	19 767	41 032
Non-current assets		**98 468**	**118 888**
Inventories	12	84 458	74 874
Contract assets	13	30 110	35 639
Trade receivables	14	103 400	75 809
Other receivables	14	39 071	41 489
Short-term financial assets	21	1 578	82
Cash and cash equivalents	15	153 911	199 270
Current assets		**412 528**	**427 163**
TOTAL ASSETS		**510 996**	**546 051**
EQUITY AND LIABILITIES			
Capital stock	16.1	42 294	42 413
Capital surplus	16.1	41 978	42 836
Treasury shares	16.1	-5 907	-12 613
Reserves	17	17 152	8 348
Currency translation difference	17	-5 569	-6 315
Retained earnings	17	51 883	51 227
Capital and reserves		**141 831**	**125 896**
Non-controlling interests		0	0
EQUITY		**141 831**	**125 896**
Long-term borrowings	18	41 174	29 937
Long-term lease liabilities	24.2	24 598	23 943
Long-term provisions	19	7 879	8 411
Long-term financial liabilities	21	3	654
Deferred tax liabilities	10	521	197
Other long-term liabilities	20	19 278	8 450
Non-current liabilities		**93 453**	**71 592**
Short-term borrowings	18	15 557	9 734
Short-term lease liabilities	24.2	4 797	5 362
Short-term provisions	19	4 169	6 467
Short-term financial liabilities	21	57	6 996
Trade payables	22	41 858	47 731
Current income tax liabilities		2 892	5 173
Other payables	23	48 212	58 988
Contract liabilities	13	158 170	208 112
Current liabilities		**275 712**	**348 563**
TOTAL LIABILITIES		**369 165**	**420 155**
TOTAL EQUITY AND LIABILITIES		**510 996**	**546 051**

The notes on pages 109 to 174 are an integral part of these consolidated financial statements.

Consolidated income statement for the year ended December 31, 2021

(EUR 000)	Note	December 31, 2020	December 31, 2021
Sales of equipments and licences	4	194 002	188 192
Sales of services	4	117 953	124 772
Total sales	**4**	**311 955**	**312 964**
Cost of sales and services (-)	4	-175 900	-205 270
Gross profit	**4**	**136 055**	**107 694**
Selling and marketing expenses (-)		-20 735	-19 337
General and administrative expenses (-)		-41 792	-39 834
Research and development expenses (-)		-33 122	-34 013
Other operating expenses (-)	25.1	-442	-1 038
Other operating income	25.2	65	0
Operating result (EBIT)	**4**	**40 029**	**13 472**
Financial expenses (-)	26.1	-6 264	-10 439
Financial income	26.2	2 516	6 475
Share of profit/(loss) of companies consolidated using the equity method	9.1	-3 227	-1 253
Profit/(loss) before taxes		**33 054**	**8 255**
Tax income/(expenses)	27	-1 133	-4 376
Profit/(loss) for the period		**31 921**	**3 879**
Attributable to :			
Equity holders of the parent		31 921	3 879
Non-controlling interests		0	0
Earnings per share (EUR per share)	**35**		
Basic		+1.0773	+0.1318
Diluted		+1.0743	+0.1286

Consolidated statement of other comprehensive income for the year ended December 31, 2021

(EUR 000)	Notes	December 31, 2020	December 31, 2021
Profit/(loss) for the period		**31 921**	**3 879**
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
- Exchange differences on translation of foreign operations		-2 259	*113*
- Exchange difference related to net investment		193	*-859*
- Net movement on cash flow hedges	17	3 265	*-8 969*
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		**1 199**	**-9 715**
Other comprehensive income not to be reclassified to profit or loss in subsequent periods :			
- Revaluation at fair value of other investments	9.2	-2 108	*-165*
- Movements in post-employment benefit	28	-506	*-514*
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		**-2 614**	**-679**
Total Other comprehensive income for the year		**-1 415**	**-10 394**
Total comprehensive income for the year		**30 506**	**-6 515**

Consolidated statement of changes in equity

EUR 000	Capital stock (Note 16.1)	Capital surplus (Note 16.1)	Treasury shares (Note 16.1)	Hedging reserves (Note 17)	Other reserves – Stock option plans and share-based compensation (Note 16.2)	Other reserves – defined benefit plans (Note 28)	Other reserves - Revaluation reserves (Note 9)	Other reserves - Other	Currency translation difference (Note 17)	Retained earnings (Note 17)	TOTAL Shareholders' equity and reserves
As at January 1, 2020	**42 294**	**41 978**	**-8 502**	**-2 736**	**15 714**	**-3 044**	**6 287**	**154**	**-3 503**	**22 700**	**111 342**
Profit/(loss) for the period	0	0	0	0	0	0	0	0	0	31 921	**31 921**
Other comprehensive income	0	0	0	3 265	0	-506	-2 108	0	-2 066	0	**-1 415**
Total comprehensive income for the period	**0**	**0**	**0**	**3 265**	**0**	**-506**	**-2 108**	**0**	**-2 066**	**31 921**	**30 506**
Dividends	0	0	0	0	0	0	0	0	0	-2 254	**-2 254**
Employee stock options and share-based payments	0	0	0	0	126	0	0	0	0	0	**126**
Increase/ (decrease) in capital stock/ capital surplus (note 17)	0	0	2 595	0	0	0	0	0	0	-507	**2 088**
Other changes	0	0	0	0	0	0	0	0	0	23	**23**
As at December 31, 2020	**42 294**	**41 978**	**-5 907**	**529**	**15 840**	**-3 550**	**4 179**	**154**	**-5 569**	**51 883**	**141 831**
As at January 1, 2021	**42 294**	**41 978**	**-5 907**	**529**	**15 840**	**-3 550**	**4 179**	**154**	**-5 569**	**51 883**	**141 831**
Profit/(loss) for the period (note 4)	0	0	0	0	0	0	0	0	0	3 879	**3 879**
Other comprehensive income	0	0	0	-8 969	0	-514	-165	0	-746	0	**-10 394**
Total comprehensive income for the period	**0**	**0**	**0**	**-8 969**	**0**	**-514**	**-165**	**0**	**-746**	**3 879**	**-6 515**
Capital increase	119	858	0	0	0	0	0	0	0	0	**977**
Dividends	0	0	0	0	0	0	0	0	0	-5 934	**-5 934**
Employee stock options and share-based payments (note 16.2)	0	0	0	0	844	0	0	0	0	0	**844**
Purchase of treasury shares (note 16.1)	0	0	-11 227	0	0	0	0	0	0	0	**-11 227**
Sale of treasury shares (note 16.1)	0	0	4 521	0	0	0	0	0	0	1 404	**5 925**
Other changes	0	0	0	0	0	0	0	0	0	-5	**-5**
As at December 31, 2021	**42 413**	**42 836**	**-12 613**	**-8 440**	**16 684**	**-4 064**	**4 014**	**154**	**-6 315**	**51 227**	**125 896**

Consolidated cash flow statement

(EUR 000)	Note	December 31, 2020	December 31, 2021
CASH FLOW FROM OPERATING ACTIVITIES			
Net profit/(loss) for the period		**31 921**	**3 879**
Adjustments for :			
Depreciation of tangible assets	8, 24.1	8 775	8 370
Depreciation and impairment of intangible assets	7.2	3 184	1 523
Write-off on receivables	14.1	2 898	-287
Changes in fair value of financial assets (profits)/losses		-547	704
Changes in provisions	19	3 458	4 278
Deferred taxes		-1 457	-890
Share of result of associates and joint ventures accounted for using the equity method	9.1	3 227	1 253
Other non-cash items	29.1	-1 075	-11 116
Net cash flow changes before changes in working capital		**50 384**	**7 714**
Trade receivables, other receivables and deferrals		20 794	29 362
Inventories and contracts in progress		26 056	48 040
Trade payables, other payables and accruals		2 165	16 180
Other short-term assets and liabilities		-24	-14 338
Changes in working capital		**48 991**	**79 244**
Net income tax paid/received		-1 132	-1 800
Interest expense		2 309	2 546
Interest income		-127	-491
Net cash (used)/generated from operations		**100 425**	**87 213**
CASH FLOW FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	8	-2 555	-4 245
Acquisition of intangible assets	7.2	-1 446	-784
Cash received on disposal of fixed assets		0	33
Cash release on disposals of subsidiaries from previous years		0	1 271
Investment in Long-term subordinated bond		0	-4 415
Repayment received on shareholder loan		0	119
Acquisition of third-party and equity-accounted investments	9.1	-1 600	0
Other investing cash flows		0	-4
Net cash (used)/generated from investing activities		**-5 601**	**-8 025**
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings	18	25 508	0
Repayment of borrowings	18	-4 734	-12 984
Repayment of principal portion of lease liabilities and proceeds from sublease	24.2	-5 254	-5 142
Interest paid		-2 298	-2 694
Interest received		127	491
Capital increase (or proceeds from issuance of ordinary shares)	16	0	977
Dividends paid		-2 254	-5 785
(Acquisitions)/disposal of treasury of shares		2 088	-11 227
Other financing cash flows	29	185	83
Net cash (used)/generated from financing activities		**13 368**	**-36 281**
Net cash and cash equivalents at beginning of the year		**46 090**	**153 911**
Net change in cash and cash equivalents		108 192	42 907
Exchange (profits)/losses on cash and cash equivalents		-371	2 452
Net cash and cash equivalents at end of the year	15	**153 911**	**199 270**

Notes to consolidated FINANCIAL STATEMENTS

Notes

1. Summary of significant group accounting policies

1.1. INTRODUCTION

The main IFRS accounting principles applied by the Group in preparing the IFRS consolidated financial statements are presented below.

1.2. BASIS OF PREPARATION

IBA's consolidated financial statements for the year ended December 31, 2021 have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union.

These financial statements have been prepared on a historical cost basis, except for financial instruments (Derivative, Fair value through other comprehensive income and Fair value through profit or loss) that have been measured at fair value.

The Group's consolidated financial statements are presented in thousands of euros, which is the parent entity's functional currency.

1.2.1 Changes in accounting policies and disclosures

The accounting policies adopted in the preparation of the consolidated financial statements for the year ended December 31, 2021 are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended December 31, 2020, except for the adoption of new standards and interpretations effective as of 1 January 2021.

1.2.2 Standards issued and effective

The Group applied for the first time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2021. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Although these new standards and amendments apply for the first time in 2021, they do not have a material impact on the consolidated financial statements of the Group. The nature and the impact of each of the following new standards, amendments and/or interpretations are described below:

- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 - Interest Rate Benchmark Reform (Phase 2), effective 1 January 2021
- Amendments IFRS 16 – COVID-19 Related rent concessions

These financial statements have been prepared on an accrual basis and on the assumption that the entity is a going concern and will continue to operate in the foreseeable future.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires Management to exercise judgment in the process of applying the Company's accounting policies. Areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 3.

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 - interest rate benchmark reform (phase 2)

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

In particular, the amendments include a practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest, as well as a relief from discontinuing hedging relationships, allowing changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued. Permitted changes include redefining the hedged risk to reference an RFR and redefining the description of the hedging instruments and/or the hedged items to reflect the RFR.

The amendments are mandatory and effective for annual periods beginning on or after 1 January 2021, with earlier application permitted.

Since the Group's current practice is in line with these amendments, they had no impact on the consolidated financial statements of the Group.

Amendments to IFRS 16 – COVID-19 RELATED RENT CONCESSIONS

On 28 May 2020, the IASB issued Covid-19-Related Rent Concessions - amendment to IFRS 16 Leases. The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic.

As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification.

The amendment was intended to apply until 30 June 2021, but as the impact of the Covid-19 pandemic is continuing, on 31 March 2021, the IASB extended the period of application of the practical expedient to 30 June 2022.The amendment applies to annual reporting periods beginning on or after 1 April 2021.

However, the Group has not received Covid-19-related rent concessions, but plans to apply the practical expedient should this become applicable within allowed period of application.

1.2.3 Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards and interpretations, if applicable, when they become effective.

- IFRS 17 *Insurance contracts*, effective 1 January 2023
- Amendments to IFRS 3 *Business Combinations* – reference to the Conceptual Framework, effective 1 January 2022
- Amendments to IAS 1 *Classification of Liabilities as Current or Non-current*, effective 1 January 2023
- Amendments to IAS 16 *Property, Plant and Equipment* – Proceeds before Intended Use, Effective 1 January 2022
- Amendments to IAS 37 *Onerous Contracts* – Costs of Fulfilling a Contract, effective 1 January 2022
- Amendments to IFRS 9 *Financial Instruments* – Fees in the '10 per cent' test for derecognition of financial liabilities, effective 1 January 2022
- Amendments to IAS 41 *Agriculture* – Taxation in fair value measurements, effective 1 January 2022 – not relevant to IBA activities
- Amendments to IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* – Definition of accounting estimates, effective 1 January 2023

IFRS 17 insurance contracts

IFRS 17 is a new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure, replacing IFRS 4.

The group does not issue insurance contract, the financial guarantees that may be issued by the Group are treated as financial instruments in accordance with IFRS 9. It is therefore highly unlikely that the new standard will have any impact on the consolidated financial statements as from the effective date.

Amendments to IFRS 3 business combinations – reference to the conceptual framework

The changes in Reference to the Conceptual Framework (Amendments to IFRS 3):

- Update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework;

- add to IFRS 3 a requirement that, for transactions and other events within the scope of IAS 37 or IFRIC 21, an acquirer applies IAS 37 or IFRIC 21 (instead of the Conceptual Framework) to identify the liabilities it has assumed in a business combination; and
- add to IFRS 3 an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

Companies are required to apply this amendments to a business to acquisitions that occur on or after 1 January 2020. Earlier application is permitted. These amendments will apply only to any future business combinations of the Group.

Amendments to IAS 1 classification of liabilities as current or non-current

The amendments clarify the requirements for classifying liabilities as current or non-current. In specific, the amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument, would the terms of a liability not impact its classification

These amendments apply in particular to the testing of financial covenants. An entity would have to present a liability as current at the end of the reporting period, if it does not meet the covenant, even if the test is only required at a date after the reporting date.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and must be applied retrospectively. Since the group's current practice is in line with the amendments, the Group does not expect any effect on its consolidated financial statements.

Amendments to IAS 16 property, plant and equipment – proceeds before intended use

The amendment prohibits entities deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

Given the nature of the Group's business, the Group does not expect any effect on its consolidated financial statements.

Amendments to IAS 37 onerous contracts – costs of fulfilling a contract

The amendments clarify that the 'costs of fulfilling a contract', when assessing whether a contract is onerous or loss-making, comprise both:

- the incremental costs – e.g. direct labour and materials; and
- an allocation of other direct costs – e.g. an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract

These amendments are effective for reporting periods beginning on or after 1 January 2022. Since the group's current practice is in line with the amendments, the Group does not expect any effect on its consolidated financial statements.

Amendments to IFRS 9 financial instruments – fees in the '10 per cent' test for derecognition of financial liabilities

In determining whether to de-recognise a financial liability that has been modified or exchanged, an entity assesses whether the terms are substantially different. The amendment to IFRS 9 clarifies the fees that a company includes when performing this assessment. These fees include only those paid or received between the borrower and the lender or on their behalf.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted. The Group will apply the amendments to financial liabilities that are modified or exchanged from 1 January 2022.

Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors – Definition of accounting estimates

The IASB issued amendments to IAS 8, in which it introduces a definition of 'accounting

estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

The amendments are not expected to have a material impact on the Group as the clarifications are confirming the current practices of the Group.

Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of Accounting Policies

The IASB provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to IAS 1 are guidance applicable for annual periods beginning on or after 1 January 2023 with earlier application permitted but no effective date for these amendments is not necessary.

The Group is currently assessing the impact of the amendments to determine the impact they will have on the Group's accounting policy disclosures.

1.3. BASIS OF CONSOLIDATION

The parent and all of its controlled subsidiaries are included in the consolidation.

1.3.1 Subsidiaries

Assets and liabilities, rights and commitments, and income and charges of the parent and its controlled subsidiaries are consolidated in full.

The Group controls an investee, if and only if, the Group has: power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee); exposure or rights to variable returns from its involvement with the investee; and the ability to use its power over investee to affect its returns.

It is presumed to exist when the IBA Group holds more than 50% of the entity's voting rights. This presumption may be rebutted if there is clear evidence to the contrary. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls an entity.

Consolidation of a subsidiary takes place from the date of acquisition, which is the date on which control of the net assets and operations of the acquiree are effectively transferred to the acquirer. From the date of acquisition, the parent (the acquirer) incorporates into the consolidated income statement the financial performance of the acquiree and recognizes in the statement of consolidated financial position the acquired assets and liabilities (at fair value), including any goodwill arising on the acquisition. Subsidiaries are deconsolidated from the date on which control ceases.

The following treatments are applied on consolidation:

- The carrying amount of the parent's investment in each subsidiary and the parent's portion of the equity of each subsidiary are eliminated;
- In the statement of consolidated financial position, non-controlling interests in the net assets of subsidiaries are identified and reported separately in the caption "Non-controlling interests";
- The portion of the profit or loss of the fully consolidated subsidiaries attributable to shares held by entities outside the Group is presented in the consolidated income statement in the caption "Profit/(loss) attributable to non-controlling interests";

- Intra-Group balances and transactions and unrealized gains and losses on transactions between Group companies are eliminated in full.

Consolidated financial statements are prepared applying uniform accounting policies to like transactions and other events in similar circumstances.

1.3.2 Associates

An associate is an entity in which the investor has significant influence, but which is neither a subsidiary nor a joint venture (see next subsection) of the investor. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control over those policies. It is presumed to exist when the investor holds at least 20% of the investee’s voting power but not to exist when less than 20% is held. This presumption may be rebutted if there is clear evidence to the contrary.

All associates are accounted for using the equity method: participating interests are presented separately in the closing date statement of consolidated financial position (in the caption “Investments accounted for using the equity method”) at an amount proportionate to the associate’s equity (as restated under IFRS), including the result for the year. Dividends received from an investee reduce the carrying amount of the investment.

The portion of the result of associates attributable to the Group is presented separately in the consolidated income statement in the caption “Share of profit (loss) of companies consolidated using the equity method”.

Profits and losses resulting from transactions between an investor (or its consolidated subsidiaries) and associates are eliminated in proportion to the investor’s interest in the associate.

1.3.3 Joint arrangements

As with associates, the equity method is used for the Group’s joint arrangements that are classified as joint ventures. Currently, the Group has no interest in joint ventures.

1.3.4 Treatment of goodwill or negative goodwill

Business combinations is a transaction or other event in which an acquirer obtains control of one or more businesses. A business is a set of activities and assets applied and managed together in order to provide a return or any other economic benefit to its investors. In all business combinations, one entity (the acquirer) obtains control that is not transitory of one or more other entities or businesses (the acquiree).

All business combinations (acquisitions of businesses) arising after January 1, 2004 are accounted for using the purchase method. The acquirer measures the cost of the business combination at the acquisition date (the date on which the acquirer obtains control over the net assets of the acquiree) and compares it with the fair value of the acquiree’s identifiable net assets, liabilities, and contingent liabilities. The difference between the two represents a goodwill.

Similar rules have been applied to investments accounted for under the equity method, except that any goodwill arising on such investment is included in the carrying amount of the investment.

Negative goodwill arising on such investments is included in the determination of the entity’s share of the investee’s profit or losses in the period in which the investment is acquired.

Goodwill is not amortized but instead is tested for impairment annually (or more frequently if circumstances so require). Negative goodwill is recognized as profit.

1.3.5 Acquisition of non-controlling interests

The excess of the acquisition cost of non-controlling interests over the financial position entry for these non-controlling interests is deducted from equity (“economic unit model”).

1.3.6 Translation of financial statements of foreign operations

All monetary and non-monetary assets and liabilities (including goodwill) are translated at the closing rate. Income and expenses are translated at the rate of the date of the transaction (historical exchange rate) or at an average rate for the month.

The principal exchange rates used for conversion to EUR are as follows:

	Closing rate on December 31, 2020	Average annual rate 2020	Closing rate on December 31, 2021	Average annual rate 2021
USD	1.2271	1.1427	1.1326	1.1831
SEK	10.0343	10.5535	10.2503	10.1420
CNY	8.0225	7.8679	7.1947	7.6318
INR	89.6605	84.3159	84.2292	87.3256
RUB	91.4671	82.5414	85.3004	87.1639
JPY	126.4900	121.7617	130.3800	129.8215
CAD	1.5633	1.5289	1.4393	1.4829
GBP	0.8990	0.8890	0.8403	0.8598
ARS	103.1526	80.7564	116.4634	112.2964
THB	36.7270	35.6316	37.6530	37.7450
SGD	1.6218	1.5729	1.5279	1.5906
EGP	19.2623	18.0104	17.7837	18.5345
TWD	34.4332	33.5753	31.4035	33.0330
KRW[1]	1 336.0000	1 357.0051	1 346.3800	1 352.5865
GEL[2]	3.9878	3.8305	3.4820	3.7816

1 Average rate is calculated on the basis of 8 months of activity in 2020

2 Average rate is calculated on the basis of 4 months of activity in 2020

1.4. INTANGIBLE ASSETS

Recognition as an intangible asset is required when

(1) this asset is identifiable, i.e. separable (it can be sold, transferred, or licensed) or where it arises from contractual or other legal rights;

(2) it is probable that future economic benefits attributable to the asset will flow to IBA;

(3) IBA can control the resource; and

(4) the cost of the asset can be measured reliably.

Intangible assets are carried at acquisition cost less any accumulated amortization and any accumulated impairment loss.

Cost includes the fair value of the consideration given to acquire the asset and any costs directly attributable to the transaction, such as relevant professional fees or non-refundable taxes.

Indirect costs as well as general overheads are not included. Expenditure previously recognized as expense is not included in the cost of the asset.

Costs arising from the research phase of an internal project are expensed as incurred.

Costs arising from the development phase of an internal project (product development project or IT project) are recognized as an asset when IBA can demonstrate the following: technical feasibility, intention to complete development, how the intangible asset will generate probable future economic benefits (e.g., the existence of a market for the output of the intangible asset or for the intangible asset itself), availability of resources to complete development and ability to measure the attributable expenditure reliably.

Maintenance costs, as well as costs for minor upgrades intended to maintain (rather than increase) the level of performance of the asset, are expensed as incurred.

The above recognition criteria are fairly stringent and are applied prudently.

The cost of the intangible assets is allocated on a systematic basis over the useful life of the asset using the straight-line method.

The applicable useful lives are as follows:

INTANGIBLE FIXED ASSETS	Useful life
Product development costs	3 years, except if a longer useful life is justified (however not exceeding 5 years)
IT development costs for the primary software programs (e.q. ERP)	5 years, except if a longer useful life is justified
Other software	3 years
Concessions, patents, licenses, know-how, trademarks, and other similar rights	3 years, except if a longer useful life is justified

Amortization commences only when the asset is available for use for example when it is in the location and condition necessary for it to be capable of operating in the manner intended by management in order to achieve proper matching of cost and revenue.

The Group has no intangible assets with indefinite useful life relating to its continuing operations.

1.5. TANGIBLE ASSETS (PROPERTY, PLANT AND EQUIPMENT)

Tangible assets are carried at acquisition cost less any accumulated depreciation and any accumulated impairment loss.

Cost includes the fair value of the consideration given to acquire the asset (net of discounts and rebates) and any directly attributable cost of bringing the asset to working condition for its intended use (inclusive of import duties and taxes).

Directly attributable costs are the cost of site preparation, delivery costs, installation costs, relevant professional fees, and the estimated cost of dismantling and removing the asset and restoring the site (to the extent that such a cost is recognized as a provision).

Each part of an item of property, plant, and equipment with a cost that is significant in relation to the total cost of the item is separately depreciated over its useful life using the straight-line method. The depreciable amount is the acquisition cost, except for vehicles. For vehicles, it is the acquisition cost less the residual value of the asset at the end of its useful life.

Maintenance or repair costs whose objective is to maintain rather than increase the level of performance of the asset are expensed as incurred.

The applicable useful lives are as follows:

TANGIBLE FIXED ASSETS	Useful life
Land	Not depreciated
Office buildings	33 years
Industrial buildings	33 years
Cyclotrons and vaults	15 years, except in specific rare circumstances where a different useful life is justified
Laboratory equipment	5 years
Other technical equipment	5 to 10 years
Computer hardware	3 to 5 years (5 years for mainframes)
Furniture and fittings	5 to 10 years
Vehicles	2 to 5 years

1.6. LEASE

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

1.6.1 Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of -use assets includes the amount of lease liabilities recognized, initial direct cost incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

RIGHT-OF-USE ASSETS	Depreciation basis
Land	99 years
Buildings	1 to 15 years
Apartments	1 to 4 years
Machinery	3 to 9 years
Vehicles	1 to 4 years
Computer hardware	1 to 5 years
Bikes	3 years

The right-of-use assets are also subject to impairment (see note 1.7).

Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group use its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are presented in note 24.2.

1.6.2 Short-term leases and leases of low-values assets

The Group does apply the short-term lease recognition exemption to its short-term leases.

The Group applies the lease of low-value assets recognition exemption to lease for office equipment, hardware and vehicles that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

1.6.3 Group as lessor

IBA sometimes subleases some assets and it is treated as follows. A sublease is a transaction whereby a lessee leases an asset from a lessor (head lease) and the lessee then releases the same asset (as intermediate lessor) to another third party lessee (sublease).

An intermediate lessor classifies the sublease as a finance lease or an operating lease as follows:

- If the head lease is a short-term lease that the entity, as a lessee, has accounted for by recognizing the lease payments as an expense on a straight-line basis over the term of the lease, the sublease must be classified as an operating lease
- Otherwise, the sublease must be classified by reference to the right-of-use asset arising from the head lease, rather than by reference to the economic useful life of the underlying asset (such as the item of property, plant or equipment that is the subject of the lease).

Therefore, where the head lease is not a short-term lease expensed on a straight-line basis over the lease term, the lessor must use the general principles for classification of a lease as an operating or a finance lease by reference to the right-of-use asset. IFRS 16 requires a sublease:

- To be classified as a finance lease if substantially all of the risks and rewards incidental to ownership of the leased asset have been transferred to the lessee
- To otherwise be classified as an operating lease.

1.7. IMPAIRMENT OF INTANGIBLE AND TANGIBLE ASSETS

An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount, which is the higher of the following two amounts: fair value less costs of disposal (the consideration that IBA can recover through sale) or value in use (the future economic benefits that IBA can recover if it continues to use the asset).

When possible, impairment tests have been performed on individual assets. When, however, it is determined that assets do not generate independent cash flows, the test is performed at the level of the cash-generating unit (CGU) to which the asset belongs (CGU = the smallest identifiable group of assets generating inflows that are largely independent from the cash flows from other CGUs).

Goodwill arising on a business combination is allocated among the Group's CGUs that are expected to benefit from synergies as a result of the business combination. This allocation is based on Management's assessment of the synergies gained and is not dependent on the location of the acquired assets.

Since it is not amortized, goodwill is tested for impairment annually, along with the related CGU (or more frequently depending on circumstances), even if no indication of impairment exists. Other intangible and tangible assets/CGUs are tested only if there is an indication that the asset is impaired.

Any impairment loss is first charged against goodwill. Any impairment loss exceeding the book value of goodwill is then charged against the other CGUs' assets only if the recoverable amount is below their net book value. Reversals of impairment losses (other than on goodwill) are recorded if justified.

1.8. INVENTORIES

Inventories are measured at the lower of cost and net realizable value at the financial position date.

The cost of inventories comprises all costs incurred in bringing inventories to their present location and condition, including indirect production costs. Administrative overheads that do not contribute to bringing inventories to their present location and condition, selling costs, storage costs, and abnormal amounts of wasted materials are not included in the cost of inventories.

The standard cost method is used. The standard cost of an item of inventory at period-end is adjusted to actual cost. The allocation of fixed production overheads to the production cost of inventories is based on the normal capacity of the production facilities.

The cost of inventories that are ordinarily interchangeable is allocated by using the weighted average cost formula. The same cost formula is used for all inventories that have a similar nature and use to the entity.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale (e.g. sales commissions).

IBA books a write-down when the net realizable value at financial position date is lower than the cost.

IBA applies the following policy for write-down on slow-moving items on all inventory assets, without distinction:

- If no movement after 1 year: write-off over 3 years;
- If movement occurs after write-off: reversal of write-off.

However, inventory is valued individually at year-end. Exceptions to the above general policy for write-down on slow moving items are made when justified by the individual valuation.

1.9. REVENUE RECOGNITION

IBA Group applies IFRS 15 in determining how revenue is recognised. IFRS 15 establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires applying significant judgement to account for the revenue which is provided by IBA under note 3.2.

The recognition criteria are applied to the different performance obligations of the contract.

When the outcome of a contract (i.e. estimation of the final margin) can be reliably estimated, revenue is recognized either over time or at a point in time as explained further for each type of revenue.

When the outcome of the contract cannot be estimated reliably, revenue is recognized only to the extent of costs incurred that it is probable will be recovered; contract costs are recognized as an expense as incurred. When it is probable that total contract costs will exceed total contract revenue, the expected loss is immediately expensed to income statement, and a loss-at-completion provision is recorded.

1.9.1 Equipment and installation services

The main activity of the Group consists of realizing and constructing proton-therapy equipment and arrange the installation services for its customers. Such contracts with customers are referred as equipment and installation services, it represents the most important portion of IBA's revenue and are presented in the income statement as "Sales".

The equipment and installation services are always contracted and sold as a bundle package which is because the equipment is specialized in nature that only IBA can provide the installation services to the customers. As a result, IBA promises relate to the transfer of a combined output integrating both the promised equipment and relating installation services. The Group determined that due to the nature of its promises, the equipment and installation services contract have to be considered as one performance obligation.

In connection with the timing of the revenue recognition the Group assessed that its performance creates or enhances an asset that the customer controls as the asset is created. In addition its performance does not create an asset with an alternative use to the Group and it has concluded that, at all times, it has an enforceable right to payment for performance completed to date. Therefore, control transfers over time and the Group recognizes revenue by measuring the progress using the input method on the basis of the costs incurred which are compared to the total expected cost of the project (formerly referred as "*percentage of completion*").

Expected contract costs comprise:

- Direct and indirect production costs (e.g., resources consumed, labour hours expended, costs incurred, time elapsed or machine hours used);
- Such other costs as are specifically chargeable to the customer under the terms of the contract;
- Costs incurred in securing the contract if they can be separately identified and measured reliably and if it is probable that the contract will be obtained.

The Group excludes the effect of any costs incurred that do not contribute to the Group's performance in transferring control of goods or services to the customer (such as unexpected amounts of wasted materials, labour or other resources) and adjusts the input method for any costs incurred that are not proportionate to the Group's progress in satisfying the performance obligation.

When financial guarantees must be given to third parties in connection with a contract and these guarantees involve a financial risk for IBA, a financial liability is recognized.

1.9.2 Services

In addition to the equipment and installation services, the Group provides operation and maintenance services (reported as "Services") which relate to the daily functioning and maintenance activity of the proton therapy centers once those have been transferred to the customer. For these contracts, the revenue recognition occurs over time using the straight-line revenue recognition method because IBA considers that the customer simultaneously receives and consumes the benefit and its efforts are expended evenly throughout the performance period that is the term of the contract.

1.9.3 Licence revenue

Occasionally, IBA group sells licence for the intellectual property. This is not part of IBA's main business activity and will, in most cases, constitute a distinct performance obligation. Based on the criteria defined in IFRS 15, the Group determines that it transfers a right to use the intellectual property rather than a right to access the intellectual property. As a result, the revenue from the sale of the licence is recognised at a point in time when the rights are being transferred.

1.9.4 Transaction price

Under the equipment and installation services and the operation and maintenance services, IBA considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised bundle package or services to a customer. IBA's contract with the customers typically does not contain variable amounts and the financing component is also considered to be non-significant.

1.9.5 Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due which is typically the case for the equipment and installation services, a contract asset is recognized for the earned consideration that is conditional.

1.9.6 Trade receivables

A receivable represents IBA's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due) which are presented as "*Trade receivables*".

1.9.7 Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before IBA transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Group performs under the contract.

1.9.8 Refund liabilities

A refund liability is recognised for consideration that IBA has received in advance from a customer and expects to refund to the customer, and is measured at the amount of consideration received for which the entity does not expect to be entitled (ie amounts not included in the transaction price).

1.10. RECEIVABLES

A receivable is recognized if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies for financial assets in section 1.11.

Unless the discounting impact is significant, receivables are measured at nominal value. Receivables are written down when receipt of all or part is uncertain or doubtful.

1.11. FINANCIAL ASSETS

1.11.1 Classification and measurement

Under IFRS 9, financial instruments are subsequently measured at fair value through profit or loss (FVPL), amortized cost, or fair value through other comprehensive income (FVOCI). The classification is based on two criteria: the Group's business model for managing the assets; and whether the instruments' contractual cash flows represent ''solely payments of principal and interest'' on the principal amount outstanding (the ''SPPI criterion'').

The new classification and measurement of the Group's financial assets are, as follows:

- Debt instruments at amortized cost for financial assets that are held within a business model with the objective to hold the financial assets in order to collect contractual cash flows that meet the SPPI criterion. This category includes the Group's Trade receivables, long-term receivables on contracts in progress, other receivables and loans included under other long-term assets, non-trade receivables/advance payments, short-term receivables and cash and cash equivalents.
- Equity instruments at FVOCI, with no recycling of gains or losses to profit or loss on derecognition. This category only includes equity instruments (other investments), which the Group intends to hold for the foreseeable future and which the Group has irrevocably elected to so classify upon initial recognition or transition. The Group classified its unquoted equity instruments as equity instruments at FVOCI. Equity instruments at FVOCI are not subject to an impairment assessment under IFRS 9.
- Financial assets at FVPL comprise only derivative instruments.

1.11.2 Impairment of financial assets – expected credit loss allowance

All financial assets, in particular trade and other receivables (short-term and long-term) are subject to a new impairment methodology, referred to as the Expected Credit Loss (ECL) model, measuring the expected credit losses. Those ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive.

For the trade receivables, the Group has established an allowance matrix based on ageing balances adjusted for forward-looking factors linked to this customer. The matrix used is as follow:

- 25% after 90 days overdue;
- 50% after 180 days overdue;
- 75% after 270 days overdue;
- 100% after 360 days overdue.

For other debt financial assets (loans and debt securities), the ECL is based on the 12-month ECL. The 12-month ECL is the portion of lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in the credit risk since origination, the allowance will be based on the lifetime ECL. The Group consider a financial asset to be in default (totally or partially) when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full and account the appropriated ECL.

1.11.3 Derivatives instruments

Derivative instruments are accounted for at fair value on the date the contracts are entered into.

Changes in the fair value of derivative instruments are accounted for in the income statement unless they qualify as cash flow hedges.

The Group designates certain derivative transactions as hedges of the variability of the fair value of recognized assets or liabilities (fair value hedges); as unrecognized firm commitments; or as hedges of the cash flow variability arising from a specific risk associated with a recognized asset or liability or with a highly probable forecast transaction (cash flow hedges).

The Group documents at the inception of the transaction the relationship between the hedging instruments and the hedged item, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

1.11.4 Cash flow hedges

Derivative financial instruments used for the protection of future cash flows are designated as hedges under cash flow hedge accounting.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in equity. Gain or loss relating to the ineffective portion of the hedge is recognized immediately in the income statement.

Amounts accumulated in equity are reclassified to the income statement in the periods when the hedged item affects the income statement (e.g., when the forecast sale that is hedged takes place).

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and reclassified to the income statement when the forecast transaction is ultimately recognized in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately moved to the income statement.

1.11.5 Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Such derivatives are recognized at fair value on the statement of financial position, with changes in fair value recognized in the income statement.

These instruments are considered economic hedges inasmuch as they are not used to speculate on positions. The Group does not hold instruments for speculative purposes.

1.11.6 Interest Income

Interest income is recognized using the effective yield method. Royalties are recognized on an accrual basis in accordance with the substance of the relevant agreement. Dividends relating to year N are recognized when the shareholder's right to receive payment is established (i.e. in year N+1).

1.12. FINANCIAL LIABILITIES

1.12.1 Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

1.12.2 Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

1.12.3 Financial liabilities at fair value through profit or loss

This category mainly includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9 and explained in 1.11.3.

1.12.4 Financial liabilities at amortised cost (loans and borrowings)

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortization process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to interest-bearing loans and borrowings.

1.13. CASH AND CASH EQUIVALENTS

Cash balances are recorded at their nominal value. Cash equivalents are short-term, highly liquid investments that can be used for any purpose and have a maturity date not exceeding three months from acquisition date. For the purpose of the statement of cash flow, Cash and cash equivalents include bank overdrafts and subject to an insignificant risk of change in value.

If liquid funds are held in a special purpose account in the form of highly liquid investments that are renewed at maturity until needed for the special purpose, these cash equivalents are deemed restricted and are classified as other long-term receivables.

1.14. ACCRUED INCOME, ACCRUED CHARGES, DEFERRED INCOME AND DEFERED CHARGES

Accrued income is the prorated amount of income earned in the current or prior periods which will be received only in subsequent periods.

Accrued charges are the prorated amount of expenses which will be paid in a subsequent financial period but relate to a prior period.

Deferred income is the prorated amount of income received in the current or prior periods but related to a subsequent period.

Deferred charges are the prorated amount of charges incurred in the current or prior financial periods but which are related to one or more subsequent periods.

1.15. CAPITAL STOCK

Ordinary shares are classified in the caption “Capital stock.” Treasury shares are deducted from equity. Treasury share movements do not affect the income statement.

1.16. CAPITAL GRANTS

Capital grants are recorded as deferred income. Grants are recognized as income at the same rate as the rate of depreciation for related fixed assets. When grants relate to a non-capitalized cost, they are systematically recognized as income for the period during which the cost they are supposed to offset has incurred.

1.17. PROVISIONS

A provision is recognized only when:

- IBA has a present obligation to transfer economic benefits as a result of past events;
- It is probable (more likely than not) that such a transfer will be required to settle the obligation;
- A reliable estimate of the amount of the obligation can be made.

When the impact is likely to be material (for long-term provisions), the amount recognized as a provision is estimated on a net present value basis (discount factor). The increase in provision due to the passage of time is recognized as a financial expense.

A present obligation arises from an obligating event and may take the form of either a legal obligation or a constructive obligation (a constructive obligation exists when IBA has an established pattern of past practice that indicates to other parties that it will accept certain responsibilities and as a result has created a valid expectation on the part of those other parties that it will discharge those responsibilities). An obligating event leaves IBA no realistic alternative to settling the obligation, independently of its future actions.

Provisions for site repair, restoration, and decommissioning costs are recorded as appropriate in application of the above.

If IBA has an onerous contract (that is, if the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it), the present obligation under the contract is recognized as a provision.

A provision for restructuring is recorded only if IBA can demonstrate that the Company is under an obligation to restructure at the financial position date. Such obligation must be demonstrated by (a) preparing a detailed formal plan identifying the main features of the restructuring and (b) raising a valid expectation to those affected that it will carry out the restructuring by starting to implement the plan or by announcing its main features to those affected.

1.18. PENSIONS AND OTHER EMPLOYEE BENEFITS

1.18.1 Pensions

The Group operates a contribution-based plan funded through payments to an insurance company. The employer guarantees a minimum return on employer contributions resulting in a financial risk to be borne by the Group.

Following the evolution with respect of minimum guaranteed return, the plans are to be considered as defined benefit plans instead of contribution plans following IAS 19. As a result, as from January 1, 2016, the Group has changed its valuation rule and has adopted the projected unit credit method. This method considers that each service period gives rise to an additional benefit entitlement unit. According to this method, the plans' cost is recognized as an expense in the income statement so as to spread this cost evenly throughout the employee's career, and this based on the recommendations of actuaries who carry out complete assessments on these retirement plans each year.

Actuarial differences include, for assets and liabilities, differences between previous actuarial assumptions and what actually happened, and the impact of changes of actuarial assumptions on the plans' liabilities. Actuarial differences are fully recorded in other items of the comprehensive income statement during their period of occurrence.

1.18.2 Stock option plans and share-based payments

Share-based payments are transactions to be paid with shares, stock options, or other equity instruments (granted to employees or other parties) and transactions paid in cash or other assets when the amount payable is based on the price of the Group's shares. These plans often includes certain vesting conditions such as continuous employment for a period of time.

All transactions involving share-based payments are recognized as expenses.

Equity-settled share-based payment transactions are measured at the fair value of the equity instruments granted. Equity-settled share-based payments are not re-measured.

Reversals of expense may however occur when vesting conditions are not met and claims are forfeited.

1.19. DEFERRED TAXES

Deferred taxes are recorded on the temporary differences arising between the carrying amount of the financial position items and their tax base, using the rate of tax expected to apply when the asset is recovered, or the liability is settled.

There are three exceptions to the general principle that deferred taxes are recognized on all temporary differences. Deferred taxes are not recognized for:

- Goodwill that is not amortized for tax purposes;
- Initial recognition of an asset or liability in a transaction that is not a business combination and that affects neither accounting profit nor taxable profit;
- Investments in subsidiaries, branches, associates, and joint ventures (deferred taxes may be recognized only when IBA does not have control over the distribution or, if IBA controls the distribution, that it is likely that dividends will be distributed in the foreseeable future).

A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. The same principle applies to recognition of deferred tax assets for unused tax losses carried forward. When assessing deferred tax assets management ensure that it is based on a reasonable number of years of taxable results.

Deferred taxes are calculated for each fiscal entity in the Group. IBA is able to offset deferred tax assets and liabilities only if the deferred balances relate to income taxes levied by the same taxation authority.

1.20. FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are converted into the functional currency of the Group entity party to the transaction using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the conversion at the period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

Exchange differences arising from the consolidation of currency items that constitute part of the reporting entity's net investment in a foreign entity (i.e. when settlement is neither planned nor likely to occur in the foreseeable future) are recorded in equity if the following two conditions are met:

The loan is made in either the functional currency of the reporting entity or the foreign operation; and

The loan is made between the reporting entity and a foreign operation.

1.21. OPERATING SEGMENTS

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM), who is responsible for allocating resources and assessing performance of the operating segments (see Note 4).

An operating segment is a component of an entity:

(a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity),

(b) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and

(c) for which discrete financial information is available.

2. Description of financial risk management (sections 3:6, §1, 8° and 3:32, §1, 5°, of the BCAC)

2.1. DESCRIPTION FINANCIAL RISK

The Group has decided to present its financial risks together with the other principal identified risks in the section ''Principal risks and uncertainties faced by the company'' starting on page 54.

2.2. FINANCIAL ASSETS AND LIABILITIES – ADDITIONAL INFORMATION

The tables below summarize the maturity profile of the Group's financial assets and financial liabilities:

(EUR 000)			FINANCIAL ASSETS			
December 31, 2020	**Due**	**< 1 year**	**1-2 years**	**2-5 years**	**> 5 years**	**Total**
Trade receivables	52 591	50 809	0	0	0	**103 400**
Other ST and LT assets	0	38 368	2 834	7 954	9 579	**58 735**
TOTAL	**52 591**	**89 177**	**2 834**	**7 954**	**9 579**	**162 135**
December 31, 2021	**Due**	**< 1 year**	**1-2 years**	**2-5 years**	**> 5 years**	**Total**
Trade receivables	64 274	11 535	0	0	0	**75 809**
Other ST and LT assets	558	36 699	14 426	8 487	18 132	**78 302**
TOTAL	**64 832**	**48 234**	**14 426**	**8 487**	**18 132**	**154 111**

After reviewing the type of assets included in the table above, we have decided to remove the "prepaid expenses" as we do not consider these to be financial assets. To ensure comparability, 2020 figures were re-stated (EUR -2.2 million) compared to the published 2020 financial statements.

(EUR 000)			FINANCIAL LIABILITIES			
December 31, 2020	**Due**	**< 1 year**	**1-2 years**	**2-5 years**	**> 5 years**	**Total**
Bank and other borrowings	0	17 002	12 442	28 205	3 941	**61 590**
Lease liabilities	0	5 282	4 760	8 451	12 963	**31 456**
Trade payables	19 763	22 095	0	0	0	**41 858**
Other ST and LT liabilities	0	34 775	19 281	0	0	**54 056**
TOTAL	**19 763**	**79 154**	**36 483**	**36 656**	**16 904**	**188 960**
December 31, 2021	**Due**	**< 1 year**	**1-2 years**	**2-5 years**	**> 5 years**	**Total**
Bank and other borrowings	0	10 936	10 668	21 477	0	**43 081**
Lease liabilities	0	5 783	5 231	7 485	12 544	**31 043**
Trade payables	5 492	42 239	0	0	0	**47 731**
Other ST and LT liabilities	0	52 729	9 018	86	0	**61 833**
TOTAL	**5 492**	**111 687**	**24 917**	**29 048**	**12 544**	**183 688**

After reviewing the type of liabilities included in the table above, we have decided to remove the "deferred income" as we do not consider these to be financial liabilities. To ensure comparability, 2020 figures were re-stated (EUR -16.4 million) compared to the published 2020 financial statements.

*The bank and other borrowings and the lease liabilities shown above include the future interest payments for EUR 3.4 million and EUR 1.7 million respectively.

The financial assets and liabilities of the Group are valued as follows:

(EUR 000)	December 31, 2020		December 31, 2021	
FINANCIAL ASSETS	**Net carrying value**	**Fair value**	**Net carrying value**	**Fair value**
Trade receivables	103 400	103 400	75 809	75 809
Other long-term receivables	19 767	19 767	41 032	41 032
Non-trade receivables and advance payments	20 729	20 729	18 625	18 625
Other short-term receivables	18 343	18 343	22 862	22 862
Other investments	13 088	13 088	12 923	12 923
Cash and cash equivalents	153 911	153 911	199 270	199 270
Hedging derivative products	1 520	1 520	53	53
Derivative products – other	658	658	43	43
TOTAL	**331 416**	**331 416**	**370 617**	**370 617**
FINANCIAL LIABILITIES	**Net carrying value**	**Fair value**	**Net carrying value**	**Fair value**
Bank and other borrowings	56 731	61 590	39 671	43 081
Lease liabilities	29 395	31 456	29 305	31 043
Trade payables	41 858	41 858	47 731	47 731
Hedging derivative products	60	60	7 025	7 025
Derivative products – other	0	0	625	625
Other long-term liabilities	19 278	19 278	8 450	8 450
Other short-term liabilities	27 066	27 066	35 615	35 615
TOTAL	**174 388**	**181 308**	**168 422**	**173 570**

As at December 31, 2020 and 2021, the net carrying value of these financial assets and liabilities did not differ significantly from their fair value.

The headings “Hedging derivative products” and “Derivative products – other” in assets and liabilities include the fair value of forward exchange contracts and currency swaps.

2.3. CATEGORIES OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In conformity with IFRS 9 all derivatives are recognized at fair value in the financial position.

The fair value of derivative financial instruments is either the quoted market price or is calculated using pricing models taking into account current market rates. Fair values of hedging instruments are determined by valuation techniques widely used in financial markets and are provided by reliable financial information sources. Fair values are based on the trade dates of the underlying transactions.

The fair value of these instruments generally reflects the estimated amount that IBA would receive on the settlement of favorable contracts or be required to pay to terminate unfavorable contracts at the financial position date, and thereby takes into account any unrealized gains or losses on open contracts.

As required by IFRS 13 *Fair value measurement*, the following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value 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 for which the lowest level of input that is significant to the fair value measurement is unobservable.

During this past financial year, there was no transfer between the various categories presented below:

(EUR 000)	Level 1	Level 2	Level 3	December 31, 2020
Forward foreign exchange contracts		654		654
Foreign exchange rate swaps		866		866
Derivative hedge-accounted financial assets		**1 520**		**1 520**
Forward foreign exchange contracts		9		9
Foreign exchange rate swaps		649		649
Derivatives assets at fair value through the income statement		**658**		**658**
Equity instruments at fair value	**11 262**	**1 793**		**13 055**
Forward foreign exchange contracts		59		59
Foreign exchange rate swaps		1		1
Derivative hedge-accounted financial liabilities		**60**		**60**
Forward foreign exchange contracts		0		0
Foreign exchange rate swaps		0		0
Derivatives liabilities at fair value through the income statement		**0**		**0**

(EUR 000)	Level 1	Level 2	Level 3	December 31, 2021
Forward foreign exchange contracts		52		52
Foreign exchange rate swaps		1		1
Derivative hedge-accounted financial assets		**53**		**53**
Forward foreign exchange contracts		11		11
Foreign exchange rate swaps		31		31
Derivatives assets at fair value through the income statement		**42**		**42**
Equity instruments at fair value	**11 097**	**1 793**		**12 890**
Forward foreign exchange contracts		4 904		4 904
Foreign exchange rate swaps		2 121		2 121
Derivative hedge-accounted financial liabilities		**7 025**		**7 025**
Forward foreign exchange contracts		285		285
Foreign exchange rate swaps		340		340
Derivatives liabilities at fair value through the income statement		**625**		**625**

2.3.1 Hedge-accounted financial instruments

IBA assesses the hedge effectiveness through a critical terms match between the hedged item (future probable cash flows) and the hedging instrument including amount and maturity. Some limited ineffectiveness may however arise when actual timing of cash flows differ from the initial expectation and the hedging position has to be rolled-over as a result.

As at December 31, 2021, the Group held 23 forward exchange contracts (20 as at December 31, 2020) and 12 foreign exchange swaps (11 as at December 31, 2020) to cover future cash flow movements US dollars, British pounds, Singapore dollars, Canadian dollars, Chinese Yuan and Korean Won. These hedges are deemed highly effective. These hedges generated a EUR 8.4 million loss in 2021 (gain of EUR 0.5 million in 2020). This loss is recognized in the other items of the comprehensive income statement.

(EUR 000)		HEDGE INSTRUMENT MATURITIES			
December 31, 2020		**Equity**	**< 1 year**	**1-2 years**	**> 2 years**
Foreign exchange hedge in	CAD	99	76	23	0
Foreign exchange hedge in	CNY	302	213	89	0
Foreign exchange hedge in	GBP	704	0	0	704
Foreign exchange hedge in	SGD	-147	-147	0	0
Foreign exchange hedge in	USD	-429	12	-183	-258
		529	**154**	**-71**	**446**
December 31, 2021		**Equity**	**< 1 year**	**1-2 years**	**> 2 years**
Foreign exchange hedge in	CAD	-145	-53	7	-99
Foreign exchange hedge in	CNY	-6 610	-6 610	0	0
Foreign exchange hedge in	GBP	446	0	-206	652
Foreign exchange hedge in	SGD	-291	-291	0	0
Foreign exchange hedge in	USD	-1 768	-828	-483	-457
Foreign exchange hedge in	KRW	-72	0	0	-72
		-8 440	**-7 782**	**-682**	**24**

2.3.2 Fair value through profit or loss

As at December 31, 2021, the Group holds 10 forward exchange contracts (2 on December 31, 2020), 6 exchange rate swaps (12 swaps as at December 31, 2020), to cover future cash flows of US dollars, Chinese Yuan and Singapore dollars.

As they do not qualify for hedge accounting under IFRS, the various hedge instruments discussed in this section are measured at fair value through profit or loss. The loss generated on these active instruments included in the income statement amounts to EUR -1.7 million at December 31, 2021 (gain of EUR 0.9 million for the year ended December 31, 2020).

2.4. CAPITAL MANAGEMENT

The Group's aim is to optimize the capital structure in order to maximize its value for the shareholders while maintaining the financial flexibility required to carry out the strategy approved by the Board of Directors.

In that context the Group tries to benefit from favorable market conditions when taking up new financial liabilities. The Group's bank borrowings are partly subject to financial covenants (refer to Note 18.1).

3. Critical accounting estimates and judgments

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

3.1. INCOME TAXES

The Group recognizes deferred tax assets on unused losses carried forward to the extent that the taxable profit against which these assets are available can be used. The amounts recognized in the financial position are prudent estimates made on the basis of recent financial plans approved by the Board of Directors and depend on certain judgments with respect to the amounts and location of the future taxable profits of the Group's subsidiaries and parent company.

Deferred tax assets increased from EUR 7.8 million as at year ended December 31, 2020 to 8.6 EUR million as at December 31, 2021 mainly due to the increase of temporary differences by EUR 1.7 million and the decrease of usable tax losses carried forward by EUR 0.4 million.

As at December 31, 2021, the Group had accumulated net operating losses of EUR 194.8 million usable to offset future profits taxable mainly in Belgium, Germany and in Argentina and temporary differences amounting to EUR 53.5 million mainly in Belgium, the United States and China. The Company recognized deferred tax assets of EUR 4.9 million with the view to use the tax losses carried forward and EUR 3.8 million as temporary differences.

3.2. REVENUE RECOGNITION

IFRS 15 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers.

The Group is in the business of providing equipment and installation (reported as “Sales of equipments and licences”), and operation and maintenance services (reported as “Sales of services”). In applying IFRS 15, IBA makes the following significant judgements and estimates.

(i) Equipment and installation considered as one performance obligation

As indicated in the accounting policies section, IBA assessed that its commitment under the equipment and the installation service is to transfer a combined item to which the equipment and the installation are inputs but these elements do not represent separate performance obligations.

(ii) Estimating the progress under the equipment and installation services contract

The Group recognises revenue over time under such contracts and the progress is measured by reference to the costs incurred when comparing it to the costs to complete. The costs to complete is a significant estimate because it determines the progress made since the inception of the contract and IBA recognises the revenue of the contract based on the progress estimated in percentage.

3.3. REVENUE RECOGNITION – LICENSING CONTRACT WITH CGN

In August 2020, the group signed a technology license agreement with CGN Dasheng Electron Accelerator Technology Co., Ltd for the provision of goods and services related to its Multi-Room Proton Therapy System. The contract applies to the mainland territory of the People's Republic of China.

Given the contract contains an element of variable consideration in the form of an unconditional and irrevocable performance bond the customer can draw upon for an inital maximum value of EUR 15 million (reduced to EUR 10 million in December 2021), management decided not to recognize the full revenue of the license, given the level of uncertainty linked to this type of sale (unique in its kind for IBA). Instead, the remaining amount of variable consideration that is highly sensitive to factors outside the entity's influence is recognized as a refund liability until the uncertainty associated with the variable consideration is resolved. In December 2021, both parties have agreed to reduce the performance bond to EUR 10 million, therefore the IBA Group has released EUR 5 million of the variable consideration in its Income Statement. The parties also agreed to further reduce it to EUR 5 million in December 2022 if un-used, the remaining uncertainty is expected to be resolved at the expiration date of the performance bond (at the earliest per the shipment of the equipment components or 48 months from the effective date of the agreement (August 25, 2024)).

3.4. ESTIMATING THE VALUE IN USE OF INTANGIBLE AND TANGIBLE ASSETS

When management considers that there is a risk of impairment, the recoverable amounts of tangible and intangible assets are determined on a “value in use” basis. Value in use is determined on the basis of cash-flows coming from IBA’s most recent business plans, as approved by the Board of Directors. These plans incorporate various assumptions made by management and approved by the Board as to how the business, profit margins, and investments will evolve.

3.5. STOCK OPTION PLAN

The company is using the Black & Scholes model to measure the options value. Terms and conditions of the Group stock option plans are described in note 16.2.

3.6. LOCAL TAXES IN COUNTRIES OTHER THAN BELGIUM

In 2015, the Company initiated an analysis on the Group exposure in countries other than Belgium to be potentially obliged to pay certain local taxes whereas the payment of those taxes has been transferred to the Group's customers. Exposure identified as of December 31, 2015, was reduced as a result of further investigation performed in 2016 and 2017. Based on the data available, it is still not possible to make a reliable estimate of the remaining exposure and therefore no provision has been accrued for in the Group financial statements.

3.7. DETERMINING THE LEASE TERM OF CONTRACTS WITH RENEWAL AND TERMINATION OPTIONS – GROUP AS LESSEE

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

Refer to Note 24.2 for information on potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term.

3.8. LEASES – ESTIMATING THE INCREMENTAL BORROWING RATE

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency).

The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

3.9. CONTRACT TERMINATIONS

Depending on the contract terms with the customers, IBA may terminate a sale contract when the counterpart is in breach of the contract terms. Management always focus on finding a solution with the customer through negotiations but in some rare circumstances, contracts may need to be terminated to mitigate risks and losses for the Group. If after negotiation no agreement has ben reached, a termination letter will be sent. Deposits and non-refundable milestone payments can be recognised as revenue in the income statement; this will only be accounted for by the Group after a reasonable amount of time, which is once the risk of any further claims from the customer is deemed sufficiently low to avoid future reversal of revenue.

3.10. IMPACT OF COVID-19

The years 2020 and 2021 were negatively impacted by the COVID-19 pandemic which has significantly delayed the execution of some of our projects. Whilst 2020 and 2021 presented challenges to IBA, considerable resilience was shown across all of the business lines. As a global business, the COVID-19 pandemic and associated lockdown restrictions particularly impacted the signing and installation of new contracts.

The analysis of the impact of the COVID-19 pandemic on IBA's financial position and cash-flow is summarized below:

3.10.1 Liquidity

Despite the difficult situation induced by the pandemic, thanks to a cost saving program launched early into the pandemic, prudent investments and spending and a close follow-up of its balance sheet positions, IBA has been able to maintain a strong cash position with a closing gross cash balance of EUR 199.3 million and net cash position of EUR 130.3 million, with all bank covenants met as at December 31, 2021. In addition, IBA has credit lines available from its financing institutions worth EUR 43.4 million that are not drawn down.

IBA has applied for certain support measures issued by governments or other public institutions such as temporary unemployment measures in Belgium. IBA was also granted forgiveness of 3 loans under the Paycheck Protection Program in the USA for a total of USD 5.0 million (EUR 4.4 million).

3.10.2 Goodwill impairment

The Company has performed an impairment test of goodwill, which led to no impairment being necessary as of December 31, 2021, despite the uncertainty in the business outlook generated by the pandemic. Goodwill is allocated to the CGU Dosimetry and this CGU was not impacted by COVID-19 as at December 31, 2021.

3.10.3 Tangible and intangible assets, Other Investments and Other Long-Term Financial Assets

IBA has assessed that the COVID-19 situation has not led to any indication of impairment of assets and therefore concluded that none of the impairment indicators in IAS 36 have been triggered.

3.10.4 Deferred taxes

As of December 31, 2021, the recoverability of deferred tax assets has been assessed based on the latest information available and resulting from the COVID-19 pandemic. This has not led to any impairment of deferred tax assets related to losses carried forward.

3.10.5 Hedge accounting

The Company has maintained its hedge accounting policies as defined in the 2020 year-end financial statements. As IBA has not identified any trigger for hedge disqualification due to COVID-19, the financial result has not been impacted as at December 31, 2021. The company will continue to review its positions going forward to identify any potential new trigger for hedge disqualification.

3.10.6 Expected credit loss

The Company has also considered the impact of COVID-19 pandemic on the expected credit loss of its financial instruments (mainly loans, trade and other receivables (short-term and long-term)). The amount and timing of the expected credit losses, as well as the probability assigned thereto, has been based on the available information at the end of year 2021. As a result of this review, no additional credit losses for customers facing financial difficulties were recognised.

4. Operating segments

IBA identified its Management Team as its CODM because this is the committee which decides how to allocate resources and assesses performance of the components of the Group.

4.1. OPERATING SEGMENTS

The operating segments are defined based on the information provided to the Management Team. On the basis of its internal financial reports and given the Group's primary source of risk and profitability, IBA has identified two operating segments. In accordance with IFRS 8 Operating segments, the business segments on which segment information is based are (1) Proton therapy and other accelerators and (2) Dosimetry.

Distinct financial information is available for these reporting segments and is used by the Management Team to make decisions about resources to be allocated to the segment and assess its performance.

- **Proton therapy and other accelerators**: This segment constitutes the technological basis of the Group's many businesses and encompasses development, fabrication, and services associated with medical and industrial particle accelerators and proton therapy systems.
- **Dosimetry**: This segment includes the activities that offer a full range of innovative high-quality solutions and services that maximize efficiency and minimize errors in radiation therapy and medical imaging Quality Assurance and calibration procedures.

The segment results, assets and liabilities include the items directly related to a segment, as well as those that may be allocated on a reasonable basis.

The segment investment expenses include the total cost of investments incurred during the period of acquisition of tangible and intangible assets investments, except goodwill.

4.1.1 Income statement

The following tables provide details of the income statement for each segment:

(EUR 000) Year ended December 31, 2020	Proton Therapy and Other Accelerators	Dosimetry	Group	Inter-segment transactions eliminated	Total segments
Sales of equipments and licences	148 328	45 674	194 002	1 497	**195 499**
Sales of services	112 567	5 386	117 953	0	**117 953**
Total sales	**260 895**	**51 060**	**311 955**	**1 497**	**313 452**
Cost of sales and services (-)	-147 314	-28 586	-175 900	-1 497	**-177 397**
Operating expenses (-)	-75 698	-19 951	-95 649	0	**-95 649**
Other operating income/(expenses)	-375	-2	-377	0	**-377**
Segment result (EBIT)	**37 508**	**2 521**	**40 029**	**0**	**40 029**
Financial income/(expenses)	-3 184	-564	-3 748	0	**-3 748**
Share of profit/(loss) of companies consolidated using the equity method	-3 227	0	-3 227	0	**-3 227**
Result before taxes	**31 097**	**1 957**	**33 054**	**0**	**33 054**
Tax income/(expenses)	-901	-232	-1 133	0	**-1 133**
RESULT FOR THE PERIOD	**30 196**	**1 725**	**31 921**	**0**	**31 921**
REBITDA	**51 601**	**4 384**	**55 985**	**0**	**55 985**

For more details on REBITDA refer to Note 36

(EUR 000) Year ended December 31, 2021	Proton Therapy and Other Accelerators	Dosimetry	Group	Inter-segment transactions eliminated	Total segments
Sales of equipments and licences	141 330	46 862	188 192	1 416	**189 608**
Sales of services	119 308	5 464	124 772	0	**124 772**
Total sales	**260 638**	**52 326**	**312 964**	**1 416**	**314 380**
Costs of sales and services (-)	-177 579	-27 691	-205 270	-1 416	**-206 686**
Operating expenses (-)	-73 441	-19 743	-93 184	0	**-93 184**
Other operating income/(expenses)	-844	-194	-1 038	0	**-1 038**
Segment result (EBIT)	**8 774**	**4 698**	**13 472**	**0**	**13 472**
Financial income/(expenses)	-3 893	-71	-3 964	0	**-3 964**
Share of profit/(loss) of companies consolidated using the equity method	-1 253	0	-1 253	0	**-1 253**
Result before taxes	**3 628**	**4 627**	**8 255**	**0**	**8 255**
Tax income/(expenses)	-4 537	161	-4 376	0	**-4 376**
RESULT FOR THE PERIOD	**-909**	**4 788**	**3 879**	**0**	**3 879**
REBITDA	**18 087**	**6 495**	**24 582**	**0**	**24 582**

The segments information presented is net of intercompany transactions between segments. The cost of sales primarily includes the cost of materials and the employee benefit costs directly related to the production of the equipment and the rendering of the services. The operating expenses also mainly include employee benefits expenses

For the year-ended December 31, 2021, the Group revenue was EUR 313.0 million, a 0.3% increase from 2020 (2020: EUR 312.0 million), primarily composed of:

- revenues for the Proton Therapy and Other Accelerators segment of EUR 260.6 million, stable from 2020 (2020: 260.9 EUR million) despite the sale of a licence for EUR 63.5 million in 2020;
- revenues for the Dosimetry segment of EUR 52.3 million, a 2.5% increase from 2020 (2020: EUR 51.1 million) explained by continuous selling opportunities in that market.

For the year-ended December 31, 2021, the Group gross margin (34.4%) worsened compared to 2020 (43.6%) which was largely driven by the high-margin revenue recognised on the sale of the licence to CGNTT. The 2021 margin includes the recognition of grant income from the Paycheck Protection Program in the US for EUR 4.4 million, further details in note 18.1.

For the year-ended December 31, 2021, Group operating expenses were EUR 93.2 million, a -2.6% decrease from 2020 (2020: EUR 95.6 million).

This decrease is explained:

- for the Proton Therapy and Other Accelerators segment by an efficient control of overheads costs in selling, marketing and other general areas. The R&D costs remained stable as the Group continues to invest in the future growth of the business. IBA's cost control measures continue, whilst maintaining strategic R&D investment to maintain its technological leadership;
- for the Dosimetry segment by careful spending and ongoing initiatives to streamline the business, while continuing to invest in both hardware and software innovations.

For the year-ended December 31, 2021, the other operating result (loss) was EUR -1.0 million (2020: EUR -0.4 million) and is primarily composed of costs incurred for the stock option plans.

For the year-ended December 31, 2021, the financial result (expenses) was EUR -4.0 million (2020: EUR -3.7 million expenses), primarily composed of:

- interest paid on debts for EUR -2.4 million, commission/bank charges for EUR -0.6 million and the net change in fair value of derivatives for EUR -4.5 million, partially compensated by a net foreign currency result (realised and un-realised gains and losses) of EUR 2.7 million, by the recognition of interest under the amortised cost method on financial notes following a revision in the risk of the debtor for EUR 1.2 million and by interest revenues on bank accounts and in relation to proton therapy projects for EUR 0.5 million for the Proton Therapy and Other Accelerators segment;
- interest paid on debts for EUR -0.1 million, commission and bank charges for EUR -0.2 million for the Dosimetry segment and a net foreign currency result (realised and un-realised gains and losses) of EUR 0.1 million.

As at December 31, 2021, the share of the loss of equity-accounted entities included costs from IBA's minority interest in Normandy Hadrontherapy and Cyclhad SAS.

As at December 31, 2021, the Group recognises a tax expense for an amount of EUR 4.4 million representing 53.0% of the profit before tax. In the Proton Therapy and Other Accelerators segment, the tax charge results from the progress on installation projects and the recognition of the related revenue and margin in some countries with a relatively high tax rate. In the Dosimetry segment the current income tax expense is partially offset by additional deferred tax assets that were previously not recognised on operating losses in Germany.

4.1.2 Financial position

(EUR 000) December 31, 2020	Proton Therapy and Other Accelerators	Dosimetry	Group
Non-current assets	81 918	15 277	**97 195**
Current assets	396 630	15 898	**412 528**
Segment assets	**478 548**	**31 175**	**509 723**
Investments accounted for using the equity method	1 273	-	**1 273**
TOTAL ASSETS	**479 821**	**31 175**	**510 996**
Non-current liabilities	90 288	3 165	**93 453**
Current liabilities	265 046	10 666	**275 712**
Segment liabilities	**355 334**	**13 831**	**369 165**
TOTAL LIABILITIES	**355 334**	**13 831**	**369 165**
Other segment information			
Capital expenditure - Intangible assets and “Property, Plant and Equipment”	2 400	1 601	**4 001**
Capital expenditure - Right-of-use assets	3 928	410	**4 338**
Depreciation of property, plant and equipment	6 986	1 789	**8 775**
Depreciation and impairment of intangible assets	2 927	257	**3 184**
Salary expenses *	116 030	16 246	**132 277**
Non-cash expenses/(income)	8 552	-4 945	**3 607**
Headcount at year-end (EFT)	1 270	203	**1 473**

*After reviewing the type of salary expenses included in the table above, we have aligned the definition of these costs to those disclosed in IBA’s group internal reporting to the Management Team (CODM). To ensure comparability, 2020 figures were re-stated (EUR +8.9 million) compared to the published 2021 financial statements.

(EUR 000) December 31, 2021	Proton Therapy and Other Accelerators	Dosimetry	Group
Non-current assets	103 765	15 103	**118 868**
Current assets	408 474	18 689	**427 163**
Segment assets	**512 239**	**33 792**	**546 031**
Investments accounted for using the equity method	20	-	**20**
TOTAL ASSETS	**512 259**	**33 792**	**546 051**
Non-current liabilities	69 209	2 383	**71 592**
Current liabilities	337 887	10 676	**348 563**
Segment liabilities	**407 096**	**13 059**	**420 155**
TOTAL LIABILITIES	**407 096**	**13 059**	**420 155**
Other segment information			
Capital expenditure - Intangible assets and “Property, Plant and Equipment”	4 105	924	**5 029**
Capital expenditure - Right-of-use assets	4 958	229	**5 187**
Depreciation of property, plant and equipment and Right-of-use assets	6 830	1 540	**8 370**
Depreciation and impairment of intangible assets	1 277	246	**1 523**
Salary expenses	131 290	16 898	**148 187**
Non-cash expenses/(income)	-4 830	-938	**-5 769**
Headcount at year-end (EFT)	1 338	228	**1 567**

*Financial intercompany position between segments is excluded from the assets and liabilities of the segment.

4.2. ENTITY WIDE DISCLOSURE

The Group operates in three main geographical areas, Belgium, the United States and the rest of the world. The sales figures presented below are based on customer location, whereas non-current and current assets are based on the physical location of the assets.

(EUR 000) December 31, 2020	Belgium	USA	ROW	Group
Sales of equipments, licences and services*	2 486	72 889	236 580	**311 955**
Non-current assets	72 044	8 714	16 438	**97 195**
Current assets	335 288	24 244	52 997	**412 528**
Segment assets	**407 331**	**32 958**	**69 435**	**509 723**
Investments accounted for using the equity method	1 273	0	0	**1 273**
TOTAL ASSETS	**408 604**	**32 958**	**69 435**	**510 996**
Capital expenditure Intangible assets and “Property, Plant and Equipment”	2 123	127	1 751	**4 001**

December 31, 2021				
Sales of equipments, licences and services*	5 668	81 991	225 305	**312 964**
Non-current assets	80 651	10 623	27 594	**118 868**
Current assets	333 741	22 764	70 657	**427 163**
Segment assets	**414 393**	**33 387**	**98 251**	**546 031**
Investments accounted for using the equity method	20			**20**
TOTAL ASSETS	**414 413**	**33 387**	**98 251**	**546 051**
Capital expenditure Intangible assets and “Property, Plant and Equipment”	3 681	201	1 147	**5 029**

*There is no breakdown of sales of equipments and licences and services available by geographical sector.

As at December 31, 2021, no single customer represents more than 10% of the Group’s sales and services.

During the financial years, the revenue was recognised at a point in time or over time as detailed below:

Timing of revenue recognition	December 31, 2020	December 31, 2021
Goods and services transferred at a point in time	54 868	54 601
Goods and services transferred over time	257 087	258 363
Total revenue from contracts with customers	**311 955**	**312 964**

5. List of subsidiaries and equity-accounted investments

As at December 31, 2021, IBA Group consists of IBA SA and 24 companies and associates in 14 countries. 21 of them are fully consolidated and 3 are accounted for using the equity method.

5.1. LIST OF SUBSIDIARIES

NAME	Assets held for sale	Country of incorporation	Equity ownership (%)	Change in % ownership over December 31, 2020
IBA Participations SRL (BE 0465.843.290) Cyclotron Road, 3, B-1348 LLN, Belgium	No	Belgium	100%	-
IBA Investments SCRL (BE 0471.701.397) Chemin du Cyclotron, 3, B-1348 LLN, Belgium	No	Belgium	100%	-
Ion Beam Beijing Applications Co. Ltd. No.6 Xing Guang Er Jie, Beijing OPTO-Mechatronics Industrial Park, 101 111 Tongzhou District, Beijing, China	No	China	100%	-
Striba Ltd. Waidmarkt 11, 50676 KÖLN, Germany	No	Germany	100%	-
IBA RadioIsotopes France SAS 59 Blvd Pinel, 69003 LYON, France	No	France	100%	-
IBA Dosimetry Ltd. Bahnhofstrasse 5, 90592 Schwarzenbruck. Germany	No	Germany	100%	-
IBA Dosimetry America Inc. 3150 Stage Post Dr., Ste. 110, Bartlett, TN38133, USA	No	USA	100%	-
IBA Proton Therapy Inc. 152 Heartland Blvd, Edgewood New York 11717, USA	No	USA	100%	-
IBA Industrial Inc. 152 Heartland Blvd, Edgewood New York 11717, USA	No	USA	100%	-
IBA USA Inc. 151 Heartland Blvd, Edgewood New York 11717, USA	No	USA	100%	-
IBA Particle Therapy Ltd. Bahnhofstrasse 5, 90592 Schwarzenbruck, Germany	No	Germany	100%	-
LLC Ion Beam Applications 15, Savvinskaya nab., 119435, Moscow, Russia	No	Russia	100%	-
IBA Particle Therapy India Private Limited Office Unit - F, 3rd Floor, Ali Towers, Old No 22, New No. 55, Greams Road, Thousand Lights, Chennai - 600006, Tamil Nadu, India			100%	
IBA (Thailand) Co.1, Ltd N°888/70, Mahatun Plaza, 7th floor, Ploenchit Road Lumpini Sub-district, Parthumwan district, Bangkok	No	Thailand	0%	-100%
Ion Beam Application SRL Ortiz de Ocampo 3302 Modulo 1 Buenos Aires (1425), Argentina	No	Argentina	100%	-
IBA Japan KK 3/F Shiodome Building, 1-2-20 Kaigan Minato-ku, Tokyo, Japan	No	Japan	100%	-
Ion Beam Applications Singapore PTE. Ltd 1 Scotts Road #21-10, Shaw centre, Singapore (228208)	No	Singapore	100%	-
IBA Egypt LLC Building no.75/77 (Degla Plaza), 10th floor, Street no. 199, Degla, Maadi, Cairo, Egypt	No	Egypt	100%	-
Ion Beam ApplicationsLimited Rm.) 9-5 F, No. 162, Sec. 4, ZhongXiao East Rd. (St.), Daan Dist – Taipei City	No	China	100%	-
IBA Proton Therapy Canada, Inc. 3044 Rue Marcel-Proust Laval QCH7P 6A6 Quebec, Canada	No	Canada	100%	-
IBA Georgia LLC Tbilisi, Didube district, Udnadze st., N111, apartment N11, building N2 , Georgia	No	Georgia	100%	-
Ion Beam Applications Korea, Ltd. 408-ho A11, 15, Jeongbalsan-ro, Ilsandong-gu, Goyang-si, Gyeonggi-do, Republic of Korea	No	South Korea	100%	-

1 Subsidiary closed in December 2021

5.2. LIST OF EQUITY-ACCOUNTED INVESTMENTS

NAME	Country of incorporation	Equity ownership (%)	Change in % ownership over December 31, 2020
Cyclhad SAS	France	33.33%	-
Normandy Hadrontherapy SAS	France	39.81%	-
Normandy Hadrontherapy SARL	France	50.00%	-

IBA does not account for its share of the loss in Cyclhad SAS and Normandy Hadrontherapy SAS above the value of its investment as there is no commitment to participate in any potential future capital increase (see note 9.1).

6. Business combinations and other changes in the composition of the group

6.1. ACQUISITIONS OF COMPANIES

No acquisition was carried out in 2021.

6.2. DISPOSALS OF COMPANIES

No disposal was carried out in 2021. In 2021, the Group closed down its subsidiary in Thailand.

7. Goodwill and other intangible assets

7.1. GOODWILL

Movements of goodwill are detailed as follows:

January 1, 2020	**3 821**
Additions	0
Goodwill impairment	0
Currency translation difference	0
December 31, 2020	**3 821**
January 1, 2021	**3 821**
Additions	0
Goodwill impairment	0
Currency translation difference	0
December 31, 2021	**3 821**

The goodwill generated by an acquisition is allocated to the cash-generating units (CGUs) concerned and an impairment test is carried out annually on the CGUs' fixed assets (including goodwill).

The following table summarizes the allocation of the carrying amount of goodwill by CGU and operating segment:

(EUR 000)	Proton therapy and Other accelerators	Dosimetry	Group
December 31, 2020	0	3 821	**3 821**
Pre-tax discount rate applied in 2020		4.81%	
Long-term growth rate 2020		2.60%	

December 31, 2021	0	3 821	**3 821**
Pre-tax discount rate applied in 2021 (1)		4.49%	
Long-term growth rate 2021 (2)		2.60%	

(1) Data used for the calculation of pre-tax discount rate applied: cost of equity of 7%, cost of debt of 1%, market value of the IBA Dosimetry GmbH equity of EUR 18 065 million, market value of IBA Dosimetry GmbH debt of EUR 13 353 million and corporate tax rate of 10%.

The recoverable amount of goodwill has been determined on a "value in use" basis.

Value in use has been determined on the basis of IBA's latest business plans, as approved by the Board of Directors in the context of the strategic plan. The cash flows beyond a four-year period have been extrapolated using the growth rates shown in the table above. Impairment testing uses gross budgeted operational margins estimated by management on the basis of past performance.

The discount rates used reflect the specific risks related to the segments in question.

For the CGU Dosimetry, if the growth rate is decreased by 100 basis points and the discount rate is increased by 100 basis points, the recoverable amount remains greater than the carrying amount of the tested assets. No impairment was identified in 2021 and in 2020.

7.2. OTHER INTANGIBLE ASSETS

EUR 000	Software	Patents and trademarks	Development costs	Other	Total
Gross carrying amount as at January 1, 2020	**27 137**	**134**	**0**	**3 959**	**31 230**
Additions	423	0	0	1 023	1 446
Disposals	-90	0	0	0	-90
Transfers	418	0	0	-418	0
Currency translation difference	-80	-11	0	-14	-105
Gross carrying amount as at December 31, 2020	**27 808**	**123**	**0**	**4 550**	**32 481**
Accumulated depreciation as at January 1, 2020	**22 540**	**134**	**0**	**2 201**	**24 875**
Additions	1 722	0	0	1 462	3 184
Disposals	-5	0	0	0	-5
Transfers	0	0	0	0	0
Currency translation difference	-75	-11	0	-14	-100
Accumulated depreciation as at December 31, 2020	**24 182**	**123**	**0**	**3 649**	**27 954**
Net carrying amount as at January 1, 2020	**4 597**	**0**	**0**	**1 758**	**6 355**
Net carrying amount as at December 31, 2020	**3 626**	**0**	**0**	**901**	**4 527**
Gross carrying amount as at January 1, 2021	**27 808**	**123**	**0**	**4 550**	**32 481**
Additions	362	0	0	422	784
Disposals	0	0	0	0	0
Transfers	231	0	0	-231	0
Currency translation difference	116	10	0	12	138
Gross carrying amount as at December 31, 2021	**28 517**	**133**	**0**	**4 753**	**33 403**
Accumulated depreciation as at January 1, 2021	**24 182**	**123**	**0**	**3 649**	**27 954**
Additions	1 523	0	0	0	1 523
Disposals	0	0	0	0	0
Transfers	0	0	0	0	0
Currency translation difference	113	10	0	13	136
Accumulated depreciation as at December 31, 2021	**25 818**	**133**	**0**	**3 662**	**29 613**
Net carrying amount as at January 1, 2021	**3 626**	**0**	**0**	**901**	**4 527**
Net carrying amount as at December 31, 2021	**2 699**	**0**	**0**	**1 091**	**3 790**

In 2021, additional investments were made in software, mainly for the development of the IT internal service management system and an SAP HR central platform.

In 2020, additional investments were made in CMMS, a web sales platform, a 3D model for the business integration of our POne, as well as the accounts payable automation tool and the roll-out of SAP to three additional entities in Asia.

The heading “Other” mainly includes the progress on some generated software under construction.

Amortization expense for intangible assets was recognized in the income statement in the “Cost of sales and services”, “Sales and marketing expenses”, “General and administrative expenses”, and “Research and development expenses” line items.

In 2020, an impairment loss was recognized on the intangible assets related to a market license (included in the category “other”) for EUR 1.46 million given limited sales opportunities in that region currently. This was included in the line additions to accumulated depreciation in the table above, the impairment loss was recognised in sales and marketing expenses in the income statement.

8. Property, plant and equipment

EUR 000	Land and buildings	Plant, machinery and equipment	Furniture, fixtures and vehicles	Other tangible assets	Total
Gross carrying amount as at January 1, 2020	**20 594**	**14 924**	**3 847**	**8 226**	**47 591**
Additions	402	754	163	1 236	2 555
Disposals	0	-139	-15	-48	-202
Transfers	99	26	37	-162	0
Currency translation difference	-40	-95	-71	-88	-294
Gross carrying amount as at December 31, 2020	**21 055**	**15 470**	**3 961**	**9 164**	**49 650**
Accumulated depreciation as at January 1, 2020	**9 025**	**9 716**	**2 356**	**6 922**	**28 019**
Additions	912	1 907	271	647	3 737
Disposals	0	-134	-15	-48	-197
Transfers	0	0	0	0	0
Currency translation difference	-14	-90	-59	-75	-238
Accumulated depreciation as at December 31, 2020	**9 923**	**11 399**	**2 553**	**7 446**	**31 321**
Net carrying amount as at January 1, 2020	**11 569**	**5 208**	**1 491**	**1 304**	**19 572**
Net carrying amount as at December 31, 2020	**11 132**	**4 071**	**1 408**	**1 718**	**18 329**
Gross carrying amount as at January 1, 2021	**21 055**	**15 470**	**3 961**	**9 164**	**49 650**
Additions	838	1 450	297	1 660	4 245
Disposals	0	-62	0	-122	-184
Transfers	77	220	111	-619	-211
Currency translation difference	36	97	69	102	304
Gross carrying amount as at December 31, 2021	**22 006**	**17 175**	**4 438**	**10 185**	**53 804**
Accumulated depreciation as at January 1, 2021	**9 923**	**11 399**	**2 553**	**7 446**	**31 321**
Additions	905	1 578	288	707	3 478
Disposals	0	-5	0	-121	-126
Transfers	-211	0	0	0	-211
Currency translation difference	23	93	63	82	261
Accumulated depreciation as at December 31, 2021	**10 640**	**13 065**	**2 904**	**8 114**	**34 723**
Net carrying amount as at January 1, 2021	**11 132**	**4 071**	**1 408**	**1 718**	**18 329**
Net carrying amount as at December 31, 2021	**11 366**	**4 110**	**1 534**	**2 071**	**19 081**

“Other tangible assets’’ mainly include computer hardware and assets under construction. There are no tangible assets subject to title restrictions.

Depreciation expense for tangible assets was recognized in the income statement in the “Cost of sales and services”, “Sales and marketing expenses”, “General and administrative expenses”, and “Research and development expenses” line items.

No impairment of the tangible assets were recognized in 2021 and in 2020.

In 2021, additional investments were made for IT equipment and further developments to the factory.

In 2021 and 2020, the disposals of tangible assets mainly correspond to the scrapping of unused assets by the Group.

9. Investments accounted for using the equity method and other investments

(EUR 000)	December 31, 2020	December 31, 2021
Investments accounted for using the equity method	1 273	20
Other investments	13 088	12 923
TOTAL	**14 361**	**12 943**

9.1. MOVEMENTS IN EQUITY-ACCOUNTED INVESTMENTS

Equity-accounted companies are listed in note 5.2 and are Cyclhad SAS, Normandy Hadrontherapy SAS and Normandy Hadrontherapy SARL.

Changes in equity-accounted investments are as follows:

(EUR 000)	December 31, 2020	December 31, 2021
As at January 1	**2 900**	**1 273**
Share of profit/(loss) of equity-accounted investments	-3 227	-1 253
Additions	1 600	0
Unrealized gain on sale of an intangible asset	0	0
As at December 31	**1 273**	**20**

The additions of the prior year were further contributions to Cyclhad SAS (1.5 million as a long-term convertible shareholders loan) and to NHA SAS (EUR 0.1 million to finalise the capital increase transaction initiated in 2019).

The Group’s holdings in its principal associates, all unlisted, are as follows:

(EUR 000)

2020	Country	Assets	Liabilities	Revenue	Profit/ (Loss)	% Interest
Cyclhad SAS	France	66 558	74 984	3 223	-3 831	33.33%
Normandy Hadrontherapy SAS	France	60 186	51 309	3 329	-3 938	39.81%
Normandy Hadrontherapy SARL	France	50	5	124	35	50.00%

2021	Country	Assets	Liabilities	Revenue	Profit/ (Loss)	% Interest
Cyclhad SAS	France	66 350	76 645	4 892	-1 875	33.33%
Normandy Hadrontherapy SAS	France	57 670	54 989	2 769	-6 184	39.81%
Normandy Hadrontherapy SARL	France	50	5	124	35	50.00%

9.1.1 Cyclhad SAS

The Group has a 33.33% interest in Cyclhad SAS, which built a proton therapy center that is operational since the summer of 2018.

The following table illustrates the summarized financial information of Cyclhad SAS:

(EUR 000)	Cyclhad SAS December 31, 2020	Cyclhad SAS December 31, 2021
Investment in affiliated companies		
Current assets	3 831	4 859
Non-current assets	62 727	61 491
Current liabilities (-)	-3 912	-7 681
Non-Current liabilities (-)	-71 072	-68 964
Equity	**-8 315**	**-10 295**
Group's share in equity – 33.33%	-2 771	-3 431
Cumulative unrecognized share of losses of associate	2 771	3 431
Group's carrying amount of Investment accounted for using the equity method	**0**	**0**

IBA has no capital commitments as at December 31, 2020 and December 31, 2021 and has no commitment to participate in any potential future funding of Cyclhad SAS.

IBA has therefore not accounted for its share of the loss and negative equity of Cyclhad SAS beyond its value of the capital invested.

9.1.2 Normandy Hadrontherapy SAS

Since June 2019, IBA ownership in Normandy Hadrontherapy SAS remained at 39.81 % (no change from 2019) of this entity following financing by several public and private players. The objective of this project is to launch the development of the world's first cyclotron-based carbon therapy system in Caen, France through its subsidiary Normandy Hadrontherapy (NHa), in collaboration with the Normandy Region and several other private and public players, including SAPHYN (SAnté et PHYsique Nucléaire).

The overall investment by all partners in NHa is over EUR 60 million, in equity and bond financing (guaranteed by the Normandy Region). IBA's contribution amounted to EUR 6 million in equity and EUR 1,5 million in convertible Bond financing (see note 11).

IBA's investment also includes the sale of intellectual property related to the Cyclone®400 cyclotron to NHa. The gain on this transaction amounted to EUR 5 million which was reduced by EUR 2 million (39.81%) for unrealized gain in 2019.

The following table illustrates the summarized financial information of Normandy Hadrontherapy SAS:

(EUR 000)	Normandy Hadrontherapy SAS December 31, 2020	Normandy Hadrontherapy SAS December 31, 2021
Investment in affiliated companies		
Current assets	29 704	28 401
Non-current assets	30 482	29 269
Current liabilities (-)	-2 147	-3 861
Non-Current liabilities (-)	-49 162	-51 128
Equity	**8 877**	**2 681**
Group's share in equity – 39.81%	3 534	1 067
Unrealized gain on sale of an intangible asset	-1 991	-1 991
Cumulative unrecognized share of losses of associate	0	911
Other	-293	13
Group's carrying amount of Investment accounted for using the equity method	**1 250**	**0**

IBA has no capital commitments as at December 31, 2020 and December 31, 2021 and has no commitment to participate in any potential future funding of Normandy Hadrontherapy SAS.

9.2. MOVEMENTS IN OTHER INVESTMENTS

The “Other investments” includes shares of companies in which IBA has no significant influence. These shares are reassessed either on the basis of the quoted price or on the basis of the value granted to them during the most recent operation to raise additional capital or from valuation by independent third parties.

(EUR 000)	2020	2021
As at January 1	**15 196**	**13 088**
Movements through reserves (Valuation at fair value - IFRS 9)	-2 108	-165
As at December 31	**13 088**	**12 923**

In 2016, the Group took a stake of 10.26% (USD 2 million or EUR 1.8 million) in HIL Applied Medical Ltd, a private Israeli developer of laser-based proton therapy systems which is applying a novel, patented approach to particle acceleration and delivery, combining non-technology with ultra-high-intensity lasers and ultra-fast magnets. This potential technological breakthrough could enable a meaningful reduction in the size and cost of proton therapy systems without compromising clinical utility. Alongside this investment, IBA and HIL have signed an Original Equipment Manufacturer (OEM) agreement which gives IBA the right to purchase HIL’s laser-based proton accelerators for the purpose of integrating them into proton therapy solutions.

A capital transaction achieved by HIL in December 2019 together with their business plan indicates that neither reassessment or impairment of the investment was required. This transaction remains relevant for our assessment as at December 31, 2021.

In 2015, the Group took a minority stake of GBP 5 million (EUR 7.1 million) in Rutherford Estates Limited (previously Proton Partners International (PPI)). This investment represents less than 5% of the issued capital.

Since Rutherford Estates Limited is listed on the Aquis Exchange PLC stock exchange in London, this investment has been reevalued at its fair value based on its share price as at December 31, 2021, i.e. 1.865 GBP/share. In 2021, this reassessment at fair value decreased the value of our investment by EUR 0.2 million against the Group’s Other reserves (cumulative impact of EUR 4.0 million as at December 31, 2021).

10. Deferred taxes

The Group recognizes deferred tax assets on unused losses carried forward to the extent that the taxable profit against which these assets are available can be used. The amounts recognized in the financial position are prudent estimates made on the basis of recent financial plans approved by the Board of Directors and depend on certain judgments with respect to the amounts and location of the future taxable profits of the Group's subsidiaries and parent company.

(EUR 000)	December 31, 2020	December 31, 2021
DEFERRED TAX ASSETS		
Deferred tax assets to be recovered after 12 months – Tax losses on carry-forward	4 828	4 667
Deferred tax assets to be recovered after 12 months - Temporary differences	0	193
Deferred tax assets to be recovered within 12 months - Tax losses on carry-forward	432	945
Deferred tax assets to be recovered within 12 months - Temporary differences	3 303	3 576
TOTAL	**8 563**	**9 381**
Deferred tax liabilities netted to deferred tax assets in the statement of financial position for entities that are part of the same fiscal group	-766	-739
Total DTA recognised	**7 797**	**8 642**
DEFERRED TAX LIABILITIES		
Deferred tax liabilities to be paid after 12 months - temporary differences	1 287	936
Deferred tax liabilities to be paid within 12 months - temporary differences	0	0
TOTAL	**1 287**	**936**
Deferred tax liabilities netted to deferred tax assets in the statement of financial position for entities that are part of the same fiscal group	-766	-739
Total DTL recognised	**521**	**197**
Net deferred tax assets	**7 276**	**8 445**

Deferred tax assets increased from EUR 7.8 million in 2020 to EUR 8.6 million in 2021 mainly due to the increase of temporary differences in the US and German entities.

In 2021 and in 2020, the recognized temporary differences are mainly related to taxable deferred revenues, non-deductible allowance for doubtful accounts, expenses accrual and inventory in the US entities.

(EUR 000)	DEFERRED TAX ASSETS	DEFERRED TAX LIABILITIES
As at January 1, 2020	**6 985**	**-1 112**
Credited/(charged) to the income statement	886	571
Transfers from other current assets/liabilities	136	0
Currency translation difference	-210	20
As at December 31, 2020	**7 797**	**-521**
Credited/(charged) to the income statement	543	347
Currency translation difference	302	-23
As at December 31, 2021	**8 642**	**-197**

The heading "Transfers from other current assets/liabilities" in 2020 represents deferred tax assets misclassified as other current assets as at December 31, 2019 which were reclassified in 2020.

Deferred tax assets are recognized on tax loss carry-forwards to the extent that it is likely that they can be recovered through future earnings.

Note 3 explains the estimates and judgments used by IBA in making this assessment.

On December 31, 2021, EUR 49.5 million of deferred taxes were not recognized as assets in the financial position (EUR 42.1 million in 2020). Tax losses and corresponding temporary differences have no expiry dates.

11. Other long-term assets

(EUR 000)	December 31, 2020	December 31, 2021
Long-term receivables on contracts in progress	582	511
Research tax credit	12 452	11 932
Subordinated loan to NHA	1 520	1 520
Subordinated bond to proton therapy customers	0	4 414
Financial notes granted to proton therapy customers	4 083	4 772
Loan to shareholders	0	5 807
Long term deposits	343	11 469
Other assets	787	607
TOTAL	**19 767**	**41 032**

During 2021, IBA Group issued a long-term loan to IB Anchorage (subsequently renamed "Management Anchorage") to finance the acquisition of shares in the Company. The Group also subscribed to USD 5 million tax-exempt subordinated bonds in relation to a Proton therapy customer.

The increase in long-term deposit is driven by a CNY 80 million cash pledge in China required to secure a bank guarantee to a customer, this cash pledge is interest-bearing.

The financial notes have increased following the recognition of interests under the amortised cost method on financial notes after a revision in the risk of the debtor. These interests are included in "Financial income" in the income statement.

12. Inventories

Work in progress relates to the production of inventory for which a customer has not yet been secured, while contracts in progress (note 13) relate to the production for specific customers in fulfilling obligations under a signed contract.

(EUR 000)	December 31, 2020	December 31, 2021
Raw materials and supplies	85 755	79 210
Finished products	2 334	2 424
Work in progress	7 446	4 903
Write-off of inventories (-)	-11 077	-11 663
Inventories and contracts in progress	**84 458**	**74 874**

13. Contract assets and contract liabilities

Contracts in progress have the following balances at the end of the year:

(EUR 000)	December 31, 2020	December 31, 2021
Costs to date and recognized revenue	391 958	369 685
Less : progress billings	-361 848	-334 046
Contracts assets	**30 110**	**35 639**
Contract liabilities	-158 170	-208 112
Net amounts on contracts in progress	**-128 060**	**-172 473**
Amounts invoiced on contracts in progress but for which payment has not yet been received at financial position date	**13 548**	**4 255**

As at December 31, 2021 and December 31, 2020, there are no contract assets set as a warranty to cover the financing of a proton therapy contract.

As at December 31, 2021, contracts in progress and amounts due to customers for contract assets showed a net position of EUR -172.5 million compared to EUR -128.1 million as at December 31, 2020. The increase of EUR 44.4 million is primarily explained by the high level of billings during 2021 coupled with short delays on some projects.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) is broken down as follows:

(EUR 000)	December 31, 2020	December 31, 2021
To be satisfied within one year	235 988	255 229
To be satisfied in more than one year	864 288	953 904
Total transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied)	**1 100 276**	**1 209 133**

14. Trade and other receivables

14.1. TRADE RECEIVABLES

Trade account receivables are detailed as follows:

(EUR 000)	December 31, 2020	December 31, 2021
Amounts invoiced on contracts in progress but for which payment has not yet been received at financial position date	13 548	4 255
Other trade receivables	93 878	75 514
Allowance for expected credit losses on trade receivables (-)	-4 026	-3 960
TOTAL	**103 400**	**75 809**

The decrease in trade receivables amounts to 27.6 EUR million as at December 31, 2021 which is mainly explained by a good cash collection level.

The trade receivables (excluding allowance for expected credit losses) include in 2021 an amount of EUR 0.4 million related the revaluation of trade receivables in another currency than the functional currency of the various consolidated entities (EUR -0.7 million in 2020).

As at December 31, the ageing of the trade receivables (excluding allowance for expected credit losses) was as follows:

(EUR 000)	TOTAL	not due	< 30 days	30-59	60-89	90-179	180-269	270-360	> 1 year
2020	**107 426**	50 808	3 622	2 768	2 690	19 760	2 017	360	25 401
2021	**79 769**	11 535	8 876	1 051	17 549	863	2 788	3 152	33 955

As at December 31, 2021, the allowance for expected credit losses on trade receivables amounts to EUR 4.0 million. To calculate the expected credit losses, the group applies the overall matrix described in the accounting policies. The credit loss is then reviewed in detail to take into consideration other customer specific factors such as re-negotiation, customer refinancing, and guarantees received.

The table below explains the relationship between expected credit losses and trade receivables:

(EUR 000)	Not overdue	Due from 1 to 90 days	Due from 91 to 180 days	Due from 181 to 270 days	Due from 271 to 360 days	Due more than 360 days	Total Trade receivable
Expected credit loss rate		*0%*	*25%*	*50%*	*75%*	*100%*	
Trade receivable	50 808	9 080	19 760	2 017	360	25 401	**107 426**
Calculated credit loss			4 940	1 009	270	25 401	**31 620**
Adjustment for individual balances not at risk			-2 121	-902	-42	-24 529	**-27 594**
Provision for credit loss recognised at December 31, 2020			**2 819**	**107**	**228**	**872**	**4 026**

(EUR 000)	Not overdue	Due from 1 to 90 days	Due from 91 to 180 days	Due from 181 to 270 days	Due from 271 to 360 days	Due more than 360 days	Total Trade receivable
Expected credit loss rate		***0%***	***25%***	***50%***	***75%***	***100%***	
Trade receivable	11 535	27 476	863	2 788	3 152	33 955	**79 769**
Calculated credit loss			216	1 394	2 364	33 955	**37 929**
Adjustment for individual balances not at risk			-39	-1 348	-2 309	-30 273	**-33 969**
Provision for credit loss recognised at December 31, 2021			**177**	**46**	**55**	**3 682**	**3 960**

The changes in the allowance for expected credit losses for the past two years are as follows:

(EUR 000)	
As at January 1, 2020	**1 188**
Charge for the year	4 576
Utilizations	-25
Write-backs	-1 678
Currency translation difference	-35
As at December 31, 2020	**4 026**
Charge for the year	595
Utilizations	0
Write-backs	-882
Currency translation difference	221
As at December 31, 2021	**3 960**

The charge for expected credit loss is included in "General and Administrative expenses" in the Income Statement.

14.2. OTHER RECEIVABLES

Other receivables on the financial position primarily include advance payments on orders, prepaid expenses and accrued income.

For the year 2021, the increase of ''Other receivables'' by EUR 2.4 million is primarily explained by the increase in prepaid expenses for payments made to vendors.

The other receivables are detailed as follows:

(EUR 000)	December 31, 2020	December 31, 2021
Non-trade receivables and advance payments	20 735	18 633
Prepaid expenses	2 282	5 192
Accrued income related to maintenance contracts	10 397	11 283
Accrued income other	181	215
Current income tax receivables	2 425	3 298
Other current receivables	3 051	2 868
TOTAL	**39 071**	**41 489**

As at December 31, 2021, the ''non-trade receivables and advance payments'' heading is mainly composed of VAT receivable for EUR 3.6 million (EUR 2.7 million in 2020), advance payments to supplier for EUR 9.2 million (EUR 12.6 million in 2020), and grants receivable for EUR 5.4 million (EUR 5.0 million in 2020).

As at December 31, 2021, the "Other current receivables" heading is composed of ''research tax credit" for EUR 1.9 million (EUR 1.6 million in 2020), the short term portion of the financial notes to PT customers that are due within 12 months for EUR 0.7 million (all in long term receivable in 2020) and other receivables for EUR 0.3 million (2020: EUR 0.2 million). The amount shown for 2020 also included the escrow account related to the disposal of RadioMed Corporation for EUR 1.3 million which was received in 2021

As at December 31, 2021, the ''Current income tax receivable'' heading is mainly composed of tax in Belgium for EUR 2.2 million (EUR 2.0 million in 2020), in Germany for EUR 0.6 million (EUR 0.2 million in 2020), and in Russia for EUR 0.4 million (EUR 0.2 million in 2020)

The group has an open tax litigation regarding the deductibility of some R&D expenditures for EUR 0.9 million, however the group is confident that the risk is mitigated. Consequently, the Group has recognized both a current tax liability and an equivalent current tax receivable included in the above balance.

15. Cash and cash equivalents

(EUR 000)	December 31, 2020	December 31, 2021
Bank balances and cash	151 315	197 370
Accounts with restrictions shorter than 3 months	2 596	0
Short-term bank deposits	0	1 900
CASH AND CASH EQUIVALENTS	**153 911**	**199 270**

As at December 31, 2021, the effective interest rate on the cash position was 0.31% (0.13% in 2020), this improvement is due to some good interest rates on short term deposits. Short-term deposits have an average maturity of less than 30 days or are available on demand and are therefore highly liquid.

In 2020, the restricted cash represented an escrow account with cash received from a customer as a payment guarantee for future transactions with IBA. This amount was released in 2021.

16. Capital stock and share-based plans

16.1. CAPITAL STOCK

	Number of shares	Issued capital stock (EUR)	Capital surplus (EUR)	Treasury shares (EUR)	Total (EUR)
As at January 1, 2020	**30 133 920**	**42 294 182**	**41 978 166**	**-8 501 979**	**75 770 369**
Disposal of treasury shares	0	0	0	2 595 475	**2 595 475**
As at January 1, 2021	**30 133 920**	**42 294 182**	**41 978 166**	**-5 906 504**	**78 365 844**
Stock options exercised	0	0	0	0	**0**
Capital increases	84 798	119 014	857 859	0	**976 873**
Purchase of treasury shares	0	0	0	-11 226 747	**-11 226 747**
Disposal of treasury shares	0	0	0	4 520 619	**4 520 619**
Other	0	0	0	0	**0**
As at December 31, 2021	**30 218 718**	**42 413 196**	**42 836 025**	**-12 612 632**	**72 636 589**

During the year 2021, the Group issued an additional 84 798 new shares to beneficiaries of stock options which were fully vested. The Group also bought 704 549 treasury shares and sold 348 530 of its existing treasury shares.

As at December 31, 2021, 50.07% of IBA's stock was traded on Euronext. Full details of the Group's shareholders are set out in the section "The stock market and shareholders" of this annual report.

In view of the gain of the 2021 financial year, IBA's Board of Directors intends to recommend to the General Assembly to pay a dividend of EUR 0.19 per share in 2022.

16.2. STOCK OPTIONS AND SHARE-BASED PAYMENTS

Group employees and Management can purchase or obtain IBA stock through various stock option and stock plans. Option strike prices are set at the market price of the underlying stock on the date of grant.

As far as stock option plans are concerned, the fair value of the benefit awarded is determined using the Black & Scholes model, as described below. The benefit granted is recognized as an employee cost, and the share-based payment reserve is increased accordingly.

Stock option plans launched in 2014 and 2015 have the following vesting scheme: 100 percent vesting as at December 31, 2018 and can be exercised until June 30, 2024.

In 2016, 2017, 2018 and 2019, no stock option plan has been launched.

The options granted under the stock option plans launched in 2020 will vest on 2 January 2024 and fifty percent of these options can be exercised until May 31, 2026 while the remaining fifty percent can be exercised until May 31, 2030.

In January 2021, 649 972 stock options (the "Stock Options") were granted to members of the Group top management (including some determined persons). Under the same plan, further stock options were granted in April 2021 (7 190 options) and in December 2021 (31 156 options). These Stock Options will vest on December 31, 2024. Each Stock Option allows its beneficiary to receive the Company own's shares against payment of a strike of EUR 13.39, EUR 15.77 and EUR 14.39 for the options issued in January, April and December respectively. Each participant can exercise their options until December 31, 2026.

The Company used the Black & Scholes model to value options, with no vesting conditions other than time. Expected volatility for the stock option plans is based on historical volatility determined by statistical analysis of daily share price movements. The exercise price of shares for the stock option plans was based on the average share price for the 30 days preceding the grant date.

Details of the plans launched in 2021 are given in this section:

	Option plan
Type of plan	Stock option
Date of grant	January 25, 2021 ~ December 22, 2021
Number of options granted	688 318
Exercise price	13.39 ~ 15.77
Share price at date of grant	13.21 ~ 15.62
Contractual life (years)	5.03 ~ 5.93
Settlement	Shares
Expected volatility	0.45 ~ 0.47
Risk-free interest rate	0.00
Expected dividend (stated as % of share price	0.01 ~ 0.02
Expected departures at grant date	0.04
Fair value per granted option at grant date	4.66 ~ 5.64
Valuation model	Black & Scholes

As at December 31, 2021, the Group recognised EUR 0.8 million as other operating expenses for employee stock options (EUR 0.1 million in 2020).

The stock options outstanding as at December 31 have the following expiration dates and exercise prices:

Expiration date	December 31, 2020 Exercise price (EUR)	Number of stock options	December 31, 2021 Exercise price (EUR)	Number of stock options
June 30, 2024	11.52	163 608	11.52	78 810
June 30, 2024	31.84	20 000	31.84	20 000
May 31, 2026	7.54	178 500	7.54	175 000
May 31, 2030	7.54	178 500	7.54	175 000
December 31, 2026	n/a	n/a	13.39	631 997
December 31, 2026	n/a	n/a	15.77	7 190
December 31, 2026	n/a	n/a	14.39	31 156
TOTAL outstanding stock options		**540 608**		**1 119 153**

Stock option movements can be summarized as follows:

	December 31, 2020 Average exercise price in EUR per share	Number of stock options	December 31, 2021 Average exercise price in EUR per share	Number of stock options
Outstanding as at January 1	**13.57**	**187 108**	**13.57**	**540 608**
Issued	7.54	357 000	13.46	688 318
Forfeited (-)	11.52	-3 500	12.00	-24 975
Exercised (-)	0	0	11.52	-84 798
Expired (-)	0	0	0	0
Outstanding as at December 31	**13.57**	**540 608**	**11.40**	**1 119 153**
Exercisable as at December 31		**187 108**		**98 810**

17. Reserves

(EUR 000)	December 31, 2020	December 31, 2021
Hedging reserves	529	-8 440
Other reserves - Value of stock option plans and share-based compensation	15 840	16 684
Other reserves – Other	154	154
Other reserves - Equity instruments at fair value through Profit or Loss	4 179	4 014
Other reserves - Defined benefit plan	-3 550	-4 063
Reserves	**17 152**	**8 349**
Currency translation difference	**-5 569**	**-6 314**
Retained earnings	**51 883**	**51 226**

The hedging reserves include changes in the fair value of financial instruments used to hedge cash flows of future transactions. Hedging reserves have decreased by EUR 9.0 million in 2021.

In 2020 and 2021, the changes of ‘’Other reserves - Equity instruments at fair value through Profit or Loss” is related to the reevaluation at fair value of the other investment in Rutherford Estates Limited (see note 9.2).

The decrease of “Other reserves – Defined benefit plan” for EUR 0.5 million is further described in note 28.2.

Cumulative translation difference includes differences related to the translation of financial statements of consolidated entities whose functional currency is not the euro. It also includes foreign exchange differences arising from long-term loans that are part of the Group’s net investment in foreign operations.

As at December 31, 2021, a cumulated loss of EUR -1.2 million on the retranslation of these loans was reclassified to equity in order to offset the loss arising from the translation of these loans between subsidiaries of the Group (cumulated loss of EUR -0.3 million as at December 31, 2020).

As at December 31, 2021 and 2020, the loans of CNY 45.0 million and CNY 14.8 million between IBA SA and Ion Beam Beijing Medical Applications Technology Service Co. Ltd are designated as the Group’s permanent financing in foreign operations.

18. Borrowings

18.1. BANK AND OTHER BORROWINGS

The table below outlines the key terms and conditions of the existing credit facilities:

Loan/Credit line	Ranking	Status	Outstanding December 31, 2020 (EUR 000)	Outstanding December 31, 2021 (EUR 000)	Currency	Interest	Maturity	Repayment
S.R.I.W.	Subordinated	Unsecured	7 346	6 121	EUR	Fixed	2026	Amortizing
S.R.I.W.	Subordinated	Unsecured	3 060	2 550	EUR	Fixed	2026	Amortizing
S.R.I.W.	Subordinated	Unsecured	5 000	5 000	EUR	Fixed	2026	Amortizing
S.F.P.I.	Subordinated	Unsecured	5 000	5 000	EUR	Fixed	2026	Amortizing
Treasury notes	Senior	Unsecured	5 250	0	EUR	Fixed	2021	Bullet at maturity
Term loan 5-years	Senior	Secured	27 000	21 000	EUR	Floating*	2025	Amortizing
Overdraft facility - India	Senior	Secured	0	0	INR	Floating**	2022	Revolving
Overdraft facility - China	Senior	Secured	0	0	CNY	Floating***	UFN ****	Revolving
Revolving credit facilities	Senior	Secured	0	0	EUR	Floating*	2024	Revolving
Paycheck Protection Program ("PPP") Loan	Senior	Unsecured	4 075	0	USD	Fixed	2021	Forgiven

* EURIBOR + margin dependent on Net Leverage ratio

** MCLR + margin

*** "Funding cost" + margin

**** Until further notice

The table below breaks down the bank borrowings by maturity and explains the movements of the year:

(EUR '000)	December 31, 2020	December 31, 2021
Non-current	41 174	29 937
Current	15 557	9 734
Total	**56 731**	**39 671**
Opening amount	**36 390**	**56 731**
New borrowings	25 508	0
Borrowings converted to grants	0	-4 384
Repayment of borrowings	-4 734	-12 984
Currency translation difference	-433	308
Closing balance	**56 731**	**39 671**

Repayments of borrowings relate to the treasury notes (EUR 5.3 million), the term loan (EUR 6.0 million) and the S.R.I.W. bonds (EUR 1.7 million).

In 2020, the Group applied for a loan through Wells Fargo bank under the terms of the Paycheck Protection Program (“PPP”), a federal relief program in the US to support business employment as a result of the COVID-19 pandemic. The loans were signed by IBA Dosimetry America Inc., IBA Proton Therapy Inc. and IBA Industrial Inc for a total of USD 5 million (EUR 4.4 million) and participants can apply for loan forgiveness under certain conditions, however as the outcome of the forgiveness application was uncertain, management had decided not to recognize any impact of the forgiveness in the accounts of 2020. In the course of 2021, evidence were found that IBA Group could qualify for forgiveness, considering this government relief as a grant income, the decision was later confirmed by official letter before the end of the financial year.

The currency translation difference arises from the conversion of the PPP loans at the closing rate of 2020 and the closing rate prior to forgiveness.

As at December 31, 2021, the bank and other borrowings include unsecured subordinated bonds from S.R.I.W. for a total of EUR 13.7 million (EUR 15.4 million in 2020), an unsecured subordinated bond from S.F.P.I. for EUR 5 million (unchanged), a term loan for EUR 21 million (EUR 27 million in 2020), as well as unused revolving (short term) credit facilities (unchanged from 2020), and unused overdraft facilities in India and China.

S.R.I.W. and S.F.P.I. subordinated bonds

S.R.I.W. and S.F.P.I. are two Belgian public investment funds (respectively, at regional and federal levels).

Following the terms of the S.R.I.W. and S.F.P.I. bond agreements, the Group agreed to comply with a financial covenant relating to the IBA Group's level of equity, which was met as at December 31, 2021.

Bank credit facilities

The bank facilities at IBA SA level include the EUR 58 million syndicated facilities (initially, EUR 67 million) comprising (i) a EUR 21 million amortizing term loan (maturing in June 2025) and (ii) EUR 37 million revolving credit facilities (maturing in December 2024).

The financial covenants applying to these syndicated facilities consist of (a) a maximum net leverage ratio (calculated as the consolidated net senior indebtedness divided by the consolidated REBITDA over the last 12 months) and (b) a minimum corrected equity level (calculated as the sum of the consolidated equity - with certain reclassifications - and the subordinated indebtedness). Both covenants were complied with as at December 31, 2021.

The bank INR 130 million overdraft facility in India (borrower: IBA Particle Therapy India Private Limited) expired in March 2022 and was not renewed (undrawn as of December 31, 2021).

In China, the CNY 35 million overdraft facility (borrower: Ion Beam Applications Co. Ltd) was maintained for the same amount of (undrawn as of December 31, 2021).

Available credit facilities

As at December 31, 2021, the Group has at its disposal credit facilities amounting to EUR 83.1 million of which 47.8% are used (57.0% in 2020).

(EUR 000)	Credit facilities total amount	Credit facilities used	Credit facilities available
S.R.I.W. - subordinated	13 671	13 671	0
S.F.P.I. - subordinated	5 000	5 000	0
Term loan	21 000	21 000	0
Short-term credit facilities	43 408	0	43 408
TOTAL	**83 080**	**39 671**	**43 408**

The facilities expiring within one year include the short-term portion of long-term debt, annual facilities subject to review at various dates during the 12 months following the end of the financial year, and uncommitted facilities having no firm expiry date (available "until further notice").

The maturities of bank and other borrowings are detailed as follows:

(EUR 000)	December 31, 2020	December 31, 2021
One year or less	15 557	9 734
Between 1 and 2 years	11 236	9 734
Between 2 and 5 years	26 204	20 203
Over 5 years	3 734	0
TOTAL	**56 731**	**39 671**

The payments of bank and other borrowings are as follows:

(EUR 000)	December 31, 2020	December 31, 2021
One year or less	17 002	10 936
Between 1 and 2 years	12 442	10 668
Between 2 and 5 years	28 206	21 478
Over 5 years	3 941	0
	61 591	**43 082**
Future interest expense on bank and other borrowings (-)	-4 860	-3 411
TOTAL	**56 731**	**39 671**

The effective interest rates for bank and other borrowings at the financial position date are as follows:

	December 31, 2020				December 31, 2021			
	EUR	USD	INR	CNY	EUR	USD	INR	CNY
Bank and other borrowings	2.83%	0.00%	13.95%	n/a - credit line not used	3.35%	0.00%	n/a - credit line not used	n/a - credit line not used

The carrying amounts of the Group's borrowings are denominated in the following currencies:

(EUR 000)	December 31, 2020	December 31, 2021
EUR	52 656	39 671
USD	4 075	0
TOTAL	**56 731**	**39 671**

Utilized credit facilities are as follows:

(EUR 000)	December 31, 2020	December 31, 2021
FLOATING RATE		
Repayment within one year	6 000	6 000
Repayment beyond one year	21 000	15 000
TOTAL FLOATING RATE	**27 000**	**21 000**
FIXED RATE		
Repayment within one year	9 557	3 734
Repayment beyond one year	20 174	14 937
TOTAL FIXED RATE	**29 731**	**18 671**
TOTAL	**56 731**	**39 671**

Unutilized credit facilities are as follows:

(EUR 000)	December 31, 2020	December 31, 2021
FLOATING RATE		
Repayment within one year	1 450	1 543
Repayment beyond one year	41 363	41 865
TOTAL FLOATING RATE	**42 813**	**43 408**
FIXED RATE		
Repayment within one year	0	0
Repayment beyond one year	0	0
TOTAL FIXED RATE	**0**	**0**
TOTAL	42 813	**43 408**

19. Long-term and short-term provisions

(EUR 000)	Environment	Warranties	Litigation	Defined employee benefits	Other employee benefits	Other	Total
As at January 1, 2020	**108**	**6 143**	**215**	**4 223**	**225**	**304**	**11 218**
Additions (+)	0	1 129	0	306	0	2 941	**4 376**
Write-backs (-)	0	-904	0	0	0	-14	**-918**
Utilizations (-)	0	-2 813	-45	-79	0	-165	**-3 102**
Actuarial (gains)/losses generated during the year	0	0	0	506	0	0	**506**
Currency translation difference	0	-2	0	-8	0	-22	**-32**
Total movement	**0**	**-2 590**	**-45**	**725**	**0**	**2 740**	**830**
As at December 31, 2020	**108**	**3 553**	**170**	**4 948**	**225**	**3 044**	**12 048**
As at January 1, 2021	**108**	**3 553**	**170**	**4 948**	**225**	**3 044**	**12 048**
Additions (+)	3	3 524	0	28	117	1 172	**4 844**
Write-backs (-)	0	-427	0	11	-63	-87	**-566**
Utilizations (-)	0	-1 404	-30	-63	0	-687	**-2 184**
Reclassifications	0	-573	0	0	0	573	**0**
Actuarial (gains)/losses generated during the year	0	0	0	514	0	0	**514**
Currency translation difference	0	5	0	6	0	211	**222**
Total movement	**3**	**1 125**	**-30**	**496**	**54**	**1 182**	**2 830**
As at December 31, 2021	**111**	**4 678**	**140**	**5 444**	**279**	**4 226**	**14 878**

19.1. ENVIRONMENT

Environmental provisions include environmental compliance provisions related to natural radiation sources for EUR 0.1 million.

19.2. WARRANTIES

Provisions for warranties cover warranties for machines sold to customers.

Movements can be detailed as follows:

- New provisions primarily in relation to Proton therapy and other accelerators amounting to EUR 3.5 million following delivery of several projects to customers.
- Reversals of provisions in relation to Proton therapy and other accelerators amounting to EUR -0.4 million following the end of warranty periods.
- Utilizations of provisions in relation to Proton therapy and other accelerators amounting to EUR -1.4 million.
- A reclassification of a loss making contract provision to “Other provisions” for EUR 0.6 million.

19.3. DEFINED EMPLOYEE BENEFIT

See note 28.2.

19.4. OTHER EMPLOYEE BENEFITS

Other employee benefits provisions as at December 31, 2021 consisted primarily of a retirement plan for the Italian personnel for an amount of EUR 0.3 million.

19.5. OTHER PROVISIONS

Other provisions as at December 31, 2021 consisted primarily of the following:

- A provision for onerous contracts for EUR 4.1 million
- An amount of EUR 0.3 million for litigations.

Main movements are related to new provisions for the onerous contracts for the amounts described above including a reclassification from warranty provisions.

20. Other long-term liabilities

(EUR 000)	December 31, 2020	December 31, 2021
Advances received from local government	4 070	3 097
Refund liability	15 000	5 000
Other	208	353
TOTAL	**19 278**	**8 450**

In 2021, advances from local government for research and development were impacted by a discounting of EUR +0.2 million (2020: EUR +0.03 million) and the reclassification to short term for EUR -1.1 million (2020: -0.1 million).

As indicated in note 3.3, the contract with CGN contains an element of variable consideration in the form of an unconditional and irrevocable performance bond linked to the execution of certain contractual obligations related to the transfer of the license. The amount the customer can draw upon was reduced to a maximum value of EUR 10 million and it was mutually agreed to reduce it further to EUR 5 million in 2022 in the event of no claim. The portion of the refund liability related to the reduction in 2022 (EUR 5 million) has been reclassified to current liabilities and is included in "other payables", as shown in the details in Note 23.

21. Other financial assets and liabilities

(EUR 000)	December 31, 2020	December 31, 2021
Derivative hedge-accounted financial assets		
Forward foreign exchange contracts	354	39
Foreign exchange rate swaps	566	1
Derivatives assets at fair value through the income statement		
Forward foreign exchange contracts	9	11
Foreign exchange rate swaps	649	31
Short-term financial assets	**1 578**	**82**
Derivative hedge-accounted financial assets		
Forward foreign exchange contracts	300	13
Foreign exchange rate swaps	300	0
Derivatives assets at fair value through the income statement		
Forward foreign exchange contracts	0	0
Foreign exchange rate swaps	0	0
Long-term financial assets	**600**	**13**
Derivative hedge-accounted financial liabilities		
Forward foreign exchange contracts	56	4 554
Foreign exchange rate swaps	1	1 832
Derivatives liabilities at fair value through the income statement		
Forward foreign exchange contracts	0	270
Foreign exchange rate swaps	0	340
Short-term financial liabilities	**57**	**6 996**
Derivative hedge-accounted financial liabilities		
Forward foreign exchange contracts	3	350
Foreign exchange rate swaps	0	289
Derivatives liabilities at fair value through the income statement		
Forward foreign exchange contracts	0	15
Foreign exchange rate swaps	0	0
Long-term financial liabilities	**3**	**654**

The Group's policy on the use of financial instruments is detailed in Note 1.11 on Group accounting policies and Note 2.1 on financial risk management.

As at December 31, 2021, an amount of EUR 0.1 million (2020: EUR 1.6 million) is recognized as a short-term financial asset represented by cash flow hedging instruments for which EUR 0.04 million (2020: EUR 0.9 million) are recognized at fair value through equity and EUR 0.08 million (2020: EUR 0.7 million) are recognized at fair value through the income statement.

As at December 31, 2021, an amount of EUR 7.0 million (2020: EUR 0.06 million) is recognized as short-term financial liability represented by cash flow hedging instruments for which EUR 6.4 million (2020: EUR 0.06 million) are recognized at fair value through equity and EUR 0.6 million (none in 2020) are recognized at fair value through the income statement.

As at December 31, 2021, an amount of EUR 0.01 million (2020: EUR 0.6 million) represents long-term cash flow hedging instruments fully equity-accounted for at fair value through other comprehensive income.

As at December 31, 2021, an amount of EUR 0.7 million is recognized as long-term financial liability represented by cash flow hedging instruments for which EUR 0.6 million are recognized at fair value through equity and EUR 0.02 million are recognized at fair value through the income statement.

Some of these financial instruments are designated as hedging instruments as they hedge specific exchange rate risks to which the Group is exposed. Hedge accounting has been applied to these contracts because they are deemed to be effective hedges. Those transactions are highly probable as they are linked to existing contracts. For these cash flow hedges, movements are recognized directly in other comprehensive income and released to the income statement to offset the impact of the underlying transactions.

In 2021, a loss of EUR 9.0 million was therefore recorded in other comprehensive income, impacting equity (under "Hedging Reserves") resulting in accumulated loss amounting to EUR 8.4 million as at December 31, 2021. At December 31, 2020, the accumulated gains amounted to EUR 0.5 million.

22. Trade payables

As at December 31, the payment schedule for trade payables was as follows:

(EUR 000)		Due	Due in less than 3 months	Due between 4-12 months
2020	41 858	19 764	1 215	20 879
2021	47 731	5 492	14 503	27 736

23. Other payables

(EUR 000)	December 31, 2020	December 31, 2021
Payroll debts	21 137	23 363
Accrued charges	1 679	1 707
Accrued interest charges	166	45
Deferred income related to maintenance contracts	10 468	11 942
Capital grants	5 918	6 589
Non-trade payables	4 489	8 459
Refund liability	0	5 000
Other	4 355	1 883
TOTAL	**48 212**	**58 988**

At December 31, 2021, the heading "Other" is mainly composed of advances of EUR 1.1 million received from the Walloon Region of Belgium (unchanged from 2020) and other miscellaneous payable amounting to EUR 0.8 million (2020: EUR 0.7 million). In 2020 it also included an amount received in cash on an escrow account (restricted cash) from a customer as a security for future payment for EUR 2.6 million.

24. Leases

The Group has lease contracts for various items of land, plant, machinery, vehicles and other equipment used in its operations. The Group's obligations under its leases are secured by the lessor's title to the leased assets. The Group is restricted from assigning and subleasing the leased assets. No financial covenants are applying to leases except for the factory lease liability in Belgium.

The Group also has certain lease of machinery, bikes and hardware with lease terms of 12 months or less (above 1 month) and leases of low-value assets recognition exemptions for these leases.

The Group does not have contracts with variable payments. The Group has several lease contracts that include extension and termination options. These options are negotiated by the Management to provide flexibility in managing the leased asset portfolio and align with the Group's business needs.

Leases have the following lease terms:

- **Land**: term of ninety-nine years.

- **Buildings**: terms between one and fifteen years. The Group has the option to lease the assets for additional term negotiable with the lessor or for an additional term of four years for two operating leases in the United-States.
- **Apartments**: terms between one and four years.
- **New factory in LLN**: term of twenty years.
- **Machinery**: terms between three and nine years. The Group has the option, under some of its leases, to lease the assets for an additional term negotiable with the lessor.
- **Vehicles**: terms between one and four years and no option to lease the assets for an additional term.
- **Hardware**: terms between one and five years.
- **Bikes**: term of 3 year

24.1. RIGHT-OF-USE ASSETS

Set out below are the carrying amounts of right-of-use assets recognized and the movements during the period:

(EUR 000)	Building	Vehicles	Machinery	Hardware	Total
As at January 1, 2020	**27 326**	**2 667**	**182**	**225**	**30 400**
Additions	424	3 680	32	202	**4 338**
Disposal	-167	-81	-1	-62	**-311**
Depreciation expenses	-2 825	-1 950	-157	-106	**-5 038**
Currency translation difference	-116	0	-1	-6	**-123**
As at December 31, 2020	**24 642**	**4 316**	**55**	**253**	**29 266**
As at January 1, 2021	**24 642**	**4 316**	**55**	**253**	**29 266**
Additions	1 825	3 264	0	99	**5 188**
Disposal	-25	-30	0	-46	**-101**
Depreciation expenses	-2 599	-2 173	-23	-97	**-4 892**
Currency translation difference	100	-2	1	6	**105**
As at December 31, 2021	**23 943**	**5 375**	**33**	**215**	**29 566**

24.2. LEASE LIABILITIES

(EUR 000)	December 31, 2020	December 31, 2021
Non-current	24 598	23 943
Current	4 797	5 362
TOTAL	**29 395**	**29 305**

The lease liabilities as at December 31, 2021 include the lease of the beam factory in Belgium (EUR 11.2 million).

The carrying amounts of lease liabilities and the movements during the period are as follows:

(EUR 000)	Building	Vehicles	Machinery	Hardware	Total
As at January 1, 2020	**27 967**	**2 624**	**169**	**227**	**30 987**
Additions	384	3 686	32	202	4 304
Accretion of interest	561	71	1	20	653
Disposal	-99	-89	-7	-63	-258
Payments	-3 825	-2 023	-145	-112	-6 105
Currency translation difference	-180	0	0	-6	-186
As at December 31, 2020	**24 808**	**4 269**	**50**	**268**	**29 395**
As at January 1, 2021	**24 808**	**4 269**	**50**	**268**	**29 395**
Additions	1 824	3 265	0	99	5 188
Accretion of interest	518	108	1	18	645
Disposal	-26	-32	0	-48	-106
Payments	-3 568	-2 269	-25	-112	-5 974
Currency translation difference	149	1	1	6	157
As at December 31, 2021	**23 705**	**5 342**	**27**	**231**	**29 305**

Lease liabilities payments are as follows:

(EUR 000)	December 31, 2020	December 31, 2021
Due	0	0
One year or less	5 282	5 783
Between 1 and 2 years	4 715	5 186
Between 2 and 5 years	8 451	7 485
Over 5 years	13 008	12 589
TOTAL	**31 456**	**31 043**
Future financial charges on lease liabilities (-)	-2 061	-1 738
Present value of lease liabilities	**29 395**	**29 305**

The present value of lease liabilities is as follows:

(EUR 000)	December 31, 2020	December 31, 2021
Due	0	0
One year or less	4 797	5 364
Between 1 and 2 years	4 340	4 810
Between 2 and 5 years	7 815	6 969
Over 5 years	12 443	12 162
TOTAL	**29 395**	**29 305**

The carrying amounts of lease liabilities are denominated in the following currencies:

(EUR 000)	December 31, 2020	December 31, 2021
EUR	27 147	26 079
CNY	359	234
USD	1 680	2 853
RUB	70	75
YEN	131	53
INR	8	11
TOTAL	**29 395**	**29 305**

As at December 31, 2021, the average interest rate paid on lease liabilities is 1.65% (1.94% as at December 31, 2020).

As at December 31, 2021 and December 31, 2020, there were no significant undiscounted potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term.

The future cash outflows of leases liabilities not yet commenced to which the Group is committed are as follows:

(EUR 000)	Building	Vehicles	Machinery	Hardware	Total
December 31, 2020					
One year or less	0	102	0	4	106
Between 1 and 2 years	0	113	0	4	117
Between 2 and 5 years	0	203	0	12	215
Over 5 years	0	0	0	0	0
TOTAL	**0**	**418**	**0**	**20**	**438**

(EUR 000)	Building	Vehicles	Machinery	Hardware	Total
December 31, 2021					
One year or less	0	78	0	0	78
Between 1 and 2 years	0	83	0	0	83
Between 2 and 5 years	0	148	0	0	148
Over 5 years	0	0	0	0	0
TOTAL	**0**	**309**	**0**	**0**	**309**

The following are the amounts recognized in the income statement:

(EUR 000)	December 31, 2020	December 31, 2021
Depreciation expenses of right-of-use assets	4 710	4 696
Interest expenses on lease liabilities	653	645
Expenses relating to short-term leases	42	0
Expenses relating to leases of low-value assets	305	375
TOTAL AMOUNT RECOGNIZED IN INCOME STATEMENT	**5 710**	**5 716**

Expenses relating to short-term leases were recognized in the income statement in the “Cost of sales and services”, “Sales and marketing expenses”, “General and administrative expenses” and “Research and development expenses”.

Expenses relating to leases of low-value assets were recognized in the income statement in the “Cost of sales and services”, “Sales and marketing expenses”, “General and administrative expenses” and “Research and development expenses”.

25. Other operating expenses and income

25.1. OTHER OPERATING EXPENSES

Other operating expenses can be broken down as follows:

(EUR 000)	December 31, 2020	December 31, 2021
Reorganization expenses	216	194
Costs related to specific projects	10	0
Costs of share-based payments	125	844
Costs related to the disposal of “RadioMed” (disposed in 2019)	91	0
TOTAL	**442**	**1 038**

25.2. OTHER OPERATING INCOME

Other operating income can be broken down as follows:

(EUR 000)	December 31, 2020	December 31, 2021
Others	65	0
TOTAL	**65**	**0**

26. Financial expenses and income

26.1. FINANCIAL EXPENSES

(EUR 000)	December 31, 2020	December 31, 2021
Interest paid on debts	2 782	2 516
Foreign exchange differences	2 312	1 344
Change in fair value of derivatives	572	5 377
Other	598	1 202
TOTAL	**6 264**	**10 439**

As at December 31, 2021, the heading "Other" mainly includes commission and bank charges for 0.9 EUR million (2020: EUR 0.4 million).

26.2. FINANCIAL INCOME

(EUR 000)	December 31, 2020	December 31, 2021
Interest received on cash and cash equivalents	127	491
Foreign exchange differences	203	4 150
Change in fair value of derivatives	1 859	312
Other	327	1 522
TOTAL	**2 516**	**6 475**

As at December 31, 2021, the heading "Other" mainly includes the recognition of interest under the amortised cost method on financial notes following a revision in the risk of the debtor for EUR 1.2 million and EUR 0.3 million of rebilling of interest charges in relation to a proton therapy project (2020: EUR 0.3 million)

27. Income taxes

The tax profit/(charge) for the year can be broken down as follows:

(EUR 000)	December 31, 2020	December 31, 2021
Current taxes	-2 591	-5 266
Deferred taxes	1 458	890
TOTAL	**-1 133**	**-4 376**

The tax charge on IBA's result before taxes differs from the theoretical amount that would have resulted from application of the average applicable tax rates to the profits of the consolidated companies. The analysis is as follows:

(EUR 000)	December 31, 2020	December 31, 2021
Result from continuing operations before taxes	**33 054**	**8 255**
Tax (charge)/profit calculated based on local tax rates	**27 153**	**2 585**
Unrecognized deferred tax assets	62	3 110
Recognized deferred tax assets	18	-477
Tax-exempt transactions and non-deductible expenses	-17 363	373
Tax exempt transactions - CIRD & Grants	-763	-546
Adjustments in respect of income tax charges of previous years	-830	32
Utilization of previously unrecognized tax losses	-132	-931
Share of result of an associate	807	313
Other tax (income)/expense	-7 819	-83
Booked tax (charge)/profit	**1 133**	**4 376**
Theoretical tax rate	**-82.15%**	**-31.31%**
Effective tax rate	**-3.43%**	**-53.01%**

Given the available tax losses, IBA did not calculate deferred taxes on items credited or charged directly to other comprehensive income.

In 2020, the large tax exempt transaction mainly originated from the gain on an intragroup sale of subsidiary's shares. This gain is not taxable in Belgium and the transaction is eliminated at group level.

Also, in 2020, the other tax income primarily included a "Patent Income Deduction" tax credit in Belgium related to the licensing activities of the year.

28. Employee benefits

28.1. DEFINED CONTRIBUTION PLANS

In the year ended December 31, 2021, the Group recognized expenses in the United States of EUR 0.5 million for contribution-based plans accounted for using the intrinsic value method.

28.2. DEFINED BENEFIT PLANS

In Belgium, the Group operates a contribution-based plan funded through payments to an insurance company. The employer guarantees a minimum return on employer contributions resulting in a financial risk to be borne by the Group.

Since January 1, 2016, the Group uses the projected unit credit method.

In India, the Group also operates a defined benefit pension plan, for which the benefit liability is EUR 0.1 million as at December 31, 2021. Given the immateriality of that plan, only the plan in Belgium is presented below. Changes in the present value of defined benefit obligations are presented as follows:

(EUR 000)	January 1, 2020	Service cost	Net interest expenses	Actuarial change arising from change in financial assumptions	Contributions by employer	Benefits plan	December 31, 2020
Defined benefit obligation	-11 275	-997	-189	-1 929	-14	465	**-13 939**
Fair value of plan assets	7 052	0	120	1 464	907	-465	**9 078**
Benefit liability	**-4 223**	**-997**	**-69**	**-465**	**893**	**0**	**-4 861**

(EUR 000)	January 1, 2021	Service cost	Net interest expenses	Actuarial change arising from change in financial assumptions	Contributions by employer	Benefits plan	December 31, 2021
Defined benefit obligation	-13 939	-1 226	-76	1 105	209	239	**-13 688**
Fair value of plan assets	9 078	0	35	-1 620	1 054	-239	**8 308**
Benefit liability	**-4 861**	**-1 226**	**-41**	**-515**	**1 263**	**0**	**-5 380**

The employee benefit provisions have been calculated based on the following assumptions:

At December 31, 2018:

- Discount rate: 2.20%, 2.00% or 1.50% based the respective duration of each plan
- Mortality table: IABE
- Inflation rate: 1.9%
- Salary adjustment rate: 2.15% per annum
- Retirement age: 65

At December 31, 2019:

- Discount rate: 1.85%, 1.30% or 0.60% based the respective duration of each plan
- Mortality table: IABE
- Inflation rate: 2.0%
- Salary adjustment rate: 2.90% per annum
- Retirement age: 65

At December 31, 2020:

- Discount rate: 0.55%, 0.50% or 0.30% based the respective duration of each plan
- Mortality table: IABE
- Inflation rate: 1.6%
- Salary adjustment rate: 2.90% per annum
- Retirement age: 66

At December 31, 2021:

- Discount rate: 1.20%, 1.15% or 0.80% based the respective duration of each plan
- Mortality table: IABE
- Inflation rate: 2.0%
- Salary adjustment rate: 2.90% per annum
- Retirement age: 66

The impact on the benefit liability of the fluctuation of the discount rate is as follows:

(EUR 000)	December 31, 2020	December 31, 2021
Discount rate 0.25% increase	-4 740	-5 084
Discount rate applied	-4 861	-5 380
Discount rate 0.25% decrease	-4 987	-5 696

The impact on the benefit liability of the fluctuation of the salary adjustment rate is as follows:

(EUR 000)	December 31, 2021
Salary adjustment rate 0.25% increase	-5 585
Salary adjustment rate applied	-5 380
Salary adjustment rate 0.25% decrease	-5 182

29. Cash flow statement

29.1. OPERATING CASH FLOWS

(EUR 000)	Note	December 31, 2020	December 31, 2021
CASH FLOW FROM OPERATING ACTIVITIES			
Net profit/(loss) for the period		**31 921**	**3 879**
Adjustments for:			
Depreciation and impairment of tangible assets	8, 24.1	8 775	8 370
Depreciation and impairment of intangible assets and goodwill	7.2	3 184	1 523
Write-off on receivables	14.1	2 898	-287
Changes in fair value of financial assets (profits)/losses		-547	704
Changes in provisions	19	3 458	4 278
Deferred taxes		-1 457	-890
Share of result of associates and joint ventures accounted for using the equity method	9.1	3 227	1 253
Other non-cash items		-1 075	-11 116
Net cash flow changes before changes in working capital		**50 384**	**7 714**
Trade receivables, other receivables and deferrals		20 794	29 362
Inventories and contracts in progress		26 056	48 040
Trade payables, other payables and accruals		2 165	16 180
Other short-term assets and liabilities		-24	-14 338
Changes in working capital		**48 991**	**79 244**
Net income tax paid/received		-1 132	-1 800
Interest expense		2 309	2 546
Interest income		-127	-491
Net cash (used)/generated from operations		**100 425**	**87 213**

As at December 31, 2021, the heading “Other non-cash items” mainly includes the partial release of the refund liability related to the performance bond issued to CGN (EUR -5.0 million), the impact of the loan forgiveness under the Paycheck Protection program (EUR -4.4 million), the impact of research tax credit not received in cash during the year (EUR -1.4 million), the reversal of the amortised costs interests previously written down reflecting the improved credit risk of the customer (EUR -1.0 million), the impact of grant amortisation (EUR -0.9 million), the costs of the stock option plan (EUR +0.8 million), the net impact of losses and write-downs on inventories (EUR +0.6 million), and the discounting impact on long term advances from local government in Belgium (EUR +0.2 million).

As at December 31, 2020, the heading “Other non-cash items” mainly includes the net impact of losses and write-downs on inventories (EUR +0.7 million), the impact of research tax credit not received in cash during the year (EUR -1.9 million), the reversal of an insurance receivable accrual (EUR 0.7 million), the impact of grant depreciation (EUR -0.8 million), and the costs of the stock option plan (EUR +0.1 million).

29.2. INVESTING CASH FLOWS

(EUR 000)	Note	December 31, 2020	December 31, 2021
CASH FLOW FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	8	-2 555	-4 245
Acquisition of intangible assets	7.2	-1 446	-784
Cash received on disposal of fixed assets		0	33
Cash release on disposals of subsidiaries from previous years		0	1 271
Investment in Long-term subordinated bond		0	-4 415
Repayment received on shareholder loan		0	119
Acquisition of third-party and equity-accounted investments	9.1	-1 600	0
Other investing cash flows		0	-4
Net cash (used)/generated from investing activities		**-5 601**	**-8 025**

29.3. FINANCING CASH FLOWS

(EUR 000)	Note	December 31, 2020	December 31, 2021
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from borrowings	18	25 508	0
Repayment of borrowings	18	-4 734	-12 984
Repayment of lease liabilities	24.2	-5 254	-5 142
Interest paid		-2 298	-2 694
Interest received		127	491
Capital increase (or proceeds from issuance of ordinary shares)	16	0	977
Dividends paid		-2 254	-5 785
(Acquisitions)/disposal of treasury of shares		2 088	-11 227
Other financing cash flows		185	83
Net cash (used)/generated from financing activities		**13 368**	**-36 281**

As at December 31, 2021, “Other financing cash flows” includes new payment of grants in Belgium and advances from local government in Belgium for EUR +1.2 million (2020: EUR +0.7 million) and repayments of advances from local government in Belgium for EUR -1.1 million (2020: EUR -0.5 million).

30. Litigation

The Group is currently not involved in any significant litigation.

The potential risks connected to minor proceedings are deemed to be either groundless or insignificant, or when the risk of payment of potential damages seems actual, are either adequately covered by provisions or insurance policies.

31. Commitments and contingent assets

31.1. FINANCIAL GUARANTEES

As at December 31, 2021, IBA held financial guarantees for EUR 121.1 million given by Group's business units as security for debts or commitments, mainly in advance payment guarantees (EUR 97.6 million as at December 31, 2020).

The Group is paying financial interest at a fixed rate on its financial guarantees. The interest depends on the duration of the guarantee. Therefore, the Group is not exposed to financial credit risk.

31.2. LEASES NOT YET COMMENCED

See note 24.2.

31.3. CONTINGENT ASSETS

The Group has filed an insurance claim on faulty parts. As the claim does not meet all the criteria to be recognised as an asset on the balance sheet, the group presents this as a contingent asset. The best estimate of Management for the insurance indemnity to be received is EUR 0.5 million (2020: EUR 0.7 million).

32. Related party transactions

32.1. CONSOLIDATED COMPANIES

A list of subsidiaries and equity-accounted companies is provided in Note 5

32.2. TRANSACTIONS WITH AFFILIATED COMPANIES

The main transactions completed with affiliated companies (companies accounted for using the equity accounting method) are the following:

(EUR 000)	December 31, 2020	December 31, 2021
ASSETS		
Receivables		
Long-term receivables	1 520	1 520
Inventory and contracts in progress	0	0
Trade and other receivables	191	744
Impairment of receivables	0	0
TOTAL RECEIVABLES	**1 711**	**2 264**
LIABILITIES		
Payables		
Trade and other payables	0	0
TOTAL PAYABLES	**0**	**0**
INCOME STATEMENT		
Sales	2 507	3 398
Costs (-)	0	0
Financial income	0	0
Financial expense (-)	0	0
Other operating income	0	0
Other operating expense (-)	0	0
TOTAL INCOME STATEMENT	**2 507**	**3 398**

32.3. SHAREHOLDERS' RELATIONSHIPS

The following table shows IBA shareholders as at December 31, 2021:

	Number of shares	%
Sustainable Anchorage SRL	6 204 668	20.53%
IBA Investments SCRL	51 973	0.17%
IBA SA	755 994	2.50%
IBA SA on behalf of ESP holders	21 180	0.07%
Management Anchorage SRL (previously IB Anchorage)	348 530	1.15%
UCL	426 885	1.41%
Sopartec SA	180 000	0.60%
SRIW SA	715 491	2.37%
SFPI SA	58 200	0.19%
Belfius Insurance SA	1 189 196	3.94%
FUP Institute of RadioElements	1 423 271	4.71%
Paladin Asset Mgmt	768 765	2.54%
BlackRock, Inc.	407 194	1.35%
BNP Paris	528 425	1.75%
Norges Bank Investment Management	1 133 108	3.75%
Kempen Capital Management NV	875 388	2.90%
Public	15 130 450	50.07%
TOTAL	**30 218 718**	**100.00%**

The main transactions completed with the shareholders are the following:

(EUR 000)	December 31, 2020	December 31, 2021
ASSETS		
Receivables		
Long-term receivables	0	5 807
Trade and other receivables	0	27
Impairment of receivables	0	0
TOTAL RECEIVABLES	**0**	**5 833**
LIABILITIES		
Payables		
Bank and other borrowings	20 405	18 671
Trade and other payables	90	106
TOTAL PAYABLES	**20 495**	**18 777**
INCOME STATEMENT		
Sales	0	0
Costs (-)	-126	-216
Financial income	0	27
Financial expense (-)	-1 181	-1 075
Other operating income	0	0
Other operating expense (-)	0	0
TOTAL INCOME STATEMENT	**-1 306**	**-1 265**

The long-term receivables relate to the loan issued by IBA Investments SCRL to Management Anchorage for the purchase of the Company shares, the loan was issued at market conditions and against a share pledge.

To the best of the Company's knowledge, there are no other relationships or special agreements among the shareholders at December 31, 2021.

32.4. DIRECTORS AND MANAGEMENT

See remuneration report on page 71.

33. Fees for services rendered by the statutory auditors

EY Réviseurs d'Entreprises SRL, auditors of the statutory accounts of IBA SA and auditors of the consolidated accounts of IBA, provided the following services during the year:

(EUR 000)	December 31, 2020	December 31, 2021
Remuneration for statutory audits and audit of consolidated accounts	340	356
Other audit work and reports	11	36
TOTAL	**351**	**392**

34. Events after the reporting date

- In January, IBA announced the receipt of a down payment for an irradiation cross-linking solution using IBA's Rhodotron® technology;
- In January, IBA announced the launch of a new low energy compact cyclotron, the Cyclone® KEY;
- In February, a contract was signed for a Proteus®ONE proton therapy solution;

- In March, IBA completed its share buyback program launched in December 2021. In total, 1,007,000 shares were bought back under the three programs;
- In March, IBA and Tractebel announced a partnership agreement to support IBA's customers with their proton therapy design and construction projects;
- In February 2022, an armed conflict started between the Russian Federation and Ukraine, leading to international sanctions placed on the Russian government and businesses by other countries and states, including the European Union. In view of the early stage of the conflict and the rapidly evolving situation, definitive conclusions cannot be reached but at this stage the situation is not materially impacting IBA Group's overall operations.

35. Net earnings per share

35.1. BASIC EARNINGS

Net basic earnings per share are calculated by dividing the net profit attributable to Company shareholders by the weighted average number of ordinary shares outstanding during the period.

The weighted average number of ordinary shares excludes shares purchased by the Company and held as treasury shares.

BASIC EARNINGS PER SHARE	December 31, 2020	December 31, 2021
Earnings attributable to parent equity holders (EUR 000)	31 921	3 879
Weighted average number of ordinary shares	29 629 622	29 421 954
Net earnings per share (EUR per share)	**1.0773**	**0.1318**

35.2. DILUTED EARNINGS

Diluted earnings per share are calculated by adjusting the weighted average number of ordinary shares outstanding for the effects of conversion of all dilutive potential ordinary shares.

In 2021 and 2020, the Company had only one category of dilutive potential on ordinary share: stock options. The calculation is performed for the stock options to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding stock options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the stock options.

DILUTED EARNINGS PER SHARE	December 31, 2020	December 31, 2021
Weighted average number of ordinary shares	29 629 622	29 421 954
Weighted average number of stock options	348 452	1 118 791
Average share price over period	9.8	16.4
Dilution effect from weighted number of stock options	82 500	733 420
Weighted average number of ordinary shares for diluted earnings per share	29 712 122	30 155 374
Earnings attributable to parent equity holders (EUR 000)	31 921	3 879
Diluted earnings per share (EUR per share)	**1.0743**	**0.1286**

(*) In compliance with IAS33, which stipulates that the diluted earnings per share does not take into account assumptions for conversion, financial year, or other issuing of potential ordinary shares which may have an anti-dilutive effect on the earnings per share (shares whose conversion involves a decrease in the loss per share).

36. Glossary of alternative performance measures (APM)

Gross profit

Definition: Gross profit is the difference of the aggregate amount recognized on "Sales" and "Services" after deducting the costs associated with the construction and production of the associated equipment and incurred in connection with the provision of the operation and maintenance services.

Reason: Gross profit indicates IBA's performance by showing how it is able to generate revenue from the expenses incurred in the construction, operation and maintenance of dosimetry, proton-therapy and other accelerators.

EBIT

Definition: Earning before interests and taxes (''EBIT'') shows the performance of the group (or segment) before financial income/expenses and taxes. It shows all operating income and expenses incurred during the period.

Reason: EBIT is a useful performance indicator as it shows IBA's operational performance of the period by eliminating the impact of the financial transactions and taxes.

REBIT

Definition: Recurring earning before interests and taxes (''REBIT'') shows the result of the group (or segment) before financial income/expenses and taxes and before the other operating income and other operating expenses. REBIT is an indicator of a company's profitability of the ordinary activities of the group, adjusted with the items considered by the management to not be part of the underlying performance.

Reason: Management considers REBIT as an improved performance indicator for the group allowing year-on-year comparison of the profitability, as cleaned up with transactions not considered part of the underlying performance.

Net financial debt

Definition: The net financial debt measures the overall debt situation of IBA.

Reason: Net financial debt provides an indication of the overall financial position strength of the Group and measures IBA's cash position.

(EUR 000)	2020	2021
EBIT = Segment result (Note 4)	**40 029**	**13 472**
Other operating expenses (+)	442	1 038
Other operating income (-)	-65	0
REBIT	**40 406**	**14 510**
Depreciation and impairment of intangible and tangible assets (+)	11 959	9 893
Write-offs on receivables and inventory (+/-)	3 620	179
REBITDA	**55 985**	**24 582**

(EUR 000)	2020	2021
Long-term borrowings and lease liabilities (+)	65 772	53 880
Short-term borrowings and lease liabilities (+)	20 354	15 096
Cash and cash equivalents (-)	-153 911	-199 270
Restricted cash (included in cash and cash equivalents)	2 596	0
Net financial debt	**-65 189**	**-130 294**

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Independent auditor's report to the general meeting of Ion Beam Applications SA for the year ended 31 December 2021

As required by law and the Company's articles of association, we report to you as statutory auditor of Ion Beam Applications SA (the "Company") and its subsidiaries (together the "Group"). This report includes our opinion on the statement of consolidated financial position as at 31 December 2021, the consolidated income statement, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year ended 31 December 2021 and the disclosures (all elements together the "Consolidated Financial Statements") as well as our report on other legal and regulatory requirements. These two reports are considered one report and are inseparable.

We have been appointed as statutory auditor by the Shareholders' Meeting of 10 June 2020, in accordance with the proposition by the Board of Directors following recommendation of the Audit Committee and following recommendation of the Workers' Council. Our mandate expires at the Shareholders' Meeting that will deliberate on the Consolidated Financial Statements for the year ending 31 December 2022. We performed the audit of the Consolidated Financial Statements of the Group during 16 consecutive years.

Report on the audit of the Consolidated Financial Statements

Unqualified opinion

We have audited the Consolidated Financial Statements of Ion Beam Applications SA, that comprise of the statement of consolidated financial position on 31 December 2021, the consolidated income statement, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement of the year and the disclosures, which show a consolidated balance sheet total of thousand € 546.051 and of which the consolidated income statement shows a profit for the year of thousand € 3.879.

In our opinion, the Consolidated Financial Statements give a true and fair view of the consolidated net equity and financial position as at 31 December 2021, and of its consolidated results for the year then ended, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union ("IFRS") and with applicable legal and regulatory requirements in Belgium.

Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the "Our responsibilities for the audit of the Consolidated Financial Statements" section of our report.

We have complied with all ethical requirements that are relevant to our audit of the Consolidated Financial Statements in Belgium, including those with respect to independence.

We have obtained from the Board of Directors and the officials of the Company the explanations and information necessary for the performance of our audit and we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current reporting period.

These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole and in forming our opinion thereon, and consequently we do not provide a separate opinion on these matters.

Revenue recognition on long-term contracts

Description of the key audit matter

The Group applies the percentage-of-completion ("POC") method in determining revenue and cost recognition for its long-term contracts. For these contracts, management has to estimate the completion of the contract work, which is used to measure the POC for the recognition of contract revenue.

Significant judgements are used to estimate the POC and total contract costs. In making these estimates, management has relied on the expertise of the Group's experts to determine the progress of the contract and also on past experience of completed projects and industry practices.

The nature of these judgements result in them being susceptible to management bias, and inaccuracy in estimating POC and total contract costs can have a significant effect on the Consolidated Financial Statements.

We have considered this to be a key audit matter as significant judgements are involved in estimating the POC and total contract costs.

Summary of the procedures performed

- We updated our understanding of the revenue recognition process.
- We analyzed sales contracts characteristics and ensured specific financial impacts have been identified and addressed by management.
- We audited significant components of estimated total contract costs and revenues for a sample of projects and challenged the completeness and accuracy of total contract costs estimated by management by comparing the total contract costs for selected ongoing projects to similar projects.
- We evaluated management's estimations of total expected costs per project by comparing initial to actual total expected costs and considering the impact of Covid-19 pandemic.
- We traced significant actual costs incurred for selected contracts to the relevant supporting documents to ensure that the costs are directly attributable to the contracts tested.
- We assessed the correct application of the POC method.
- We performed detailed analytical review procedures by comparing results on these contracts with prior year.
- We assessed the disclosures prepared in accordance with IFRS 15.

Responsibilities of the Board of Directors for the preparation of the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of the Consolidated Financial Statements that give a true and fair view in accordance with IFRS and with applicable legal and regulatory requirements in Belgium and for such internal controls relevant to the preparation of the Consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of Consolidated Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, and provide, if applicable, information on matters impacting going concern. The Board of Directors should prepare the financial statements using the going concern basis of accounting, unless the Board of Directors either intends to liquidate the Group or to cease business operations or has no realistic alternative but to do so.

Our responsibilities for the audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance whether the Consolidated Financial Statements are free from material misstatement, whether due to fraud or error, and to express an opinion on these Consolidated Financial Statements based on our audit. Reasonable assurance is a high level of assurance, but not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

In performing our audit, we comply with the legal, regulatory and normative framework that applies to the audit of the Consolidated Financial Statements in Belgium. However, a statutory audit does not provide assurance about the future viability of the Company and the Group, nor about the efficiency or effectiveness with which the board of directors has taken or will undertake the Company's and the Group's business operations. Our responsibilities with regards to the going concern assumption used by the board of directors are described below.

As part of an audit in accordance with ISAs, we exercise professional judgment and we maintain professional skepticism throughout the audit. We also perform the following tasks:

- identification and assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, the planning and execution of audit procedures to respond to these risks and obtain audit evidence which is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material misstatements resulting from fraud is higher than when such misstatements result from errors, since fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining insight in the system of internal controls that are relevant for the audit and with the objective to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and Company internal control;
- evaluating the selected and applied accounting policies, and evaluating the reasonability of the accounting estimates and related disclosures made by the Board of Directors as well as the underlying information given by the Board of Directors;
- conclude on the appropriateness of the Board of Directors' use of the going-concern basis of accounting, and based on the audit evidence obtained, whether or not a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's or Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going-concern;
- evaluating the overall presentation, structure and content of the Consolidated Financial Statements, and evaluating whether the Consolidated Financial Statements reflect a true and fair view of the underlying transactions and events.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the audits of the subsidiaries. In this respect we have determined the nature and extent of the audit procedures to be carried out for Group entities.

We communicate with the Audit Committee within the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide the Audit Committee within the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee within the Board of Directors, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our report, unless the law or regulations prohibit this.

Report on other legal and regulatory requirements

Responsibilities of the Board of Directors

The Board of Directors is responsible for the preparation and the content of the Board of Directors' report on the Consolidated Financial Statements, the non-financial information attached to the Board of Directors' report and other information included in the annual report.

Responsibilities of the auditor

In the context of our mandate and in accordance with the additional standard to the ISAs applicable in Belgium, it is our responsibility to verify, in all material respects, the Board of Directors' report on the Consolidated Financial Statements, the non-financial information attached to the Board of Directors' report, and other information included in the annual report, as well as to report on these matters.

Aspects relating to Board of Directors' report on the Consolidated Financial Statements and other information included in the annual report

In our opinion, after carrying out specific procedures on the Board of Directors' report, the Board of Directors' report is consistent with the Consolidated Financial Statements and has been prepared in accordance with article 3:32 of the Code of companies and associations.

In the context of our audit of the Consolidated Financial Statements, we are also responsible to consider whether, based on the information that we became aware of during the performance of our audit, the Board of Directors' report and other information included in the annual report, being:

- IBA World leader;
- Our values;
- IBA in 2021 at a glance;
- Message from Olivier Legrain;
- Patient care, what makes our heart beat;
- A committed company;
- General information;
- Stock market and the shareholders;
- IBA contact;

contain any material inconsistencies or contains information that is inaccurate or otherwise misleading. In light of the work performed, there are no material inconsistencies to be reported.

The non-financial information required by article 3:32, § 2 of the Companies and Associations Code is included in different sections of the annual report and is the subject of an index annexed to the annual report.

For the preparation of this non-financial information, the Group used the "GRI Standards" reference framework. The report of non-financial information contains the information required by virtue of article 3:32, §2 of the Companies' and Associations' Code, and agrees with the Consolidated Financial Statements for the same year. However, we do not comment on whether this non-financial information has been prepared, in all material respects, in accordance with the "GRI Standards" reference framework.

Independence matters

Our audit firm and our network have not performed any services that are not compatible with the audit of the Consolidated Financial Statements and have remained independent of the Company during the course of our mandate.

The fees for additional services which are compatible with the statutory audit of the Consolidated Financial Statements referred to in article 3:65 of the Companies' and Associations' Code are correctly disclosed and itemized in the notes to the Consolidated Financial Statements.

European single electronic format ("ESEF")

In accordance with the standard on the audit of the conformity of the financial statements with the European single electronic format (hereinafter "ESEF"), we have carried out the audit of the compliance of the ESEF format with the regulatory technical standards set by the European Delegated Regulation No 2019/815 of

17 December 2018 (hereinafter: "Delegated Regulation").

The board of directors is responsible for the preparation, in accordance with the ESEF requirements, of the consolidated financial statements in the form of an electronic file in ESEF format in the official French language as well as the free translation into English (hereinafter 'the digital consolidated financial statements') included in the annual financial report available on the portal of the FSMA (https://www.fsma.be/en/data-portal) in the official French language as well as the free translation into English.

It is our responsibility to obtain sufficient and appropriate supporting evidence to conclude that the format and markup language of the digital consolidated financial statements comply in all material respects with the ESEF requirements under the Delegated Regulation.

Based on the work performed by us, we conclude that the format and tagging of information in the digital consolidated financial statements of Ion Beam Applications SA per 31 December 2021 included in the annual financial report available on the portal of the FSMA (https://www.fsma.be/en/data-portal) in the official French language are, in all material respects, in accordance with the ESEF requirements under the Delegated Regulation, and we conclude that the format of the free translation of the digital consolidated financial statements included in annual report in English corresponds to the digital consolidated financial statements included in the annual financial report in the official French language.

Other communications.

- This report is consistent with our supplementary declaration to the Audit Committee as specified in article 11 of the regulation (EU) nr. 537/2014.

Diegem, 28 April 2022

EY Réviseurs d'Entreprises SRL
Statutory auditor
Represented by

Romuald Bilem *
Partner
*Acting on behalf of a BV/SRL

22RB0071

GENERAL Information

CORPORATE NAME

Ion Beam Applications SA, abbreviated IBA SA.

Following a resolution of the Extraordinary General Meeting of shareholders of the Company held on March 9, 2021, article 1 of the bylaws has been amended and now reads as follows:

"Article 1:

The Company takes the form of a public limited company. The name of the Company is "Ion Beam Applications" and, in short, "IBA". "

REGISTERED OFFICE

Chemin du Cyclotron, 3; B-1348 Louvain-la-Neuve, Belgium; enterprise number VAT BE0428.750.985, Register of Legal Entities (RLE) of the Walloon Brabant.

DATE, FORM AND PERIOD OF INCORPORATION

IBA was incorporated for an indefinite period on March 28, 1986 as a limited liability company (*société anonyme*) under Belgian law. IBA is a listed company in the meaning of section 1:11 of the Belgian Companies & Associations Code.

CORPORATE PURPOSE (ARTICLE 3 OF THE ARTICLES OF ASSOCIATION)

The purpose of the Company is to engage in research and development and to acquire intellectual property rights with a view to the operation, manufacturing, and marketing of applications and equipment in the field of applied physics. It may carry out financial, commercial and industrial transactions, and all transactions involving movable or immovable property, relating directly or indirectly to its corporate purpose. It may acquire an interest, by contribution, merger, purchase of shares, or any other means, in companies, partnerships, or corporations whose purpose is similar, comparable, related, or useful to the achievement of its corporate purpose in whole or in part.

In addition, following a resolution of the Extraordinary General Meeting of shareholders of the Company held on March 10, 2020, article 3 of the Articles of association has been amended to add the following two paragraphs:

- *"The Company's objectives include having, in the course of its activities, a significant* *positive impact on all of its stakeholders, notably patients, shareholders, employees, customers, society and the planet."*

- *"The Company is managed taking into account the interests of these stakeholders, respecting living beings and present and future generations, and reducing as much as possible negative environmental and societal impacts."*

CONSULTATION OF CORPORATE DOCUMENTS

The Company's statutory and consolidated statements are filed with the National Bank of Belgium. Copies of the Company's consolidated articles of incorporation, its annual and semi-annual reports, and all other shareholder documentation may be obtained at the Company's website (www.iba-worldwide.com) or by shareholder's request to the Company's registered office.

CAPITAL

As of December 31, 2021, IBA's share capital amounted to EUR 42 413 196 and was represented by 30 218 718 fully paid-up shares with no face value.
In June 2014, the Company issued 250 000 stock options for the Group management (the "**2014 Plan**"). They allow the beneficiary to purchase a new share at EUR 11.52 following certain procedures during specific periods, i.e. between January 1, 2019 and June 30, 2024.

As of December 31, 2018, there were 178 500 outstanding stock options of this 2014 Plan.

In 2019, 11 392 of these stock options were exercised (more specifically on December 6, 2019).

As of December 31, 2019, there were 167 608 outstanding stock options of this 2014 Plan.

As of December 31, 2020, there were 163 608 outstanding stock options of this 2014 Plan.

In December 2015, the Company issued 50 000 stock options for the Group management (the "2015 Plan"). They allow the beneficiary to purchase a new share at EUR 31.84 following certain procedures between January 1, 2019 and June 30, 2024.

IBA decided on August 26, 2015 to render the current SOPs exercisable on a continued period (outside of anti-insider dealing blackout periods and outside of any additional technical black out period) as from October 1st, 2015.

All stock options may also be exercised in the event of a takeover bid on IBA or of an increase of shareholders' equity with preemptive rights.

In 2020, none of these stock options were exercised.

As of December 31, 2020, there were 20.000 outstanding stock options of this 2015 Plan.

In June 2020, the Company issued 357 000 stock options for the Group management. They allow the beneficiary to purchase a new share at 7,54 EUR following certain procedures from January 02, 2024.

IBA decided on May 28, 2020 to render the current SOPs exercisable on a continued period (outside of anti-insider dealing blackout periods and outside of any additional technical black out period) as from January 02, 2024.

In 2021, IBA issued a long-term incentive in the form of a stock option plan (SOP2021) on IBA shares. It was offered on January 25, 2021 with an exercise price of €13.39 (i.e. the average closing price of the previous 30 days). This plan will vest on January 1, 2025 and the options will expire on December 31, 2026.

All stock options may also be exercised in the event of a takeover bid on IBA or of an increase of shareholders' equity with preemptive rights.

AUTHORIZED SHARE CAPITAL

As of December 31, 2021, the Company had authorization to increase the Company's share capital, within the limits, terms and conditions set out by the law and the articles of association of the Company.

PATENTS AND TECHNOLOGIES

IBA is careful to patent all aspects of its technology for which a patent provides a commercial advantage.

In addition, the Company has maintained the secrecy of a significant portion of its know-how that is not patentable or for which the Company believes secrecy is more effective than publication in a patent application. More fundamentally, the Company believes that the best way to protect itself from its competitors is not only by patenting its inventions, but by maintaining its technological lead.

IBA also licenses patents from third parties and pays royalties to them.

LICENSING AND COOPERATION AGREEMENTS

IBA has licensing agreements involving various aspects of its technology. Listing and explaining the nature and terms of these licensing agreements falls beyond the scope of this annual report. These agreements cover, for example, certain aspects of its particle accelerator technology and a number of components of its proton therapy equipment.

FIVE-YEAR CAPITAL HISTORY

OPERATION	Number of new shares	Total number of shares	Variation (Δ)	Amount
22/04/2016 Exercise of options under 2007 plan pers det	3 993	29 119 060	5 604,97	40 869 790,79
22/04/2016 Exercise of options under 2007 plan prolongé	23 656	29 142 716	33 205,93	40 902 996,72
22/04/2016 Exercise of options under 2010 plan	97 925	29 240 641	137 457,32	41 040 454,04
22/04/2016 Exercise of options under 2011 plan pers det	14 577	29 255 218	20 458,82	41 060 912,86
22/04/2016 Exercise of options under 2011 plan empl	109 472	29 364 690	153 643,95	41 214 556,81
22/04/2016 Exercise of options under 2012	159 194	29 523 884	223 428,78	41 437 985,59
20/09/2016 Exercise of options under 2007 plan pers det	664	29 524 548	932,06	41 438 917,65
20/09/2016 Exercise of options under 2007 plan	1 879	29 526 427	2 637,55	41 441 555,20
20/09/2016 Exercise of options under 2010 plan	23 174	29 549 601	32 529,34	41 474 084,54
20/09/2016 Exercise of options under 2011 plan pers det	2 000	29 551 601	2 807,00	41 476 891,54
20/09/2016 Exercise of options under 2011 plan empl	5 586	29 557 187	7 839,95	41 484 731,49
20/09/2016 Exercise of options under 2012	28 516	29 585 703	40 022,21	41 524 753,70
15/12/2016 Exercise of options under 2007	8 812	29 594 515	12 369,40	41 537 123,10
15/12/2016 Exercise of options under 2010	21 407	29 615 922	30 049,01	41 567 172,11
15/12/2016 Exercise of options under 2011 pers dét	14 639	29 630 561	20 545,84	41 587 717,95
15/12/2016 Exercise of options under 2011 plan empl	100 080	29 730 641	140 462,28	41 728 180,23
15/12/2016 Exercise of options under 2012 plan	33 755	29 764 396	47 375,14	41 775 555,37
21/04/2017 Exercise of options under 2011 plan pers dét	12 595	29 776 991	17 677,08	41 793 232,40
21/04/2017 Exercise of options under 2011 plan empl	35 266	29 812 257	49 495,83	41 842 728,28
21/04/2017 Exercise of options under 2012 plan	40 292	29 852 549	56 549,82	41 899 278,10
22/08/2017 Exercise of options under 2011 plan empl	16 128	29 868 677	22 635,65	41 921 913,75
22/08/2017 Exercise of options under 2012	11 574	29 880 251	16 244,11	41 938 157,86
17/11/2017 Exercise of options under 2011 plan pers dét	16 029	29 896 280	22 496,70	41 960 654,56
17/11/2017 Exercise of options under 2011 empl	17 582	29 913 862	24 676,34	41 985 330,90
17/11/2017 Exercise of options under 2012 plan	48 384	29 962 246	67 906,94	42 053 237,84
19/04/2018 Exercise of options under 2012 plan empl	29 000	29 991 246	1 257,54	42 054 495,38
28/11/2018 Exercise of options under 2012 plan empl	125 275	30 116 521	39 443,96	42 093 939,34
28/11/2018 Exercise of options under 2012 plan pers dét	6 007	30 122 528	184 254,29	42 278 193,63
03/12/2019 Exercise of options under 2014 plan empl	11 392	30 133 920	15 988,67	42 294 182,30
31/12/2020 Exercise of options under 2014 plan empl	0	30 133 920	0	42 294 182,30
31/12/2021 Exercise of options under 2014 plan empl	84798	30 218 718	119 014	42 413 196,00

The stock market and THE SHAREHOLDERS

IBA stock'

IBA stock is listed on the Euronext Brussels continuous market (Compartment B since January 17, 2013). It was introduced on the Stock Exchange on June 22, 1998 at a price of EUR 11.90 (adjusted for a 5 to 1 split in June 1999).

IBA stock closed at EUR 11.40 on December 31, 2021.

The total number of outstanding stock options as of December 31, 2021 amounts to 1 119 153. There are no convertible bonds or bonds with warrants outstanding as of 31 December 2021.

Situation as at	**31 december 2020**		**31 december 2021**	
Entity	Number of shares	**%**	Number of shares	%
Sustainable Anchorage SC (1)	6 204 668	20,59%	6 204 668	20,53%
IBA Investments SCRL (2)	410 852	2,03%	51 973	0,17%
IB Anchorage (Management Anchorage)			348 530	1,15%
IBA SA	63 369	0,21%	755 994	2,51%
IBA SA on behalf of ESP holders			21 180	0,07%
UCL	426 885	1,42%	426 885	1,42%
Sopartec SA	180 000	0,60%	180 000	0,60%
SRIW SA	715 491	2,34%	715 491	2,37%
SFPI SA	58 200	0,19%	58 200	0,19%
Belfius Insurance SA	1 189 196	3,00%	1 189 196	3,95%
FUP Institute of RadioElements	1 423 271	4,72%	1 423 271	4,72%
BNP Paribas		0	528 425	**1,75%**
Paladin Asset Mgmt	768 765	0%	768 765	2,55%
Norges Bank Investment Management	1 133 108	4,68%	1 133 108	3,76%
BlackRock,Inc.	405 300	0%	407 194	1,35%
Kempen Capital Management NV.	875 388	2,90%	875 388	2,90%
Subtotal	**13 854 493**	**42,81%**	**15 088 268**	**45,93%**
Public	**16 279 427**	**57,19%**	**15 130 450**	**50,07%**
Total	**30 133 920**	**100,00%**	**30 218 718**	**100.00%**

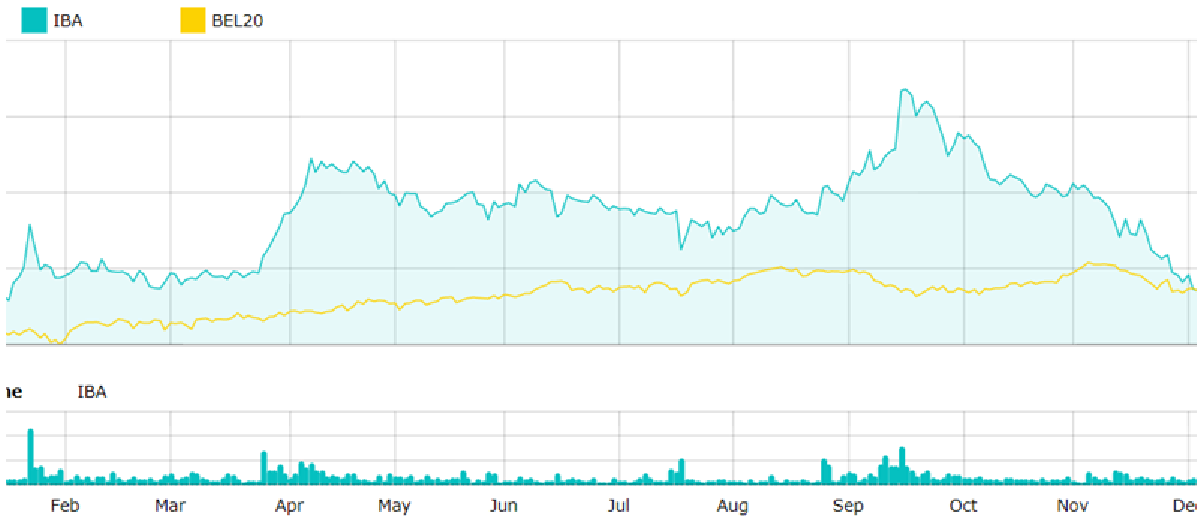
(1) Sustainable Anchorage, previously Belgian Anchorage, is a company established and wholly owned by IBA Management and a number of IBA employees.

(2) IBA Investments is a subsidiary of IBA SA.

SHAREHOLDERS' SCHEDULE

Business Update Q1 2022	19 May 2022
2022 Annual Shareholders' Meeting	8 June 2022
Half year Results	31 August 2022
Business Update Q3 2022	17 November 2022

STOCK MARKET PRICES



https://live.euronext.com/en/product/equities/BE0003766806-XBRU#chart

GRI
Content index

GRI content

This report has been prepared in accordance with the GRI Standards: Core option.

Period: 1 January 2021 to 31 December 2021.

Ref	Disclosure	Cross reference, URL and/or information
GR102 GENERAL DISCLOSURES (GR100 UNIVERSAL STANDARDS)		
1. ORGANIZATIONAL PROFILE		
102-1	Name of the organization	p175 AR2021 General information
102-2	Activities, brands products and/or services	p47 AR2021 Management report / review of IBA activity sectors
102-3	Location of headquarters	p175 AR2021 General information
102-4	Location of operations	p45 AR2021 Management report / highlights of the year
102-5	Ownership and legal form	p175 AR2021 General information
102-6	Markets served	p8 AR2021 Patient care, what makes our heart beat p47 AR2021 Management report / review of IBA activity sectors
102-7	Scale of the organization	p5 AR2021 IBA in 2021 at a glance p45 AR2021 Management report / highlights of the year p103 AR2021 IFRS consolidated financial
102-8	Information on employees and other workers	p32 AR2021 A committed company p178 AR2021 GRI content appendix 102-8 / Information on employees and other workers p67 AR2021 Management report / corporate governance statement / diversity policy p82 AR2021 Management report / corporate governance statement / codes of conduct
102-9	Supply chain	p38 AR2021 A committed company / society / supply chain
102-10	Significant changes to the organisation and its supply chain	p45 AR2021 Management report / highlights of the year p98 AR2021 Management report / significant acquisitions and divestments in 2021
102-11	Precautionary approach or principle	p50 AR2021 Management report / principal risks and uncertainties faced by the company
102-12	External initiatives	p8 AR2021 Patient care, what makes our heart beat p37 AR2021 A committed company / society p39 AR2021 A committed company / planet
102-13	Membership of associations	p183 AR2021 GRI content appendix 102-13 / Membership of associations
2. STRATEGY		
102-14	Statement from senior decision-maker	p6 AR2021 Message from Olivier Legrain
102-15	Key impacts, risks, and opportunities	p50 AR2021 Management report / principal risks and uncertainties faced by the company p38 AR2021 A committed company / society / supply chain p39 AR2021 A committed company / planet p33 AR2021 A committed company / employees p183 AR2021 GRI content appendix 102-15 / Key Impacts, risks and opportunities
3. ETHICS and INTEGRITY		
102-16	Values, principles, standards and norms of behavior	p50 AR2021 Management report / principal risks and uncertainties faced by the company p82 AR2021 Management report / corporate governance statement / codes of conduct

Ref	Disclosure	Cross reference, URL and/or information
4. GOVERNANCE		
102-18	Governance Structure	p58 AR2021 Management report / corporate governance statement
5. STAKEHOLDER ENGAGEMENT		
102-40	List of Stakeholder groups	p2 AR2021 About IBA
102-41	Collective bargaining agreements	p33 AR2021 A committed company / employees
102-42	Identifying and selecting stakeholders	p2 AR2021 About IBA p41 AR2021 A committed company / materiality
102-43	Approach to stakeholder engagement	p2 AR2021 About IBA p8 AR2021 Patient care, what makes our heart beat p32 AR2021 A committed company p41 AR2021 A committed company / materiality
102-44	Key topics and concerns raised	p8 AR2021 Patient care, what makes our heart beat p32 AR2021 A committed company p41 AR2021 A committed company / materiality
6. REPORTING PRACTICE		
102-45	Entities included in the consolidated financial statements	p103 AR2021 IFRS consolidated financial / introduction
102-46	Defining report content and topic Boundaries	p41 AR2021 A committed company / materiality
102- 47	List of material topics	p41 AR2021 A committed company / materiality
102-48	Restatements of information	p109 AR2021 IFRS consolidated financial / notes to consolidated financial statements
102-49	Changes in reporting	p41 AR2021 A committed company / materiality
102-50	Reporting period	p109 AR2021 IFRS consolidated financial / notes to consolidated financial statements
102-51	Date of most recent report	30.04.2021 Annual Report 2020
102-52	Reporting cycle	p109 AR2021 IFRS consolidated financial / notes to consolidated financial statements
102-53	Contact point for questions regarding the report	p184 AR2021 IBA Contact
102-54	Claims of reporting in accordance with the GRI Standards	AR2021 GRI standards: core option
102-55	GRI content index	p180 AR2021 GRI content index
102-56	External assurance	p183 AR2021 GRI content appendix 102-56 / External assurance

Ref	Disclosure	Cross reference, URL and/or information
GRI 103 MANAGEMENT APPROACH (GR100 UNIVERSAL STANDARDS)		
103-1	Explanation of the material topic and its Boundary	p8 AR2021 Patient care, what makes our heart beat p32 AR2021 A committed company p41 AR2021 A committed company / materiality

Ref	Disclosure	Cross reference, URL and/or information
GRI 200 ECONOMIC TOPIC DISCLOSURES (GRI TOPIC SPECIFIC DISCLOSURES)		
205-3	Confirmed incidents of corruptions and actions taken	p50 AR2021 Management report / principal risks and uncertainties faced by the company
203-2	Significant indirect economic impacts	p82 AR2021 Management report / corporate governance statement / codes of conduct_policy and targets
GRI 2016	Profitability GRI 2016: 201 - Economic performance	p45 AR2021 Management report / highlights of the year p103 AR2021 IFRS Consolidated Financial
GRI 2016	Research and development	p8 AR2021 Patient care, what makes our heart beat p45 AR2021 Management report / highlights of the year

Ref	Disclosure	Cross reference, URL and/or information
GRI 300 ENVIRONMENTAL TOPIC DISCLOSURES (GRI TOPIC SPECIFIC DISCLOSURES)		
302-1	Energy consumption within the organization	p39 AR2021 A committed company / planet p184 AR2021 GRI content appendix 302-1 / Energy consumption within organisation
302-2	Energy consumption outside of the organization	p39 AR2021 A committed company / planet p185 AR2021_GRI content appendix 302-2 / Energy consumption outside the organisation
306-2	Waste by type and disposal method	p39 AR2021 A committed company / planet p186 AR2021 GRI content appendix 306-2 / Waste by type and disposal methods

Ref	Disclosure	Cross reference, URL and/or information
GRI 400 SOCIAL TOPIC DISCLOSURES (GRI TOPIC SPECIFIC DISCLOSURES)		
403-2	Employee health and safety	p186 AR2021 GRI content appendix 403-2 / Employeen health and safety
412-2	Employees training on human rights policies and procedures	p33 AR2021 A committed company / employees p50 AR2021 Management report / principal risks and uncertainties faced by the company p81 AR2021 Management report / corporate governance statement / codes of conduct
416-2	Comfort, quality and safety of our medical and industrial solutions GRI 2016: 416 - Customer health and safety: Incidents of non-compliance concerning the health and safety impacts of products and services.	p8 AR2021 Patient care, what makes our heart beat p45 AR2021 Management report / highlights of the year p186 AR2021 GRI Content appendix 416-2 / Comfort, quality, safety of our solutions
GRI 2016	Affordability and accessibility of our solutions	p8 AR2021 Patient care, what makes our heart beat p45 AR2021 Management report / highlights of the year
GRI 2016	Awareness of proton therapy and thought leadership	p8 AR2021 Patient care, what makes our heart beat
GRI 2016	Satisfaction of customer: Customer's voice	p8 AR2021 Patient care, what makes our heart beat

Additional information as referred in the GRI Content Index

GRI disclosure additional information

102-13 MEMBERSHIP OF ASSOCIATIONS (GRI disclosure additional information)

IBA is a member of ASTRO (corporate membership) and ESTRO (gold membership), two major associations in the field of radiotherapy, in the United States and Europe. IBA is also a corporate member of the EANM, European Association of Nuclear Medicine, NAPT, an independent nonprofit organization to educate and increase awareness about the clinical benefits of proton therapy, iiA Global, an organization which aims to support the global irradiation industry and scientific community, the Alliance for Protontherapy, aiming to increase patient access to proton therapy for cancer patients by educating insurers, policymakers, employers, and the general public,and COCIR, the European Trade Association representing the medical imaging, radiotherapy, health ICT and electromedical industries.
IBA is a member of the Belgian association The Shift, leading the Belgian sustainable development network. IBA develops synergies in both Belgium and the United States and collaborates with numerous associations that aim to promote employment, education and awareness in relation to proton therapy.

102-15 KEY IMPACTS, RISKS, AND OPPORTUNITIES (GRI disclosure additional information)

An internal procedure is in place to document the responsibilities and requirements for identifying environmental, health and safety hazards of the organization’s activities, products or services, and for evaluating and controlling the associated risks and impacts. This management tool is used to assess environmental, health and safety risks and impacts. It also records the actions and control measures deployed by our various entities in the context of their continuous improvement process.

102-56 EXTERNAL ASSURANCE (GRI disclosure additional information)

To date, IBA has no ambition to seek external assurance for its sustainability report. This decision will be re-evaluated each year as our maturity evolves in terms of sustainable development reporting.

	Unit	2019	2020	2021
102-8 INFORMATION ON EMPLOYEES AND OTHER WORKERS (GRI disclosure additional information)				
Employment Structure				
Group	#	1 466	1 528	1618
Asia	%	10%	11%	12%
EMEA	%	71%	72%	72%
AM	%	18%	17%	16%
Part-time employees	%	8%	7%	8%
Temporary staff	#	5%	5%	5%
Diversity				
Nationalities – Group	#	56	56	60
Nationalities – Belgium	#	24	26	33
Group workforce under 30 years old	%	16	17	18
Group workforce between 30-49 years old	%	65	61	62
Group workforce 50 years old and older	%	18	21	19
Group workforce gender (F/M)	%	26%/74%	25%/75%	26%/74%
Asia workforce gender (F/M)	%	23%/77%	21%/79%	20%/80%
EMEA workforce gender (F/M)	%	28%/72%	27%/73%	28%/72%
AM workforce gender (F/M)	%	18%/82%	18%/82%	20%/80%
in part time employees (F/M)	%	72%/28%	66%/34%	67%/33%

	Unit	2019	2020	2021
302-1 ENERGY CONSUMPTION WITHIN THE ORGANIZATION (GRI disclosure additionnal information)				
IBA SA organization direct and indirect GHG emissions (Scope 1-2-3*)				
CO2 equivalent emissions - incl radiative forcing	t CO2e	9 814	5 407	6 248

	Unit	2019	2020	2021
CO2 equivalent emissions intensity - incl radiative forcing (per FTE)	t CO2e / FTE	14	7	8
CDP Score**	rank	C	C	B-

CO2eq emissions intensity is still significantly impacted due to the impact of Covid pandemic on mobility
- Plane related emissions increased compared to 2020 but remains far from 2019 level, impacted both by Covid pandemic and by alternative to flight travel such as remote conferencing, remote maintenance, and more intense use of local resources.
- Fleet car transport increased compared to 2020, but remains lower than 2019 level, with a continuous shift from diesel to gasoline/ and electricity within the fleet.

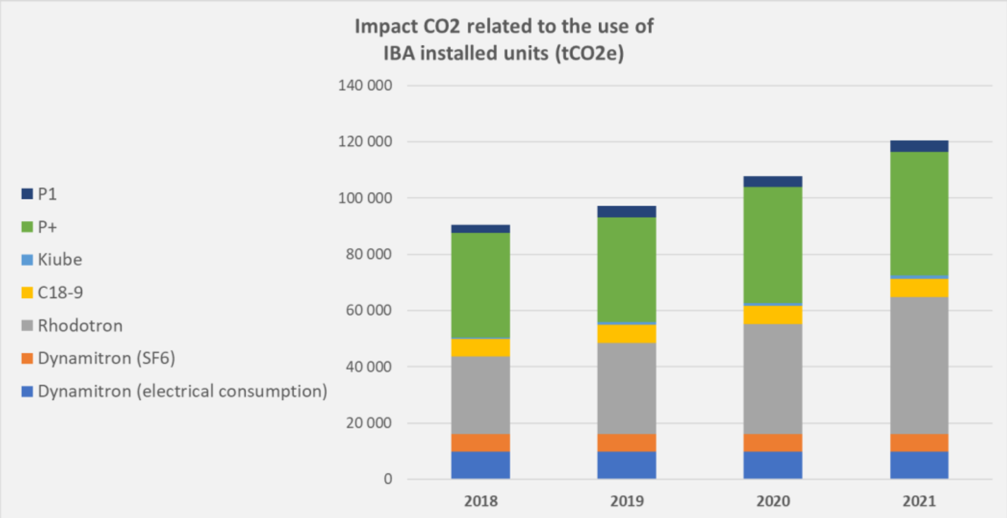
In 2021, IBA continued its policy of encouraging cleaner mobility alternatives:
- Discount for company cars with lower direct emissions (<60gCO2/km)
- 100% reimbursement of public transportation
- Electric bike leasing with 0.24€/km reimbursement. 200 bikes in lease by 31st December 2021

Contract with our electricity supplier is 100% green (nevertheless included in the above figures in order to display our actual energy consumption)

*Scope 3: included: car and heating fuel production, plane, rail and waste handling

** CDP Score related to disclosure year (eg B- relates to disclosure year 2021 and is based on 2020, per CDP rules)

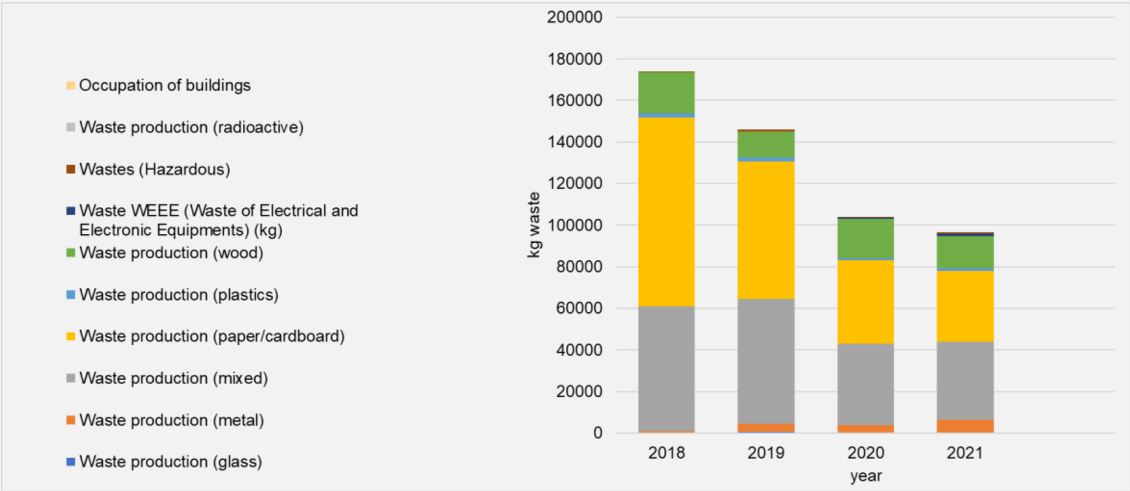
	Unit	2019	2020	2021
302-2 ENERGY CONSUMPTION OUTSIDE OF THE ORGANIZATION (GRI disclosure additional information)				
Installed base indirect greenhouse gas emissions GHG (Scope 3*)				
CO2 equivalent emissions	t CO2e	97 097	107 716	120 400



	Unit	2019	2020	2021
thereof PT	t CO2e	41 235	44 976	47 830
thereof PT per IBA treated patient	t CO2e/patient	3	3	3

The tCO2e/ patient ('functional unit') is kept flat in 2021, as the increased number of treated patients balances the additional consumption of the newly installed equipments. Note that corrections have been made to reporting of previous years, to reflect the actual start date and patient data of some installations.
*Scope 3: includes most impacting products, supported by a maintenance contract (in case of Dynamitrons, this amounts to 7% of the installed base)

	Unit	2019	2020	2021
306-2 WASTE BY TYPE AND DISPOSAL METHOD				
Waste and recycling (Belgian production site)				
Amount of waste	t	146	104	97



	Unit	2019	2020	2021
Mixed (unsorted): ratio vs total	%	41%	38%	39%

Reduction in offices wastes is the main contributor to the reduction of total waste, largely thanks to extensive homeworking all year long. Share of unsorted waste remains stable: we have with this respect set ourselves targets for reducing our unsorted waste intensity by a factor of 3 below 2018 levels by 2025 for our Belgian operations.

	Unit	2019	2020	2021
403-2 EMPLOYEE HEALTH AND SAFETY (GRI disclosure additional information)				
Engagement, Health and Safety				
Lost time accident cases	#	8	5	0
Lost time accident frequency rate	# LTA/million worked hours	3,3	2,0	0
Medical treatment cases	#	16	14	10
Total Recordable Incident Rate	# TRC/million worked hours	6,5	5,7	6,3
Attrition	%	6,8	6,4	5,6
Number of data privacy incidents: IBA did not record any breach of data privacy in 2021				

416-2 COMFORT, QUALITY, SAFETY OF OUR MEDICAL & INDUSTRIAL SOLUTIONS (GRI disclosure additional information)

At IBA, we are constantly improving our products and quality management processes in order to offer the market complete, safe and efficient solutions. We train our clients and help the medical community to provide users and patients with reliable and safe treatments. In order to raise the quality of the product IBA delivers on the market we are ISO13485:2016, ISO9001:2015, MDSAP certified. There have been no material incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of IBA's products and services iba-worldwide.com

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